



**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

September 6, 2022

**Corporate Relationship Department  
BSE Limited**

Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai - 400 001

**Scrip Code: 512068**

Dear Sir / Madam,

Sub: **Annual Report for Financial Year 2021 – 22 and Notice of the 38<sup>th</sup> Annual General Meeting - Compliance with Regulation 30 and 34 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)**

This is further to our letter dated August 11, 2022 intimating that the 38<sup>th</sup> Annual General Meeting of Deccan Gold Mines Limited (‘Company’) will be held on Wednesday, September 28, 2022 by Video Conferencing / OAVM at 11:00 a.m (IST).

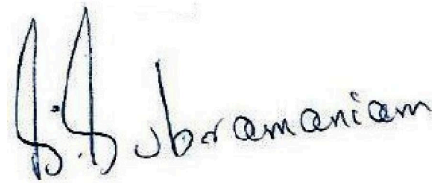
Pursuant to Regulation 30 and 34(1) of the Listing Regulations, we enclose herewith the following:

1. Annual Report of the Company for the Financial Year 2021-22
2. Notice of the 38<sup>th</sup> Annual General Meeting of the Company (including e-voting instructions).

The Annual Report for the financial year 2021-22 along with Notice of 38<sup>th</sup> AGM is also being made available on the website of the Company at [www.deccangoldmines.com](http://www.deccangoldmines.com) and BSE website at [www.bseindia.com](http://www.bseindia.com).

Kindly take the above on record and oblige.

Yours truly





Subramaniam S  
Company Secretary  
Membership No.: ACS 12110

**Registered Office**

Parinee Crescenzo, 803, 8th Floor, Opp. MCA Ground, C38-39, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.  
Tel : +91-22-61554797 Fax : +91-22-67084655 Email : info@deccangoldmines.com Web : www.deccangoldmines.com



# DECCAN GOLD MINES LIMITED

**ANNUAL REPORT 2022**

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## CORPORATE INFORMATION

Chairman	Mr Kailasam Sundaram
Managing Director	Dr Hanuma Prasad Modali
Executive Director & CS	Mr Subramaniam S.
Board of Directors	Mr Govind Subhash Samant Mr Andrew Mark Weeks (w.e.f. August 9, 2022) Mrs Deepthi Donkeshwar (w.e.f. August 9, 2022) Mr Binay Prakash Pandey Mr Natesan Chinnapan (till May 31, 2022) Mrs Revathi Thiruvendagam (till June 15, 2022)
Chief Financial Officer	Mr Krishnamurthy Karunakaran
Exploration Director of subsidiary company	Mr Saradchandra Rao Peshwa
Corporate Identification No	L51900MH1984PLC034662
Registered Office	Parinee Crescenzo, 8th Floor, C38-39, G Block, Bandra Kurla Complex, Mumbai 400051, Maharashtra Email : <a href="mailto:info@deccangoldmines.com">info@deccangoldmines.com</a> Web : <a href="http://www.deccangoldmines.com">www.deccangoldmines.com</a>
Corporate Office	No. 1285, 5th Main, 7th Sector, HSR Layout, Bengaluru – 560 102, Karnataka Tel : 91-80-45384000 Fax : 91-80-45384001
Statutory Auditors	P R Agarwal & Awasthi Chartered Accountants, Mumbai (Firm Registration No 117940W)
Registrars & Share Transfer Agents	Link Intime India Private Limited C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083 Tel : 91-22-49186000 Fax : 91-22-49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
Bankers	Kotak Mahindra Bank

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## **PROFILE OF BOARD OF DIRECTORS**

**Mr KAILASAM SUNDARAM**

Non-executive Chairman

Kailasam has over 28 years of corporate experience in the field of corporate law, FEMA, finance & taxation, audit (internal & external), legal and HR matters. Areas of expertise include fund raising for short-term and long-term requirements, listing of securities and handling of direct and indirect tax matters, risk assessment, evaluation of internal controls, understanding and evaluation of systems and processes.

Since July, 2015 he is acting as an Independent Advisor to various corporates providing specialised services on capital structuring (within and outside India), FEMA and other corporate law matters. He is a regular speaker and presents papers on corporate law matters at events conducted by professional bodies.

Kailasam is a Fellow Member of the Institute of Company Secretaries of India and an Associate Member of the Institute of Cost & Management Accountants of India.

**Dr. HANUMA PRASAD MODALI, M.Sc., Ph.D., MAusIMM**

Managing Director

Hanuma Prasad has extensive experience in Exploration and Mining industry in India and overseas. In his long career, spanning over 27 years, Hanuma has worked in various capacities in Exploration and Corporate Management. As an Exploration Manager, he has led several greenfield and brown field exploration projects for gold, base metals, nickel-PGE, mineral sands and iron ore. He has held key management positions, including Chief Executive Officer, in which he is involved in fundraising and corporate management.

Hanuma started his career with Geological Survey of India in 1994 where he carried out geological mapping and exploration for gold. His work in Central India has helped in bringing out new regional geological concepts. Hanuma joined Australian Indian Resources Group (AIR) in the year 2001 and continued to work with the Group for the last 20 years. As an Exploration Manager, he has explored Archaean and Proterozoic terrains of central India for gold, base metals, Ni-Cu-PGE and made significant discoveries. He was actively involved in the exploration research on generating new gold and Ni-PGE targets in India. During this period he has also built exploration teams and explored various parts of Africa for other mineral resource companies which have consultancy arrangements with AIR Group.

Since 2008 Hanuma was closely associated with the Business Development team of the AIR Group, during which he carried out due diligence of several precious commodity projects in India, Africa and South America. He has been associated with fund raising into AIR and Geomysore Services (India) Pvt Ltd (GMSI). Hanuma has co-managed NI 43-101 compliant feasibility study on Jonnagiri Gold Project along with a team of international and Indian experts. He is currently part of the senior management of GMSI playing a key role in the development of Jonnagiri gold mining project.

Hanuma has worked widely in Africa, SE Asia, South America and CIS countries as a part of due diligence team to advice various business houses in acquiring mineral projects in these countries. He has been instrumental in setting up gold and other mineral exploration and mining companies in Sudan, Ivory Coast, Togo, Zambia, Malawi and Kyrgyzstan.

He is on the board of many mineral resource companies, including AIM – listed LionsGold Limited which has got interests in mineral prospects in India. He is a member of Australian Institute of Mining and Metallurgy (AusImm). Hanuma has Doctorate in Geology and published number of papers in peer reviewed journals. He is a prolific speaker in national and International conferences.

**Mr SUBRAMANIAM SUNDARAM**

Executive Director & CS

Subramaniam is an Associate Member of the Institute of Company Secretaries of India (ICSI) and Associate Member of the Chartered Institute of Management Accountants, United Kingdom (CIMA). He holds a Law Degree (LLB) from Bangalore University.

## DECCAN GOLD MINES LIMITED

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He has 25 years of experience in the field of Company Law and other corporate laws. Has handled corporate restructuring exercises including mergers / demergers, amalgamations, joint ventures, foreign collaborations, fund raisings & listing of securities on domestic and foreign stock exchanges. He is in charge of the corporate legal and company secretarial matters and also functions as the Compliance Officer of the Company since October, 2006.

### **Mr ANDREW MARK WEEKS**

#### **Independent Non-Executive Director**

Andrew Mark Weeks is a Geologist with over 30 years of experience in the mining industry. He has worked in senior production and resource management roles with Acacia Resources, WMC and BHP as well as 10 years as a Principal Consultant for Golder Associates. He has had a privileged career working on and visiting tens of minerals resource projects and mines on every continent (except Antarctica) and has worked in gold, nickel, silver, diamond, uranium, copper, tungsten, PGE and iron ore projects. As a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM), he has sufficient experience to qualify as a Competent Person for various metals including gold.

In 2020, he founded 2020 Resources Pty Ltd, to promote excellence in mineral resource development and ore control processes.

### **Mr GOVIND SUBHASH SAMANT**

#### **Non Executive & Non Independent Director**

Govind is an entrepreneur based out of Thailand and is a long-term shareholder of the Company holding a significant stake as on date. Govind has a keen understanding and appreciation of the business model of exploration and mining companies.

### **Mr. BINAY PRAKASH PANDEY**

#### **Non Executive & Non Independent Director**

Binay Prakash Pandey holds Bachelor of Technology in Mining and Mineral Engineering, NIT Karnataka Post Graduate Diploma in Marketing Management Diploma in Management. He Enrolled as a Research Scholar under PhD program of the Indian Institute of Technology (Indian School of Mines). Starting his career in Asia's then largest mining complex – Kudremukh Iron Ore Company Limited, Binay moved on to working for one of the largest steel plants in India – JSW Steel Limited, culminating into a total of 28 years of work experience in both public and private sector enterprises. Binay's comprehensive understanding of the Mineral Evidence and Content Rules and Mineral Auction Rules under the new auction regime resulted in JSW successfully bidding on 9 iron ore blocks out of which 4 have begun operations.

Binay is an Member (expert in the field of major minerals) in the Karnataka Mineral Policy Committee.

Since September 2020, Binay is the CEO of Ecomen Laboratories Private Limited (Environment Consultants) and is also the Founder Director of E2E Mining Solutions Private Limited (providing engineering and management consulting services to the mining industry)

### **Mrs DEEPTHI DONKESHWAR**

#### **Independent Non-Executive Director**

Mrs. Deepthi Donkeshwar has an extensive background in Management Consultancy & HR management. She is a qualified Human Resource Consultant with a Master's in Business Administration having graduated with a B.Tech Degree. She is having 15 plus years of experience as a Management & HR Consultant in the Engineering and IT industry.

Based in Hyderabad, she is now a Director in Holistic Corporate Advisors Private Limited as a Management Consultant & Human Resources Specialist. She is also one of the partners in Vasavi Holistic Corporate Services, a leading real estate group in Hyderabad since last 26 years.

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## **KEY PERSONNEL**

**Mr. SARADCHANDRA RAO PESHA, FGS (London), MGS (SA)**

Director (Exploration), Deccan Exploration Services Private Limited (wholly owned subsidiary of Deccan Gold Mines Limited) & Director, Deccan Gold Tanzania Private Limited

Pesha has nearly 32 years of experience as a mining and exploration geologist and specializes in gold exploration and resource modeling. He worked as a Mining & Exploration Geologist for 13 years with Bharat Gold Mines Limited. He has the distinction of working in the world famous Champion Reef Mine and carried out detailed exploration of Champion lode system both in deep and shallow levels. This has resulted in delineating new parallel lodes of the Champion Lode system. From 1996 to 2002 he worked as a Project Manager with ACC Limited and was involved in exploration of gold and other minerals. He successfully carried out gold prospecting in the Red Sea hills region of Sudan. Pesha is responsible for the development of DGML's Gold Projects and has implemented different exploration methods as per international standards including QA/QC programmes. He has international exposure for different styles for gold mineralization. Being a Fellow of Geological Society of London and Member of Geological Society of South Africa qualifies him as a competent person as defined by the JORC Code. Pesha is also an RQP (Recognition as Qualified Person) awarded by Indian Bureau of Mines.

**Mr. KARUNAKARAN KRISHNAMURTHY**

Chief Finance Officer & Director, Deccan Exploration Services Private Limited

Karunakaran is a Certified Management Accountant from CMA (Australia) and also holds a Diploma in Management Accounting from CIMA, UK. He has a Masters Degree in Commerce. He possesses nearly three decades of experience in the field of Finance, Accounts and Audit and has worked in organisations in India and abroad. He has got wide experience in matters relating to Indian corporate laws, Banking matters and taxation. Apart from working in reputed corporate in India, Karun worked for 5 years in one of the leading multi divisional company in Sultanate of Oman – Muscat, in the internal audit department and advised management on methodologies to strengthen their internal control systems.

**Dr. MASTAN RAO CHUNDURI, M.Sc., Ph.D.,**  
Consultant Geologist

Dr Mastan Rao Chunduri has 30 years of experience as a professional geologist in survey and mineral exploration using Remote Sensing and GIS. He has expertise in regional targeting for gold, base metal, iron ore, peat / coal and other industrial commodities. He has implemented grass root to advance exploration program. He has experience in managing multiple exploration programs with large team of geologists and geophysicists in India and African countries. Also possesses expertise in Mapinfo, Arcinfo, ERDAS, Envi & Datamine Studio.

**Mr. RAJEEV P. HANAMASAGAR (M.Sc IT)**  
GIS-IT Manager

Rajeev has 16 years of experience in working on Mining & GIS softwares like DataMine, Surpac, Datamine Discover 3D, Auto-Cad and Mapinfo. With his expertise in Database Management of Mining & Exploration data, he is involved in generation of seamless geological and structural maps for exploration & mining projects using GIS platform matching international standards. In the past, he has assisted in preparing necessary geological maps and drill holes sections forming part of Mining Plan of 2 Gold Projects including the Ganajur Gold Project.

Also handles the implementation and maintenance of the Company's technology infrastructure and central information processing system to support efficient data management and communications. Rajeev is also responsible for the secure and effective operation of all computer systems, related applications, hardware and software in the Company.

**DIRECTORS' REPORT**

To  
The Members,  
Deccan Gold Mines Limited

The Directors of Deccan Gold Mines Limited ('the Company') have pleasure in submitting their 38th Annual Report to the Members of the Company together with the Audited Standalone and Consolidated Statement of Accounts for the year ended March 31, 2022. The financial statements have been presented based on Ind AS requirements.

**1. FINANCIAL STATEMENTS & RESULTS:****A. FINANCIAL RESULTS**

Financial results for the year ended March 31, 2022 are as under: (₹ in '000)

Particular	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
Other Income	7,650	7,178
Total Expenses	34,008	37,548
Profit / (Loss) before Exceptional and Extraordinary Items and Tax	(26,358)	(30,370)
Less: Exceptional and Extraordinary Items	-	-
Profit / (Loss) before tax	(26,358)	(30,370)
Less: Current Tax & Deferred Tax	-	-
Profit / (Loss) after tax	(26,358)	(30,370)
Other Comprehensive Income	128	196
Total Comprehensive Income of the year	(26,230)	(30,174)

**b. OPERATIONS AND STATE OF AFFAIRS :**

Details on the operations of the Company and status of its projects in India as well as market announcements made from time to time can be accessed at [www.deccangoldmines.com](http://www.deccangoldmines.com) and [www.bseindia.com](http://www.bseindia.com) (BSE Scrip Code: 512068).

**Ganajur Mining Lease:**

Our wholly-owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) has filed an Amendment Application (after discussion with its Legal Counsel) to its Writ Petition No 17018/2021 filed on September 13, 2021 before the Hon'ble High Court of Karnataka incorporating the salient features of the Judgment dated May 27, 2022 passed by the Hon'ble High Court in an identical matter in Indocil Silicons Pvt., Ltd., & Ors vs. Union of India & Ors. It may be noted that our original Writ Petition inter-alia seeks setting aside of the 'Speaking Order' dated 16/07/2021 passed by the Central Government (holding its prior approvals for Ganajur ML as inconsequential and infructuous in the light of the MMDR Amendment Act, 2021) and grant of the Ganajur Mining Lease.

