



## NOTICE OF EXTRA ORDINARY GENERAL MEETING

**NOTICE** is hereby given that an Extra Ordinary General Meeting of the Members of **Deccan Gold Mines Limited** (CIN: L51900MH1984PLC034662) (the "**Company**" / "**DGML**") will be held at 11.30 A.M. (IST) on Wednesday, August 02, 2023 through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

### SPECIAL BUSINESS:

1. **Offer and issue of Equity Shares by the Company on preferential basis through private placement for non-cash consideration for acquisition of stake in Avelum Partner LLC, Kyrgyzstan**

**To consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the applicable provisions of Sections 23, 42, 62 and other provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable rules and regulations made thereunder (including any amendments, modifications and/ or re-enactments thereof for the time being in force) (hereinafter referred to as the "Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI Listing Regulations"), Foreign Exchange Management Act, 1999 ("FEMA"), provisions of the Memorandum and Articles of Association of the Company, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Ministry of Corporate Affairs ("MCA"), the Securities and Exchange Board of India ("SEBI"), the Ministry of Mines, Government of India or any other statutory or regulatory authority, in each case to the extent applicable and including any amendments, modifications or re-enactments thereof for the time being in force, and subject to such other approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) imposed by any other regulatory authorities and which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted / to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent and approval of the members of the Company be and is hereby accorded to the Company to create, offer, issue and allot upto 1,85,17,823 (One Crore Eighty Five Lakh Seventeen Thousand Eight Hundred Twenty Three) fully paid-up equity shares of face value of Re. 1/- (Rupee One) each ("**Subscription Shares 1**") at a price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Share 1 which is not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations, to the proposed allottees, as per the particulars set out below by way of preferential issue for consideration other than cash by way of share swap, for an aggregate consideration of Rs. 99,01,47,995.81 (Rupees Ninety Nine Crore One Lakh Forty Seven Thousand Nine Hundred Ninety Five and paise Eighty One only) for acquisition of share capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) ("**Acquisition Shares 1**") in Avelum Partner LLC, Kyrgyzstan, in accordance with applicable law.

**RESOLVED FURTHER THAT** the names of the Proposed Allottees (collectively "**Proposed Allottee/s 1**") and the Subscription Shares 1 to be issued and allotted to them is as under:

Sr. No.	Name of the Proposed Allottee/s 1	No. of Acquisition Shares 1 to be purchased by the Company	No. of Subscription Shares 1 to be issued by the Company	Consideration (in Rs.)
1	Hira Infra Tek Limited, India	3,67,50,000	1,20,36,585	64,35,96,199.95
2	Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor), Dubai	6,82,50,000	64,81,238	34,65,51,795.86
<b>Total</b>		<b>10,50,00,000</b>	<b>1,85,17,823</b>	<b>99,01,47,995.81</b>

**RESOLVED FURTHER THAT** the Subscription Shares 1 shall be fully paid-up and listed on the stock exchange and rank pari passu with the existing equity shares of the Company in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than any statutory lock-in under the SEBI ICDR Regulations), and shall be subject to the requirements of all applicable laws and the provisions of the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Subscription Shares 1 being offered, issued and allotted to the Proposed Allottee/s 1 by way of a preferential allotment shall inter-alia be subject to the following:

- The Subscription Shares 1 shall be issued and allotted by the Company to the Proposed Allottee/s 1 in dematerialised form within a period of 15 (fifteen) days from the later of: (i) date of the approval of this special resolution; or (ii) receipt of last of the approvals required for such issue and allotment by relevant regulatory authorities (including but not limited to the in-principle approval of the stock exchange for the issuance of the Subscription Shares 1 to Proposed Allottee/s 1 on a preferential basis), or such other extended period as may be permitted in accordance with SEBI ICDR Regulations, as amended from time to time;
- The "Relevant Date" as per the SEBI ICDR Regulations, for determination of floor price of the Subscription Shares 1 shall be Monday, July 03, 2023, being the date 30 (thirty) days prior to the date of this meeting on which this special resolution is being passed;
- The Subscription Shares 1 shall be subject to lock-in for such period as specified under Chapter V of the SEBI ICDR Regulations;
- No partly paid-up equity shares shall be issued / allotted;
- The Subscription Shares 1 so offered, issued and allotted will be listed on the BSE Limited, subject to the receipt of necessary regulatory permissions and approvals as the case may be;
- Subscription Shares 1 being so offered and issued to the Proposed Allottee/s 1 in the Company, for consideration other than cash being the shares to be acquired and such acquisition of Acquisition Shares 1 shall constitute full consideration for the Subscription Shares 1 to be issued by the Company to the Proposed Allottee/s 1 pursuant to this resolution.
- The Subscription Shares 1 so offered, issued and allotted shall not exceed the number of Subscription Shares 1 as approved hereinabove. Without prejudice to the generality of the above, the issue of the Subscription Shares 1 shall be subject to the terms and conditions as contained in the explanatory statement under Section 102 of the Act annexed hereto, which shall be deemed to form part hereof.

**RESOLVED FURTHER THAT** if Subscription Shares 1 cannot be allotted to any one or more of the Proposed Allottee/s 1 as mentioned above, the same will not invalidate the resolution and the Company may allot Subscription Shares 1 to the remaining allottees as proposed under this resolution and approved by the shareholders of the Company.

**RESOLVED FURTHER THAT** subject to the receipt of such approvals as may be required under applicable law, consent of the Members of the Company be and is hereby accorded to record the name and details of the Proposed Allottee/s 1 and to make an offer to the Proposed Allottee/s 1 through Private Placement Offer Letter cum application letter in such form as may be prescribed under the Companies Act and SEBI ICDR Regulations containing the terms and conditions.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Subscription Shares 1 to be allotted to the Proposed Allottee/s 1 for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Subscription Shares 1, (ii) making applications to the stock exchange for obtaining in-principle approvals, (iii) listing of Subscription Shares 1, (iv) filing requisite documents with the Ministry of Corporate Affairs ("MCA") and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vii) issue and allotment of the Subscription Shares 1, and (viii) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the members of the Company, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any Committee of the Board or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to this resolution, and that all actions taken by the Board in connection with any matter(s) referred to and / or contemplated in any of the foregoing resolution(s) be and are hereby approved, ratified and confirmed in all respects.

**2. Offer and issue of Equity Shares by the Company on preferential basis through private placement for non-cash consideration for acquisition of stake in Kalevala Gold Oy, Finland**

**To consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the applicable provisions of Sections 23, 42, 62 and other provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable rules and regulations made thereunder (including any amendments, modifications and/ or re-enactments thereof for the time being in force) (hereinafter referred to as the "Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI Listing Regulations"), Foreign Exchange Management Act, 1999 ("FEMA"), provisions of the Memorandum and Articles of Association of the Company, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Ministry of Corporate Affairs ("MCA"), the Securities and Exchange Board of India ("SEBI"), the Ministry of Mines, Government of India or any other statutory or regulatory authority, in each case to the extent applicable and including any amendments, modifications or re-enactments thereof for the time being in force, and subject to such other approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) imposed by any other regulatory authorities and which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted / to be constituted Committee of Directors thereof to exercise its powers

including powers conferred under this resolution), the consent and approval of the members of the Company be and is hereby accorded to the Company to create, offer, issue and allot upto 11,51,181 (Eleven Lakh Fifty One Thousand One Hundred Eighty One) fully paid-up equity shares of face value of Re. 1/- (Rupee One) each ("**Subscription Shares 2**") at a price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Share 2 which is not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations, to the proposed allottees, as per the particulars set out below by way of preferential issue for consideration other than cash by way of share swap, for an aggregate consideration of Rs. 6,15,53,648.07 (Rupees Six Crore Fifteen Lakh Fifty Three Thousand Six Hundred Forty Eight and paise Seven only) for acquisition of capital aggregating to 810 Shares ("**Acquisition Shares 2**") in Kalevala Gold Oy, Finland, in accordance with applicable law.

**RESOLVED FURTHER THAT** the names of the Proposed Allottees ("**Proposed Allottee/s 2**") and the Subscription Shares 2 to be issued and allotted to them is as under:

Sr. No.	Name of the Proposed Allottee/s 2	No. of Acquisition Shares 2 to be purchased by the Company	No. of Subscription Shares 2 to be issued by the Company	Consideration (in Rs.)
1	Lionsgold India Holdings Limited, Mauritius	810	11,51,181	6,15,53,648.07
<b>Total</b>		<b>810</b>	<b>11,51,181</b>	<b>6,15,53,648.07</b>

**RESOLVED FURTHER THAT** the Subscription Shares 2 shall be fully paid-up and listed on the stock exchange and rank pari passu with the existing equity shares of the Company in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than any statutory lock-in under the SEBI ICDR Regulations), and shall be subject to the requirements of all applicable laws and the provisions of the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Subscription Shares 2 being offered, issued and allotted to the Proposed Allottee/s 2 by way of a preferential allotment shall inter-alia be subject to the following:

- a. The Subscription Shares 2 shall be issued and allotted by the Company to the Proposed Allottee/s 2 in dematerialised form within a period of 15 (fifteen) days from the later of: (i) date of the approval of this special resolution; or (ii) receipt of last of the approvals required for such issue and allotment by relevant regulatory authorities (including but not limited to the in-principle approval of the stock exchange for the issuance of the Subscription Shares 2 to Proposed Allottee/s 2 on a preferential basis), or such other extended period as may be permitted in accordance with SEBI ICDR Regulations, as amended from time to time;
- b. The "Relevant Date" as per the SEBI ICDR Regulations, for determination of floor price of the Subscription Shares 2 shall be Monday, July 03, 2023, being the date 30 (thirty) days prior to the date of this meeting on which this special resolution is being passed;
- c. The Subscription Shares 2 shall be subject to lock-in for such period as specified under Chapter V of the SEBI ICDR Regulations;
- d. No partly paid-up equity shares shall be issued / allotted;
- e. The Subscription Shares 2 so offered, issued and allotted will be listed on the BSE Limited, subject to the receipt of necessary regulatory permissions and approvals as the case may be;
- f. Subscription Shares 2 being so offered and issued to the Proposed Allottee/s 2 in the Company, for consideration other than cash being the shares to be acquired and such acquisition of Acquisition Shares 2 shall constitute full consideration for the Subscription Shares 2 to be issued by the Company to the Proposed Allottee/s 2 pursuant to this resolution.
- g. The Subscription Shares 2 so offered, issued and allotted shall not exceed the number of Subscription Shares 2 as approved hereinabove. Without prejudice to the generality of the above, the issue of the Subscription Shares 2 shall be subject to the terms and conditions as contained in the explanatory statement under Section 102 of the Act annexed hereto, which shall be deemed to form part hereof.

**RESOLVED FURTHER THAT** subject to the receipt of such approvals as may be required under applicable law, consent of the Members of the Company be and is hereby accorded to record the name and details of the Proposed Allottee/s 2 and to make an offer to the Proposed Allottee/s 2 through Private Placement Offer Letter cum application letter in such form as may be prescribed under the Companies Act and SEBI ICDR Regulations containing the terms and conditions.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Subscription Shares 2 to be allotted to the Proposed Allottee/s 2 for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Subscription Shares 2, (ii) making applications to the stock exchange for obtaining in-principle approvals, (iii) listing of Subscription Shares 2, (iv) filing requisite documents with the Ministry of Corporate Affairs ("MCA") and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vii) issue and allotment of the Subscription Shares 2, and (viii) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the members of the Company, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any Committee of the Board or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to this resolution, and that all actions taken by the Board in connection with any matter(s) referred to and / or contemplated in any of the foregoing resolution(s) be and are hereby approved, ratified and confirmed in all respects.

### **3. Offer and Issue of Equity Shares by the Company on a preferential basis for cash consideration.**

**To consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the applicable provisions of Sections 23, 42, 62 and other provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable rules and regulations made thereunder (including any amendments, modifications and/ or re-enactments thereof for the time being in force) (hereinafter referred to as the "Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI Listing Regulations"), Foreign Exchange Management Act, 1999 ("FEMA"), provisions of the Memorandum and Articles of Association of the Company, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Ministry of Corporate Affairs ("MCA"), the Securities and Exchange Board of India ("SEBI"), the Ministry of Mines, Government of India or any other statutory or regulatory authority, in each case to the extent

applicable and including any amendments, modifications or re-enactments thereof for the time being in force, and subject to such other approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) imposed by any other regulatory authorities and which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted / to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent and approval of the members of the Company be and is hereby accorded to the Company to create, offer, issue and allot upto 10,89,618 (Ten Lakh Eighty Nine Thousand Six Hundred Eighteen) fully paid-up equity shares of face value of Re. 1/- (Rupee One) each ("**Subscription Shares 3**") at an issue price of Rs. 53.47 (Rupees Fifty Three and Paise Forty Seven only) per Equity Share which is not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations, aggregating to Rs. 5,82,61,874.46 (Rupees Five Crore Eighty Two Lakh Sixty One Thousand Eight Hundred Seventy Four and paise Forty Six only) for cash consideration by way of preferential allotment to persons / entities who are not forming part of the Promoter and Promoter group of the Company (hereinafter referred to as the "**Proposed Allottee/s 3**");

<b>Sr. No.</b>	<b>Name of the Proposed Allottee/s 3</b>	<b>No. of Subscription Shares 3 to be issued by the Company</b>	<b>Consideration (in Rs.)</b>
1	Lionsgold India Holdings Limited, Mauritius	1,54,516	82,61,970.52
2	Mahesh Wadhvani	2,80,531	1,49,99,992.57
3	Renuka Wadhvani	2,80,531	1,49,99,992.57
4	Alok Gyanchand Kothari	1,40,265	74,99,969.55
5	Sanjay Thakre	46,755	24,99,989.85
6	Vikas Ranjan Mahto	1,87,020	99,99,959.40
<b>Total</b>		<b>10,89,618</b>	<b>5,82,61,874.46</b>

