



**DECCAN GOLD  
MINES LIMITED**

( CIN : L51900MH1984PLC034662 )

Corporate Office & Correspondence Address

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

July 9, 2023

**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 July 8, 2023 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 July 8, 2023 have approved the proposal to:

- (a) Approved the proposal to acquire share capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) in Avelum Partners LLC, Kyrgyzstan ("Avelum") representing 60% of the present capital of Avelum from Hira Infra-Tek Limited, India and Med Edu Care Marketing Management, Dubai (held through / represented by Mr. Phani Bhushan Potu, Proprietor) by way of non-cash consideration as share swap by issue and allotment of 1,85,17,860 (One Crore Eighty Five Lakh Seventeen Thousand Eight Hundred Sixty) Equity Shares of face value of Re. 1/- (Rupee One each) 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. It may be noted that the Company has an option to raise its stake in Avelum by a further 10% in Avelum and we shall update our shareholders at the appropriate time. The details of Avelum are given under Annexure A.
- (b) Approved the proposal to acquire share capital aggregating 810 Equity Shares in Kalevala Gold Oy, Finland ("Kalevala") representing 31.52% of the present capital of Kalevala from Lionsgold India Holdings Ltd, Mauritius, 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) 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. It may be noted that the Company has got an option to acquire a further

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18.48% stake in Kalevala and we shall update our shareholders at the appropriate time. The details of Kalevala are given under Annexure B.

This is for your information and appropriate dissemination.

Yours truly,

**for Deccan Gold Mines Limited**

**SUNDARAM  
SUBRAMANIAM**

Digitally signed by SUNDARAM SUBRAMANIAM  
DN: c=IN, o=PERSONAL,  
pseudonym=43f8516539107d4453d0385c5cfb60864612d57  
e6e2bd864b9b25be2d5c300cf, postalCode=560040,  
st=KARNATAKA,  
serialNumber=1610fd3b37e2e3e8f0bef9ecfbd5c3c03998ff6  
904d17686b123563ab7d7ce1, cn=SUNDARAM  
SUBRAMANIAM  
Date: 2023.07.09 19:15:34 +05'30'

**Subramaniam S**

**Company Secretary & Compliance Officer**

**Membership No: A12110**

**Registered Office**

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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>Avelum Partners LLC, Kyrgyzstan (“Avelum”)</p> <p>Avelum is operating an existing gold mine located in the eastern part of Kyrgyzstan which requires considerable expansion and setting up of a processing plant to reach its full capacity. The Mine has a potential resource of 6 tonnes of gold which can be extracted over the next 8 - 10 years with a potential to enhance the resource base. Avelum is planning to expand the mining and production capacity in the short-term.</p> <p>Capital as on date: 17,50,00,000 Kyrgyz Soms</p> <p>Turnover as on December 31, 2022: USD 4,27,626</p> <p>PAT as on December 31, 2022: Loss of USD 10,58,997</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>No.</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)	Expansion of business operations by acquisition of business interest in companies operating in mining sector.
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 December 31, 2023. In case of delay in receipt of regulatory approvals, the said period may be extended.

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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 share capital aggregating to 10,50,00,000 KGS (Kyrgyzstani Som) in Avelum Partners LLC, Kyrgyzstan representing 60% of the present capital of Avelum from the Proposed Allottees for non-cash consideration discharged by way of issue and allotment of 1,85,17,860 (One Crore Eighty Five Lakh Seventeen Thousand Eight Hundred Sixty) Equity Shares of face value of Re. 1/- (Rupee One each) by way of preferential issue under the Companies Act, 2013 and rules made thereunder (“<b>Act</b>”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“<b>SEBI ICDR Regulations</b>”) and Foreign Exchange Management Act, 1999 (“<b>FEMA</b>”) and rules made thereunder. It may be noted that the Company has an option to raise its stake in Avelum by a further 10% in Avelum and we shall update our shareholders at the appropriate time.</p> <p>The above issue price and share swap ratio has been determined based on consideration of</p> <p>(a) the 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, 2013 and Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable.</p> <p>The issue price for the Equity Shares of the Company is equivalent to the floor price prescribed under Chapter V of the SEBI ICDR Regulations.</p>
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8	Cost of acquisition or the price at which the shares are acquired	INR 99,01,49,974 (Indian Rupees Ninety-Nine Crore One Lakh Forty-Nine Thousand Nine Hundred Seventy-Four only)												
9	Percentage of shareholding / control acquired and / or number of shares acquired	60% of the present capital of Avelum												
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>Avelum is operating an existing gold mine located in the eastern part of Kyrgyzstan which requires considerable expansion and setting up of a processing plant to reach its full capacity. The Mine has a potential resource of 6 tonnes of gold which can be extracted over the next 8 - 10 years with a potential to enhance the resource base. Avelum is planning to expand the mining and production capacity in the short-term.</p> <p>The turnover and PAT for the last three years is as under:</p> <p style="text-align: right;">(Amount in USD)</p> <table border="1"><thead><tr><th>Particulars</th><th>Total Income</th><th>PAT</th></tr></thead><tbody><tr><td>FY ended December 2022</td><td>427,626</td><td>(1,058,997)</td></tr><tr><td>FY ended December 2021</td><td>-</td><td>(34,561)</td></tr><tr><td>FY ended December 2020</td><td>-</td><td>-</td></tr></tbody></table>	Particulars	Total Income	PAT	FY ended December 2022	427,626	(1,058,997)	FY ended December 2021	-	(34,561)	FY ended December 2020	-	-
Particulars	Total Income	PAT												
FY ended December 2022	427,626	(1,058,997)												
FY ended December 2021	-	(34,561)												
FY ended December 2020	-	-												