The Writ Petition came up for hearing before the Hon'ble High Court of Karnataka on July 19, 2022. Our Legal Counsel submitted to the Court that we have filed an Amendment Application to our Writ Petition wherein we deleted the portions relating to challenging the constitutionality of the amendments made to Section 10A(2)(b) by the MMDR Amendment Act, 2021 and have incorporated the salient features of the favourable Judgment dated 27/05/2022 passed by the Hon'ble High Court in an identical matter in Indocil Silicons Pvt., Ltd., & Ors. Vs. Union of India & Ors as noted above.

After hearing our submissions, the Hon'ble High Court was pleased to fix the matter for further hearing after 4 weeks. Further, the Hon'ble High Court directed that their interim order shall continue in the meantime. It may be noted that at the hearing held on December 17, 2021 the Hon'ble High Court had directed the Respondent State not to take any precipitative action against the petitioner (DESPL) as was ordered by it in an identical case in WP No. 1920/2021 (Indocil case referred to above).



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For more details on the subject, shareholders are encouraged to refer to market update made on June 29, 2022 available on its website [www.deccangoldmines.com](http://www.deccangoldmines.com) and BSE website [www.bseindia.com](http://www.bseindia.com) (Scrip Code : 512068).

Concurrently, we are also filing a Deletion Application before the Hon'ble Supreme Court seeking deletion of the name of DESPL from the list of Respondents in the Transfer Petition filed by the Central Government seeking analogous hearing and disposal of all the Writ Petitions challenging the constitutionality of the amendments made to Section 10A(2)(b) of the MMDR Act, 1957 vide Amendment Act, 2021 w.e.f. March 28, 2021.

**North Hutti Block Prospecting Licence (PL) applications:**

DESPL has filed a Writ Petition before the Hon'ble High Court of Karnataka seeking quashing of the Order dated 14/02/2022 passed by the Secretary (MSME & Mines), Commerce & Industries Department, Government of Karnataka ("C & I"). Vide this Order, the C & I had ordered that the 8 PL applications filed by DESPL over the North Hutti Block in Karnataka have not fulfilled the requirements of Section 10A(2)(b) of the MMDR Act, 1957 and further the PL applications have lapsed as per Proviso No. 1 to Section 10A(2)(b) inserted vide MMDR Amendment Act, 2021 with effect from 28/03/2021.

This Writ Petition (No. 12867/2022) has been filed after discussions with our Legal Counsel in the light of Judgment dated 27/05/2022 passed by the Hon'ble High Court of Karnataka in re: Indocil as noted above and the legal principles laid down therein.

**Composite Scheme of Arrangement to acquire a significant stake in Geomysore Services (India) Private Limited (GMSI):**

The Scheme is still under process with the BSE. Post the filing of the Scheme with BSE on October 20, 2021 multiple queries were raised by the BSE and we had responded to those queries (during November, 2021; December, 2021; January, 2022 (twice); February, 2022 (twice); April, 2022; May, 2022 and June / July, 2022). Further, the Company had also sought time till August 31, 2022 to submit the information / documents sought for by BSE. We request the shareholders to await our market updates in this regard.

With regard to the 5 Prospecting Licence Blocks for gold held by our subsidiary, Deccan Gold (Tanzania) Private Limited, shareholders may note that we have commenced exploration work in the areas covered by the Blocks and request the shareholders to await our market updates in this regard.

During the year under review, the Company has also undertaken a few gold exploration consultancy assignments in Kyrgyzstan and Libya and will strive to strengthen this vertical going forward.

There was no change in nature of the business of the Company, during the year under review.

**c. REPORT ON PERFORMANCE OF SUBSIDIARY:**

The Company holds 13,555 (100%) shares in Deccan Exploration Services Private Limited (DESPL) and 11,700 shares (99.99%) in Deccan Gold Tanzania Private Limited, Tanzania (DGTP) as on March 31, 2022. In view of the provisions of the Companies Act, 2013 ('the Act'), DESPL is a wholly owned subsidiary company and DGTP is a subsidiary company. Pursuant to the provisions of Section 129 of the Act, the accounts of DESPL & DGTP have been consolidated into the Company's accounts. No other Company has become or ceased to be the Company's subsidiary(ies), joint venture(s) or associate company during the year under review.

The performance and financial position of DESPL & DGTP, subsidiary companies for the year ended March 31, 2022 is attached as Annexure 1 (Form AOC-1) to this Report.

**d. MATERIAL SUBSIDIARIES :**

The Board has adopted a Policy for determining Material Subsidiaries in accordance with the requirements of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Policy, as approved by the Board, is uploaded on the Company's website and the link for the same is <https://deccangoldmines.com/wp-content/uploads/2018/11/Policy-on-Material-Subsidiaries.pdf>. In terms of the criteria laid down in the Policy and as per the definition of material subsidiary provided in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the wholly owned subsidiary of the Company i.e. Deccan Exploration Services Private Limited has been identified as 'Material', based on the Company's Consolidated Financial Statements for financial year 2021-22.

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Further, the Financial Statements of Deccan Exploration Services Private Limited and Deccan Gold Tanzania Private Limited, Tanzania for the financial year ended March 31, 2022 are available on the Company's website at <https://deccangoldmines.com/dgml-2022-annual-report-related-documents%ef%bb%bf/>

### **e. COMPLIANCE WITH SECRETARIAL STANDARDS**

The applicable Secretarial Standards issued by the Institute of Company Secretaries of India, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by the Company.

### **f. DIVIDEND:**

Your Directors express their inability to recommend dividend for the financial year under review keeping in mind the operations of the Company.

### **g. TRANSFER TO RESERVES:**

In view of losses incurred during the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

### **h. DECLARATION WITH REGARD TO FINANCIAL STATEMENTS:**

Financial Statements for the year ended March 31, 2022 are in accordance with the Indian Accounting Standards (IND-AS) notified by the Ministry of Corporate Affairs, Government of India which have already become applicable to the Company from the accounting period beginning on April 1, 2017.

The Company has not carried out any revision in its financial statements in any of the three preceding financial years as per the requirement under Section 131 of the Act.

### **i. DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

### **j. DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

### **k. DISCLOSURE WITH REGARD TO INTERNAL FINANCIAL CONTROLS:**

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate considering the nature of its business and the scale of operations. During the year under review, no material or serious observation has been made by the Statutory Auditors and the Internal Auditors of the Company regarding inefficiency or inadequacy of such controls. Wherever suggested by the auditors, control measures have been further strengthened and implemented.

### **l. DISCLOSURE WITH REGARD TO ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS:**

No adverse orders have been passed by any Regulator or Court or Tribunal which can have impact on the Company's status as a Going Concern and on its future operations.

### **m. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered into by the Company during the financial year with its related parties were in the ordinary course of business and at an arm's length basis. Accordingly, the disclosure of related party transactions, as required under Section 134(3)(h) of the Companies Act, 2013 is annexed as Annexure 2 (Form AOC-2) to this Report. The Policy on related party transactions as approved by the Board may be accessed on the Company's website at [https://deccangoldmines.com/wp-content/uploads/2022/08/DGML\\_Related-Parties-Transaction-Policy.pdf](https://deccangoldmines.com/wp-content/uploads/2022/08/DGML_Related-Parties-Transaction-Policy.pdf).

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Your Directors draw attention of the members to Note No. 24 of Standalone financial statements which sets out disclosures on related parties and transactions entered into with the said parties during the financial year under review.

**n. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

During the year under review, the Company did not provide any loan or give any guarantees. The Company does not have any investments except 100% shareholding in DESPL, its wholly owned subsidiary company and 99.99% shareholding in DGTPL, its subsidiary company in Tanzania.

**o. DISCLOSURE UNDER SECTION 43(A)(II) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information is required to be furnished in terms of provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

**p. DISCLOSURE UNDER SECTION 54(1)(D) OF THE COMPANIES ACT, 2013:**

The Company has not issued any sweat equity shares during the year under review and hence the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

**q. DISCLOSURE UNDER SECTION 62(1)(B) OF THE COMPANIES ACT, 2013:**

All the stock options issued under the DGML ESOP 2014 and DGML ESOP 2014 (Amended 2016) have since been exercised during the financial year 2017-18 and the Company did not have any Scheme of ESOP in force during the year under review and hence no disclosure is required to be furnished.

**p) DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a Scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014. Hence, disclosures pursuant to Section 67 (3) of the Companies Act, 2013 are not required to be furnished.

**2. OUTLOOK AND OPPORTUNITIES:**

Details on the industry outlook, opportunities, risks and concerns have been provided under 'Management Discussion and Analysis' forming part of this Annual Report.

**3. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**a) Board of Directors and Key Management Personnel:**

Upon end of tenure on September 30, 2021 Mr. Sandeep Lakhwara, Managing Director (DIN: 01049978) ceased to be the Managing Director / Director on the Board of the Company with effect from the close of business hours on the said date.

Mr. Natesan Chinnapan (Independent Non-Executive), Director (DIN: 08415969) ceased to hold office from the close of business hours on May 31, 2022 consequent upon resignation upon his attaining the age of 75 years on June 1, 2022. Similarly, Mrs. Revathi Thiruvengadam (Independent Non-Executive), Director ceased to hold office upon the end of her term with effect from the close of business hours on June 15, 2022. Mr. Hanuma Prasad Modali (DIN: 01817724) retires by rotation and being eligible, offers himself for reappointment.

The Board places on record its appreciation of the services rendered by all the above Directors / Managing Director during their tenure.

The Board of Directors of the Company have made the following appointments / re-appointments:

- (i) Appointment of Mr. Andrew Mark Weeks (DIN: 08962937) as an Additional Director (Independent & Non Executive) for a period of two years w.e.f. August 9, 2022 subject to approval of shareholders in the ensuing AGM.

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- (ii) Appointment of Mrs. Deepthi Donkeshwar (DIN: 08712113) as an Additional Director (Independent & Non Executive) for a period of two years w.e.f. August 9, 2022 subject to approval of shareholders in the ensuing AGM.

Necessary notices under Section 160 of the Act proposing the candidature of Mr. Andrew Mark Weeks and Mrs. Deepthi Donkeshwar have been received from shareholder(s). Resolutions for their respective appointments have been included in the Notice convening the ensuing 38th AGM and your Directors recommend their appointment.

### **b) Declaration by Independent Directors:**

The Company has received declaration from all the Independent Directors under Section 149(6) of the Companies Act, 2013 as further amended by the Companies Amendment Act, 2017 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 confirming their independence vis-à-vis the Company and its management. There was no change in the circumstances which affected their status as Independent Director (s) during the year under review.

The Independent Directors have also confirmed that they are not aware of any circumstances or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Independent Directors of the Company possess requisite qualifications, experience and expertise in the field of finance, auditing, tax, risk advisory service, mineral exploration, mining and law and hold the highest standards of integrity.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") Notification dated October 22, 2019, regarding the requirement relating to enrollment in the Data Bank created by MCA for Independent Directors, have been received from all the Independent Directors.

### **c) Company's Policy on Directors' appointment and remuneration:**

The Board has, as per the recommendation of the Nomination and Remuneration Committee, framed a policy on selection and appointment of Directors and Senior Managerial personnel and their remuneration which was further amended by the Board vide their resolution dated March 31, 2019 in terms of the SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018. The details of said policy are given in the Corporate Governance Report which forms part of this Annual Report.

## **4. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

### **a) Board Meetings:**

The Board of Directors met six (6) times during the year ended March 31, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made there under. All these meetings were held through audio-visual means in compliance with the provisions of the Act. Detailed information on the Board Meetings is provided in the Corporate Governance Report which forms part of this Annual Report.

### **b) Directors' Responsibility Statement:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2022, the Board of Directors hereby confirms that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit and loss of the Company for that year;
- c. proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

**c) Board Committees:**

There are four (4) Committees of the Board of Directors of the Company viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Independent Directors' Committee as on March 31, 2022.

Detailed information on all the above Board Committees is provided in the Corporate Governance Report forming part of this Annual Report along with the details of extract from Nomination and Remuneration Policy of the Company with respect to remuneration of Executive Directors, Key Managerial Personnel and other senior employees of the Company.

Policies framed by the Committees / Board pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the Company's Website ([www.deccangoldmines.com](http://www.deccangoldmines.com)).

Disclosure in respect of composition, meetings held, attendance of members, terms of reference and other related matters in respect of the above Board Committees are furnished in the Corporate Governance Report forming part of this Annual Report.

**d) Policies and Procedures (Mechanism):****Vigil Mechanism Policy for Directors / Employees:**

The Board of Directors of the Company has pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed a "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The employees of the Company have the right to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

**Risk Management Policy:**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/ strategic business plans and in periodic management reviews.

**Corporate Social Responsibility:**

The provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

**e) Annual Evaluation of Directors, Board Committees and Board:**

A statement indicating the manner for evaluation of performance of the Board and its Committees and individual Directors is attached to this Report as Annexure 3.

## DECCAN GOLD MINES LIMITED

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### **f) Internal control systems:**

Adequate internal control systems commensurate with the nature of the Company's business, size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

### **g) Disclosure under Section 197(12) of the Companies Act, 2013 and other disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014:**

The information required pursuant to Section 197 read with Rules 5(1) and 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 have been attached as Annexure 4 to this Report.

### **h) Payment of remuneration / commission to managerial personnel from subsidiary company:**

The Managing Director of the Company is not in receipt of remuneration / commission from the subsidiary company. Apart from the Managing Director, the Company did not have any managerial personnel during the year under review.

### **i) Familiarization Programme for Independent Directors**

The Company proactively keeps its Directors informed of the activities of the Company its management and operations and provides an overall industry perspective as well as issues being faced by the industry. Details for the year ended March 31, 2022 are available on the Company's website at <https://deccangoldmines.com/wp-content/uploads/2018/11/Independent-Directors-Familiarisation-Programme.pdf>.

## **5. AUDITORS AND REPORTS:**

The matters related to Auditors and their Reports for the year ended March 31, 2022 are as under:

### **a) Report of the Statutory Auditors on financial statements for the year ended March 31, 2022:**

The Report furnished by the Statutory Auditors on the financial statements of the Company for the year ended March 31, 2022 is free from any observations / qualifications.

### **b) Secretarial Audit report:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report in Form MR-3 from a Practising Company Secretary. M/s. Rathi and Associates, Practising Company Secretaries, Mumbai had been appointed as Secretarial Auditors for the financial year March 31, 2022 to issue Secretarial Audit Report for the financial year 2021-22.

The Secretarial Audit Report issued in Form MR-3 by M/s. Rathi & Associates is attached as Annexure 5 and forms part to this report. The said report does not contain any observation or qualification requiring explanation or comments.

Further, the Secretarial Audit Report in Form MR-3 for DESPL (Material Subsidiary) for the financial year ended March 31, 2022 is attached as Annexure 6 to this Report. The said report does not contain any observation or qualification requiring explanation or comments.

### **c) Annual Secretarial Compliance report**

In compliance with the Regulation 24A of the Listing Regulations and the SEBI circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has undertaken an audit for the Financial Year 2021-22 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly issued by M/s. Rathi & Associates has been submitted to the Stock Exchanges within the prescribed timelines.

The Annual Secretarial Compliance Report does not contain any qualification, reservation or adverse remark or disclaimer or modified opinion.

**d) Re-appointment of Statutory Auditors:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s P R Agarwal & Awasthi, Chartered Accountants, Mumbai (Firm Registration No.: 117940W) were appointed as the Statutory Auditors of the Company for a consecutive term of five (5) years at the Annual General Meeting held on November 27, 2017 to hold office from the conclusion of the 33rd AGM till the conclusion of the 38th AGM.