**RESOLVED FURTHER THAT** the Subscription Shares 3 shall be fully paid-up and listed on the stock exchange and rank pari passu with the existing equity shares of the Company in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than any statutory lock-in under the SEBI ICDR Regulations), and shall be subject to the requirements of all applicable laws and the provisions of the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Subscription Shares 3 being offered, issued and allotted to the Proposed Allottee/s 3 by way of a preferential allotment shall inter-alia be subject to the following:

- a. The Subscription Shares 3 so offered, issued and allotted to the Proposed Allottee/s 3, shall be issued by the Company for cash consideration only and the consideration for the Preferential Issue shall be fully payable on or before the date of the allotment of the Subscription Shares 3;
- b. Monies received by the Company from the Proposed Allottee/s 3 for subscription of the Subscription Shares 3 pursuant to this Preferential Issue shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Companies Act, the SEBI Listing Regulations and such objects as specified in the explanatory statement to the Notice of the Extra-Ordinary General Meeting given to the Members;
- c. The Subscription Shares 3 shall be issued and allotted by the Company to the Proposed Allottee/s 3 in dematerialised form within a period of 15 (fifteen) days from the later of: (i) date of the approval of this special resolution; or (ii) receipt of last of the approvals required for such issue and allotment by relevant regulatory authorities (including but not limited to the in-principle approval of the stock exchange for the issuance of the Subscription Shares 3 to Proposed Allottee/s 3 on a preferential basis), or such other extended period as may be permitted in accordance with SEBI ICDR Regulations, as amended from time to time;

- d. The "Relevant Date" as per the SEBI ICDR Regulations, for determination of floor price of the Subscription Shares 3 shall be Monday, July 03, 2023, being the date 30 (thirty) days prior to the date of this meeting on which this special resolution is being passed;
- e. The Subscription Shares 3 shall be subject to lock-in for such period as specified under Chapter V of the SEBI ICDR Regulations;
- f. No partly paid-up equity shares shall be issued/ allotted;
- g. The Subscription Shares 3 so offered, issued and allotted will be listed on the BSE Limited, subject to the receipt of necessary regulatory permissions and approvals as the case may be;
- h. Without prejudice to the generality of the above, the issue of the Subscription Shares 3 shall be subject to the terms and conditions as contained in the explanatory statement under Section 102 of the Act annexed hereto, which shall be deemed to form part hereof.

**RESOLVED FURTHER THAT** if Subscription Shares 3 cannot be allotted to any one or more of the Proposed Allottee/s 3 as mentioned above, the same will not invalidate the resolution and the Company may allot Subscription Shares 3 to the remaining allottees as proposed under this resolution and approved by the shareholders of the Company.

**RESOLVED FURTHER THAT** subject to the receipt of such approvals as may be required under applicable law, consent of the Members of the Company be and is hereby accorded to record the name and details of the Proposed Allottee/s 3 and to make an offer to the Proposed Allottee/s 3 through Private Placement Offer Letter cum application letter in such form as may be prescribed under the Companies Act and SEBI ICDR Regulations containing the terms and conditions.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Subscription Shares 3 to be allotted to the Proposed Allottee/s 3 for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Subscription Shares 3, (ii) making applications to the stock exchange for obtaining in-principle approvals, (iii) listing of Subscription Shares 3, (iv) filing requisite documents with the Ministry of Corporate Affairs ("MCA") and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vii) issue and allotment of the Subscription Shares 3, and (viii) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the members of the Company, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any Committee of the Board or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to this resolution, and that all actions taken by the Board in connection with any matter(s) referred to and / or contemplated in any of the foregoing resolution(s) be and are hereby approved, ratified and confirmed in all respects.



**4. Offer and Issue of Equity Warrants convertible into equivalent number of Equity Shares of the Company on preferential basis for cash consideration.**

**To consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"Resolved that** pursuant to the applicable provisions of Sections 23, 42, 62 and other provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable rules and regulations made thereunder (including any amendments, modifications and/ or re-enactments thereof for the time being in force) (hereinafter referred to as the "Act"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments, modifications or re-enactments thereof for the time being in force) ("SEBI Listing Regulations"), Foreign Exchange Management Act, 1999 ("FEMA"),

provisions of the Memorandum and Articles of Association of the Company, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Ministry of Corporate Affairs ("MCA"), the Securities and Exchange Board of India ("SEBI"), the Ministry of Mines, Government of India or any other statutory or regulatory authority, in each case to the extent applicable and including any amendments, modifications or re-enactments thereof for the time being in force, and subject to such other approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) imposed by any other regulatory authorities and which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted / to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent and approval of the members of the Company be and is hereby accorded to the Company to create, offer, issue and allot, in one or more tranches, at such time or times as the Board may in its absolute discretion thinks fit, upto 82,28,947 (Eighty Two Lakh Twenty Eight Thousand Nine Hundred Forty Seven) equity warrants of the Company convertible into equivalent number of equity shares of face value ₹ 1/- (Indian Rupee One) each ("**Equity Warrants**") at an issue price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven) per Equity Warrant as determined on the Relevant Date in accordance with the provisions of Chapter V of the SEBI ICDR Regulations aggregating to Rs. 44,00,01,796.09 (Rupees Forty Four Crore One Thousand Seven Hundred Ninety Six and paise Nine only) for cash consideration by way of preferential allotment to persons / entities who are not forming part of the Promoter and Promoter group of the Company (hereinafter referred to as the "**Proposed Allottee/s 4**"):

<b>Sr. No.</b>	<b>Name of the Proposed Allottee/s 4</b>	<b>No. of Equity Warrants to be issued by the Company</b>	<b>Consideration (in Rs.)</b>
1	Hira Infra Tek Limited, India	59,84,700	32,00,01,909.00
2	Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor), Dubai	18,70,207	9,99,99,968.29
3	Alok Gyanchand Kothari	1,87,020	99,99,959.40
4	Suresh Babu Mitta	1,87,020	99,99,959.40
<b>Total</b>		<b>82,28,947</b>	<b>44,00,01,796.09</b>

**RESOLVED FURTHER THAT** in accordance with the provisions of the SEBI ICDR Regulations, the "Relevant Date" for the purpose of calculating the price of Equity warrants convertible into equal number of equity shares to be issued in terms hereof is Monday, July 03, 2023, being the date immediately preceding 30 days prior to the date of General Meeting.

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**RESOLVED FURTHER THAT**

- (i) each Equity Warrant shall give the Warrant Holder the right to exercise for one Equity Share of the Company;
- (ii) Warrants shall be convertible into equity shares within 18 months from the date of allotment of Equity Warrants;
- (iii) The Equity Warrants by themselves do not give to the holder thereof any rights of the shareholder of the Company;
- (iv) the number of Equity Shares and the price per Equity Share upon exercise of each Warrant shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a business division or any such capital or corporate restructuring, if any prior to the conversion of Equity Warrants;
- (v) Atleast 25% of the consideration for preferential issue of Equity Warrants shall be received by the Company prior to the allotment of said warrants;
- (vi) at the time of exercise, the Warrant Holder shall pay the balance of the consideration payable in respect of the Equity Warrants so being exercised; and
- (vii) The Equity Warrants will not be listed on the stock exchange.

**RESOLVED FURTHER THAT** if Equity Warrants cannot be allotted to any one or more of the Proposed Allottee/s 4 as mentioned above, the same will not invalidate the resolution and the Company may allot Equity Warrants to the remaining allottees as proposed under this resolution and approved by the shareholders of the Company.

**RESOLVED FURTHER THAT** the Equity Shares on conversion of equity warrants, issued to Proposed Allottee/s 4, shall be fully paid-up and listed on the stock exchange and rank pari passu with the existing equity shares of the Company in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than any statutory lock-in under the SEBI ICDR Regulations), and shall be subject to the requirements of all applicable laws and the provisions of the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to make the necessary application and to take all other steps as may be necessary for the listing of the said Equity Shares upon exercise of Equity Warrants and the admission of the Equity Shares with the depositories and for the credit of such Equity Shares to the Proposed Allottee/s 4.

**RESOLVED FURTHER THAT** the Equity Shares, upon conversion of Equity Warrants, shall be issued and allotted by the Company to the Proposed Allottee/s 4 in dematerialised form within a period of 15 (fifteen) days from the date of conversion of Equity Warrants or such timeline as permitted under applicable laws;

**Resolved further that** subject to the receipt of such approvals as may be required under applicable law, consent of the Members of the Company be and is hereby accorded to record the name and details of the Proposed Allottee/s 4 and to make an offer to the Proposed Allottee/s 4 through Private Placement Offer Letter cum application letter in such form as may be prescribed under the Companies Act and SEBI ICDR Regulations containing the terms and conditions.

**Resolved further that** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the exercise of the Equity Warrant or Equity Shares to be allotted to the Proposed Allottee/s 4 for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the equity shares, (ii) making applications to the stock exchange for obtaining in-principle approvals, (iii) listing of shares, (iv) filing requisite documents with the Ministry of Corporate Affairs ("MCA") and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vii) issue and allotment of Equity Warrants; (viii) issue and allotment of the Equity Shares on Conversion, and (ix) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further

consent or approval of the members of the Company, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

**Resolved further that** the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any Committee of the Board or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard.

**Resolved further that** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to this resolution, and that all actions taken by the Board in connection with any matter(s) referred to and / or contemplated in any of the foregoing resolution(s) be and are hereby approved, ratified and confirmed in all respects.

By order of the Board of Directors  
For **Deccan Gold Mines Limited**

**Subramaniam S.**  
Company Secretary  
ACS No 12110

Registered Office:  
501, Akruti Trade Centre  
Road No. 7, MIDC  
Andheri (East)  
Mumbai - 400 093  
CIN: L51900MH1984PLC034662

Place : Bengaluru  
Date : July 11, 2023

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**Notes:**

1. The Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 2/2022 dated May 05, 2022 and 11/2022 dated December 28, 2022 along with such other applicable circulars issued by MCA (hereinafter referred to as "MCA Circulars"), SEBI Circular dated May 13, 2022 and any other applicable laws and regulations has allowed companies to conduct the general meeting, up to September 30, 2023, through Video Conferencing (VC) or Other Audio Visual Means (OAVM). In accordance with the applicable provisions and the MCA and SEBI Circulars, the EGM of the Company shall be conducted through VC/OAVM facility.
2. A Statement pursuant to Section 102(1) of the Act, ("Explanatory Statement") relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
3. Since, the EGM will be held through VC/OAVM and the physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for the Meeting. Accordingly, the Proxy Form and Attendance Slip is not annexed to this Notice.
4. Pursuant to Section 113 of the Act, representatives of Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.

Corporate Members intending to attend the Meeting through their authorized representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney (PDF/JPG Format), if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address i.e. **dgmlagm@deccangoldmines.com**.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the Meeting along with the Explanatory Statement is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice will also be available on the website of the Company, i.e. [www.deccangoldmines.com](http://www.deccangoldmines.com); website of BSE Limited at [www.bseindia.com](http://www.bseindia.com).
6. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 11.
7. Members attending the Meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at [dgmlagm@deccangoldmines.com](mailto:dgmlagm@deccangoldmines.com).
9. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their Depository Participants (DPs) in case the shares are held by them in dematerialized form and to the Registrar and Share Transfer Agents of the Company i.e. Link Intime India Private Limited ("Link Intime") in case the shares are held by them in physical form.
10. Members seeking any information/desirous of asking any questions at the Meeting with regard to the accounts or any matter to be placed at the Meeting are requested to send email to the Company at [dgmlagm@deccangoldmines.com](mailto:dgmlagm@deccangoldmines.com) a least 7 days before the Meeting. The same will be replied by the Company suitably.

11. Information and other instructions relating to e-voting are as under:

- I. The remote e-voting facility will be available during the following period:

**Commencement of e-voting:** From 9:00 a.m. (IST) on Sunday, July 30, 2023

**End of e-voting:** Up to 5:00 p.m. (IST) on Tuesday, August 1, 2023

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of the aforesaid period.

- II. Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circular the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
- III. The Company has engaged the services of Link Intime India Private Limited to provide remote e-voting facility to the Members.
- IV. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Wednesday, July 26, 2023. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- V. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e., Wednesday, July 26, 2023 only shall be entitled to avail the facility of e-voting.
- VI. Members who are holding shares in physical form or who have not registered their email address with the Company/Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. Wednesday, July 26, 2023; such Member may obtain the User ID and password by sending a request at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- VII. The Board of Directors of the Company has appointed CS Himanshu S. Kamdar, Partner of M/s. Rathi & Associates, a Practicing Company Secretary firm, Mumbai as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer, after scrutinizing the votes, will, not later than forty-eight hours from the conclusion of the Meeting; make a consolidated scrutinizer's report which shall be placed on the website of the Company, i.e., [www.deccangoldmines.com](http://www.deccangoldmines.com). The results shall simultaneously be communicated to the Stock Exchange.
- IX. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Wednesday, August 2, 2023.

**(A) Remote e-Voting Instructions for shareholders:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat mode is given below:**

1. Individual Shareholders holding securities in demat mode with NSDL
  1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
  2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
  3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
  1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
  2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
  3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
  4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants  
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after

successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

*\*Shareholders holding shares in **NSDL form**, shall provide ‘D’ above*

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

► Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

**Guidelines for Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**(B) Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.



