



**DECCAN GOLD
MINES LIMITED**

(CIN : L51900MH1984PLC034662)

Corporate & Correspondence Address

No.1285, 5th Main Road, 7th Sector HSR Layout, Bengaluru-560102 Tel : +91 80 45384000 Fax : +91 80 45384001 Email : info@deccangoldmines.com Web : www.deccangoldmines.com

December 01, 2022

**Corporate Relationship Department
BSE Limited**
P J Towers, Dalal Street
Fort, Mumbai - 400 001

BSE Security Code: (DECNGOLD | 512068 | INE945F01025)

Dear Sir / Madam,

Sub: Intimation of the decision of the Board Meeting held on November 30, 2022 for acquisition of business interest

Ref. Regulation 30 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")

We wish to inform you that the Board of Directors of Deccan Gold Mines Limited ("Company") at their meeting held on November 30, 2022 have approved the proposal to acquire 7,20,973 (Seven Lakh Twenty Thousand Nine Hundred Seventy Three) fully paid-up equity shares ("**Acquisition Shares**") in Geomysore Services (India) Private Limited ("**GMSI**") representing 44.32% of the present capital of GMSI to the Proposed Allottees by way of non-cash consideration by issue and allotment of 3,35,36,945 (Three Crore Thirty Five Lakh Thirty Six Thousand Nine Hundred Forty Five) equity shares of face value of Re. 1/- (Rupee One each) ("**Subscription Shares**") and 14,99,276 (Fourteen Lakh Ninety Nine Thousand Two Hundred Seventy Six) Compulsorily Convertible Debentures of face value of Re. 1/- (Rupee One each) ("**Subscription CCD**") by way of preferential issue under the Companies Act, 2013 and rules thereunder ("**Act**") and 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**"). The details of GMSI are given under Annexure A.

This is for your information and appropriate dissemination.

Yours truly,
for Deccan Gold Mines Limited

Subramaniam S
Company Secretary & Compliance Officer
Membership No: A12110

Registered Office

501, Akruti Trade Center, Road No. 7, MIDC, Andheri (East), Mumbai -400093.
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Annexure A

Sr. No.	Particulars	Details
1.	Name of the Target entity, details in brief such as size, turnover etc.	<p>Geomysore Services (India) Private Limited ("GMSI")</p> <p>GMSI has a granted and executed Mining Lease over its Jonnagiri Gold Project in the State of Andhra Pradesh. GMSI is in advanced stage of commencement of business operations at Jonnagiri.</p> <p>Paid-up Share Capital as on date: 16,26,617 Equity Shares of Re. 1/- each aggregating to Rs. 16,26,617/-</p> <p>Turnover as on March 31, 2022: Rs. 36.54 lakhs</p> <p>PAT as on March 31, 2022: Loss of Rs. 53.81 lakhs</p>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	<p>Rama Mines (Mauritius) Limited, the Promoter of DGML, and Australian Indian Resources Limited, promoter of GMSI, fall under the common control. Except as above, there is no relationship between the companies.</p> <p>The transaction is proposed on an 'arm's length' terms as determined by an independent valuer.</p>
3	Industry to which the entity being acquired, belongs;	Mining Industry
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>Expansion of business operations by acquisition of business interest in companies operating in mining sector.</p> <p>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</p>

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		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.
5	Brief details of any governmental or regulatory approvals required for the acquisition	Not applicable
6	Indicative time period for completion of the acquisition	On or before March 31, 2023. In case of delay in receipt of regulatory approvals, the said period may be extended.
7	Nature of consideration – whether cash consideration or share swap and details of the same	<p>Non cash consideration, by way of share swap transaction.</p> <p>The Board of Directors of DGML approved the proposal to acquire 7,20,973 (Seven Lakh Twenty Thousand Nine Hundred Seventy Three) fully paid-up equity shares in Geomysore Services (India) Private Limited ("GMSI") representing 44.32% of the present capital of GMSI to the Proposed Allottees for non-cash consideration discharged by way of issue and allotment of 3,35,36,945 (Three Crore Thirty Five Lakh Thirty Six Thousand Nine Hundred Forty Five) Equity Shares of face value of Re. 1/- (Rupee One each) ("Subscription Shares") and 14,99,276 (Fourteen Lakh Ninety Nine Thousand Two Hundred Seventy Six) Compulsorily Convertible Debentures of face value of Re. 1/- (Rupee One each) ("Subscription CCD") by way of preferential issue under the Companies Act, 2013 and rules thereunder ("Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").</p> <p>The above issue price and share swap ratio has been determined based on consideration of (a) the Joint valuation cum share swap ratio report dated November 30, 2022 received</p>

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		<p>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, 2013 and Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable</p> <p>(b) Pricing Certificate dated November 30, 2022 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.</p> <p>The issue price for the Subscription Shares and Subscription CCD is equivalent to the floor price prescribed under Chapter V of the SEBI ICDR Regulations.</p>												
8	Cost of acquisition or the price at which the shares are acquired	Rs. 1,606.09 per equity share of GMSI (as non cash consideration)												
9	Percentage of shareholding / control acquired and / or number of shares acquired	7,20,973 (Seven Lakh Twenty Thousand Nine Hundred Seventy Three) fully paid-up equity shares in GMSI representing 44.32% of the present capital of GMSI												
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>GMSI was incorporated on August 4, 1994 in India and is engaged in mining activities. GMSI has a granted and executed Mining Lease over its Jonnagiri Gold Project in the State of Andhra Pradesh and is in advanced stage of commencement of commercial operations.</p> <p>The turnover and PAT for the last three years is as under:</p> <p style="text-align: right;">(Rs. in lakhs)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Total Income</th> <th>PAT</th> </tr> </thead> <tbody> <tr> <td>FY 2021-22</td> <td>36.54</td> <td>(53.81)</td> </tr> <tr> <td>FY 2020-21</td> <td>36.94</td> <td>(54.42)</td> </tr> <tr> <td>FY 2019-20</td> <td>33.61</td> <td>(42.90)</td> </tr> </tbody> </table>	Particulars	Total Income	PAT	FY 2021-22	36.54	(53.81)	FY 2020-21	36.94	(54.42)	FY 2019-20	33.61	(42.90)
Particulars	Total Income	PAT												
FY 2021-22	36.54	(53.81)												
FY 2020-21	36.94	(54.42)												
FY 2019-20	33.61	(42.90)												

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