Upon the recommendation of the Audit Committee, the Board of Directors have approved the re-appointment of M/s. P R Agarwal & Awasthi, Chartered Accountants, Mumbai (Firm Registration No.: 117940W) as the Statutory Auditors of the Company for a second consecutive term of five (5) years to hold office from the conclusion of the 38th AGM till the conclusion of the 43rd AGM subject to the approval of the shareholders of the Company. Necessary resolution with regard to re-appointment of Statutory Auditors has been included in the Notice convening the 38th AGM of the Company.

**e) Cost Auditors:**

Presently, the Company is not engaged in any manufacturing activities and hence requirement of appointment of Cost Auditors pursuant to Section 148 of the Companies Act, 2013 is not applicable to the Company.

**f) Fraud reporting**

During the year under review, Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees as specified under Section 143(12) of the Companies Act, 2013.

**6. DISCLOSURES UNDER SECTION 134 OF COMPANIES ACT, 2013:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a) Extract of Annual return:**

Annual Return (Form MGT-7) for the year 2021-22 in terms of Section 92 (3) of the Companies Act, 2013 is available on the Company's website at [https://deccangoldmines.com/wp-content/uploads/2022/09/DGML-MGT-7\\_2022.pdf](https://deccangoldmines.com/wp-content/uploads/2022/09/DGML-MGT-7_2022.pdf)

**b) Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 have not been furnished considering the fact that the Company is yet to commence its manufacturing operations.

There were no foreign exchange earnings or outgo during the year under review.

**c) Remuneration payable by Companies having no profit or inadequate profit (in terms of Section II of Schedule V to the Companies Act, 2013):**

The Company is paying remuneration to its Managing Director as per the limits laid down in Section II of Schedule V to the Companies Act, 2013.

**d) Change in share capital:**

No equity shares were issued by the Company during the year under review and as such there was no change in capital structure of the Company.

**e) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013:**

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. During the year under review, no complaints in relation to such harassment at workplace have been reported.

## DECCAN GOLD MINES LIMITED

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### **f) Insolvency and Bankruptcy Code, 2016:**

During the year under review, no applications were made or any proceeding were pending under the Insolvency and Bankruptcy Code, 2016.

### **7. ACKNOWLEDGMENT AND APPRECIATION:**

Your Directors take this opportunity to express their gratitude to all the business associates and to the investors / shareholders for the confidence reposed in the Company and its management. The Directors also convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution.

**For and on behalf of the Board of Directors  
Of Deccan Gold Mines Limited**

**Kailasam Sundaram**

Chairman

DIN: 07197319

Date: August 11, 2022

Place: Bengaluru

CIN: L51900MH1984PLC034662

### **REGISTERED OFFICE:**

Parinee Crescenzo, 8th Floor,  
C38-39, G Block, Bandra Kurla Complex,  
Mumbai 400051

Email: [info@deccangoldmines.com](mailto:info@deccangoldmines.com)

Website: [www.deccangoldmines.com](http://www.deccangoldmines.com)



**ANNEXURE-1****FORM AOC-1****PERFORMANCE OF SUBSIDIARY COMPANY**

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

(Information in respect of subsidiary )

**1. Deccan Exploration Services Private Limited**

Amount (in ₹ 000)

1	Name of the subsidiary	Deccan Exploration Services Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Not applicable
4	Share capital	13,555 equity shares of Rs.10/- each
5	Other Equity	4,35,564
6	Total Assets	4,42,053
7	Total Liabilities	6,489
8	Investments	Nil
9	Turnover	Nil
10	Profit before taxation	(145)
11	Provision for taxation	Nil
12	Profit after taxation	(145)
13	Proposed Dividend	Nil
14	% of shareholding	100%

## DECCAN GOLD MINES LIMITED

### 2. Deccan Gold (Tanzania) Private Limited

Amount (in ₹ 000)

1	Name of the subsidiary	Deccan Gold (Tanzania) Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Not applicable
4	Share capital	11,710 equity shares of Tzs.15,000/- each
5	Other Equity	5,240
6	Total Assets	5,345
7	Total Liabilities	105
8	Investments	Nil
9	Turnover	Nil
10	Profit before taxation	(31)
11	Provision for taxation	Nil
12	Profit after taxation	(31)
13	Proposed Dividend	Nil
14	% of shareholding	99.99%

**Names of subsidiaries which are yet to commence operations : NA**

**Names of subsidiaries which have been liquidated or sold during the year: NA**

The Company did not have any associate / joint venture companies during the year under review.

For and on behalf of **the Board of Directors of  
Deccan Gold Mines Limited**

**Kailasam Sundaram**

Chairman

DIN: 07197319

Date: August 11, 2022

Place: Bengaluru

**ANNEXURE-2****FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Deccan Exploration Services Private Limited (Wholly owned subsidiary company)
b)	Nature of contracts/arrangements/transaction	Receipt of Exploration & Other expenses incurred on behalf of the wholly owned subsidiary company
c)	Duration of the contracts/arrangements/transaction	01.04.2021 to 31.03.2022
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	14.05.2021
f)	Amount paid as advances, if any	-

For and on behalf of the Board of Directors of  
**Deccan Gold Mines Limited**

**Kailasam Sundaram**

Chairman

DIN: 07197319

Date: August 11, 2022

Place: Bengaluru

**ANNEXURE - 3**

**STATEMENT ON MANNER OF EVALUATION OF BOARD OF DIRECTORS,  
COMMITTEE AND INDIVIDUAL DIRECTORS:**

The Companies Act, 2013 has prescribed a new set of meeting known as exclusive meeting by Independent Directors to assign more responsibility and power to Independent Directors. As per Schedule IV of the Companies Act, 2013, the Independent Directors shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the management and all such directors shall strive to be present at the meeting.

The Independent Directors of the Company held such meeting on September 24, 2021. Amongst other matters, they reviewed the performance of Non-Independent Directors, and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors; and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**Evaluation Criteria of the Board's performance:**

During the year under review, the Board evaluated its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a process covering various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc., Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc., The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

For and on behalf of **the Board of Directors of  
Deccan Gold Mines Limited**

**Kailasam Sundaram**

Chairman

DIN: 07197319

Date: August 11, 2022

Place: Bengaluru

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**ANNEXURE - 4**
**DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

Median remuneration for the financial year 2021-22 was Rs.15,85,176 per annum. The ratio of the median remuneration to MD's remuneration is 1:3 (approx).

During the financial year, the percentage increase in remuneration of Key Managerial Personnel is 'Nil'.

As at the end of the year, there were 7 permanent employees on the rolls of the Company. The percentage increase in the median remuneration of employees in the financial year is 'Nil'.

At the 37th AGM held on December 22, 2021 the shareholders had approved:

- (i) Reappointment of Mr. Sandeep Lakhwara as Managing Director for a term of five months with effect from May 1, 2021 till September 30, 2021 at a monthly remuneration of Rs. 700,000/-. (50% of the salary was paid to Mr. Sandeep Lakhwara for the months from May, 2021 to September 30, 2021).
- (ii) Appointment of Dr. Modali Hanuma Prasad as Managing Director for a term of 3 years with effect from October 1, 2021 at a monthly remuneration of Rs. 3,00,000/-. (No remuneration has been paid to Dr. Modali Hanuma Prasad for the period from October 1, 2021 to March 31, 2022)
- (iii) Appointment of Mr. Subramaniam S. as Whole-time Director (Executive Director) for a term of 3 years with effect from October 1, 2021 at a monthly remuneration of Rs. 4,00,000/- (Mr. Subramaniam S will continue to be the Head-Legal & Company Secretary and in this capacity, he was drawing a monthly remuneration of Rs. 3,32,500/- till September, 2021). (50% of the salary was paid to Mr. Subramaniam S for the period from May 2021 to September 30, 2021 and no remuneration has been paid to him for the period from October 1, 2021 to March 31, 2022)

The remuneration of Mr. Karunakaran K, Chief Financial Officer is Rs. 2,72,500/- (50% of the salary was paid to Mr. Karunakaran K. from May 2021 to September 30, 2021 and no remuneration has been paid to him for the period from October 1, 2021 to March 31, 2022)

Being a gold exploration company and considering the fact that the Company is yet to generate revenues, relationship between average increase in remuneration of employees / key managerial personnel and the Company's performance is not comparable. Further, there has been no salary increases during the year 2021-22.

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not applicable.

It is affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of **the Board of Directors of**  
**Deccan Gold Mines Limited**

**Kailasam Sundaram**

Chairman

DIN: 07197319

Date : August 11, 2022

Place: Bengaluru

**ANNEXURE - 5**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2022**

To  
The Members  
**Deccan Gold Mines Limited**  
The Parinee Crescenzo, 8th Floor,  
Opp. MCA Ground, C38-C39,  
G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deccan Gold Mines Limited** (CIN: L51900MH1984PLC034662) (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company, for the financial year ended on 31st March, 2022, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder were applicable to the extent of Foreign Direct Investment and Overseas Direct Investment, for the financial year under report.
3. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

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- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018.
4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with other Acts, Laws and Regulations applicable specifically to the Company mentioned as under:
- a) Mines Rescue Rules, 1985;
  - b) The Forest (Conservation) Act, 1980;
  - c) The Forest (Conservation) Rules, 1981;
  - d) The Karnataka Shops and Commercial Establishments Act, 1961;
  - e) The Karnataka Tax On Professions, Trades, Callings and Employment Act, 1976;
  - f) The Mineral Concession Rules, 1960;
  - g) The Mineral Conservation and Development Rules, 1988;
  - h) The Mines Act, 1952;
  - i) The Mines and Minerals (Regulation and Development) Act, 1957;
  - j) The Mines Rules, 1955.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under report were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the Board members have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
M. NO.: FCS 5637  
COP NO.: 2535  
P.R. CERTIFICATE NO. 668/2020  
UDIN: F005637D000781027

Date: 11st August, 2022  
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

# DECCAN GOLD MINES LIMITED

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## ANNEXURE TO DGML MR-3

To,  
The Members,  
**Deccan Gold Mines Limited**  
The Parinee Crescenzo, 803, 8th Floor,  
Opp. MCA Ground, C38-C39,  
G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have obtained, wherever required, the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
M. NO.: FCS 5637  
COP NO.: 2535  
P.R. CERTIFICATE NO. 668/2020  
UDIN: F005637D000781027

Date: 11st August, 2022  
Place: Mumbai



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**ANNEXURE - 6****FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

To  
The Members,  
**Deccan Exploration Services Private Limited**  
No. 1285, HSR Layout, 7th Sector,  
Bangalore - 560102

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deccan Exploration Services Private Limited** (CIN: U27205KA1997PTC022819) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder.
2. Provisions of the following Regulations were not applicable to the Company under the financial year under report: -
  - (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
  - (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
3. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -
  - (i) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (iii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;
  - (iv) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (v) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (vi) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (vii) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
  - (viii) Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018.

## DECCAN GOLD MINES LIMITED

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4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with other Acts, Laws and Regulations applicable specifically to the Company mentioned as under:
- (i) Mines Rescue Rules, 1985;
  - (ii) The Forest (Conservation) Act, 1980;
  - (iii) The Forest (Conservation) Rules, 1981;
  - (iv) The Karnataka Shops and Commercial Establishments Act, 1961; and
  - (v) The Karnataka Tax On Professions, Trades, Callings And Employment Act, 1976
  - (vi) The Mineral Concession Rules, 1960;
  - (vii) The Mineral Conservation and Development Rules, 1988;
  - (viii) The Mines Act, 1952;
  - (ix) The Mines and Minerals (Regulation and Development) Act, 1957;
  - (x) The Mines Rules, 1955;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.

During the period under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the year under report carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the Board members have communicated dissenting views, in the matters/ agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
M. NO.: FCS 5637  
COP NO.: 2535  
P.R. CERTIFICATE NO. 668/2020  
UDIN: F005637D000781027

Date: 11st August, 2022  
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

***ANNEXURE TO DESPL MR-3***

To,  
The Members,  
Deccan Exploration Services Private Limited  
No. 1285, HSR Layout, 7th Sector,  
Bangalore – 560102

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have obtained, wherever required, the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
FCS. NO.: 5637  
COP NO.: 2535

Date: 11th August, 2022  
Place: Mumbai

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INTRODUCTION

Deccan Gold Mines Limited (“DGML”) is the first and only gold exploration Company listed on the Bombay Stock Exchange Limited (BSE). It was established in the year 2003 by Australian promoters with deep roots in the mining and exploration sector. Since its inception, DGML and its wholly owned subsidiary Deccan Exploration Services Private Limited (DESPL) actively pursued gold exploration activities through adoption of modern methods and latest technology in all of its exploration prospects.

### INDUSTRY REVIEW

India is the World’s second biggest gold consumer after China. Import of gold in India rose by 33.34% to Rs. 46.14 billion on account of higher demand in 2021-22. It may be noted that the import of gold in 2020-21 was about Rs. 34.62 billion. This increase in gold imports has contributed to the widening of the trade deficit to \$ 192.41 billion against \$ 102.62 billion in 2021-21. These imports were largely driven by the jewellery industry.

(Source: <https://currentaffairs.adda247.com/indias-gold-imports-increased-by-33-34-to-rs-46-14-billion-in-2021-22/#:~:text=33.34%25...,India's%20gold%20imports%20increased%20by%2033.34%25%20to%20Rs%2046.14%20billion,higher%20demand%20in%202021%2D22>)

### PERFORMANCE

Details about the status of the key Ganajur Gold Project and North Hutti Block Prospecting Licence (PL) applications and an Update on the 5 PL blocks for gold in Tanzania is also provided elsewhere in the Directors’ Report forming part of this Annual Report.

It is pertinent to note that exploration companies by their very nature will not generate mining revenues until commencement of mining operations.

### RISKS AND CONCERNS

As the country is wholly or substantially dependent on imports of gold, the need for systematic and detailed exploration and development of deep seated minerals like gold is very essential. It may be noted that discovery rates for different minerals are dependent upon ideal geological conditions which differ for diamond, gold and platinum group of metals. In a potential geological condition, studies of discoveries made during the period 1950-2010 shows that the rate of discovery is directly proportional to the exploration expenditure. In the case of gold, the ratio between the attempts made by companies and discoveries that have led to development of mines is 1:800 to 1:400.

India, though considered among mineral-rich countries, hardly spends anything on exploration – roughly around USD 15 m annually. This makes India one of the least explored countries in the world. Since exploration was not encouraged, there was hardly any FDI in the mining sector despite the fact that since February 2000, the mining sector was opened up for 100% foreign direct investment.

(Source: FIMI report titled “Exploration for deep-seated/concealed minerals” dated March 20, 2018)

Since 2015, the Government of India started promoting the auction regime for grant of mineral concessions. However, Section 10A(2)(b) was introduced in the MMDR Amendment Act, 2015 to protect rights of mineral concession applicants who had invested time, effort and money to progress from Reconnaissance Permit to Prospecting Licence or Mining Lease as the case may be. Despite this, practically no mining lease (barring a few cases) was granted during the period from 2015 – 2021.

Further, the Indian Government passed the MMDR Amendment Act, 2021 (Amendment Act) which came into effect from March 28, 2021. Whilst a lot of the reforms proposed are required and favourable for growth and mining industry rejuvenation, certain aspects of the reforms are totally counter-productive to the aim of enhancing private investments in the mining sector under the Atmanirbhar Bharat scheme.