▶ Select the “Company” and ‘Event Date’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

• Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

• Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

• Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

### **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so,

shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

### **General Guidelines for Shareholders:**

1. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Wednesday, July 26, 2023.
2. Members who have not registered their e-mail ID and also have not updated PAN with the Company/Depository are requested to approach Link Intime India Pvt. Ltd. at their e-mail ID [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or calling on 022-49186175 for e-voting related queries. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
3. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the EGM electronically.
4. The Company has appointed Mr. Himanshu S Kamdar, (Membership No. FCS 5171), Partner of M/s. Rathi & Associates, Company Secretaries, Mumbai as the Scrutinizer to scrutinize the voting and remote e-voting process for the EGM in a fair and transparent manner.
5. The Scrutinizer shall after the conclusion of voting at the EGM, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make, not later than two working days of the conclusion of the EGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.
6. The Notice of the EGM shall be placed on the website of the Company till the date of EGM. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.deccangoldmines.com](http://www.deccangoldmines.com) and on the website of Link Intime India Private Limited immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to BSE Limited, where the shares of the Company are listed.

7. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By order of the Board of Directors  
For **Deccan Gold Mines Limited**

**Subramaniam S.**  
Company Secretary  
ACS No 12110

Registered Office:  
501, Ackruti Trade Centre  
Road No. 7, MIDC  
Andheri (East)  
Mumbai - 400 093  
CIN: L51900MH1984PLC034662

Place : Bengaluru  
Date : July 11, 2023

## STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 1

The Board of Directors of DGML ("**Board**") at its meeting held on July 08, 2023 approved the proposal to acquire stake in Avelum Partner LLC ("**Avelum**") to the extent of share capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) representing 60% of the present capital of Avelum from (i) Hira Infra Tek Limited, India and (ii) Med Edu Care Marketing Management, Dubai (held through / represented by Mr. Phani Bhushan Potu, Proprietor) (collectively "**Proposed Allottees 1**") by way of non-cash consideration as share swap by issue and allotment of 1,85,17,823 (One Crore Eighty Five Lakh Seventeen Thousand Eight Hundred Twenty Three) Equity Shares of face value of Re. 1/- (Rupee One each) (Subscription Shares 1) by way of preferential issue under the Companies Act, 2013 and rules made thereunder ("**Act**", the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Foreign Exchange Management Act, 1999 ("**FEMA**") and rules made thereunder. DGML has an option to raise its stake in Avelum by a further 10%.

Subject to receipt of requisite regulatory approvals as may be required, and receipt of shareholders' approval, DGML proposes to issue Subscription Shares 1 at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Shares 1 including securities premium of Rs 52.47 (Rupees Fifty Two and paise Forty Seven only) per Subscription Share 1, free from all encumbrances in consideration of transfer of Acquisition Shares 1 from the Proposed Allottee/s 1 to DGML ("**Transaction 1**", and further detailed in this explanatory statement. The total consideration for issue and allotment of Subscription Shares 1 is Rs. 99,01,47,995.81 (Rupees Ninety Nine Crore One Lakh Forty Seven Thousand Nine Hundred Ninety Five and paise Eighty One only), for the allotment price of Rs. 53.47 per Subscription Share 1.

The above issue price and share swap ratio has been determined based on consideration of:

- (a) Joint Valuation cum share swap ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable for purchase of shares in Avelum (the "**Valuation Report**");
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations (the "**Pricing Certificate**").

The issue price for the Subscription Shares 1 is equivalent to the floor price prescribed under Chapter V of the SEBI ICDR Regulations.

In terms of the provisions of Sections 23, 42 and 62, and other applicable provisions, if any, of the Act, and Rules framed thereunder including the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, any preferential allotment of securities is required to be approved by the members of DGML by way of a special resolution.

Therefore, the consent of the members is being sought by way of a special resolution to issue Subscription Shares 1 to the Proposed Allottee/s 1 in accordance with the provisions of the Act, SEBI ICDR Regulations, as amended, and any other applicable laws, including with respect to the pricing of the Subscription Shares 1 proposed to be issued by way of a preferential allotment and the share swap ratio.

Necessary information / details in respect of the proposed preferential allotment in terms of Sections 42 and 62 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended and Chapter V of the SEBI ICDR Regulations are as under:

### 1. Manner of issue of Subscription Shares 1:

The Subscription Shares 1 shall be issued and allotted to the Proposed Allottee/s 1 by way of preferential issue on a private placement basis, for non-cash consideration for acquisition of Share Capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) in Avelum Partners LLC, Kyrgyzstan, representing 60% of the capital of Avelum held by Hira Infra Tek Limited, India (6,82,50,000 shares) and Med Edu Care Marketing Management, Dubai (held through / represented by Mr. Phani Bhushan Potu, Proprietor) (3,67,50,000 shares);

The Subscription Shares 1 are proposed to be issued by DGML at an Issue Price of Rs. 53.47 per Equity Share as under:

Sr. No.	Name of the Proposed Allotees	No. of Acquisition Shares 1 to be purchased by the Company	No. of Subscription Shares 1 to be issued by the Company	Consideration (in Rs.)
1	Hira Infra Tek Limited, India	3,67,50,000	1,20,36,585	64,35,96,199.95
2	Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor), Dubai	6,82,50,000	64,81,238	34,65,51,795.86
<b>Total</b>		<b>10,50,00,000</b>	<b>1,85,17,823</b>	<b>99,01,47,995.81</b>

### 2. Purpose / Objects of the Issue:

DGML has agreed to purchase Share Capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) in Avelum Partners LLC, Kyrgyzstan, representing 60% of the capital of Avelum held by Hira Infra Tek Limited, India (6,82,50,000 shares) and Med Edu Care Marketing Management, Dubai (held through / represented by Mr. Phani Bhushan Potu, Proprietor) (3,67,50,000 shares) at the price of Rs. 9.43 (Indian Rupees Nine and Paise Forty Three only) per share of Avelum of value 1 KGS (Kyrgyzstani Som), being discharged by way of non-cash consideration by way of issue and allotment of an aggregate of 1,85,17,823 (One Crore Eighty Five Lakh Seventeen Thousand Eight Hundred Twenty Three) equity shares of face value of Re. 1/- (Rupee One only) each of DGML ("**Subscription Shares 1**") to be issued at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only). The total consideration for issue and allotment of Subscription Shares 1 is Rs. 99,01,47,995.81 (Rupees Ninety Nine Crore One Lakh Forty Seven Thousand Nine Hundred Ninety Five and paise Eighty One only).

The non-cash purchase consideration to the Proposed Allottees will be settled by way of allotment of Subscription Shares 1 of DGML as mentioned in resolution at Item No. 1 in this notice and explanatory statement, subject to SEBI ICDR Regulations and requisite approvals including from stock exchange and any other approvals, as may be applicable.

Amount of funds to be utilized – Not Applicable as non-cash consideration  
Timeline for utilization of funds – Not Applicable as non-cash consideration

### 3. Type of security offered and the number of security offered:

DGML proposes to issue upto 1,85,17,823 (One Crore Eighty Five Lakh Seventeen Thousand Eight Hundred Twenty Three) equity shares of the face value of Re. 1/- (Rupee One only) each at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) to the Proposed Allottees 1. Details of the securities to be issued, price

of securities, date of approval by the Board in relation to the preferential allotment, and details of the Proposed Allottee/s 1 are set out in the previous paragraphs. The Subscription Shares 1 shall be fully paid-up and listed on the BSE Limited ("BSE" / "Stock Exchange") and rank pari passu with the existing equity shares of DGML in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than statutory lock-in under the SEBI ICDR Regulations), in accordance with applicable law, and shall be subject to the requirements of all applicable laws and to the provisions of the Memorandum of Association and Articles of Association of DGML.

The allotment of the Subscription Shares 1 is proposed to be made at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) each, determined based on the above-mentioned Valuation Report in accordance with the SEBI ICDR Regulations, Companies Act and FEMA.

#### 4. Intent of the promoters, directors, key management personnel or senior management personnel of DGML to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel or Senior Management Personnel or their relatives intend to subscribe to the Preferential Issue.

#### 5. Shareholding Pattern of DGML before and after the issue:

The pre-issue and post-issue shareholding pattern of DGML (after considering full allotment of Subscription Shares 1 under Item No. 1 of this Notice, Subscription Shares 2 under Item No. 2 of this Notice, Subscription Shares 3 under Item No. 3 of this Notice and Equity Warrants under Item No. 4 of this Notice to be issued on preferential basis) is given below:

Shareholding pattern	Pre Issue shareholding pattern (on fully diluted basis)		New Issue (Subscription Shares 1, Subscription Shares 2, Subscription Shares 3 and Equity Warrants)			Post Issue shareholding pattern (on fully diluted basis) *	
	No. of shares	%age	(Equity Shares under both share swap, Item No. 1 & 2)	(Equity Shares for cash consideration, Item No. 3)	(Warrants for cash consideration, Item No. 4)	No. of shares	%age
<b>A. Promoter &amp; Promoter Group</b>							
Promoters (Equity Share Capital)	3,87,40,179	30.19%	-	-	-	3,87,40,179	24.62%
Promoters (CCD)	14,99,276	1.17%	-	-	-	14,99,276	0.95%
<b>Sub-total (A)</b>	<b>4,02,39,455</b>	<b>31.36%</b>	-	-	-	<b>4,02,39,455</b>	<b>25.58%</b>
<b>B. Public</b>							
<b>Allottees (under Item No. 1, 2, 3 &amp; 4):</b>							
<b>Hira Infra Tek Limited</b>	-	-	<b>1,20,36,585</b>	-	59,84,700	1,80,21,285	11.46%
<b>Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor)</b>	-	-	<b>64,81,238</b>	-	18,70,207	83,51,445	5.31%
Lionsgold India Holdings Limited	1,26,66,388	9.87%	11,51,181	1,54,516	-	1,39,72,085	8.88%
Mahesh Wadhwani	-	-	-	2,80,531	-	2,80,531	0.18%
Renuka Wadhwani	-	-	-	2,80,531	-	2,80,531	0.18%
Alok Gyanchand Kothari	-	-	-	1,40,265	1,87,020	3,27,285	0.21%
Sanjay Thakre	-	-	-	46,755	-	46,755	0.03%
Vikas Ranjan Mahto	-	-	-	1,87,020	-	1,87,020	0.12%
Suresh Babu Mitta	-	-	-	-	1,87,020	1,87,020	0.12%

Shareholding pattern	Pre Issue shareholding pattern (on fully diluted basis)		New Issue (Subscription Shares 1, Subscription Shares 2, Subscription Shares 3 and Equity Warrants)			Post Issue shareholding pattern (on fully diluted basis) *	
	No. of shares	%age	(Equity Shares under both share swap, Item No. 1 & 2)	(Equity Shares for cash consideration, Item No. 3)	(Warrants for cash consideration, Item No. 4)	No. of shares	%age
<b>Public (Others)</b>	7,54,28,597	58.78%	1,96,69,004	10,89,618	82,28,947	7,54,28,597	47.95%
<b>Sub-total (B)</b>	<b>8,80,94,985</b>	<b>68.64%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>11,70,82,554</b>	<b>74.42%</b>
<b>Total</b>	<b>12,83,34,440</b>	<b>100.00%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>15,73,22,009</b>	<b>100.00%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

## 6. Proposed time frame within which the preferential issue shall be completed:

As required under the SEBI ICDR Regulations, DGML shall complete the allotment of the Subscription Shares 1 on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the members for issue and allotment of the Subscription Shares 1, provided that where the issue and allotment of the Subscription Shares 1 is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority or the Central Government (including but not limited to the in-principle approval of the stock exchange for the issuance of the Subscription Shares 1 to the Proposed Allottees on a preferential basis), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

## 7. Basis on which the floor price has been arrived at, justification for the issue price (including premium), justification of non cash consideration receivable in form of Acquisition Shares 1 and Relevant Date

The issue price has been determined based of the requirements under the Regulation 163, 164 and 166A of the SEBI ICDR Regulations, Foreign Exchange Management Act, 1999 and other applicable statutory provisions and the rules made thereunder, as applicable. Further, the consideration payable to Proposed Allottee/s 1 for acquisition of share capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) ("Acquisition Shares 1") in Avelum Partner LLC, Kyrgyzstan held by the Proposed Allottee/s 1, shall be discharged by DGML by the issuance of the Subscription Shares 1. As per Regulation 163(3) of the SEBI ICDR Regulations, a valuation is required to be undertaken by an independent valuer where securities are issued on a preferential basis for consideration other than cash.

Accordingly, the compliance with the valuation requirement under Companies Act, SEBI ICDR Regulations and FEMA has been complied with as under:

- Joint Valuation cum share swap ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable;
- Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations.

### Relevant Date

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for equity shares to be issued is Monday, July 03, 2023, i.e., 30 (thirty) days prior to the date of this EGM.

### Whether frequently traded or not

The equity shares of DGML are listed and frequently traded on the BSE in accordance with SEBI ICDR Regulations.

### Floor Price

In terms of Regulation 164 (1) of SEBI ICDR Regulations, the price at which Subscription Shares 1 will be allotted shall not be less than higher of the following:

- the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 48.00 (Rupees Forty Eight only) per equity share; or
- the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per equity share.

**The price per Subscription Share 1 of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) is equivalent to the floor price determined in accordance with Regulation 164 (1) of SEBI ICDR Regulations.**

### Basis for arriving the price

The value of the Acquisition Shares 1 and price of the Subscription Shares 1 to be allotted for non cash consideration has been determined taking into account the Joint valuation cum share swap ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable.

**The salient features for determination of the valuation of the Subscription Shares 1 of DGML for the purpose of allotment and share swap is as under:**

Extract from the Valuation Report:

Quote

#### **Asset Approach:**

*We have considered adjusted Net Asset Value (NAV) Method for determining the fair value of the equity shares of the Company, being carrying on operations in the nature of holding company, but have not assigned any weight to the same as assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.*

#### **Income Approach:**

*DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML.*

*Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value*



(PECV) Method for fair valuation analysis.

**Market Approach:**

We haven't applied Comparable Companies' Multiple "CCM" method because there were no comparable listed companies in similar business segment, i.e. gold mining.