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## Annexure B

Sr. No.	Particulars	Details
1.	Name of the Target entity, details in brief such as size, turnover etc.	<p>Kalevala Gold Oy, Finland (“Kalevala”)</p> <p>Kalevala has the rights to acquire mining leases and prospecting licences for gold in the North-eastern part of Finland. The project has a potential of 4 tonnes of gold over the medium-term which can be further enhanced through exploration. The Company is planning to do a drilling program and conduct a feasibility study in preparation for the mining activity.</p> <p>Capital as on date: 2,570 equity shares</p> <p>Turnover as on December 31, 2022: € 3,219.90</p> <p>PAT as on December 31, 2022: Loss of € 7,265.61</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>No.</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)	Expansion of business operations by acquisition of business interest in companies operating in mining sector.
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 December 31, 2023. In case of delay in receipt of regulatory approvals, the said period may be extended.

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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>810 Equity Shares in Kalevala Gold Oy, Finland (“<b>Kalevala</b>”) representing 31.52% of the present capital of Kalevala from 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) by way of preferential issue under the Companies Act, 2013 and rules made thereunder (“<b>Act</b>”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“<b>SEBI ICDR Regulations</b>”) and Foreign Exchange Management Act, 1999 (“<b>FEMA</b>”) and rules made thereunder. It may be noted that the Company has got an option to acquire a further 18.48% stake in Kalevala and we shall update our shareholders at the appropriate time.</p> <p>The above issue price and share swap ratio has been determined based on consideration of</p> <p>(a) the 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, 2013 and Rules made thereunder, Regulation 163, 164 and 166A of the SEBI ICDR Regulations, FEMA and other provisions as applicable.</p> <p>The issue price for the Equity Shares of DGML 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	INR 6,15,53,648 (Indian Rupees Six Crore Fifteen Lakhs Fifty-Three Thousand Six Hundred Forty-Eight only)

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9	Percentage of shareholding / control acquired and / or number of shares acquired	31.52% of the present capital of Kalevala												
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>Kalevala has the rights to acquire mining leases and prospecting licences for gold in the North-eastern part of Finland. The project has a short-term potential of 4 tonnes of gold which can be further enhanced through exploration. The Company is planning to do a feasibility study in preparation for the mining activity.</p> <p>The turnover and PAT for the last three years is as under:</p> <p style="text-align: right;">(Amount in Euro)</p> <table border="1"><thead><tr><th>Particulars</th><th>Total Income</th><th>PAT</th></tr></thead><tbody><tr><td>FY ended December 2022</td><td>3,219.90</td><td>(7,266.02)</td></tr><tr><td>FY ended December 2021</td><td>-</td><td>(19,832.50)</td></tr><tr><td>FY ended December 2020</td><td>-</td><td>(83,013.27)</td></tr></tbody></table>	Particulars	Total Income	PAT	FY ended December 2022	3,219.90	(7,266.02)	FY ended December 2021	-	(19,832.50)	FY ended December 2020	-	(83,013.27)
Particulars	Total Income	PAT												
FY ended December 2022	3,219.90	(7,266.02)												
FY ended December 2021	-	(19,832.50)												
FY ended December 2020	-	(83,013.27)												

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