Of particular importance is the amendment made to Section 10A(2)(b) by adding a proviso therein. The Proviso states that for the cases falling under the said Section, including pending cases, the right to obtain a PL or Mining

Lease shall lapse from the commencement of the Amendment Act, 2021 i.e., March 28, 2021 and such areas shall be put up for auction. It also seeks to reimburse the expenditure incurred by those applicants towards reconnaissance or prospecting operations in such manner as may be prescribed by the Central Government. Such Rules have also been notified during June, 2022.

In our view, the aforesaid amendment to section 10A(2)(b) enabling such blocks to be auctioned particularly where the applicants have already prospected the areas and identified mineral resources is unfair and unjust and will hold up development of these blocks due to litigation by applicants whose rights have been taken away.

Timely grant of Mining Leases under Section 10A(2)(b) could have immediately kick started the process of production replacing massive imports which contribute hugely to the current account deficit as noted above. To illustrate, our subsidiary's Ganajur Mining Lease, which received the approval of Central Government in 2015 and again in 2017 under Section 10A(2)(b) was held up by the Government of Karnataka under one pretext or the other till 2021. Had grant notification letter had been issued by the Government of Karnataka in time, this Project would have become operational and commenced gold production by now.

To sum up, the aim of Government should be maximization of mineral production maximisation leading to revenue generation through employment, royalties and taxes and not just revenue maximisation through auction.

### OUTLOOK AND OPPORTUNITIES

India is well endowed with natural resources, particularly minerals which serve as raw material for many industries and paves the path for rapid industrialization and infrastructural development. During the last 7 years, the Government has introduced important reforms to open up the mineral sector to ensure its contribution in achieving the national policy goals. Major reforms include the enactment of MMDR Amendment Act, 2015 & 2021 which sought to make the process of allocation of mineral concessions completely transparent by introducing public auctions with active participation of the State Governments.

The Annual Report of the Ministry of Mines, Government of India (MoM) for 2021-22 states that "the Vision is to double the production of important minerals in next 5 years with resultant reduction in import dependency, by allocating and regulating minerals in a transparent and sustainable manner and **to promote exploration and mining of deep-seated minerals to meet country's needs** and to effectively implement other policy goals stated in the National Mineral Policy, 2019 **thereby enabling the country to progress towards attaining self-sufficiency in major mineral production.**" It may be noted that the NMP, 2019 includes provisions which aim to give boost to mining sector such as 'introduction of Right of First Refusal for RP / PL Holders' and 'encouraging the private sector to take up exploration.'

Only 6 gold blocks were auctioned during the period from 2015-16 to 2021-22. Further, the production of gold ore at 450,000 tonnes in the year 2020-21 decreased by 24.4% as compared to that in the previous year and almost entire production of gold ore and bullion was reported from Karnataka and Jharkhand. *(Source: Annual Report 2021-22 of Ministry of Mines, Government of India). India's gold production was a meager 1.6 tonnes and 1.4 tonnes in 2020 and 2021 respectively. (Source: <https://www.jagranjosh.com/general-knowledge/list-of-top-gold-producers-of-the-world-1638337583-1>)*

Gold exploration / prospecting is a high risk/reward business with a long gestation period and low success rates. Exploration companies explore multiple areas and may be successful with only one area in terms of finding gold. Exploration companies undertaking the risks do so in the hope that one successful discovery from the many areas that are explored will return high rewards for its shareholders who have invested in the business for long periods of time. Accordingly, most major international mining geographies have adopted the 'first come' route. Auctioning the license at each stage acts as a disincentive for exploration. In addition, reimbursing exploration expenditure incurred to these companies is no solution to the rewards the shareholders may otherwise have realised.

In order to achieve the Vision laid down by the Ministry of Mines, we humbly suggest that the quickest way to develop the gold mining industry in India is through approval of valid Section 10A(2)(b) cases as areas over which mining leases have been applied have already been prospected and mineable gold reserves identified with the execution of mining lease being the trigger to commence gold production. The Projects, when operational, will bring in the much needed investment and create thousands of direct / indirect employment opportunities coupled with economic development in such areas.

## **DECCAN GOLD MINES LIMITED**

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To sum up, if a proper blend of strategy and policy is adopted, which is attractive, stable and long-term, India's gold production could grow from its current low level and the Company will play a leading role in this direction.

### **ADEQUACY OF INTERNAL CONTROL**

The Company has in place adequate internal control systems commensurate with its size and operations, which assure proper recording of transactions of its operations and also ensure protection against misuse or loss of the Company's assets. The Company has constituted an Audit Committee and has assigned to it tasks that will further strengthen the internal audit system.

### **SUSTAINABLE DEVELOPMENT**

DGML is committed to sustainable development; we believe in creating sustainable values that our employees, business partners and shareholders can uphold and believe in. We strive to meet the needs of all our stakeholders. DGML believes in making a positive contribution to the community in which we are involved

### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include the availability of economically viable deposits, changes in Government regulations, tax regimes, economic developments in India and other incidental factors.

## REPORT ON CORPORATE GOVERNANCE

### for the year ended and as on March 31, 2022

Your Directors are pleased to present the Company's Report on Corporate Governance in compliance with the Corporate Governance disclosure requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations, 2015') and the Companies Act, 2013 as amended from time to time.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the system by which companies are directed and controlled. It is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to good governance practices.

Your Company confirms compliance to the Corporate Governance requirements as enshrined in the SEBI LODR Regulations, 2015 as amended from time to time.

#### 2. BOARD OF DIRECTORS

##### a) Composition and category of Directors, number of other Board and Board Committees in which they are Chairperson / Member

The Company has a balanced Board with a combination of Executive and Non-Executive Directors. As on March 31, 2022, the Board comprised 7 Directors of which two were Executive Directors and the other 5 were Non-Executive Directors.

Out of the 5 Non Executive Directors, 3 were Independent Directors and the other 2 were Non-Independent Directors. The Chairman of the Board was a Non Executive Independent Director. Of the 3 Independent Directors on the Company's Board, 1 Independent Director was a Woman Director.

The Board is well-balanced with members from diverse backgrounds who have long experience and expertise in their respective fields.

The composition of the Board and other relevant details relating to Directors (as on March 31, 2022) are given below:

Name of the Director	Designation	Category of Directorship	No. of other Directorships	No. of other Committee Memberships #	
				Chairman	Member
Mr. Kailasam Sundaram (DIN: 07197319)	Director	Non-executive, Independent (Chairman)	Nil	Nil	Nil
Mr. Sandeep Lakhwara (DIN: 01049978)	Managing Director*	Executive	Nil	Nil	Nil
Dr. Modali Hanuma Prasad (DIN: 01817724)	Managing Director\$	Executive	Nil	Nil	Nil
Mr. Subramaniam S (DIN:06389138)	Whole-time Director#	Executive	Nil	Nil	Nil
Mr. Govind Subhash Samant (DIN: 07984886)	Director	Non-executive, Non-Independent	Nil	Nil	Nil
Mr. Natesan Chinnappan (DIN: 08415969)	Director	Non-executive, Independent	Nil	Nil	Nil
Ms. Revathi Thiruvengadam (DIN: 01119311)	Director	Non-executive, Independent	Nil	Nil	Nil
Mr. Binay Prakash Pandey	Director@	Non-executive, Non-Independent	Nil	Nil	Nil

\*Ceased to be Managing Director w.e.f. close of business hours on September 30, 2021 upon end of tenure

\$ Appointed as an Managing Director w.e.f. October 1, 2021

# Appointed as an Executive Director w.e.f. October 1, 2021

@Appointed as the Non-executive Director w.e.f. October 1, 2021

# Notes:

## DECCAN GOLD MINES LIMITED

1. For the purpose of considering the limit of directorship positions in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.
2. For the purpose of considering the limit of committee chairmanship / membership positions, membership of Audit Committee and Stakeholders Relationship Committee has been considered.
3. There are no inter-se relationships amongst the directors.

### b) Reappointment of Directors

Detailed profile(s) of Directors seeking appointment / re-appointment are furnished in the Notice convening the 38th Annual General Meeting (AGM).

### c) Number of Board Meetings held & dates on which held

Six Board Meetings were held during the financial year 2021-22. These meetings were held on April 30, 2021; May 14, 2021; August 13, 2021; September 24, 2021; November 11, 2021 & February 14, 2022. All these meetings were held through audio-visual means and in accordance with the provisions of the Companies Act, 2013 and rules framed thereunder.

### Attendance of each Director at the Board Meetings and the last Annual General Meeting

The details of attendance of Directors in Board Meetings and in the last Annual General Meeting held on December 22, 2021 are as follows:

Name of the Director	No. of Board Meetings attended	No. of meetings held during the tenure of the Director	Attendance at the last Annual General Meeting (Yes / No)
Mr. Kailasam Sundaram	6	6	Yes
Mr. Sandeep Lakhwara	4	4	N.A.
Dr Modali Hanuma Prasad	6	6	Yes
Mr. Subramaniam S	2	2	Yes
Mr. Govind Subhash Samant	6	6	Yes
Mr. Natesan Chinnapan	6	6	Yes
Mrs. Revathi Thiruvengadam	5	6	Yes
Mr. Binay Prakash Pandey	1	2	No

### Independent Directors

In the opinion of the Board all the Independent Directors of the Company fulfil the conditions specified in the SEBI LODR Regulations, 2015, and are independent of the management.

A separate meeting of Independent Directors was held on September 24, 2021.

None of the Independent Directors resigned during the year under review.

### Code of conduct

The Code for Conduct for Directors and Senior Management is in force and the said Code is also posted on the Company's website.

### Skills, Expertise and Competencies of Directors

The Board has identified the key skills, expertise and competencies required in the context of the Company's business for its effective functioning which are currently available with the Board.

The identified skills/expertise/competencies are mining, geology, management, domain expertise, banking, finance, general management, law and compliance.

Further, the details in terms of Para C(2)(h)(ii) of Schedule V of SEBI LODR Regulations, 2015 are as follows:



Name of Director	Areas of Skills / Expertise / Competencies
Mr. Kailasam Sundaram	Finance & Compliance
Mr. Sandeep Lakhwara	Management, Business Strategy & Corporate Affairs
Mr. Govind Subhash Samant	Business & Finance
Dr. Modali Hanuma Prasad	Geology, Management & Business Strategy
Mr. Natesan Chinnappan	Geology & Mining
Ms. Revathi Thiruvengadam	Law
Mr Binay Prakash Pandey	Mining
Mr Subramaniam Sundaram	Corporate Affairs, Law & Compliance

None of the directors of the Company are related to each other.

### 3. BOARD COMMITTEES

The Company has the following Committees of the Board of Directors:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders' Relationship Committee
- (d) Independent Directors' Committee

### 4. AUDIT COMMITTEE

The Company's Board has constituted an Audit Committee pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015.

#### a) Powers of the Audit Committee:

- i) To investigate any activity within the scope of this Charter or referred to it by the Board and for this purpose, shall have full access to information contained in the books of accounts and the Company's facilities and personnel.
- ii) To seek information from and have direct access to any employee, key managerial personnel or director of the Company, to perform its duties effectively.
- iii) To secure assistance and attendance of outsiders with relevant knowledge/expertise in accounting, legal or other matters, if it considers necessary.
- iv) To engage independent counsel and other advisors as it deems appropriate to perform its duties and responsibilities.
- v) To engage a registered valuer taking into consideration such qualification and experience as may be considered appropriate in case of valuations required in respect of any property, stocks, shares, debentures, securities, goodwill, assets, liabilities or networth of a company.
- vi) To determine the provision of appropriate funding by the Company for compensation to the Statutory auditors, other advisors/experts that the Committee chooses to engage and other ordinary administrative expenses of the Committee.

#### b) Role and responsibilities of the Audit Committee:

- i) Review of the Company's accounting policies, internal accounting controls, financial and risk management policies and such other matters as the Audit Committee deems appropriate.
- ii) Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible. Review and discuss the audited financial statements with management and the Independent Auditors and determine whether they are complete and consistent with the information known to committee members; assess whether the financial statements reflect appropriate accounting principles.

## DECCAN GOLD MINES LIMITED

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- iii) Recommend to the Board, the appointment, re-appointment, removal of the statutory auditors, fixation of audit fee and also approval for payment for any other services rendered by the Statutory Auditors.
- iv) Reviewing with management the quarterly / half-yearly and annual financial statements before submission to the Board of Directors, focusing primarily on:
  - Any change in accounting policies and practices
  - Major accounting entries based on exercise of judgment by management
  - Qualifications in draft audit report
  - Significant adjustments arising out of audit findings
  - The going concern assumption
  - Compliance with accounting standards applicable to the Company
  - Any related party transactions i.e. transactions of the company of material nature with Promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
  - Reviewing before release of the financial statements audited or otherwise, the Director's Report, and such other matters which form part of the Annual Report of the Company.
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - compliance with listing and other legal requirements relating to financial statements.
  - modified opinion(s) in the draft audit report.
- v) Discussing with the management and the Independent Auditor the following;
  - Annual audited financial statements
  - Quarterly financial statements
  - Disclosures under "Management's Discussion and Analysis"
  - Results of Operations.
  - Financial statements/forms to be released or submitted to any legal or regulatory authority
- vi) Discuss and review with the management;
  - Earnings' press releases.
  - financial information provided to analysts
  - Earnings' guidance provided to analysts and rating agencies.
  - policies with respect to risk assessment and risk management.
  - the major financial risk exposures and the steps management has taken to monitor and control such exposures
- vii) Reviewing;
  - Major issues as to the adequacy of the company's internal controls and any special audit steps adopted in light of material control deficiencies
  - Analyses prepared by the management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements
  - Analyses of the effects of alternative GAAP methods on the financial statements
  - The effect of regulatory and accounting initiatives
  - Off-balance sheet structures on the financial statements
  - Management letters/ Letters of Internal Control weakness issued by statutory auditor
  - Internal Audit reports relating to internal control weakness
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor
  - statement of significant related party transactions (as defined by the audit committee), submitted by management

- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  - reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
  - approval or any subsequent modification of transactions of the listed entity with related parties
  - scrutiny of inter-corporate loans and investments
  - valuation of undertakings or assets of the listed entity, wherever it is necessary
  - evaluation of internal financial controls and risk management systems
  - reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
  - reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
  - reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
  - the functioning of the whistle blower mechanism
  - reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  - management discussion and analysis of financial condition and results of operations
  - statement of deviations
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).
- viii) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Committee's Charter and Policy are available on our website on the following link:

[http://deccangoldmines.com/wp-content/uploads/2019/04/DGML\\_Audit-Committee-Charter\\_2019.pdf](http://deccangoldmines.com/wp-content/uploads/2019/04/DGML_Audit-Committee-Charter_2019.pdf)

### c) Composition of Audit Committee:

As of March 31, 2022 the Committee comprised 3 Non Executive Directors out of which 2 were Independent Directors (including the Chairman of the Committee). All the members of the Committee are financially literate. The Chairman of the Committee is an Independent Director and is the member with accounting / financial management expertise. The name of members & Chairperson of the Committee are as under:

Name of member	Designation
Mr. Kailasam Sundaram	Chairman / Member
Mr. Natesan Chinnappan	Member
Dr. Hanuma Prasad Modali	Member

## DECCAN GOLD MINES LIMITED

### d) Meetings and attendance during the year

Five meetings of the Audit Committee were held during the financial year 2021-22. These meetings were held on May 14, 2021; August 13, 2021; September 24, 2021; November 11, 2021; and February 14, 2022.