**Unquote**

The summary for valuation is as under:

**Quote**

*Amount in INR except weights and stated otherwise*

Valuation Approach	Methodology	Value Per Share	Weight	Product
Asset Approach	Net Assets Value Method <sup>1</sup>	14.08	0.00	0.00
Market Approach	Market Price Method	53.47	1.00	53.47
	CCM Method <sup>2</sup>	NA	0.00	0.00
Income Approach	DCF/PECV <sup>3</sup>	NA	0.00	0.00
<b>Fair Value per share in INR</b>				<b>53.47</b>

\* The final indication of value, on a going concern basis, is generally one number computed from a variety of analytical procedures and one or more of the three methods discussed above. As per the guidelines prescribed under International Valuation Standards, the goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstances. No one method is suitable in every possible situation. The selection process should consider, at a minimum:

- a) the appropriate basis(s) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment;
- b) the respective strengths and weaknesses of the possible valuation approaches and methods;
- c) the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market.

<sup>1</sup> Assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.

<sup>2</sup> There are no listed peer group companies in the gold mining sector and therefore CCM Method has not been used.

<sup>3</sup> DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited. The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML. Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.

**Unquote**

Accordingly, the valuer has certified the price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Share 1 of DGML as fair value in accordance with the provisions of Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, and also for the purpose of determination of share swap under FEMA.

**The salient features for determination of the valuation of the share capital of Avelum for the purpose of non cash consideration and share swap is as under:**

Extract from the Valuation Report:

**Quote**

*The fair valuation of Avelum is derived by applying discounted cash flow method on the projected financial statements of Altyn Tor Gold Mine Project wherein Avelum shall have 65% profit sharing.*

*Considering the nature and size of business and keeping in view the necessary regulatory guidelines, in the current analysis, the discounted cash flow method under Income Approach has been used to determine the fair value of business of Avelum.*

*The Net Asset Value method neglect the concept of time value of money and predominantly reflect the liquidation / realisable value of the assets. Therefore, we have not considered the Asset Approach for determination of fair value. Also, due to non availability of listed peers in similar segment (i.e. operational gold mine) and similar size of operations, etc. therefore we have not considered the Market Approach.*

Amount in INR except weights and stated otherwise

Valuation Approach	Methodology	Value Per Share	Weight	Product
Asset Approach	Net Assets Value Method	NA	0.00	0.00
Market Approach	Market Price Method	NA	0.00	0.00
	CCM Method	NA	0.00	0.00
Income Approach	DCF/PECV	9.43	1.00	9.43
Fair Value per share in INR				9.43

*The Asset and Market Approach have not been used for the reasons as mentioned above.*

**Unquote**

Accordingly, the valuer has certified the price of Rs. 9.43 per 1 KGS (Kyrgyzstani Som) value of Capital of Avelum as fair value for non cash consideration in accordance with the provisions of Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, and also for the purpose of determination of share swap under FEMA.

The complete valuation report along with pricing certificate is available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

**Whether re-computation of the price is required**

Since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

**8. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees**

The details of the Proposed Allottees are as per the following table. DGML has not made any preferential allotment of Equity Shares or convertible securities or warrants during the current financial year except as envisaged to be allotted under this Notice.

Sr. No.	Proposed Allottees	Natural person who are / is the ultimate	No. of Subscription Shares 1 to be allotted	Pre-Issue Shareholding (as on June 30, 2023)	Post Issue shareholding pattern (on fully diluted basis) *
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				beneficial owners / who control the proposed allottees	under Item No. 1 of this Notice	No.	%age	No.	%age
1.	Hira Infra Limited, India	Tek	Indian Company (Refer note below)		1,20,36,585	-	-	1,80,21,285	11.46%
2.	Med Edu Marketing Management through represented Phani Potu, Dubai	Care (held / by Bhushan Proprietor),	Foreign entity  Beneficial owner: Phani Bhushan Potu		64,81,238	-	-	83,51,445	5.31%
<b>Total</b>					<b>1,85,17,823</b>	-	-	<b>2,63,72,730</b>	<b>16.76%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

Note:

The shareholding pattern of Hira Infra Tek Limited is as under:

Name of Shareholders	No. of shares	%age
Sarita Devi Agrawal	15,000	9.38%
N P Agrawal	1,000	0.63%
Siddharth Agrawal	15,000	9.38%
Kanika Agrawal	24,000	15.00%
Dinesh Agrawal	30,000	18.75%
Reena Agrawal	15,000	9.38%
Hanuman Prasad Agrawal	1,000	0.63%
Vinay Agrawal	15,000	9.38%
Rashmi Agrawal	14,000	8.75%
Radhika Agrawal	15,000	9.38%
Priya Agrawal	15,000	9.38%
<b>Total</b>	<b>1,60,000</b>	<b>100.00%</b>

#### Change in control, if any, in DGML that would occur consequent to the preferential offer:

There will be no change in control of the Company pursuant to the issuance of the Equity Shares to the Proposed Allottee/s 1. The Proposed Allottee/s 1 does not form part of promoter / promoter group of the Company and will continue to be a part of public category post the preferential issue.

#### 9. Amount which DGML intends to raise by way of such securities / size of the issue:

The total consideration for issue and allotment of Subscription Shares 1 is Rs. 99,01,47,995.81 (Rupees Ninety

Nine Crore One Lakh Forty Seven Thousand Nine Hundred Ninety Five and paise Eighty One only) for the allotment price of Rs. 53.47 per Subscription Share 1.

#### **10. Undertaking by DGML:**

The Board of Directors of DGML hereby undertakes and confirm that since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per Subscription Share 1 to be issued. Therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

#### **11. Lock-in Period:**

The Subscription Shares 1 allotted to the Proposed Allottee/s 1 will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167, 167A and 168 of the ICDR Regulations.

The Subscription Shares 1 allotted to all Proposed Allottee/s 1 shall be locked-in for a period of six months from the date of trading approval granted for Subscription Shares 1.

Also, the entire pre-preferential allotment shareholding of the Proposed Allottee/s 1, is any, shall be locked-in from the relevant date up to a period of 90 trading days from the date of trading approval for the Subscription Shares 1.

The Company shall commence the process for creation of lock-in of entire pre-preferential allotment shareholding of the Proposed Allottee/s 1. Further, the Proposed Allottee/s 1 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date, during the period from Relevant Date till the date of Board Meeting and have also undertaken not to sell any equity shares of DGML till the lock-in is created. Further, the Proposed Allottee/s 1 who do not hold any Equity Shares in DGML as on the Relevant Date have undertaken that they will not deal in the Equity Shares of DGML till the allotment of Subscription Shares 1 is completed.

#### **12. Principle terms of assets charged as securities:**

Not applicable.

#### **13. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

The Ministry of Mines, Government of India, had amended Mines and Minerals (Development and Regulation) Act (MMDR Act), 1957 vide the MMDR Amendment Act 2021 which came into effect from March 28, 2021. In terms of the proviso inserted to Section 10A(2)(b) of the MMDR Act, 1957 the right to obtain prospecting licence / mining lease pursuant to completion of reconnaissance operation/prospecting licence and any application pending shall lapse on the date of commencement of the Amendment Act. Our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed Writ Petitions before the Hon'ble High Court of Karnataka with regard to its key Ganajur Mining Lease (ML) application and North Hutti Block Prospecting Licence applications for re-instatement of its rights. Accordingly, to protect the interest of the shareholders of DGML and enhance their value, it is proposed to acquire ownership interest in company(ies) which are operating in the gold mining industry, in addition to acquisition of mining rights directly by DGML. Since DGML do not have sufficient cash resources available, the said acquisition of controlling stake in Avelum is proposed to be undertaken by way of share swap transaction.

Further, please refer to paragraph 7 above for the basis of determination of the consideration / valuation of the shares DGML and Avelum.

#### **14. Practicing Company Secretary Certificate:**

A copy of the certificate of the Practicing Company Secretary, M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations shall be available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

#### 15. Disclosure with regard to the outstanding dues to SEBI, Stock Exchange and Depositories:

DGML do not have any outstanding dues to SEBI, Stock Exchange (on which its Equity Shares are listed) and Depositories.

#### 16. Other Disclosures:

- The Proposed Allottee/s 1 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date.
- DGML is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- Neither DGML nor any of its Directors or Promoters are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter(s) issued by the Reserve Bank of India. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- Neither the Company nor its Promoter or Directors is a wilful defaulter or fraudulent borrower;
- Neither DGML nor any of its Directors and / or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations;

#### 17. Other material disclosures related to DGML and Avelum

- Our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed Writ Petitions before the Hon'ble High Court of Karnataka with regard to its key Ganajur Mining Lease (ML) application and North Hutti Block Prospecting Licence applications for re-instatement of its rights. For background details / updates about these two Writ Petitions, shareholders are encouraged to refer to the periodical market updates made by DGML from time to time which are available on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and DGML ([www.deccangoldmines.com](http://www.deccangoldmines.com)).

In terms of Sections 23, 42 and 62 of the Companies Act, 2013, approval of the members by way of a special resolution is required to issue the Subscription Shares 1 by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolutions proposed at Item No. 1 for your approval by way of a special resolution.

None of the directors or Key Managerial Personnel of DGML or their relatives other than specified above, are in any way concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their individual shareholding in DGML.

#### Item No. 2

The Board of Directors of DGML ("**Board**") at its meeting held on July 08, 2023 approved the proposal to acquire share capital aggregating to 810 Equity Shares in Kalevala Gold Oy, Finland ("**Kalevala**") representing 31.52% of the present capital of Kalevala from Lionsgold India Holdings Limited, Mauritius (a wholly owned subsidiary of Tally Central Limited, which is in the process of completing inter-se transfer of such shares held in Kalevala to Lionsgold India Holdings Limited), the Proposed Allottees by way of non-cash consideration as share swap by issue and allotment of 11,51,181 (Eleven Lakh Fifty One Thousand One Hundred Eighty One) Equity Shares of face value of Re. 1/- (Rupee One each) ("**Subscription Shares 2**") by way of preferential issue under the Companies Act, 2013 and rules made thereunder ("**Act**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Foreign Exchange Management Act, 1999 ("**FEMA**") and rules made thereunder. DGML has got an option to acquire a further 18.48% stake in Kalevala.

Subject to receipt of requisite regulatory approvals as may be required, and receipt of shareholders' approval, DGML proposes to issue Subscription Shares 2 at a price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Share 2 including securities premium of Rs. 52.47 (Rupees Fifty Two and paise Forty Seven only) per Subscription Share 2, free from all encumbrances in consideration of transfer of Acquisition Shares 2 from the Proposed Allottee/s 2 to DGML ("**Transaction 2**"), and further detailed in this explanatory statement. The total consideration for issue and allotment of Subscription Shares 2 is Rs. 6,15,53,648.07 (Rupees Six Crore Fifteen Lakh Fifty Three Thousand Six Hundred Forty Eight and paise Seven only), for the allotment price of Rs. 53.47 per Subscription Share 2.

The above issue price and share swap ratio has been determined based on consideration of:

- (a) Joint Valuation cum share swap ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable for purchase of shares in Kalevala (the "**Valuation Report**");
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations (the "**Pricing Certificate**").

The issue price for the Subscription Shares 2 is equivalent to the floor price prescribed under Chapter V of the SEBI ICDR Regulations.

In terms of the provisions of Sections 23, 42 and 62, and other applicable provisions, if any, of the Act, and Rules framed thereunder including the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, any preferential allotment of securities is required to be approved by the members of DGML by way of a special resolution.

Therefore, the consent of the members is being sought by way of a special resolution to issue Subscription Shares 2 to the Proposed Allottee/s 2 in accordance with the provisions of the Act, SEBI ICDR Regulations, as amended, and any other applicable laws, including with respect to the pricing of the Subscription Shares 2 proposed to be issued by way of a preferential allotment and the share swap ratio.

Necessary information / details in respect of the proposed preferential allotment in terms of Sections 42 and 62 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended and Chapter V of the SEBI ICDR Regulations are as under:

#### **1. Manner of issue of shares:**

The Subscription Shares 2 shall be issued and allotted to the Proposed Allottee/s 2 by way of preferential issue on a private placement basis, for non-cash consideration for acquisition of 810 Equity Shares in Kalevala representing 31.52% of the present capital of Kalevala from Lionsgold India Holdings Limited, Mauritius (a wholly owned subsidiary of Tally Central Limited, which is in the process of completing inter-se transfer of such shares held in Kalevala to Lionsgold India Holdings Limited);

The Subscription Shares 2 are proposed to be issued by DGML at an Issue Price of Rs. 53.47 per Equity Share as under:

Sr. No.	Name of the Proposed Allotees	No. of Acquisition Shares 1 to be purchased by the Company	No. of Subscription Shares 1 to be issued by the Company	Consideration (in Rs.)
1	Lionsgold India Holdings Limited, Mauritius	810	11,51,181	6,15,53,648.07
<b>Total</b>		<b>810</b>	<b>11,51,181</b>	<b>6,15,53,648.07</b>

## 2. Purpose / Objects of the Issue:

DGML has agreed to purchase 810 Equity Shares in Kalevala representing 31.52% of the present capital of Kalevala from Lionsgold India Holdings Limited, Mauritius (a wholly owned subsidiary of Tally Central Limited, which is in the process of completing inter-se transfer of such shares held in Kalevala to Lionsgold India Holdings Limited) at the price of Rs. 75,992.19 (Indian Rupees Seventy Five Thousand Nine Hundred Ninety Two and Paise Nineteen only) per equity share of Kalevala, being discharged by way of non-cash consideration by way of issue and allotment of an aggregate of 11,51,181 (Eleven Lakh Fifty One Thousand One Hundred Eighty One) equity shares of face value of Re. 1/- (Rupee One only) each of DGML ("**Subscription Shares 2**") to be issued at a price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only). The total consideration for issue and allotment of Subscription Shares 2 is Rs. 6,15,53,648.07 (Rupees Six Crore Fifteen Lakh Fifty Three Thousand Six Hundred Forty Eight and paise Seven only).

The non-cash purchase consideration to the Proposed Allotees will be settled by way of allotment of Subscription Shares 2 of DGML as mentioned in resolution at Item No. 2 in this notice and explanatory statement, subject to SEBI ICDR Regulations and requisite approvals including from stock exchange and any other approvals, as may be applicable.

Amount of funds to be utilized – Not Applicable as non-cash consideration  
Timeline for utilization of funds – Not Applicable as non-cash consideration

## 3. Type of security offered and the number of security offered:

DGML proposes to issue upto 11,51,181 (Eleven Lakh Fifty One Thousand One Hundred Eighty One) equity shares of the face value of Re. 1/- (Rupee One only) each at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) to the Proposed Allottee/s 2. Details of the securities to be issued, price of securities, date of approval by the Board in relation to the preferential allotment, and details of the Proposed Allottee/s 2 are set out in the previous paragraphs. The Subscription Shares 2 shall be fully paid-up and listed on the BSE Limited ("BSE" / "Stock Exchange") and rank pari passu with the existing equity shares of DGML in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than statutory lock-in under the SEBI ICDR Regulations), in accordance with applicable law, and shall be subject to the requirements of all applicable laws and to the provisions of the Memorandum of Association and Articles of Association of DGML.

The allotment of the Subscription Shares 2 is proposed to be made at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) each, determined based on the above-mentioned Valuation Report in accordance with the SEBI ICDR Regulations, Companies Act and FEMA.

## 4. Intent of the promoters, directors, key managerial personnel or Senior Management personnel of DGML to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel or Senior Management Personnel or their relatives intend to subscribe to the Preferential Issue.

## 5. Shareholding Pattern of DGML before and after the issue:

The pre-issue and post-issue shareholding pattern of DGML (after considering full allotment of Subscription Shares 1 under Item No. 1 of this Notice, Subscription Shares 2 under Item No. 2 of this Notice, Subscription Shares 3 under Item No. 3 of this Notice and Equity Warrants under Item No. 4 of this Notice to be issued on preferential basis) is given below:

Shareholding pattern	Pre Issue shareholding pattern (on fully diluted basis)		New Issue (Subscription Shares 1, Subscription Shares 2, Subscription Shares 3 and Equity Warrants)			Post Issue shareholding pattern (on fully diluted basis) *	
	No. of shares	%age	(Equity Shares under both share swap, Item No. 1 & 2)	(Equity Shares for cash consideration, Item No. 3)	(Warrants for cash consideration, Item No. 4)	No. of shares	%age
<b>A. Promoter &amp; Promoter Group</b>							
Promoters (Equity Share Capital)	3,87,40,179	30.19%	-	-	-	3,87,40,179	24.62%
Promoters (CCD)	14,99,276	1.17%	-	-	-	14,99,276	0.95%
<b>Sub-total (A)</b>	<b>4,02,39,455</b>	<b>31.36%</b>	-	-	-	<b>4,02,39,455</b>	<b>25.58%</b>
<b>B. Public</b>							
<b>Allottees (under Item No. 1, 2, 3 &amp; 4):</b>							
Hira Infra Tek Limited	-	-	1,20,36,585	-	59,84,700	1,80,21,285	11.46%
Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor)	-	-	64,81,238	-	18,70,207	83,51,445	5.31%
<b>Lionsgold India Holdings Limited</b>	1,26,66,388	9.87%	<b>11,51,181</b>	1,54,516	-	1,39,72,085	8.88%
Mahesh Wadhvani	-	-	-	2,80,531	-	2,80,531	0.18%
Renuka Wadhvani	-	-	-	2,80,531	-	2,80,531	0.18%
Alok Gyanchand Kothari	-	-	-	1,40,265	1,87,020	3,27,285	0.21%
Sanjay Thakre	-	-	-	46,755	-	46,755	0.03%
Vikas Ranjan Mahto	-	-	-	1,87,020	-	1,87,020	0.12%
Suresh Babu Mitta	-	-	-	-	1,87,020	1,87,020	0.12%
<b>Public (Others)</b>	7,54,28,597	58.78%	1,96,69,004	10,89,618	82,28,947	7,54,28,597	47.95%
<b>Sub-total (B)</b>	<b>8,80,94,985</b>	<b>68.64%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>11,70,82,554</b>	<b>74.42%</b>
<b>Total</b>	<b>12,83,34,440</b>	<b>100.00%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>15,73,22,009</b>	<b>100.00%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

## 6. Proposed time frame within which the preferential issue shall be completed:

As required under the SEBI ICDR Regulations, DGML shall complete the allotment of the Subscription Shares 2 on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the members for issue and allotment of the Subscription Shares 2, provided that where the issue and allotment of the Subscription Shares 2 is pending on account of pendency of any approval or permission for such issue and



allotment by any regulatory authority or the Central Government (including but not limited to the in-principle approval of the stock exchange for the issuance of the Subscription Shares 2 to the Proposed Allottees on a preferential basis), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

**7. Basis on which the floor price has been arrived at, justification for the issue price (including premium), justification of non cash consideration receivable in form of Acquisition Shares 2 and Relevant Date**

The issue price has been determined based of the requirements under the Regulation 163, 164 and 166A of the SEBI ICDR Regulations, Foreign Exchange Management Act, 1999 and other applicable statutory provisions and the rules made thereunder, as applicable. Further, the consideration payable to Proposed Allottee/s 2 for acquisition of 810 Equity Shares in Kalevala representing 31.52% of the present capital of Kalevala from Lionsgold India Holdings Limited, Mauritius (a wholly owned subsidiary of Tally Central Limited, which is in the process of completing inter-se transfer of such shares held in Kalevala to Lionsgold India Holdings Limited), shall be discharged by DGML by the issuance of the Subscription Shares 2. As per Regulation 163(3) of the SEBI ICDR Regulations, a valuation is required to be undertaken by an independent valuer where securities are issued on a preferential basis for consideration other than cash.

Accordingly, the compliance with the valuation requirement under Companies Act, SEBI ICDR Regulations and FEMA has been complied with as under:

- (a) Joint Valuation cum share swap ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable;
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations.

**Relevant Date**

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for equity shares to be issued is Monday, July 03, 2023, i.e., 30 (thirty) days prior to the date of this EGM.

**Whether frequently traded or not**

The equity shares of DGML are listed and frequently traded on the BSE in accordance with SEBI ICDR Regulations.

**Floor Price**

In terms of Regulation 164 (1) of SEBI ICDR Regulations, the price at which Subscription Shares 2 will be allotted shall not be less than higher of the following:

- (a) the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 48.00 (Rupees Forty Eight only) per equity share; or
- (b) the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per equity share.

**The price per Subscription Share 2 of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) is equivalent to the floor price determined in accordance with Regulation 164 (1) of SEBI ICDR Regulations.**

**Basis for arriving the price**

The value of the Acquisition Shares 2 and price of the Subscription Shares 2 to be allotted for non cash consideration has been determined taking into account the Joint valuation cum share swap ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable.

**The salient features for determination of the valuation of the Subscription Shares 2 of DGML for the purpose of allotment and share swap is as under:**

Extract from the Valuation Report:

**Quote**

**Asset Approach:**

*We have considered adjusted Net Asset Value (NAV) Method for determining the fair value of the equity shares of the Company, being carrying on operations in the nature of holding company, but have not assigned any weight to the same as assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.*

**Income Approach:**

*DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML.*

*Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.*

**Market Approach:**

*We haven't applied Comparable Companies' Multiple "CCM" method because there were no comparable listed companies in similar business segment, i.e. gold mining.*

**Unquote**

The summary for valuation is as under:

**Quote**

*Amount in INR except weights and stated otherwise*

Valuation Approach	Methodology	Value Per Share	Weight	Product
Asset Approach	Net Assets Value Method <sup>1</sup>	14.08	0.00	0.00
Market Approach	Market Price Method	53.47	1.00	53.47
	CCM Method <sup>2</sup>	NA	0.00	0.00
Income Approach	DCF/PECV <sup>3</sup>	NA	0.00	0.00
<b>Fair Value per share in INR</b>				<b>53.47</b>

*\* The final indication of value, on a going concern basis, is generally one number computed from a variety of analytical procedures and one or more of the three methods discussed above. As per the guidelines prescribed under International Valuation Standards, the goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstances. No one method is suitable in every*

possible situation. The selection process should consider, at a minimum:

- a) the appropriate basis(s) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- b) the respective strengths and weaknesses of the possible valuation approaches and methods,
- c) the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market.

<sup>1</sup> Assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.

<sup>2</sup> There are no listed peer group companies in the gold mining sector and therefore CCM Method has not been used.

<sup>3</sup> DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited. The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML. Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.

#### Unquote

Accordingly, the valuer has certified the price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Share 2 of DGML as fair value in accordance with the provisions of Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, and also for the purpose of determination of share swap under FEMA.

**The salient features for determination of the valuation of the share capital of Kalevala for the purpose of non cash consideration and share swap is as under:**

#### Extract from the Valuation Report:

#### Quote

*The fair valuation of Kalevala is derived by applying discounted cash flow method on the projected financial statements of Syrjala Gold project of Kalevala Gold Oy.*

*Considering the nature and size of business and keeping in view the necessary regulatory guidelines, in the current analysis, the discounted cash flow method under Income Approach has been used to determine the fair value of business of Syrjala Gold project of Kalevala Gold Oy.*

*The Net Asset Value method neglect the concept of time value of money and predominantly reflect the liquidation / realisable value of the assets. Therefore, we have not considered the Asset Approach for determination of fair value. Also, due to non- availability of listed peers in similar segment (i.e. operational gold mine) and similar size of operations, etc. therefore we have not considered the Market Approach.*

Amount in INR except weights and stated otherwise

Valuation Approach	Methodology	Value Per Share	Weight	Product
Asset Approach 1	Net Assets Value Method	NA	0.00	0.00
Market Approach 2	Market Price Method	NA	0.00	0.00
	CCM Method	NA	0.00	0.00
Income Approach	DCF/PECV	75,992.19	1.00	75,992.19

Fair Value per share in INR

75,992.19

The Asset and Market Approach have not been used for the reasons as mentioned above.

**Unquote**

Accordingly, the valuer has certified the price of Rs. 75,992.19 per equity share of Capital of Kalevala as fair value for non cash consideration in accordance with the provisions of Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, and also for the purpose of determination of share swap under FEMA.

The complete valuation report along with pricing certificate is available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

**Whether re-computation of the price is required**

Since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

**8. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees**

The details of the Proposed Allottee/s 2 are as per the following table. DGML has not made any preferential allotment of Equity Shares or convertible securities or warrants during the current financial year except as envisaged to be allotted under this Notice.

Sr. No.	Proposed Allottees	Natural person who are / is the ultimate beneficial owners / who control the proposed allottees	No. of Subscription Shares 2 to be allotted under Item No. 2 of this Notice	Pre-Issue Shareholding (as on June 30, 2023)		Post Issue shareholding pattern (on fully diluted basis) *	
				No.	%age	No.	%age
1.	Lionsgold India Holdings Limited, Mauritius	Foreign Company (refer note)	11,51,181	1,26,66,388	9.87%	1,39,72,085	8.88%
<b>Total</b>			<b>11,51,181</b>	<b>1,26,66,388</b>	<b>9.87%</b>	<b>1,39,72,085</b>	<b>8.88%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

**Note:**

Lionsgold India Holdings Limited is incorporated in Mauritius and is 100% held by Tally Central Ltd., Guernsey. None of the shareholders of Tally Central Ltd. holds more than 25% of the shares in the entity. The directors of Tally Central Ltd. are Cameron John Parry, Arun Ranganathan, Alan John Bruce Davies and Michael Paul Joseph.

**Change in control, if any, in DGML that would occur consequent to the preferential offer:**

There will be no change in control of the Company pursuant to the issuance of the Equity Shares to the Proposed Allottee/s 2. The Proposed Allottee/s 2 does not form part of promoter / promoter group of the Company and will continue to be a part of public category post the preferential issue.

**9. Amount which DGML intends to raise by way of such securities / size of the issue:**

The total consideration for issue and allotment of Subscription Shares 2 is Rs. 6,15,53,648.07 (Rupees Six Crore Fifteen Lakh Fifty Three Thousand Six Hundred Forty Eight and paise Seven only) for the allotment price of Rs. 53.47 per Subscription Share.

**10. Undertaking by DGML:**

The Board of Directors of DGML hereby undertakes and confirm that since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per Subscription Share 2 to be issued. Therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

**11. Lock-in Period:**

The Subscription Shares 2 allotted to the Proposed Allottees will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167, 167A and 168 of the ICDR Regulations.

The Subscription Shares 2 allotted to all Proposed Allottee/s 2 shall be locked-in for a period of six months from the date of trading approval granted for Subscription Shares 2.

Also, the entire pre-preferential allotment shareholding of the Proposed Allottee/s 2, is any, shall be locked-in from the relevant date up to a period of 90 trading days from the date of trading approval for the Subscription Shares 2.

The Company shall commence the process for creation of lock-in of entire pre-preferential allotment shareholding of the Proposed Allottee/s 2. Further, the Proposed Allottee/s 2 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date, during the period from Relevant Date till the date of Board Meeting and have also undertaken not to sell any equity shares of DGML till the lock-in is created. Further, the Proposed Allottee/s 2 who do not hold any Equity Shares in DGML as on the Relevant Date have undertaken that they will not deal in the Equity Shares of DGML till the allotment of Subscription Shares 2 is completed.

**12. Principle terms of assets charged as securities:**

Not applicable.