The details of attendance in Audit Committee Meetings are as follows:

Name of Member	No. of Meetings attended during tenure	No. of meetings held during tenure
Mr. Kailasam Sundaram	5	5
Mr. Natesan Chinnappan	5	5
Dr Hanuma Prasad Modali	5	5

- e) The Company Secretary acts as Secretary to the Committee. Further, the Audit Committee invites such of the executives of the Company as it considers appropriate to be present at its meetings. The representatives of the Statutory Auditors are also invited to these meetings.
- f) The Chairperson of the Audit Committee was present at the last Annual General Meeting held on December 22, 2021.

## 4. NOMINATION & REMUNERATION COMMITTEE

### a) Brief Description of terms of reference

Although a non-mandatory requirement, the Company has constituted a Remuneration Committee and the name of the Committee was changed to Nomination and Remuneration Committee. This Committee functions as the Compensation Committee / Nomination & Remuneration Committee under the supervision and control of the Board of Directors in accordance with the applicable SEBI Guidelines and for the purposes of Section 178 of the Companies Act, 2013.

The purpose of the Committee is:

- To assist the Board in discharging its responsibilities relating to compensation of the Company's directors and key managerial personnel;
- To evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for Company's executive directors and senior management (including recommending to the Board the appointment and removal of senior management);
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and for performance evaluation of independent directors on the Board;
- To oversee the Company's nomination process for the top level management and identify, screen and review individuals qualified to serve as executive directors, nonexecutive directors, independent directors and senior management consistent with criteria approved by the Board;
- To recommend appointment and removal of directors to the Board, for approval at the annual meeting of shareholders;
- To carry out evaluation of the performance of the Board;
- To develop leadership;
- To develop and maintain corporate governance policies applicable to the Company;
- To recommend to the Board a policy, relating to the remuneration of the Company's directors, key managerial personnel and other employees;
- To devise a policy on Board diversity.
- Evaluation of appointment of an independent director on the the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director.
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- recommend to the board, all remuneration, in whatever form, payable to senior management.

#### b) Composition, name of members and Chairperson

As on March 31, 2022, the Committee comprised Non-Executive Independent Directors and details are as under

Name of member	Designation
Mr. Natesan Chinnapan	Chairman
Mrs Revathi Thiruvengadam	Member#
Mr. Kailasam Sundaram	Member
Dr. Hanuma Prasad Modali	Member@

@till September 30, 2021

# from October 1, 2021

#### c) Attendance during the year

The Nomination & Remuneration Committee met twice during the year on April 30, 2021 and September 24, 2021 and the attendance details are as under:

Name of Member	No. of Meetings attended during tenure	No. of meetings held during tenure
Mr. Natesan Chinnappan	2	2
Mr. Kailasam Sundaram	2	2
Dr. Modali Hanuma Prasad	2	2
Mrs. Revathi Thiruvengadam	Nil	Nil

#### d) Remuneration Policy & details of remuneration to all Directors

##### i) Management Staff

Remuneration of employees largely consists of basic remuneration and perquisites. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled, individual performance, etc.

##### ii) Non-Executive Directors

The Company pays sitting fees to all the Non-executive Directors of the Company for attending Board & Audit Committee Meetings. The sitting fees paid is within the limits prescribed under the Companies Act, 2013.

Details of the sitting fee paid to Non Executive Directors during the year 2017-18 is as under:

Name of the Director / Member	Sitting Fees paid for attending meetings of (In Rs.)	
	Board	Audit Committee
Mr. Kailasam Sundaram	120,000	25,000
Mr. Natesan Chinnapan	120,000	25,000
Ms. Revathi Thiruvengadam	100,000	Nil
Dr. Modali Hanuma Prasad	80,000	15,000
Total	420,000	65,000

Apart from sitting fees for attending the Committee Meetings and Board Meetings, Non- executive directors had neither any other pecuniary relationship nor any transactions with the Company.

## DECCAN GOLD MINES LIMITED

### iii) Executive Directors

Mr. Sandeep Lakhwara was the Managing Director of the Company during the FY 2020-21 (till September 30, 2021) and he was paid Rs. 350,000 per month for the period from May, 2021 till September, 2021 which was 50% of his salary. Apart from salary, he was not paid any other benefits of performance linked incentives. Dr Hanuma Prasad Modali is the Managing Director of the Company with effect from October 1, 2021 and he has not been paid any salary during the year ended March 31, 2022. Remuneration was paid / payable to the Managing Director as per the approval of shareholders of the Company. Apart from the managerial remuneration, the Managing Director did not receive any other monetary benefits from the Company.

The Managing Director is not entitled to severance fees.

The Committee's Charter and Policy are available on our website on the following link:

[http://deccangoldmines.com/wp-content/uploads/2019/04/DGML\\_Nomination-and-Remuneration-Committee-Charter\\_2019.pdf](http://deccangoldmines.com/wp-content/uploads/2019/04/DGML_Nomination-and-Remuneration-Committee-Charter_2019.pdf)

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

### a) Chairman of the Committee

Mrs. Revathi Thiruvengadam, an Independent Non Executive Director was the Chairman of the Committee as on March 31, 2022.

### b) Objectives

The primary objectives of this Committee are as under:

- Formulation of policies and procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from security holders from time to time;
- The main objective of the Committee is to consider and resolve the grievances and various aspects of interest of the security holders of the Company;
- To approve, register, refuse to register transfer / transmission of shares and other securities;
- To monitor and review any investor complaints received by the Company or through SEBI and SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance officer and RTA of the Company.

### c) Composition, meetings and attendance:

The Committee has a Non-executive director as its Chairman.

The Committee met four times during the financial year 2021-22. These meetings were held on May 14, 2021; August 13, 2021; November 11, 2021; and February 14, 2022.

Details of attendance in meetings of the Committee held during the year are as under:

Name of Director	Designation	No. of meetings attended during tenure	No. of meetings held during tenure
Dr. Hanuma Prasad Modali	Chairman	4	4
Mrs. Revathi Thiruvengadam	Chairperson@	2	2
Mr. Sandeep Lakhwara	Member#	2	2
Mr. Natesan Chinnappan	Member	4	4

Note: Dr. Hanuma Prasad Modali stepped down as the Chairman of the Committee and continued to be a member of the Committee.

#till September 30, 2021

@from October 1, 2021

### d) Compliance Officer

Mr. S. Subramaniam, Company Secretary is the Compliance officer of the Company.

**e) Shareholder Complaints**

During the financial year 2021 – 22, the Company did not receive any investor complaints with regard to non-receipt of annual reports etc., In addition, the Company promptly replies to the queries of shareholders on the operations of the Company and requests for list of shareholders that are received frequently through email to [info@deccangoldmines.com](mailto:info@deccangoldmines.com) / [subbu@deccangoldmines.com](mailto:subbu@deccangoldmines.com).

The Committee's Charter and Policy are available on our website on the following link:

[http://deccangoldmines.com/wp-content/uploads/2019/04/DGML\\_Stakeholders-Relationship-Committee-Charter\\_2019.pdf](http://deccangoldmines.com/wp-content/uploads/2019/04/DGML_Stakeholders-Relationship-Committee-Charter_2019.pdf)

**f) Terms of Reference:**

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**5A. INDEPENDENT DIRECTORS' COMMITTEE**

As on March 31, 2022, Mr. Kailasam Sundaram was the Chairperson of the Committee with Mr. Natesan Chinnappan and Mrs. Revathi Thiruvengadam being the other two members. The Committee meet once during the financial year 2021-22 on September 24, 2021 and the meeting was attended by all the 3 members.

**6. GENERAL BODY MEETINGS**

i) Location, time and date of holding of the last three Annual General Meetings (AGM) are given below:

Financial Year	Date	Time	Location of the Meeting
2018-19	19/09/2019	2.30 pm IST	Banquet Hall, Sher-e-Punjab Gymkhana & Health Club Association, 368/72, Sher-E-Punjab Society, Off Mahakali Caves Road, Andheri (East), Mumbai 400093
2019-20	22/12/2020	11.00 am IST	Meeting was held through Video Conferencing / Other Audio Visual Means
2020-21	22/12/2021	11.00 am IST	Meeting was held through Video Conferencing / Other Audio Visual Means

ii) **Special Resolutions during previous three Annual General Meetings:**

Date of AGM	Particulars of Special Resolutions Passed
September 19, 2019	Reappointment of Mr. Sandeep Lakhwara as Managing Director for a period of 1 year with effect from May 1, 2019
December 22, 2020	No Special Resolution passed
December 22, 2021	<ol style="list-style-type: none"> <li>a) Appointment of Mr. Kailasam Sundaram as Non-executive Independent Director for a period of 5 years with effect from August 8, 2021</li> <li>b) Appointment of Mr. Natesan Chinnapan as Non-executive Independent Director for a period of 2 years with effect from April 12, 2021</li> <li>c) Reappointment of Mr. Sandeep Lakhwara as Managing Director for the period from May 1, 2021 to September 30, 2021</li> </ol>

## DECCAN GOLD MINES LIMITED

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- (iii) During the financial year 2021-22, no resolutions were passed through Postal Ballot.
- (iv) During the reporting period, no Extra-Ordinary General Meeting was convened.

### 7. DISCLOSURES

- a) The Company did not have any related party transactions, i.e. transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives, etc., which may have potential conflict with the interests of the Company at large. Related Party transactions have been disclosed in the Notes to Accounts in the financial statements as at March 31, 2022.
- b) There was no non-compliance in respect any matter related to the capital markets by the Company during the last 3 years. Further, there was no penalty / strictures imposed on the Company by any Stock Exchange, SEBI or any Statutory Authority on any matter related to the capital markets during the last 3 years.
- c) The Company has complied with all the mandatory requirements as contained in Regulation 17 to 27 and Regulation 46 (2) (b) to (i) of SEBI LODR Regulations, 2015 except as stated otherwise.
- d) There is no non compliance with any requirement of Corporate Governance Report.
- e) Disclosures with respect to discretionary requirements - the Company has not implemented the non-mandatory/ discretionary requirements as prescribed pursuant to Regulation 27 (1) of SEBI LODR Regulations, 2015.
- f) The policy for determining 'material' subsidiaries is available at  
<http://deccangoldmines.com/wp-content/uploads/2018/11/Policy-on-Material-Subsidiaries.pdf>
- g) The policy on dealing with related party transactions is available at [https://deccangoldmines.com/wp-content/uploads/2022/08/DGML\\_Related-Parties-Transaction-Policy.pdf](https://deccangoldmines.com/wp-content/uploads/2022/08/DGML_Related-Parties-Transaction-Policy.pdf)
- h) The Company has not carried out any activities related to trading in commodities and has not used any commodities in its operations during the financial year review. Hence, there were no commodities hedging activities. Further, the Company has not carried out hedging of foreign currency transactions.
- i) M/s. Rathi & Associates, Company Secretaries, have certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors, by the SEBI / Ministry of Corporate Affairs or any such other statutory authority. The Certificate issued by M/s. Rathi & Associates, Company Secretaries, forms part of this report.
- j) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI LODR Regulations, 2015, during the year under review.
- k) All recommendations by the Committees of the Board during the financial year 2021-22 were accepted by the Board.
- l) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is Rs. 1,30,000/-.
- m) During the period under review there were no complaints filed, disposed and pending in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 8. MEANS OF COMMUNICATION

- i. The quarterly results are published in English and Marathi newspapers generally in Free Press Journal (English) and Navshakti (Marathi). Further, they are also submitted to the BSE Limited upon their approval by the Board of Directors and are available on the website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)).
- ii. The website of the Company ([www.deccangoldmines.com](http://www.deccangoldmines.com)) also displays official news releases issued on behalf of the Company.
- iii. No Investors' / Analysts' Meet was held during the year under review.



**9. GENERAL SHAREHOLDER INFORMATION****i. Annual General Meeting:**

Day / Date	Wednesday, September 28, 2022
Time	11.00 A.M. IST
Venue	Not applicable since AGM is to be held through Video Conferencing / Other Audio Visual Means (VC / OAVM)

**ii. Financial Year:**

The Company follows April-March as its financial year. The audited financial results (stand alone and consolidated) for the year ended March 31, 2022 and the unaudited financial results for the quarter ended June 30, 2022 has been published by the Company upon approval of the Audit Committee and Board of Directors of the Company at their meeting (s) held on May 30, 2022 and August 11, 2022 respectively.

The financial calendar would be as under:

Unaudited financial results for quarter/ year ending	Reporting Date / Tentative date
September 30, 2022	By November 14, 2022
December 31, 2022	By February 14, 2023
March 31, 2023	By May 30, 2023
Annual General Meeting for the year ending March 31, 2023	By September 30, 2023

**iii. Date of Book Closure**

September 19, 2022 (Monday) to September 28, 2022 (Wednesday) - both days inclusive

**iv. Dividend Payment Date**

Not applicable

**v. Listing on Stock Exchanges**

The Company's shares are listed on BSE Limited ("BSE") located at P. J. Towers, Dalal Street, Mumbai, Maharashtra, 400001. The Company has paid the listing fees to the Stock Exchange within the prescribed time.