**13. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

The Ministry of Mines, Government of India, had amended Mines and Minerals (Development and Regulation) Act (MMDR Act), 1957 vide the MMDR Amendment Act 2021 which came into effect from March 28, 2021. In terms of the proviso inserted to Section 10A(2)(b) of the MMDR Act, 1957 the right to obtain prospecting licence / mining lease pursuant to completion of reconnaissance operation/prospecting licence and any application pending shall lapse on the date of commencement of the Amendment Act. Our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed Writ Petitions before the Hon'ble High Court of Karnataka with regard to its key Ganajur Mining Lease (ML) application and North Hutti Block Prospecting Licence applications for re-instatement of its rights. Accordingly, to protect the interest of the shareholders of DGML and enhance their value, it is proposed to acquire ownership interest in company(ies) which are operating in the gold mining industry, in addition to acquisition of mining rights directly by DGML. Since DGML do not have sufficient cash resources available, the said acquisition of controlling stake in Kalevala is proposed

to be undertaken by way of share swap transaction.

Further, please refer to paragraph 7 above for the basis of determination of the consideration / valuation of the shares DGML and Kalevala.

#### **14. Practicing Company Secretary Certificate:**

A copy of the certificate of the Practicing Company Secretary, M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations shall be available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

#### **15. Disclosure with regard to the outstanding dues to SEBI, Stock Exchange and Depositories:**

DGML do not have any outstanding dues to SEBI, Stock Exchange (on which its Equity Shares are listed) and Depositories.

#### **16. Other Disclosures:**

- (a) The Proposed Allottee/s 2 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date.
- (b) DGML is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- (c) Neither DGML nor any of its Directors or Promoters are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter(s) issued by the Reserve Bank of India. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- (d) Neither the Company nor its Promoter or Directors is a wilful defaulter or fraudulent borrower;
- (e) Neither DGML nor any of its Directors and / or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations;

#### **17. Other material disclosures related to DGML and Kalevala**

Our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed Writ Petitions before the Hon'ble High Court of Karnataka with regard to its key Ganajur Mining Lease (ML) application and North Hutti Block Prospecting Licence applications for re-instatement of its rights. For background details / updates about these two Writ Petitions, shareholders are encouraged to refer to the periodical market updates made by DGML from time to time which are available on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and DGML ([www.deccangoldmines.com](http://www.deccangoldmines.com)).

In terms of Sections 23, 42 and 62 of the Companies Act, 2013, approval of the members by way of a special resolution is required to issue the Subscription Shares 2 by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolutions proposed at Item No. 2 for your approval by way of a special resolution.

None of the directors or Key Managerial Personnel of DGML or their relatives other than specified above, are in any way concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their individual shareholding in DGML.

#### **Item No. 3**

The Board of Directors of DGML ("**Board**") at its meeting held on July 08, 2023 approved the proposal to issue and allot 10,89,618 (Ten Lakh Eighty Nine Thousand Six Hundred Eighteen) fully paid-up equity shares of face value of Re. 1/- (Rupee One) each ("**Subscription Shares 3**") at an issue price of Rs. 53.47 (Rupees Fifty Three and Paise Forty Seven only) per Equity Share for cash for an aggregate consideration of Rs.

5,82,61,874.46 (Rupees Five Crore Eighty Two Lakh Sixty One Thousand Eight Hundred Seventy Four and paise Forty Six only) by way of preferential issue under the Companies Act, 2013 and rules made thereunder (“Act”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and Foreign Exchange Management Act, 1999 (“FEMA”) and rules made thereunder.

The above issue price has been determined based on consideration of:

- (a) Joint Valuation report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable (the “Valuation Report”);
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations (the “Pricing Certificate”).

The issue price for the Subscription Shares 3 is equivalent to the floor price prescribed under Chapter V of the SEBI ICDR Regulations.

In terms of the provisions of Sections 23, 42 and 62, and other applicable provisions, if any, of the Act, and Rules framed thereunder including the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, any preferential allotment of securities is required to be approved by the members of DGML by way of a special resolution.

Therefore, the consent of the members is being sought by way of a special resolution to issue Subscription Shares 3 to the Proposed Allottee/s 3 in accordance with the provisions of the Act, SEBI ICDR Regulations, as amended, and any other applicable laws, including with respect to the pricing of the Subscription Shares 3 proposed to be issued by way of a preferential allotment.

Necessary information / details in respect of the proposed preferential allotment in terms of Sections 42 and 62 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended and Chapter V of the SEBI ICDR Regulations are as under:

### 1. Manner of issue of shares:

The Subscription Shares 3 shall be issued and allotted to the Proposed Allottee/s 3 by way of preferential issue on a private placement basis, for cash consideration at an issue price of Rs. 53.47 (Rupees Fifty Three and Paise Forty Seven only) per Equity Share for an aggregate consideration of Rs. 5,82,61,874.46 (Rupees Five Crore Eighty Two Lakh Sixty One Thousand Eight Hundred Seventy Four and paise Forty Six only). The Subscription Shares 3 are proposed to be issued by DGML at an Issue Price of Rs. 53.47 per Equity Share as under:

Sr. No.	Name of the Proposed Allottee/s 3	No. of Subscription Shares 3 to be issued by the Company	Consideration (in Rs.)
1	Lionsgold India Holdings Limited, Mauritius	1,54,516	82,61,970.52
2	Mahesh Wadhvani	2,80,531	1,49,99,992.57
3	Renuka Wadhvani	2,80,531	1,49,99,992.57
4	Alok Gyanchand Kothari	1,40,265	74,99,969.55
5	Sanjay Thakre	46,755	24,99,989.85
6	Vikas Ranjan Mahto	1,87,020	99,99,959.40

Sr. No.	Name of the Proposed Allottee/s 3	No. of Subscription Shares 3 to be issued by the Company	Consideration (in Rs.)
<b>Total</b>		<b>10,89,618</b>	<b>5,82,61,874.46</b>

## 2. Purpose / Objects of the Issue:

DGML has agreed to issue and allot 10,89,618 (Ten Lakh Eighty Nine Thousand Six Hundred Eighteen) fully paid-up equity shares of face value of Re. 1/- (Rupee One) each at an issue price of Rs. 53.47 (Rupees Fifty Three and Paise Forty Seven only) per Subscription Share 3 for cash for an aggregate consideration of Rs. 5,82,61,874.46 (Rupees Five Crore Eighty Two Lakh Sixty One Thousand Eight Hundred Seventy Four and paise Forty Six only).

The said amount will be utilized by the Company towards exploration activities for its mining operations (~70%), for working capital (~20%) and for General Corporate Purpose (~10%). The amount will be utilized within 12 months of receipt of funds.

The funds will be kept as Deposits/Investments with banks or in liquid / debt Mutual Funds schemes till the issue proceeds are fully utilized.

Appointment of monitoring agency in terms of Regulation 162A of the SEBI ICDR Regulations is not applicable as the Issue Size of the total cash consideration pursuant to this Notice is less than Rs. 100 crores.

## 3. Type of security offered and the number of security offered:

DGML has agreed to issue and allot 10,89,618 (Ten Lakh Eighty Nine Thousand Six Hundred Eighteen) fully paid-up equity shares of face value of Re. 1/- (Rupee One) to the Proposed Allottee/s 3. Details of the securities to be issued, price of securities, date of approval by the Board in relation to the preferential allotment, and details of the Proposed Allottee/s 3 are set out in the previous paragraphs. The Subscription Shares 3 shall be fully paid-up and listed on the BSE Limited ("BSE" / "Stock Exchange") and rank pari passu with the existing equity shares of DGML in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than statutory lock-in under the SEBI ICDR Regulations), in accordance with applicable law, and shall be subject to the requirements of all applicable laws and to the provisions of the Memorandum of Association and Articles of Association of DGML.

The allotment of the Subscription Shares 3 is proposed to be made at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) each, determined based on the above-mentioned Valuation Report in accordance with the SEBI ICDR Regulations, Companies Act and FEMA.

## 4. Intent of the promoters, directors, key managerial personnel or senior management personnel of DGML to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel or Senior Management Personnel or their relatives intend to subscribe to the Preferential Issue.

## 5. Shareholding Pattern of DGML before and after the issue:

The pre-issue and post-issue shareholding pattern of DGML (after considering full allotment of Subscription Shares 1 under Item No. 1 of this Notice, Subscription Shares 2 under Item No. 2 of this Notice, Subscription Shares 3 under Item No. 3 of this Notice and Equity Warrants under Item No. 4 of this Notice to be issued on preferential basis) is given below:

Shareholding pattern	Pre Issue shareholding pattern (on fully diluted basis)		New Issue (Subscription Shares 1, Subscription Shares 2, Subscription Shares 3 and Equity Warrants)			Post Issue shareholding pattern (on fully diluted basis) *	
	No. of shares	%age	(Equity Shares	(Equity Shares for	(Warrants for cash	No. of shares	%age



			under both share swap, Item No. 1 & 2)	cash considera- tion, Item No. 3)	considera- tion, Item No. 4)		
<b>A. Promoter &amp; Promoter Group</b>							
Promoters (Equity Share Capital)	3,87,40,179	30.19%	-	-	-	3,87,40,179	24.62%
Promoters (CCD)	14,99,276	1.17%	-	-	-	14,99,276	0.95%
<b>Sub-total (A)</b>	<b>4,02,39,455</b>	<b>31.36%</b>	-	-	-	<b>4,02,39,455</b>	<b>25.58%</b>
<b>B. Public</b>							
<b>Allottees (under Item No. 1, 2, 3 &amp; 4):</b>							
Hira Infra Tek Limited	-	-	1,20,36,585	-	59,84,700	1,80,21,285	11.46%
Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor)	-	-	64,81,238	-	18,70,207	83,51,445	5.31%
<u>Lionsgold India Holdings Limited</u>	1,26,66,388	9.87%	11,51,181	<u>1,54,516</u>	-	1,39,72,085	8.88%
<u>Mahesh Wadhvani</u>	-	-	-	<u>2,80,531</u>	-	2,80,531	0.18%
<u>Renuka Wadhvani</u>	-	-	-	<u>2,80,531</u>	-	2,80,531	0.18%
<u>Alok Gyanchand Kothari</u>	-	-	-	<u>1,40,265</u>	1,87,020	3,27,285	0.21%
<u>Sanjay Thakre</u>	-	-	-	<u>46,755</u>	-	46,755	0.03%
<u>Vikas Ranjan Mahto</u>	-	-	-	<u>1,87,020</u>	-	1,87,020	0.12%
Suresh Babu Mitta	-	-	-	-	1,87,020	1,87,020	0.12%
<b>Public (Others)</b>	<b>7,54,28,597</b>	<b>58.78%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>7,54,28,597</b>	<b>47.95%</b>
<b>Sub-total (B)</b>	<b>8,80,94,985</b>	<b>68.64%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>11,70,82,554</b>	<b>74.42%</b>
<b>Total</b>	<b>12,83,34,440</b>	<b>100.00%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>15,73,22,009</b>	<b>100.00%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

## 6. Proposed time frame within which the preferential issue shall be completed:

As required under the SEBI ICDR Regulations, DGML shall complete the allotment of the Subscription Shares 3 on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the members for issue and allotment of the Subscription Shares 3, provided that where the issue and allotment of the shares is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority or the Central Government (including but not limited to the in-principle approval of the stock exchange for the issuance of the Subscription Shares 3 to the Proposed Allottees on a preferential basis), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

## 7. Basis on which the floor price has been arrived at, justification for the issue price (including premium) and Relevant Date

The issue price has been determined based of the requirements under the Regulation 164 and 166A of the SEBI ICDR Regulations, Foreign Exchange Management Act, 1999 and other applicable statutory provisions and the rules made thereunder, as applicable. Accordingly, the compliance with the valuation requirement under Companies Act, SEBI ICDR Regulations and FEMA has been complied with as under:

- (a) Joint Valuation report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable;
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations.

#### **Relevant Date**

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for equity shares to be issued is Monday, July 03, 2023, i.e., 30 (thirty) days prior to the date of this EGM.

#### **Whether frequently traded or not**

The equity shares of DGML are listed and frequently traded on the BSE in accordance with SEBI ICDR Regulations.

#### **Floor Price**

In terms of Regulation 164 (1) of SEBI ICDR Regulations, the price at which Subscription Shares 3 will be allotted shall not be less than higher of the following:

- (a) the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 48.00 (Rupees Forty Eight only) per equity share; or
- (b) the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per equity share.

**The price per Subscription Share 3 of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) is equivalent to the floor price determined in accordance with Regulation 164 (1) of SEBI ICDR Regulations.**

#### **Basis for arriving the price**

The price of the Subscription Shares 3 to be allotted for cash consideration has been determined taking into account the Joint valuation ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable.

**The salient features for determination of the valuation of the Subscription Shares 3 of DGML for the purpose of allotment is as under:**

Extract from the Valuation Report:

Quote

#### **Asset Approach:**

*We have considered adjusted Net Asset Value (NAV) Method for determining the fair value of the equity shares of the Company, being carrying on operations in the nature of holding company, but have not assigned any weight to the same as assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR)*

**Regulations.**

**Income Approach:**

DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited. The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML.

Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.

**Market Approach:**

We haven't applied Comparable Companies' Multiple "CCM" method because there were no comparable listed companies in similar business segment, i.e. gold mining.

**Unquote**

The summary for valuation is as under:

**Quote**

*Amount in INR except weights and stated otherwise*

Valuation Approach	Methodology	Value Per Share	Weight	Product
Asset Approach	Net Assets Value Method <sup>1</sup>	14.08	0.00	0.00
Market Approach	Market Price Method	53.47	1.00	53.47
	CCM Method <sup>2</sup>	NA	0.00	0.00
Income Approach	DCF/PECV <sup>3</sup>	NA	0.00	0.00
<b>Fair Value per share in INR</b>				<b>53.47</b>

\* The final indication of value, on a going concern basis, is generally one number computed from a variety of analytical procedures and one or more of the three methods discussed above. As per the guidelines prescribed under International Valuation Standards, the goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstances. No one method is suitable in every possible situation. The selection process should consider, at a minimum:

- a) the appropriate basis(s) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- b) the respective strengths and weaknesses of the possible valuation approaches and methods,
- c) the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market.

<sup>1</sup> Assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.

<sup>2</sup> There are no listed peer group companies in the gold mining sector and therefore CCM Method has not been used.

<sup>3</sup> DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited. The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML. Further, since the company is in loss, therefore we have not

considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.

### Unquote

Accordingly, the valuer has certified the price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Subscription Share 3 of DGML as fair value in accordance with the provisions of Companies Act, Rules made thereunder, Regulation 164 and 166A of the SEBI ICDR Regulations, and also for the purpose of determination of fair value under FEMA.

The complete valuation report along with pricing certificate is available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

### Whether re-computation of the price is required

Since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

### 8. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees

The details of the Proposed Allottee/s 3 are as per the following table. DGML has not made any preferential allotment of Equity Shares or convertible securities or warrants during the current financial year except as envisaged to be allotted under this Notice.

Sr. No.	Proposed Allottees	Natural person who are / is the ultimate beneficial owners / who control the proposed allottees	No. of Subscription Shares 3 to be allotted under Item No. 3 of this Notice	Pre-Issue Shareholding (as on June 30, 2023)		Post Issue shareholding pattern (on fully diluted basis) *	
				No.	%age	No.	%age
1.	Lionsgold India Holdings Limited	Foreign Company (refer note)	1,54,516	1,26,66,388	9.87%	1,39,72,085	8.88%
2.	Mahesh Wadhvani	Individual	2,80,531	-	-	2,80,531	0.18%
3.	Renuka Wadhvani	Individual	2,80,531	-	-	2,80,531	0.18%
4.	Alok Gyanchand Kothari	Individual	1,40,265	-	-	3,27,285	0.21%
5.	Sanjay Thakre	Individual	46,755	-	-	46,755	0.03%
6.	Vikas Ranjan Mahto	Individual	1,87,020	-	-	1,87,020	0.12%
<b>Total</b>			<b>10,89,618</b>	<b>1,26,66,388</b>	<b>9.87%</b>	<b>1,50,94,207</b>	<b>9.59%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

### Note:

Lionsgold India Holdings Limited is incorporated in Mauritius and is 100% held by Tally Central Ltd., Guernsey.

None of the shareholders of Tally Central Ltd. holds more than 25% of the shares in the entity. The directors of Tally Central Ltd. are Cameron John Parry, Arun Ranganathan, Alan John Bruce Davies and Michael Paul Joseph.

**Change in control, if any, in DGML that would occur consequent to the preferential offer:**

There will be no change in control of the Company pursuant to the issuance of the Equity Shares to the Proposed Allottee/s 3. The Proposed Allottee/s 3 does not form part of promoter / promoter group of the Company and will continue to be a part of public category post the preferential issue.

**9. Amount which DGML intends to raise by way of such securities / size of the issue:**

The total consideration for issue and allotment of Subscription Shares 3 is Rs. 5,82,61,874.46 (Rupees Five Crore Eighty Two Lakh Sixty One Thousand Eight Hundred Seventy Four and paise Forty Six only) for the allotment price of Rs. 53.47 per Subscription Share 3.

**10. Undertaking by DGML:**

The Board of Directors of DGML hereby undertakes and confirm that since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per Subscription Share 3 to be issued. Therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

**11. Lock-in Period:**

The Subscription Shares 3 allotted to the Proposed Allottee/s 3 will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167, 167A and 168 of the ICDR Regulations.

The Subscription Shares 3 allotted to all Proposed Allottee/s 3 shall be locked-in for a period of six months from the date of trading approval granted for Subscription Shares 3.

Also, the entire pre-preferential allotment shareholding of the Proposed Allottee/s 3, is any, shall be locked-in from the relevant date up to a period of 90 trading days from the date of trading approval for the Subscription Shares 3.

The Company shall commence the process for creation of lock-in of entire pre-preferential allotment shareholding of the Proposed Allottee/s 3. Further, the Proposed Allottee/s 3 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date, during the period from Relevant Date till the date of Board Meeting and have also undertaken not to sell any equity shares of DGML till the lock-in is created. Further, the Proposed Allottee/s 3 who do not hold any Equity Shares in DGML as on the Relevant Date have undertaken that they will not deal in the Equity Shares of DGML till the allotment of Subscription Shares 3 is completed.

**12. Principle terms of assets charged as securities:**

Not applicable.

**13. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Not applicable

**14. Practicing Company Secretary Certificate:**

A copy of the certificate of the Practicing Company Secretary, M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations shall be available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

#### 15. Disclosure with regard to the outstanding dues to SEBI, Stock Exchange and Depositories:

DGML do not have any outstanding dues to SEBI, Stock Exchange (on which its Equity Shares are listed) and Depositories.

#### 16. Other Disclosures:

- The Proposed Allottee/s 3 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date.
- DGML is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- Neither DGML nor any of its Directors or Promoters are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter(s) issued by the Reserve Bank of India. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- Neither the Company nor its Promoter or Directors is a wilful defaulter or fraudulent borrower.
- Neither DGML nor any of its Directors and / or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations;

#### 17. Other material disclosures related to DGML

Our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed Writ Petitions before the Hon'ble High Court of Karnataka with regard to its key Ganajur Mining Lease (ML) application and North Hutti Block Prospecting Licence applications for re-instatement of its rights. For background details / updates about these two Writ Petitions, shareholders are encouraged to refer to the periodical market updates made by DGML from time to time which are available on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and DGML ([www.deccangoldmines.com](http://www.deccangoldmines.com)).

In terms of Sections 23, 42 and 62 of the Companies Act, 2013, approval of the members by way of a special resolution is required to issue the Subscription Shares 3 by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolutions proposed at Item No. 3 for your approval by way of a special resolution.

None of the directors or Key Managerial Personnel of DGML or their relatives other than specified above, are in any way concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their individual shareholding in DGML.

#### Item No. 4

The Board of Directors of DGML ("**Board**") at its meeting held on July 08, 2023 approved the proposal to issue and allot 82,28,947 (Eighty Two Lakh Twenty Eight Thousand Nine Hundred Forty Seven) equity warrants of the Company convertible into equal number of equity shares of face value ₹ 1/- (Indian Rupee One) each ("**Equity Warrants**") at an issue price of Rs. 53.47 (Rupees Fifty Three and Paise Forty Seven only) per Equity Share for cash for an aggregate consideration of Rs. 44,00,01,796.09 (Rupees Forty Four Crore One Thousand Seven Hundred Ninety Six and paise Nine only) by way of preferential issue under the Companies Act, 2013 and rules made thereunder ("**Act**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Foreign Exchange Management Act, 1999 ("**FEMA**") and rules made thereunder.

The above issue price has been determined based on consideration of:

- (a) Joint Valuation report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable (the "**Valuation Report**");
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations (the "**Pricing Certificate**").

The issue price for the Equity Warrants is equivalent to the floor price prescribed under Chapter V of the SEBI ICDR Regulations.

In terms of the provisions of Sections 23, 42 and 62, and other applicable provisions, if any, of the Act, and Rules framed thereunder including the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, any preferential allotment of securities is required to be approved by the members of DGML by way of a special resolution.

Therefore, the consent of the members is being sought by way of a special resolution to issue Equity Warrants to the Proposed Allottee/s 4 in accordance with the provisions of the Act, SEBI ICDR Regulations, as amended, and any other applicable laws, including with respect to the pricing of the Equity Warrants proposed to be issued by way of a preferential allotment.

Necessary information / details in respect of the proposed preferential allotment in terms of Sections 42 and 62 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended and Chapter V of the SEBI ICDR Regulations are as under:

### 1. Manner of issue of Equity Warrants:

The Equity Warrants shall be issued and allotted to the Proposed Allottee/s 4 by way of preferential issue on a private placement basis, for cash consideration at an issue price of Rs. 53.47 (Rupees Fifty Three and Paise Forty Seven only) per Equity Share for an aggregate consideration of Rs. 44,00,01,796.09 (Rupees Forty Four Crore One Thousand Seven Hundred Ninety Six and paise Nine only). The Equity Warrants are proposed to be issued by DGML at an Issue Price of Rs. 53.47 per Equity Share as under:

Sr. No.	Name of the Proposed Allottee/s 4	No. of Equity Warrants to be issued by the Company	Consideration (in Rs.)
1	Hira Infra Tek Limited	59,84,700	32,00,01,909.00
2	Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor)	18,70,207	9,99,99,968.29
3	Alok Gyanchand Kothari	1,87,020	99,99,959.40
4	Suresh Babu Mitta	1,87,020	99,99,959.40
<b>Total</b>		<b>82,28,947</b>	<b>44,00,01,796.09</b>

### 2. Purpose / Objects of the Issue:

DGML has agreed to issue and allot 82,28,947 (Eighty Two Lakh Twenty Eight Thousand Nine Hundred Forty

Seven) equity warrants of the Company convertible into equal number of equity shares of face value ₹ 1/- (Indian Rupee One) each at an issue price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven) per Equity Warrant for cash for an aggregate consideration of Rs. 44,00,01,796.09 (Rupees Forty Four Crore One Thousand Seven Hundred Ninety Six and paise Nine only).

The said amount will be utilized by the Company towards investment into the Kyrgyzstan Gold Project and Geomysore Services (India) Private Limited (~70%), for working capital (~20%) and for General Corporate Purpose (~10%). The amount will be utilized within 12 months of receipt of funds.

The funds will be kept as Deposits/Investments with banks or in liquid / debt Mutual Funds schemes till the issue proceeds are fully utilized.

Appointment of monitoring agency in terms of Regulation 162A of the SEBI ICDR Regulations is not applicable as the Issue Size of the total cash consideration pursuant to this Notice is less than Rs. 100 crores.

### **3. Type of security offered and the number of security offered:**

DGML has agreed to issue and allot 82,28,947 (Eighty Two Lakh Twenty Eight Thousand Nine Hundred Forty Seven) equity warrants, which upon complete payment of consideration will be converted into equivalent number of fully paid-up equity shares of the Company of face value of Re. 1/- (Rupee One). Details of the securities to be issued, price of securities, date of approval by the Board in relation to the preferential allotment, and details of the Proposed Allottee/s 4 are set out in the previous paragraphs. The Equity Shares arising out of exercise of Equity Warrants shall be fully paid-up and listed on the BSE Limited ("BSE" / "Stock Exchange") and rank pari passu with the existing equity shares of DGML in all aspects from the date of allotment of equity shares (including with respect to entitlement to dividend and voting powers, other than statutory lock-in under the SEBI ICDR Regulations), in accordance with applicable law, and shall be subject to the requirements of all applicable laws and to the provisions of the Memorandum of Association and Articles of Association of DGML.

The allotment of the Equity Warrants is proposed to be made at a price of Rs 53.47 (Rupees Fifty Three and paise Forty Seven only) each, determined based on the above-mentioned Valuation Report in accordance with the SEBI ICDR Regulations, Companies Act and FEMA.

The terms of the Equity Warrants are as under:

- (i) each Equity Warrant shall give the Warrant Holder the right to exercise for one Equity Share of the Company;
- (ii) Warrants shall be convertible into equity shares within 18 months from the date of allotment of Equity Warrants;
- (iii) The Equity Warrants by themselves do not give to the holder thereof any rights of the shareholder of the Company;
- (iv) the number of Equity Shares and the price per Equity Share upon exercise of each Warrant shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a business division or any such capital or corporate restructuring, if any prior to the conversion of Equity Warrants;
- (v) Atleast 25% of the consideration for preferential issue of Equity Warrants shall be received by the Company prior to the allotment of said warrants; and
- (vi) at the time of exercise, the Warrant Holder shall pay the balance of the consideration payable in respect of the Equity Warrants so being exercised
- (vii) The Equity Warrants will not be listed on the stock exchange

### **4. Intent of the promoters, directors, key management personnel or senior management personnel of DGML to subscribe to the offer:**



None of the Promoters, Directors or Key Managerial Personnel or Senior Management Personnel or their relatives intend to subscribe to the Preferential Issue.