**vi. Stock Code**

512068 (BSE)

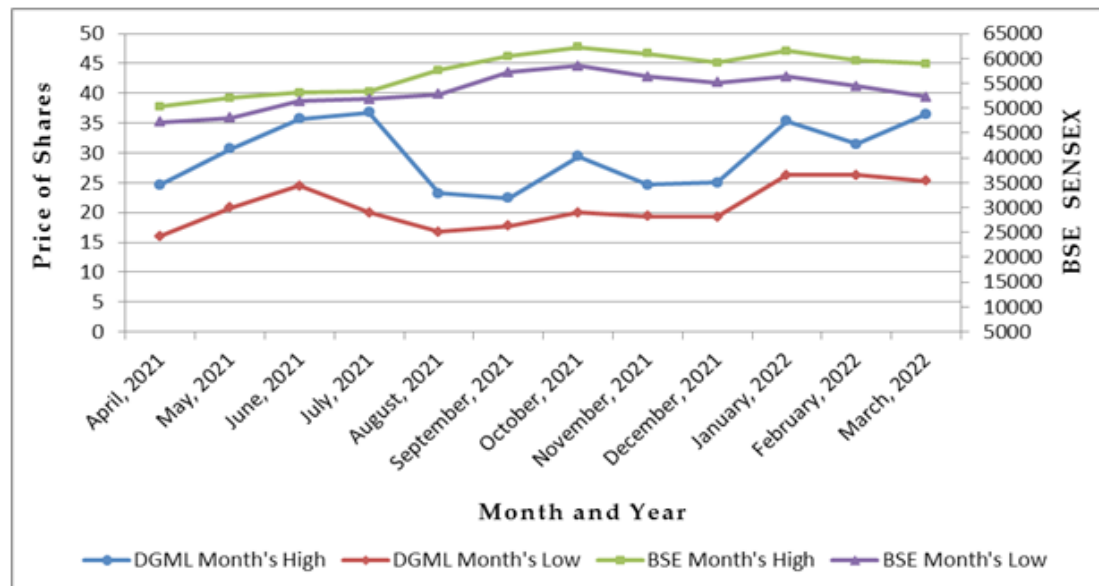
## DECCAN GOLD MINES LIMITED

### vii. Market price data – high & low during each month of last financial year

The monthly high and low quotations of the Company's shares traded on the BSE is as follows:

Month & Year	Share Price of Deccan Gold Mines Limited on BSE				BSE Sensex	
	Month's High (Rs.)	Month's Low (Rs.)	Month's Closing Price (Rs.)	Volume of shares traded (In no.)	Month's High (Index point)	Month's Low (Index point)
April, 2021	24.65	16.05	21.85	42,26,128	50375.77	47204.50
May, 2021	30.65	20.80	25.90	54,28,031	52013.22	48028.07
June, 2021	35.70	24.50	32.60	53,54,423	53126.73	51450.58
July, 2021	36.75	20.00	20.00	48,48,526	53290.81	51802.73
August, 2021	23.20	16.75	18.15	31,88,503	57625.26	52804.08
September, 2021	22.45	17.75	21.50	18,91,554	60412.32	57263.90
October, 2021	29.40	20.00	20.25	39,16,971	62245.43	58551.14
November, 2021	24.65	19.35	19.75	16,79,693	61036.56	56382.93
December, 2021	25.05	19.30	25.05	23,27,804	59203.37	55132.68
January, 2022	35.35	26.30	30.80	62,65,706	61475.15	56409.63
February, 2022	31.50	26.25	28.25	17,86,695	59618.51	54383.20
March, 2022	36.50	25.25	33.55	23,60,857	58890.92	52260.82

### viii. Performance in relation to broad based indices of BSE Sensex



### ix. Registrar and Transfer Agents

Link Intime India Private Limited  
C 101, 247 Park,  
LBS Marg, Vikhroli West,  
Mumbai – 400 083  
Tel : 91-22-49186000  
Fax : 91-22-49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**x. Share Transfer System**

As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can re-lodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

**xi. Shareholding Pattern & Distribution of Shareholding**

(a) Shareholding Pattern (as at March 31, 2022) –

Sr. No.	Category	No. of Shares held	%
1	Promoter Group	24161450	25.89
2	Foreign Portfolio Investors (Corporate)	4061851	4.35
3	Foreign Nationals	87694	0.10
4	Other Bodies Corporate	2632623	2.82
5	Body Corporate – LLP	292290	0.31
5	NBFCs registered with RBI	28600	0.03
6	Public	51613204	55.30
7	Non Resident Indians (Repatriable)	5594516	6.00
8	Non Resident Indians (Non-Repatriable)	2037406	2.18
9	Hindu Undivided Family	2688387	2.88
10	Clearing Members	129354	0.14
	Total	93327375	100.00

(b) Distribution of Shareholding (as at March 31, 2022)

Shareholding of Nominal Value (Rs.)	No. of Shareholders	% of Total	Shares	% of Total
1 - 500	15463	69.69	2432874	2.61
501 - 1000	2463	11.10	2107003	2.26
1001 - 2000	1530	6.90	2410499	2.58
2001 - 3000	660	2.97	1712388	1.83
3001 - 4000	292	1.32	1060638	1.14
4001 - 5000	341	1.54	1629117	1.75
5001 - 10000	616	2.78	4744125	5.08
10001 and above	822	3.70	77230731	82.75
<b>TOTAL</b>	<b>22187</b>	<b>100.00</b>	<b>93327375</b>	<b>100.00</b>

**xii. Dematerialisation of Shares and Liquidity**

About 99.87% of the shares have been dematerialized as on March 31, 2022. The equity shares of the Company are traded at BSE Ltd. (BSE).

## DECCAN GOLD MINES LIMITED

### xiii. Details of Shares held by Non-Executive Directors as on March 31, 2022

Sr. No.	Name of the Non-Executive Director	No. of Shares held
1	Mr. Kailasam Sundaram	Nil
2	Mr. Govind Subhash Samant	3,147,207
3	Mr. Natesan Chinnappan	Nil
4	Ms. Revathi Thiruvengadam	Nil
5	Mr Binay Prakash Pandey	Nil

### xiv. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any Convertible instruments which were outstanding as of March 31, 2022.

### xv. Credit Rating:

The Company has not obtained any credit ratings for its equity shares and has no outstanding debt instruments.

### xv. Plant locations

NIL

### xvi. Address for Correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Link Intime India Private Limited  
C 101, 247 Park,  
LBS Marg, Vikhroli West,  
Mumbai – 400 083  
Tel : 91-22-49186000  
Fax : 91-22-49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### For general correspondence

Deccan Gold Mines Limited,  
No. 1285, 5th Main, 7th Sector,  
HSR Layout, Bengaluru 560102  
Tel : 91-80-45384000 & Fax : 91-80-45384001  
e-mail : [info@deccangoldmines.com](mailto:info@deccangoldmines.com)

Neither the Company nor the Registrars have any undelivered equity share certificate (s) lying with them.

Disclosures with respect to demat suspense account/ unclaimed suspense account - Nil

xvii. There no loans and advances given by the Company or its subsidiary to firms/companies in which directors are interested.

## 10) NON-MANDATORY REQUIREMENTS:

### I. The Board

- (a) An office for the use of the Chairman is made available whenever required.
- (b) At present there is no policy fixing the tenure of independent directors.

### **II. Remuneration Committee**

Particulars of constitution of Remuneration Committee and terms of reference thereof have been detailed earlier.

### **III. Shareholders' Rights**

Half yearly financial results including summary of the significant events in last six months are presently not being sent to shareholders of the Company.

### **IV. Audit Qualifications**

The financial accounts of the Company are unqualified.

### **V. Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee

### **11) OTHER DISCLOSURES:**

#### **Whistle Blower / Vigil Mechanism Policy**

The Company has implemented the whistle blower policy and none of the personnel of the Company have been denied access to the Audit Committee.

#### **Performance Evaluation:**

Details are furnished in Annexure II to the Director's Report

#### **Familiarization Programme for Independent Directors**

The Independent Directors are provided with all the requisite information and updates with regard to the gold exploration and mining industry and other regulatory updates from time to time particularly during Audit Committee and Board Meetings. The same can be accessed from the website of the Company and the link is as under:

<http://deccangoldmines.com/wp-content/uploads/2018/11/Independent-Directors-Familiarisation-Programme.pdf>

#### **Material Subsidiaries:**

As per the requirements of SEBI LODR Regulations, 2015, Deccan Exploration Services Private Limited is a material subsidiary.

Further, the material subsidiary has obtained a Secretarial Audit Report for the financial year ended March 31, 2022 from M/s Rathi & Associates, Company Secretaries, in terms of Regulation 24A SEBI LODR Regulations, 2015 and forms part of this report.

**CODE OF CONDUCT DECLARATION**

Pursuant to Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Company has obtained affirmative compliance with the code of conduct from all the Board members and senior management personnel of the Company.

Place: Bengaluru  
Date: August 11, 2022

**Hanuma Prasad Modali**  
Managing Director

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

**The Members,**

**Deccan Gold Mines Limited**

Parinee Crescenzo, 8th Floor,  
Opp. MCA Ground, C38-C39,  
G Block, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400051

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Deccan Gold Mines Limited** having CIN L51900MH1984PLC034662 and having registered office at Parinee Crescenzo, 8th Floor, Opp. MCA Ground, C38-C39, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory.

Sr. No.	Name of the Director	DIN	Nature of Directorship	Date of Appointment in the Company
1.	Mr. Kailasam Sundaram	07197319	Chairman and Non-Executive - Independent Director	08/08/2019
2.	Mr. Hanuma Prasad Modali	00164763	Executive Director - Managing Director	12/12/2017
3.	Mr. Govind Subhash Samant	07984886	Non - Executive - Non - Independent Director	12/12/2017
4.	Mr. NatesanChinnapan*	08415969	Non-Executive - Independent Director	12/04/2019
5.	Mrs. Revathi Thiruvengadam*	01119311	Non-Executive - Independent Director	16/06/2020
6.	Mr. Binay Prakash Pandey	05343869	Non - Executive - Non - Independent Director	01/10/2021
1.	Mr. Subramaniam Sundaram	06389138	Executive Director - Wholetime Director	01/10/2021

\*Mr. Natesan Chinnapan, Non-Executive - Independent Director (DIN: 08415969) had resigned from the Company with effect from 31st May, 2022 and Mrs. Revathi Thiruvengadam, Non-Executive - Independent Director (DIN: 01119311) had resigned from the Company with effect from 15th June, 2022.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
FCS. NO.: 5637  
COP NO.: 2535

Date: 11th August, 2022  
Place: Mumbai

P.R. CERTIFICATE NO. 668/2020  
UDIN:F005637D000781060

## DECCAN GOLD MINES LIMITED

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### CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(Pursuant to Schedule V read with Regulation 34(3) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
Deccan Gold Mines Limited  
Parinee Crescenzo, 8th Floor,  
Opp. MCA Ground C38-C39, G Block,  
Bandra Kurla Complex, Bandra(E),  
Mumbai - 400051

We have examined the compliance of all the conditions of Corporate Governance by Deccan Gold Mines Limited(CIN: L51900MH1984PLC034662) ("the Company")for the Financial Year ended 31stMarch, 2022having its registered office situated at ParineeCrescenzo, 8th Floor,Opp. MCA Ground C38-C39,G Block, Bandra Kurla Complex,Bandra (E), Mumbai – 400051, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited toreview of procedures and implementation thereof, adopted by the Company for ensuring the compliance of theconditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made to us by the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31stMarch, 2022as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
FCS. NO.: 5637  
COP NO.:2535

Date: 11th August, 2022  
Place: Mumbai

P.R. CERTIFICATE NO. 668/2020  
UDIN:F005637D000781060



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## INDEPENDENT AUDITOR'S REPORT

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To,  
The Members of Deccan Gold Mines Limited

### Report on the Audit of the IND AS Standalone Financial Statements

#### 1. Opinion

We have audited the accompanying standalone Ind AS financial statements of **Deccan Gold Mines Limited ("the Company")**, which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and notes to the financial statement including a summary of significant accounting policies and other explanatory information (**herein after referred to as "standalone Ind AS financial statements"**)

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31 March 2022, and its financial performance including comprehensive income, its cash flows and the change in equity for the year ended on that.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 4. Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### 5. Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements, that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under Section

133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Company; for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **6. Auditors Responsibility for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **7. Report on Other Legal and Regulatory Requirements**

### **A. As required by Section 143(3) of the Act, we report that:**

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Standalone IND AS Balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rule issued thereunder.
- e. On the basis of the written representations received from the directors as on 31 March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date and our report dated 30/05/2022 as per Annexure A expressed.

### **B. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, no remuneration is paid by the Company to its directors during the current year under Section 197 of the Act.**

### **C. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:**

- i. The Company does not have any pending litigations which may impact its standalone Ind AS financial statements;
- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The company does not have any amounts that pending to be transferred to the Investor Education and Protection Fund.
- i. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## DECCAN GOLD MINES LIMITED

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- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (h) above, contain any material misstatement.
- D. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **P R Agarwal & Awasthi**  
Chartered Accountants  
Firm Registration No 117940W

CA Pawan KR Agarwal  
Partner  
M No-034147  
UDIN: 22034147AKMTWK6770

Place : Mumbai  
Date : May 30, 2022

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**DECCAN GOLD MINES LIMITED**

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**ANNEXURE A TO THE STANDALONE IND AS INDEPENDENT AUDITOR'S REPORT****1. Independent Auditor's report on the Internal Financial Controls with reference to financial statements and its operative effectiveness under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the standalone Ind AS financial statements of Deccan Gold Mines Limited ("the Company") as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

**2. Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements, that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**3. Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

**4. Meaning of Internal Financial Controls over Financial Reporting**

A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles including the Accounting Standards. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles including Accounting Standards, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## DECCAN GOLD MINES LIMITED

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### 5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### 6. Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the criteria being specified by management.

For **P R Agarwal & Awasthi**  
Chartered Accountants  
Firm Registration No 117940W

CA Pawan KR Agarwal  
Partner  
M No-034147  
UDIN: 22034147AKMTWK6770

Place : Mumbai  
Date : May 30, 2022

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**ANNEXURE B TO THE STANDALONE IND AS INDEPENDENT AUDITOR'S REPORT**

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With reference to the Annexure B referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2022, we report the following:

- (i) In respect of Property, Plant & Equipment:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - b) The Company has maintained proper records showing full particulars of intangible Assets.
  - c) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - d) According to the information and details provided the all the immovable properties are held in the name of the company.
  - e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - f) No proceedings have been initiated during the year or are pending against the Company as at March 31st , 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) Based on our scrutiny of the company's books of accounts and other records and according to the information and explanations given to us, we are of the opinion that the company has neither purchased/sold goods during the year nor is there any opening stocks, therefore, requirement on reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
- (iii) In our opinion and accordingly to the information, and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties. Accordingly, the provisions of clause 3(iii) (a) to (f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, investments, guarantees and security to the parties covered under section 185 of the Act. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, the Company has complied with the provisions of section 186 of the Act in respect of the loans, investments, guarantees and securities provided by it, to the extent applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. in respect of the business activities carried on by the company. Accordingly, the provisions of the clause 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of Statutory Dues:
- a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.
  - b) According to the information and explanation given to us, there are no dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities outstanding on account of any dispute.

## DECCAN GOLD MINES LIMITED

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- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (43 of 1961).
- (ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2022.
- f) The Company has not raised any loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) a) According to information and explanations given to us, the company has not raised moneys during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, provisions of the clause 3(x)(a) of the Order is not applicable to the Company.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) under Section 42 and Section 62 of the Companies Act, 2013 and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to information and explanations given to us, the company have not received any whistle blower complaints during the year (and upto the date of this report), neither any reported to auditor for consideration.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) (a) to (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.



- (xvi) a) In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act. 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.
- b) In our opinion, the company is not a Core Investment Company (CIC) (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
- c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) According to the information and explanations given, we find that the company has incurred a cash losses during the financial year covered by our audit and the immediately preceding financial year. The details of which are as under:

The figure of cash loss arrived at as above for the financial year under audit and the immediately preceding financial year should be adjusted for the effect of all quantifiable qualification in the audit report.

Particulars	2021-22	2020-21
Net Loss	(26,358)	(30,370)
Add back depreciation	72	12
Cash Loss	(26,286)	(30,358)

- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- (xx) The provision for contribution towards Corporate Social Responsibility (CSR) u/s 135, of the Companies Act are not applicable to the company, hence reporting under this clause is not applicable.
- (xxi) According to the information and explanations given to us, we find that there no adverse remarks by the respective auditors in the Companies (auditors report) Order (CARO) reports of the company included in the Consolidated financial Statements, hence nothing is required to be reported and hence nothing is to be reported under this clause.