#### 5. Shareholding Pattern of DGML before and after the issue:

The pre-issue and post-issue shareholding pattern of DGML (after considering full allotment of Subscription Shares 1 under Item No. 1 of this Notice, Subscription Shares 2 under Item No. 2 of this Notice, Subscription Shares 3 under Item No. 3 of this Notice and Equity Warrants under Item No. 4 of this Notice to be issued on preferential basis) is given below:

Shareholding pattern	Pre Issue shareholding pattern (on fully diluted basis)		New Issue (Subscription Shares 1, Subscription Shares 2, Subscription Shares 3 and Equity Warrants)			Post Issue shareholding pattern (on fully diluted basis) *	
	No. of shares	%age	(Equity Shares under both share swap, Item No. 1 & 2)	(Equity Shares for cash consideration, Item No. 3)	(Warrants for cash consideration, Item No. 4)	No. of shares	%age
<b>A. Promoter &amp; Promoter Group</b>							
Promoters (Equity Share Capital)	3,87,40,179	30.19%	-	-	-	3,87,40,179	24.62%
Promoters (CCD)	14,99,276	1.17%	-	-	-	14,99,276	0.95%
<b>Sub-total (A)</b>	<b>4,02,39,455</b>	<b>31.36%</b>	-	-	-	<b>4,02,39,455</b>	<b>25.58%</b>
<b>B. Public</b>							
<b>Allottees (under Item No. 1, 2, 3 &amp; 4):</b>							
<b>Hira Infra Tek Limited</b>	-	-	1,20,36,585	-	<b>59,84,700</b>	1,80,21,285	11.46%
<b>Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor)</b>	-	-	64,81,238	-	<b>18,70,207</b>	83,51,445	5.31%
Lionsgold India Holdings Limited	1,26,66,388	9.87%	11,51,181	1,54,516	-	1,39,72,085	8.88%
Mahesh Wadhvani	-	-	-	2,80,531	-	2,80,531	0.18%
Renuka Wadhvani	-	-	-	2,80,531	-	2,80,531	0.18%
<b>Alok Gyanchand Kothari</b>	-	-	-	1,40,265	<b>1,87,020</b>	3,27,285	0.21%
Sanjay Thakre	-	-	-	46,755	-	46,755	0.03%
Vikas Ranjan Mahto	-	-	-	1,87,020	-	1,87,020	0.12%
<b>Suresh Babu Mitta</b>	-	-	-	-	<b>1,87,020</b>	1,87,020	0.12%
<b>Public (Others)</b>	<b>7,54,28,597</b>	<b>58.78%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>7,54,28,597</b>	<b>47.95%</b>
<b>Sub-total (B)</b>	<b>8,80,94,985</b>	<b>68.64%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>11,70,82,554</b>	<b>74.42%</b>
<b>Total</b>	<b>12,83,34,440</b>	<b>100.00%</b>	<b>1,96,69,004</b>	<b>10,89,618</b>	<b>82,28,947</b>	<b>15,73,22,009</b>	<b>100.00%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

#### 6. Proposed time frame within which the preferential issue shall be completed:

As required under the SEBI ICDR Regulations, DGML shall complete the allotment of the Equity Warrants on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the members for issue and allotment of the Equity Warrants, provided that where the issue and allotment of the shares is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority or the Central Government (including but not limited to the in-principle approval of the stock exchange for the issuance of the Equity Warrants to the Proposed Allottee/s 4 on a preferential basis), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

#### **7. Basis on which the floor price has been arrived at, justification for the issue price (including premium) and Relevant Date**

The issue price has been determined based of the requirements under the Regulation 164 and 166A of the SEBI ICDR Regulations, Foreign Exchange Management Act, 1999 and other applicable statutory provisions and the rules made thereunder, as applicable. Accordingly, the compliance with the valuation requirement under Companies Act, SEBI ICDR Regulations and FEMA has been complied with as under:

- (a) Joint Valuation report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the Companies Act, Rules made thereunder, Regulation 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable;
- (b) Pricing Certificate dated July 11, 2023 received from M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying compliance with the floor price for the proposed preferential issue by DGML, based on the pricing formula prescribed under Regulation 164(1) of Chapter V of SEBI ICDR Regulations.

#### **Relevant Date**

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for equity shares to be issued is Monday, July 03, 2023, i.e., 30 (thirty) days prior to the date of this EGM.

#### **Whether frequently traded or not**

The equity shares of DGML are listed and frequently traded on the BSE in accordance with SEBI ICDR Regulations.

#### **Floor Price**

In terms of Regulation 164 (1) of SEBI ICDR Regulations, the price at which Equity Warrants will be allotted shall not be less than higher of the following:

- (a) the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 48.00 (Rupees Forty Eight only) per equity share; or
- (b) the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the Relevant Date i.e., July 03, 2023, i.e., Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per equity share.

**The price per Equity Warrants of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) is equivalent to the floor price determined in accordance with Regulation 164 (1) of SEBI ICDR Regulations.**

#### **Basis for arriving the price**

The price of the Equity Warrants to be allotted for cash consideration has been determined taking into account the Joint valuation ratio report dated July 08, 2023 received from Fintellectual Corporate Advisors Pvt. Ltd., Category I Merchant Banker (SEBI Registration No. MB/INM000012944) and Manish Manwani, Registered Valuer (SFA) (IBBI Membership No: IBBI/RV/03/2021/14113) in compliance with the provisions of the

Companies Act, Rules made thereunder, Regulation 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable.

**The salient features for determination of the valuation of the Equity Warrants of DGML for the purpose of allotment is as under:**

Extract from the Valuation Report:

Quote

**Asset Approach:**

*We have considered adjusted Net Asset Value (NAV) Method for determining the fair value of the equity shares of the Company, being carrying on operations in the nature of holding company, but have not assigned any weight to the same as assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.*

**Income Approach:**

*DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited. The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML.*

*Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.*

**Market Approach:**

*We haven't applied Comparable Companies' Multiple "CCM" method because there were no comparable listed companies in similar business segment, i.e. gold mining.*

**Unquote**

The summary for valuation is as under:

Quote

*Amount in INR except weights and stated otherwise*

Valuation Approach	Methodology	Value Per Share	Weight	Product
Asset Approach	Net Assets Value Method <sup>1</sup>	14.08	0.00	0.00
Market Approach	Market Price Method	53.47	1.00	53.47
	CCM Method <sup>2</sup>	NA	0.00	0.00
Income Approach	DCF/PECV <sup>3</sup>	NA	0.00	0.00
Fair Value per share in INR				53.47

\* The final indication of value, on a going concern basis, is generally one number computed from a variety of analytical procedures and one or more of the three methods discussed above. As per the guidelines prescribed under International Valuation Standards, the goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstances. No one method is suitable in every possible situation. The selection process should consider, at a minimum:

- a) the appropriate basis(s) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- b) the respective strengths and weaknesses of the possible valuation approaches and methods,

c) the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market.

<sup>1</sup> Assets approach disregards the future earning potential of the business and the asset approach does not reflect the intrinsic value of a business in a going concern scenario. Further, the said value is also lower than the minimum price as calculated in accordance with Regulation 164(1) of the SEBI (ICDR) Regulations.

<sup>2</sup> There are no listed peer group companies in the gold mining sector and therefore CCM Method has not been used.

<sup>3</sup> DGML is operating in the nature of a holding company and is holding investments in its (i) subsidiaries namely, Deccan Exploration Services Private Limited and Deccan Gold (TZ) Private Limited which do not have mines or are at early stage; and (ii) associate company namely Geomysore Services (India) Private Limited. The fair value of equity shares of the associate companies of DGML have been assessed based on Discounted Free Cash Flow Method and its relative value have been aggregated for the purpose of calculation of adjusted Net Asset Value of the equity shares of DGML. Due to aforesaid reason, the Discounted Free Cash Flow Method has not been used for valuing the equity shares of DGML. Further, since the company is in loss, therefore we have not considered Profit Earning Capitalization Value (PECV) Method for fair valuation analysis.

#### **Unquote**

Accordingly, the valuer has certified the price of Rs. 53.47 (Rupees Fifty Three and paise Forty Seven only) per Equity Warrants of DGML as fair value in accordance with the provisions of Companies Act, Rules made thereunder, Regulation 164 and 166A of the SEBI ICDR Regulations, and also for the purpose of determination of fair value under FEMA.

The complete valuation report along with pricing certificate is available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

#### **Whether re-computation of the price is required**

Since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

#### **(c) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees**

The details of the Proposed Allottee/s 3 are as per the following table. DGML has not made any preferential allotment of Equity Shares or convertible securities or warrants during the current financial year except as envisaged to be allotted under this Notice.

Sr. No.	Proposed Allottees	Natural person who are / is the ultimate beneficial owners / who control the proposed allottees	No. of Subscription Shares 3 to be allotted under Item No. 3 of this Notice	Pre-Issue Shareholding (as on June 30, 2023)		Post Issue shareholding pattern (on fully diluted basis) *	
				No.	%age	No.	%age
1.	Hira Infra Tek Limited, India	Indian Company (Refer note below)	1,20,36,585	-	-	1,80,21,285	11.46%
2.	Med Edu Care Marketing Management (held through / represented by Phani Bhushan Potu, Proprietor), Dubai	Foreign entity Beneficial owner: Phani Bhushan Potu	64,81,238	-	-	83,51,445	5.31%
3.	Alok Gyanchand Kothari	Individual	1,40,265	-	-	3,27,285	0.21%
4.	Suresh Babu Mitta	Individual	1,87,020	-	-	1,87,020	0.12%
<b>Total</b>			<b>82,28,947</b>	-	-	<b>1,50,94,207</b>	<b>17.09%</b>

\* The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice (i.e. under resolution no. 1, 2, 3 and 4) and on fully diluted basis.

Therefore, the post issue paid-up capital of the Company is subject to alterations on account of (i) allotment of Subscription Shares 1 for non cash consideration (resolution no. 1); (ii) allotment of Subscription Shares 2 for non cash consideration (resolution no. 2); (iii) allotment of Subscription Shares 3 for cash consideration (resolution no. 3); and (iv) allotment and conversion of Equity Warrants allotted for cash consideration (resolution no. 4). Consequently, the post-issue shareholding percentage on fully diluted basis mentioned above may also stand altered.

Note:

The shareholding pattern of Hira Infra Tek Limited is as under:

Name of Shareholders	No. of shares	%age
Sarita Devi Agrawal	15,000	9.38%
N P Agrawal	1,000	0.63%
Siddharth Agrawal	15,000	9.38%
Kanika Agrawal	24,000	15.00%
Dinesh Agrawal	30,000	18.75%
Reena Agrawal	15,000	9.38%
Hanuman Prasad Agrawal	1,000	0.63%
Vinay Agrawal	15,000	9.38%
Rashmi Agrawal	14,000	8.75%
Radhika Agrawal	15,000	9.38%
Priya Agrawal	15,000	9.38%
<b>Total</b>	<b>1,60,000</b>	<b>100.00%</b>

**Change in control, if any, in DGML that would occur consequent to the preferential offer:**

There will be no change in control of the Company pursuant to the issuance of the Equity Warrants to the Proposed Allottee/s 4. The Proposed Allottee/s 4 does not form part of promoter / promoter group of the Company and will continue to be a part of public category post the preferential issue.

**(d) Amount which DGML intends to raise by way of such securities / size of the issue:**

The total consideration for issue and allotment of Equity Warrants is Rs. 44,00,01,796.09 (Rupees Forty Four Crore One Thousand Seven Hundred Ninety Six and paise Nine only) for the allotment price of Rs. 53.47 per Equity Warrant.

**(e) Undertaking by DGML:**

The Board of Directors of DGML hereby undertakes and confirm that since the equity shares of DGML have been listed on the recognized stock exchange for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per Subscription Share to be issued. Therefore, DGML is not required to submit the undertaking specified under Regulations 163(1)(g) and (h) of the SEBI ICDR Regulations.

**(f) Lock-in Period:**

The Equity Warrants and Equity Shares allotted pursuant to exercise of Equity Warrants issued will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167, 167A and 168 of the ICDR Regulations.

The Equity Warrants allotted to the Proposed Allottee/s 4 shall be locked-in for a period of one year from the date of allotment. Further, the Equity Shares to be allotted to the Proposed Allottee/s 4 upon exercise of the option by the allottees to convert Equity Warrants into Equity Shares shall be subject to lock-in for a period of 6 months from the date of the receipt of trading approval for such Equity Shares allotted pursuant to exercise of warrants.

Also, the entire pre-preferential allotment shareholding of the Proposed Allottee/s 4, shall be locked-in from the relevant date up to a period of 90 trading days from the date of allotment of Equity Warrants.

The Company shall commence the process for creation of lock-in of entire pre-preferential allotment shareholding of the Proposed Allottee/s 4. Further, the Proposed Allottee/s 4 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date, during the period from Relevant Date till the date of Board Meeting and have also undertaken not to sell any equity shares of DGML till the lock-in is created. Further, the Proposed Allottee/s 4 who do not hold any Equity Shares in DGML as on the Relevant Date have undertaken that they will not deal in the Equity Shares of DGML till the allotment of Equity Warrants is completed.

**(g) Principle terms of assets charged as securities:**

Not applicable.

**(h) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Not applicable

**(i) Practicing Company Secretary Certificate:**

A copy of the certificate of the Practicing Company Secretary, M/s. Rathi & Associates, Company Secretaries, Mumbai, certifying that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations shall be available for inspection on the website of DGML at [www.deccangoldmines.com](http://www.deccangoldmines.com) by the members till the date of the EGM.

**(j) Disclosure with regard to the outstanding dues to SEBI, Stock Exchange and Depositories:**

DGML do not have any outstanding dues to SEBI, Stock Exchange (on which its Equity Shares are listed) and Depositories.

**(k) Other Disclosures:**

- (a) The Proposed Allottee/s 4 have confirmed that they have not sold any equity shares of DGML during the 90 trading days period prior to the Relevant Date.
- (b) DGML is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- (c) Neither DGML nor any of its Directors or Promoters are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter(s) issued by the Reserve Bank of India. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- (d) Neither the Company nor its Promoter or Directors is a wilful defaulter or fraudulent borrower;
- (e) Neither DGML nor any of its Directors and / or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations;

**(f) Other material disclosures related to DGML**

Our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed Writ Petitions before the Hon'ble High Court of Karnataka with regard to its key Ganajur Mining Lease (ML) application and North Hutti Block Prospecting Licence applications for re-instatement of its rights. For background details / updates about these two Writ Petitions, shareholders are encouraged to refer to the periodical market updates made by DGML from time to time which are available on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and DGML ([www.deccangoldmines.com](http://www.deccangoldmines.com)).

In terms of Sections 23, 42 and 62 of the Companies Act, 2013, approval of the members by way of a special resolution is required to issue the Equity Warrants by way of a preferential allotment on private placement basis. Hence, the Board recommends the resolutions proposed at Item No. 4 for your approval by way of a special resolution.

None of the directors or Key Managerial Personnel of DGML or their relatives other than specified above, are in any way concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their individual shareholding in DGML.

By order of the Board of Directors  
For **Deccan Gold Mines Limited**

**Subramaniam S.**  
Company Secretary  
ACS No 12110

Registered Office:  
501, Akruti Trade Centre, Road No. 7, MIDC  
Andheri (East), Mumbai - 400 093  
CIN: L51900MH1984PLC034662

Place : Bengaluru  
Date : July 11, 2023