For **P R Agarwal & Awasthi**  
Chartered Accountants  
Firm Registration No 117940W

CA Pawan KR Agarwal  
Partner  
M No-034147  
UDIN: 22034147AKMTWK6770

Place : Mumbai  
Date : May 30, 2022

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

CIN: L51900MH1984PLC034662

### BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in '000)

PARTICULARS	Note	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, Plant & Equipment	2 A	0	68
b) Intangible Assets	2 B	-	4
c) Intangible Assets under development	2 C	34,425	32,675
d) Financial Assets			
(i) Investments	3	4,47,022	4,41,946
(ii) Advance against equity (DGTPL)		-	3,483
(iii) Loans & Advance	4	767	2,017
		<b>4,82,214</b>	<b>4,80,194</b>
<b>Current assets</b>			
a) Financial Assets			
(i) Trade receivables	5	2,429	-
(ii) Cash and cash equivalents	6	697	2,644
b) Current Tax Asset	7	1,046	1,018
c) Other current assets	8	3,401	3,865
		<b>7,573</b>	<b>7,527</b>
<b>TOTAL ASSETS</b>		<b>4,89,787</b>	<b>4,87,721</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Share Capital	9	93,327	93,327
b) Other Equity	10	3,33,676	3,59,905
		<b>4,27,003</b>	<b>4,53,232</b>
<b>Share application money pending allotment</b>			
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
Deferred tax liabilities (Net)			
Other Long term liabilities			
a) Provisions	11	2,582	2,833
		<b>2,582</b>	<b>2,833</b>
<b>2) Current liabilities</b>			
a) Financial Liabilities			
(i) Other Financial Liabilities	12	18,077	1,595
(ii) Borrowings	13	34,745	27,355
b) Other Current Liabilities	14	2,098	559
c) Provisions	15	5,282	2,146
		<b>60,203</b>	<b>31,655</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,89,787</b>	<b>4,87,721</b>
Significant accounting policies	1		

Notes are integral part of the balance sheet & profit & loss account

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**C.A.P.R. Agarwal**

Partner

Membership Number- 34147

UDIN: 22034147AKMTWK6770

Place : Mumbai

Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**

Chairman

**K.Karunakaran**

Chief Financial Officer

**Modali Hanuma Prasad**

Managing Director

**S.Subramaniam**

Company Secretary

Place : Bengaluru

Date : 30-05-2022

## DECCAN GOLD MINES LIMITED

CIN: L51900MH1984PLC034662

## STATEMENT OF PROFIT AND LOSS FOR THE ENDED 31ST MARCH, 2022

(Amount in '000)

Particulars	Note No.	For the year ended 31-03-2022	For the year ended 31-03-2021
<b>INCOME :</b>			
Revenue From Operation	16	350	-
Other income	17	7,300	7,178
<b>Total Revenue</b>		<b>7,650</b>	<b>7,178</b>
<b>EXPENDITURE :</b>			
Employee benefits expenses	18	19,042	16,858
Finance costs	19	2,980	787
Depreciation and amortization expenses	20	72	12
Other expenses	21	11,915	19,891
<b>Total Expenditures</b>		<b>34,008</b>	<b>37,548</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>(26,358)</b>	<b>(30,370)</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>(26,358)</b>	<b>(30,370)</b>
<b>Extraordinary Items :</b>			
Prior year adjustments		-	-
<b>Profit before tax</b>		<b>(26,358)</b>	<b>(30,370)</b>
<b>Tax expenses :</b>			
Current tax (Wealth Tax)		-	-
Current Tax		-	-
Deferred tax		-	-
Short/(Excess) Provision of Tax		-	-
Mat Credit Entitlement		-	-
<b>Profit (Loss) for the period from continuing operations</b>		<b>(26,358)</b>	<b>(30,370)</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit/(Loss) from discontinuing operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit (Loss) for the year</b>		<b>(26,358)</b>	<b>(30,370)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss:			
Defined benefit plan actuarial gains (loss)		128	196
<b>Total Comprehensive Income of the year</b>		<b>(26,229)</b>	<b>(30,174)</b>
Earnings per equity share: Basic (in Rs.)		(0.28)	(0.32)
Earnings per equity share: Diluted (in Rs.)		(0.28)	(0.32)
Significant accounting policies	1		
Notes are integral part of the Balance Sheet and Profit & Loss Account			

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**C.A.P.R. Agarwal**

Partner

Membership Number- 34147

UDIN: 22034147AKMTWK6770

Place : Mumbai

Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**

Chairman

**K.Karunakaran**

Chief Financial Officer

**Modali Hanuma Prasad**

Managing Director

**S.Subramaniam**

Company Secretary

Place : Bengaluru

Date : 30-05-2022

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED Cash Flow Statement For the ended 31st March, 2022

(₹ in '000)

PARTICULARS	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax and after Extraordinary items	(26,358)	(30,370)
Adjustment For :		
Depreciation	72	12
Provisions for gratuity	3,013	660
Interest & Finance charges	2,980	787
Interest received	(7)	(103)
Profit on sale of Fixed Assets	(50)	-
Expenses on Employee Stock Option	-	-
<b>Operative Profit before Working Capital Changes</b>	<b>(20,350)</b>	<b>(29,015)</b>
Adjustment For :		
Trade Receivables	(2,429)	4,232
Other Receivables, Loans & Advances	464	6,334
Trade & Other payable	25,412	26,686
<b>Cash Generation from Operations</b>	<b>3,096</b>	<b>8,237</b>
Direct Taxes	(28)	895
<b>Net Cash Flow from operating activities</b>	<b>3,068</b>	<b>9,132</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets and Advances	1,250	(250)
Increase in Intangible Assets under development	(1,749)	(4,726)
Purchase/Sale of Investment (Net)	50	-
Dividend received	-	-
Interest Received	7	103
<b>Net Cash used in investing activities</b>	<b>(442)</b>	<b>(4,873)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Share Issue	(5,076)	(479)
Investment In Equity (advance against equity)	3,483	(3,483)
Share Application Money Received	-	-
Finance charges & Others	(2,980)	(787)
<b>Net Cash used in financing activities</b>	<b>(4,573)</b>	<b>(4,749)</b>
<b>D. Net Change In Cash And Cash Equivalents (A+B+C)</b>	<b>(1,947)</b>	<b>(490)</b>
Cash and Cash Equivalents (Opening)	2,644	3,133
Cash and Cash Equivalents (Closing)	<b>697</b>	<b>2,644</b>

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**C.A.P.R. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 22034147AKMTWK6770  
Place : Mumbai  
Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**  
Chairman

**K.Karunakaran**  
Chief Financial Officer

Place : Bengaluru  
Date : 30-05-2022

**Modali Hanuma Prasad**  
Managing Director

**S.Subramaniam**  
Company Secretary

## DECCAN GOLD MINES LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

## A. Equity share capital

	Number	Amount ('000)
<b>Balance as at 31 March 2020</b>	<b>9,33,27,375</b>	<b>93,327</b>
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	<b>9,33,27,375</b>	<b>93,327</b>
Balance as at 1 April 2021	9,33,27,375	93,327
Changes in equity share capital during 2021-22	-	-
<b>Balance as at 31 March 2022</b>	<b>9,33,27,375</b>	<b>93,327</b>

## B. Other equity

(Rs. In '000)

	Share Application Money Pending Allotment	Reserves and surplus			Employee Stock Option Outstanding	Total other Equity
		Securities premium	Retained earnings	Capital Reserves		
<b>Balance as at 1 April 2020</b>	-	<b>7,37,095</b>	<b>(3,63,742)</b>	<b>16,726</b>	-	<b>3,90,079</b>
Received Further	-	-	-	-	-	-
Further Granted	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-
Profit for the year	-	-	(30,370)	-	-	(30,370)
Other comprehensive income	-	-	196	-	-	196
Total comprehensive income for the year	-	-	(30,174)	-	-	(30,174)
<b>Balance as at 31st March 2021</b>	-	<b>7,37,095</b>	<b>(3,93,916)</b>	<b>16,726</b>	-	<b>3,59,905</b>
<b>Balance as at 1 April 2021</b>	-	<b>7,37,095</b>	<b>(3,93,916)</b>	<b>16,726</b>	-	<b>3,59,905</b>
Received Further	-	-	-	-	-	-
Further Granted	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-
Profit for the year	-	-	(26,358)	-	-	(26,358)
Other comprehensive income	-	-	128	-	-	128
Total comprehensive income for the year	-	-	(26,229)	-	-	(26,229)
<b>Balance as at 31st March, 2022</b>	-	<b>7,37,095</b>	<b>(4,20,145)</b>	<b>16,726</b>	-	<b>3,33,676</b>

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**C.A.P.R. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 22034147AKMTWK6770  
Place : Mumbai  
Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**  
Chairman

**K.Karunakaran**  
Chief Financial Officer

Place : Bengaluru  
Date : 30-05-2022

**Modali Hanuma Prasad**  
Managing Director

**S.Subramaniam**  
Company Secretary

# DECCAN GOLD MINES LIMITED

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## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

#### Note-1: SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2022

##### A. Basis of preparation of financial Statements

The standalone Ind AS financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 (to the extent notified) and guideline issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment rules, 2016.

The accounting policies adopted in the preparation of standalone Ind AS financial statement are consistent with those of previous year.

##### B. Use Of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions effect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditure during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding these estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. .

##### C. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Exploration Income is recognized when services are rendered.
- ii. Interest Income is recognized on accrual basis
- iii. Dividend Income is accounted on accrual basis when the right to receive the dividend is established
- iv. Consultancy Income is recognized as and when services are rendered.

##### D. Property, plant and equipment:

Fixed assets are stated at cost of acquisition less accumulated depreciation if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready to use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Vehicles	08 years
Computer	03 years
Furniture	10 years
Office Equipment	10 years
Plant & Equipment	10 years
Software	03 years

Depreciation methods, useful lives and residual value are reviewed periodically, including at each financial year end.

“Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use the assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work – in - progress’. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the

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**DECCAN GOLD MINES LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

**E. Exploration and Evaluation Assets**

Exploration and evaluation assets comprise capitalized costs which are attributable to the search for gold and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- researching and analyzing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc. As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalized exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalized on a project by project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision. Once proved reserves are determined, exploration and evaluation assets are transferred to "Development" under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognized.

**F. Development Expenditure**

When proved reserves are determined, capitalized exploration and evaluation cost is recognized as assets under construction and disclosed as a component of capital work in progress under the head "Development". All subsequent development expenditure is also capitalized.

**G. Intangible assets:**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight – line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**H. Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account as and when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**I. Investments**

1. Financial instruments
  - I. Financial assets
  - II. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

# DECCAN GOLD MINES LIMITED

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## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

#### 2. Subsequent measurement

##### a. Financial assets carried at amortised costs: (AC)

Financial assets are subsequently measured at amortised costs if it is held within a business model and whose objective is to hold the asset in order to collect the contractual cash flows and contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

##### b. Financial assets at fair value through other comprehensive income: (FVTOCI)

A financial assets is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

##### c. Financial assets at fair value through profit and loss (FVTPL)

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

#### 3. Equity instruments

All equity investments are measured at fair value, with value changes recognised in the statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'other comprehensive income'.

#### 4. Investment in Subsidiaries and Associates and Joint Venture :

The company has accounted for its investments in Subsidiaries and Associates and Joint Venture at cost and at amortised cost.

#### J. Foreign Currency

##### Functional Currency

The functional currency of the company is the Indian Rupee. The financial statements are presented in Indian Rupees (Rounded off to Thousands).

##### Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cashflow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

#### K. Employee Benefits

- Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- Post employment benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The defined benefit obligation is provided for on the basis of an actuarial valuation on projected unit cost method.
- Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services.

#### L. Taxation

- Provision for current tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by applying the tax rates as applicable.



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**DECCAN GOLD MINES LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

- b. The Company has carried forward losses under Tax Laws. In absence of virtual certainty of sufficient future taxable income, deferred tax asset has not been recognized by way of prudence in accordance with Indian Accounting Standard 12 “Income Taxes” issued by The Institute of Chartered Accountants of India.

**M. Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**N. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes to the accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

**O. Segmental Reporting:**

The Company is mainly engaged in the business of gold exploration and mining. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz; Gold Mining & Exploration.

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

#### NOTE - 2 : A) PROPERTY, PLANT AND EQUIPMENT

Details of the property, plant and equipment and their carrying amounts are as follows: (Rs in '000)

Particulars	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	TOTAL
<b>Gross carrying amount</b>						
Balance as at 1 April 2020	1,161	563	502	554	274	3,054
Additions	-	-	-	-	-	-
Acquisition through business combination	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	-	-	-	-
Net exchange differences	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,161</b>	<b>563</b>	<b>502</b>	<b>554</b>	<b>274</b>	<b>3,054</b>
<b>Depreciation and impairment</b>						
Balance as at 1 April 2020	1,103	563	502	544	274	2,986
Net exchange differences	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,103</b>	<b>563</b>	<b>502</b>	<b>544</b>	<b>274</b>	<b>2,986</b>
<b>Carrying amount as at 31 March 2021</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>0</b>	<b>68</b>

Particulars	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	TOTAL
<b>Gross carrying amount</b>						
Balance as at 1 April 2021	1,161	563	502	554	274	3,054
Additions	-	-	-	-	-	-
Acquisition through business combination	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	502	-	-	502
Net exchange differences	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1,161</b>	<b>563</b>	<b>0</b>	<b>554</b>	<b>274</b>	<b>2,552</b>
<b>Depreciation and impairment</b>						
Balance as at 1 April 2021	1,103	563	502	544	274	2,986
Net exchange differences	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	502	-	-	502
Depreciation	58	-	-	10	-	68
<b>Balance as at 31 March 2022</b>	<b>1,161</b>	<b>563</b>	<b>(0)</b>	<b>554</b>	<b>274</b>	<b>2,552</b>
<b>Carrying amount as at 31 March 2022</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Note - 2 : B) Intangible Assets

Details of the Intangible Assets and their carrying amounts are as follows:

Computer Software	
Gross carrying amount	
<b>Balance as at 1 April 2020</b>	409
Additions	-
Acquisition through business combination	-
Disposals	-
Revaluation increase	-
Net exchange differences	-
<b>Balance as at 31 March 2021</b>	<b>409</b>

## DECCAN GOLD MINES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs in '000)

<b>Depreciation and impairment</b>	
Balance as at 1 April 2020	393
Disposal	-
Net exchange differences	-
Depreciation	12
<b>Balance as at 31 March 2021</b>	<b>405</b>
<b>Carrying amount as at 31 March 2021</b>	<b>4</b>

Gross carrying amount	
<b>Balance as at 1 April 2021</b>	<b>409</b>
Additions	-
Acquisition through business combination	-
Held for sale or included in disposal group	-
Net exchange differences	-
<b>Balance as at 31 March 2022</b>	<b>409</b>

<b>Depreciation and impairment</b>	
Balance as at 1 April 2021	405
Net exchange differences	-
Held for sale or included in disposal group	-
Depreciation	4
<b>Balance as at 31 March 2022</b>	<b>409</b>
<b>Carrying amount as at 31 March 2022</b>	<b>-</b>

**Note - 2 : C) Intangible Assets under Development**

Details of the Intangible Assets under development and their carrying amounts are as follows:

**Exploration and Evaluation Assets**

Balance as at 1 April 2020	27,950
Additions	4,726
Balance as at 31 March 2021	<b>32,675</b>
<b>Carrying amount as at 31 March 2021</b>	<b>32,675</b>
<b>Gross carrying amount</b>	
Balance as at 1 April 2021	32,675
Additions	1,749
Balance as at 31 March 2022	<b>34,425</b>
<b>Carrying amount as at 31 March 2022</b>	<b>34,425</b>

**Intangible assets under development (ITAUD)****FY 20-21**

ITAUD	Amount in ITAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,661	7,386	5,454	15,174	32,675
Projects temporarily suspended	-	-	-	-	-

**FY 21-22**

ITAUD	Amount in ITAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,749	4,661	7,386	20,629	34,425
Projects temporarily suspended	-	-	-	-	-

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs in '000)

31st March, 2022      31st March, 2021

#### Note - 3 : Non-current investments

##### Investment in Equity instruments :

In Subsidiaries

Unquoted : (Fully paid up) Equity Shares of Rs. 10/- each of

Deccan Exploration Services Pvt.Ltd.

4,41,467

4,41,467

Unquoted : 990 Equity Shares of @TZ Shilling 15000/- each of Deccan Gold Tanzania Pvt Ltd

479

479

Unquoted : 10,710 Equity Shares of @TZ Shilling 15000/- each of Deccan Gold Tanzania Pvt Ltd

5,076

-

**Total** **4,47,022** **4,41,946**

Aggregate Value of Quoted Investment

-

-

Market Value of Quoted Investment

-

-

Aggregate Value of Unquoted Investment

4,47,022

4,41,946

Advance against equity: Deccan Gold Tanzania Pvt Ltd

-

3,483

**Total** **-** **3,483**

#### Note - 4 : Loans

##### Security Deposits

Unsecured, considered good

767

2,017

**Total** **767** **2,017**

##### Loans and advances to Holding Company

Secured, considered good

-

-

Unsecured, considered good

-

-

Doubtful

-

-

Less: Provision for doubtful loans and advances

-

-

**Total** **767** **2,017**

#### Note - 5 : Trade Receivables

Unsecured, Considered Good

Due from Subsidiary Co.

2,429

-

**Total** **2,429** **-**

#### Trade Receivables ageing schedule as at 31st March,2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	912	1,517	-	-	-	2,429
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

#### Trade Receivables ageing schedule as at 31st March,2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	-	-	-	-	-	-
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

## DECCAN GOLD MINES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

	31st March, 2022	31st March, 2021
<b>Note - 6 : Cash and cash equivalents</b>		
<b>Balances with banks</b>		
a. Balance with Banks	695	2,630
b. Cash on hand	2	14
c. Others	-	-
<b>Total</b>	<b>697</b>	<b>2,644</b>

Earmarked Balance with banks for unclaimed dividend  
Balance with banks to the extent held as margin money

**Note - 7 : Current Tax Assets**

Balance with Income Tax Authorities	1,046	1,018
<b>Total</b>	<b>1,046</b>	<b>1,018</b>

**Note - 8 : Other current assets**

Advances other than Capital Advances		
- To Subsidiary Company		
- To Others	503	170
Balance with Government authorities:		
- Other than Income Tax	2,468	3,224
Prepaid Expenses	430	471
Preliminary Expenses	-	-
Interest Receivable	-	-
Invoice yet to be bill	350	-
<b>Total</b>	<b>3,401</b>	<b>3,865</b>

**Note : 9 Share Capital**

A	Authorised Share Capital	Equity Share		Preference Shares	
		Number	Amount ('000)	Number	Amount ('000)
	Beginning of the year at 1 April 2020	25,00,00,000	2,50,000	-	-
	Increase/(decrease) during the year	-	-	-	-
	<b>Total shares authorised as at 31 March 2021</b>	<b>25,00,00,000</b>	<b>2,50,000</b>	-	-
	Total shares authorised as at 1 April 2021	25,00,00,000	2,50,000	-	-
	Increase/(decrease) during the year	-	-	-	-
	<b>Total authorised share capital as at 31 March 2022</b>	<b>25,00,00,000</b>	<b>2,50,000</b>	-	-

**Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of INR 1 per share.

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

B	Issued, Subscribed & fully Paid Up	Equity Share		Preference Shares	
		Number	Amount ('000)	Number	Amount ('000)
	Balance as at 1 April 2020	9,33,27,375	93,327	-	-
	Changes during the period	-	-	-	-
	<b>Balance as at 31 March 2021</b>	<b>9,33,27,375</b>	<b>93,327</b>	-	-
	Balance as at 1 April 2021	9,33,27,375	93,327	-	-
	Changes during the period	-	-	-	-
	<b>Shares issued and fully paid as at 31 March 2022</b>	<b>9,33,27,375</b>	<b>93,327</b>	-	-

<b>C Shares held by holding/ultimate holding company including shares held by subsidiaries or associates of the holding company/ultimate holding company</b>	31st March, 2022	31st March, 2021
	-	-

#### D Share held by promoters as at 31 March 2022

Name of Pramoter	31st Mar, 2022		31st March, 2021		Change in Holding
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Rama Mines Limited	2,41,61,450	25.89%	2,43,84,731	26.13%	-0.24%

#### E. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31st Mar, 2022		31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rama Mines Limited	2,41,61,450	25.89%	2,43,84,731	26.13%

#### F Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares</b> : Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

#### Note 10 - Other Equity:

	As at 31 March 2022	As at 31 March 2021
<b>Capital Reserves</b>		
Opening Balance	16,726	16,726
(+)/(-) Transfer	-	-
Closing Balance	16,726	16,726
<b>Securities Premium Account</b>		
Opening Balance	7,37,095	7,37,095
(+)/(-) Transfer	-	-
Closing Balance	7,37,095	7,37,095
<b>Retained Earnings</b>		
Opening balance	(3,93,916)	(3,63,742)
(+) Net Profit / (Net Loss) for the current year	(26,358)	(30,370)
Defined benefit plan actuarial gains (loss)	128	196
Closing Balance	(4,20,145)	(3,93,916)
<b>Total</b>	<b>3,33,676</b>	<b>3,59,905</b>

**DECCAN GOLD MINES LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

	As at 31 March 2022	As at 31 March 2021
<b>Note - 11 : Provisions</b>		
<b>For Employee Benefits:</b>		
Gratuity	2,582	2,833
<b>Total</b>	<b>2,582</b>	<b>2,833</b>
<b>Note - 12 : Other Financial Liabilities</b>		
Outstanding Expenses	18,077	1,595
<b>Total</b>	<b>18,077</b>	<b>1,595</b>
<b>Note- 13: Borrowing</b>		
Loan from DESPL (Subsidiary Company)	33855	27,355
Other (Loan from Directors)	890	-
<b>Total</b>	<b>34,745</b>	<b>27,355</b>
<b>Note - 14 : Other Current Liabilities</b>		
Statutory dues	2,098	559
<b>Total</b>	<b>2,098</b>	<b>559</b>
<b>Note - 15 : Provisions</b>		
Provision for employee benefits :		
Gratuity	5,282	2,146
<b>Total</b>	<b>5,282</b>	<b>2,146</b>
<b>Note - 16 : Revenue from operations</b>		
Consultant Income	350	-
<b>Total</b>	<b>350</b>	<b>-</b>
<b>Note - 17 : Other income</b>		
Interest Income	-	-
Other Income	7	103
Exploration Contract Income	6,998	7,074
Reimbursement of Valuation Expenses	245	-
Profit on sale of assets	50	-
<b>Total</b>	<b>7,300</b>	<b>7,178</b>
<b>Note - 18 : Employee benefit expenses</b>		
Salaries & wages	15,647	15,796
Contributions to Gratuity	3,013	660
Expenses on Employee Stock Option Scheme	-	-
Staff welfare expenses	382	402
<b>Total</b>	<b>19,042</b>	<b>16,858</b>
<b>Note - 19 : Finance costs</b>		
Interest expenses	2,953	728
Interest on TDS	12	-
Bank Charges	16	58
<b>Total</b>	<b>2,980</b>	<b>787</b>

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs in '000)

	As at 31 March 2022	As at 31 March 2021
<b>Note - 20 : Depreciation &amp; Amortization Expenses</b>		
Depreciation on Tangible Assets	68	-
Depreciation on Intangible Assets	4	12
<b>Total</b>	<b>72</b>	<b>12</b>
<b>Note - 21 : Other expenses</b>		
Electricity Expenses	79	94
Listing Fees	535	528
Rent	672	2,043
Rates and taxes	247	9
Repair and maintenance	456	80
Director Remuneration	5,460	8,400
Advertising and business promotion	97	77
Traveling and conveyance	62	240
Traveling overseas	-	184
Communication Expenses	193	269
Legal and professional fees	2,240	796
Geologist Consultancy fee	546	-
Business Valuation Expenses Incurred	245	-
Office maintenace expenses	7	25
Director Sitting Fees	485	480
Auditor's remuneration	130	130
Secretarial Audit Remuneration	300	-
Membership & Subscription	44	48
Vehicle Insurance	7	11
valuatin Expenses	-	-
Miscellaneous Assets written off	-	6,476
Miscellaneous expenses	111	-
<b>Total</b>	<b>11,915</b>	<b>19,891</b>
<b>Payments to auditor</b>		
For Audit Fee	130	130
For Certification & Others	-	-
<b>Total</b>	<b>130</b>	<b>130</b>



## DECCAN GOLD MINES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs in '000)

## Note - 22 : Analytical Ratios

Ratios	Head	As on 31st March, 2022			As on 31st March, 2021			% Variance	Reason for variance
		Numerator	Denomi nator	Current Period	Numerator	Denomi nator	Previous Period		
		Rs.	Rs.		Rs.	Rs.			
Current Ratio	Current Assets / Current Liabilities	7,573	60,203	0.13	7,527	31,655	0.24	-47.10%	The Company currently have liquidity crunch. In coming years the management has optimistic that once the operation will commence the situation will under control.
Debt-equity ratio	Total Debt / Shareholder's Equity	34,745	4,27,003	0.08	27,355	4,53,232	0.06	34.82%	
Debt service coverage ratio	EBIDTA/ Total Debt Service	-23,333	37,698	-0.62	-29,630	28,084	-1.06	-41.33%	
Return on equity	Net Income available to Shareholders / Shareholder's Equity	-26,229	4,27,003	-0.06	-30,174	4,53,232	-0.07	-7.73%	
Inventory turnover ratio	Cost of Goods Sold / Avg. Inventory	-	-	-	-	-	-	-	
Trade receivables turnover ratio	Revenue from Operations / Average Account Receivables	-	-	-	-	-	-	-	
Trade payables turnover ratio	Total Purchases + Total Other Expenses / Average Account Payables	-	-	-	-	-	-	-	
Net capital turnover ratio	Revenue from Operations / Average Working Capital	-	-	-	-	-	-	-	
Net profit ratio	Net Profit /Total Revenue	-26,229	7,650	-3.43	-30,174	7,178	-4.20	-18.44%	
Return on capital employed	Earning Before Interest & Tax / Capital Employed	-23,277	4,29,584	-0.05	-29,445	4,56,066	-0.06	-16.08%	
Return on investment	Net Income/ Total Assets	-26,229	4,89,787	-0.05	-30,174	4,87,721	-0.06	-13.44%	

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs in '000)

#### Note - 23: Employee Benefits

As per Indian Accounting Standard 19 "Employee Benefits", the disclosure of Employee benefits as defined in the Indian Accounting Standard are given below:

#### Defined Benefit Plan:

#### Gratuity

#### 1) Reconciliation of opening and closing balances of Defined Benefit Obligation (Rs. in '000)

Particulars	Gratuity	
	2021-22	2020-21
Defined Benefit Obligation at the beginning of the year	4,979	4,516
Current Service Cost	713	437
Interest Cost	254	223
Past Service Cost	2,046	-
Actuarial (Gain)/Loss	(128)	(196)
<b>Defined Benefit Obligation at the end of the year</b>	<b>7,864</b>	<b>4,980</b>

#### 2) Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	Gratuity	
	2021-22	2020-21
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return of Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at the end of the year	-	-
Actual Return of Plan Assets	-	-

#### 3) Reconciliation of Fair Value of Assets and Obligations

Particulars	Gratuity	
	2021-22	2020-21
Fair Value of Plan Assets	-	-
Present Value of Obligation	7,864	4,980
<b>Amount recognized in Balance Sheet (Surplus/(Deficit))</b>	<b>7,864</b>	<b>4,980</b>

#### 4) Expenses recognised during the year

Particulars	Gratuity	
	2021-22	2020-21
<b>In Income Statement</b>		
Current Service Cost	713	437
Interest Cost	254	223
Return on Plan Assets	-	-
Past Service Cost	2,046	-
<b>Net Cost</b>	<b>3,013</b>	<b>660</b>

## DECCAN GOLD MINES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs in '000)

In Other Comprehensive Income	-	-
Actuarial (Gain)/Loss	(128)	(196)
<b>Net(Income)/Expense for the period Recognized in OCI</b>	<b>2,885</b>	<b>464</b>

## 5) Actuarial Assumptions

Particulars	Gratuity	
	2021-22	2020-21
Discount Rate (per annum)	7.15%	6.50%
Rate of Escalation in Salary (per annum)	6.00%	6.00%

## 6) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Decrease	Increase	Decrease	Increase
Change in discounting rate(delta effect of +/-0.5%)	8,011	7,726	5,127	4,842
Change in rate of Salary increase (delta effect of +/-0.5%)	7,724	8,012	4,914	5,055

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

- Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
- Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary risk:** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## Note 24- Related party disclosure

- Name of related parties and relationship

S. No.	Name of the party	Relationship
1	Deccan Exploration Services Private Limited	Wholly owned subsidiary
2	Deccan Gold Tanzania Private Limited	Subsidiary (w.e.f .5th October, 2020)
3	Sandeep Lakhwara	Managing Director (Resigned on 30.09.21)
4	Govind Samant	Director
5	Dr. Modalai Hanuma Prasad	Managing Director (w.e.f 01.10.21)
6	Natesan Chinnapan	Independent Director
7	Kailasam Sundaram	Chairman
8	Mrs.Revathi Thiruvengadam	Independent Director
9	K. Karunakaran	Chief Financial Officer
10	S. Subramaniam	Company Secretary & (Executive Director –w e f 01.10.21)

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

#### b) Transactions with related parties:-

(Rs in '000)

Nature	Year ended 31st March 2022	Year ended 31st March 2021
Reimbursement of Exploration Expenses Received from Subsidiary (Excluding Taxes)		
a) Deccan Exploration Services Private Limited	7,243	7,074
Investment in Shares of Subsidiary		
a) Deccan Gold Tanzania Private Limited	5,556	479
Advance Against equity to Subsidiary		
a) Deccan Gold Tanzania Private Limited	-	3,483
Advances received back from Subsidiary(Loan)		
a) Deccan Exploration Services Private Limited	33,855	27,356
Managerial Remuneration paid to director		
a) Sandeep Lakhwara	4,200	8,400
b) Modali Hanuma Prasad	1,260	-
Directors Sitting Fees & Audit Committee fees		
a) Kailasam Sundaram	145	140
b) Natesan Chinnapan	145	140
c) Revathi Thiruvengadam	100	60
d) Modali Hanuma Prasad	95	140
Remuneration paid to CFO		
a) K Karunakaran	3,260	3,260
Remuneration paid to CS		
a) S Subramaniam	4,395	3,990
Balances outstanding with related parties		
a) Deccan Exploration Services Pvt Ltd	36,284	-
b) Sandeep Lakhwara	1 692	-
c) Modali Hanuma Prasad	1,209	-
d) Kailasam Sundaram	67.5	-
e) Natesan Chinnapan	67.5	-
f) Revathi Thiruvengadam	54	-
g) K Karunakaran	1,916	-
h) S. Subramaniam	2,516	-

**DECCAN GOLD MINES LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.****Note 25- Expenditure and Earnings in Foreign Currency:****Earnings:**

Sr. No.	Nature	Year ended 31st March 2022	Year ended 31st March 2021
1.	Exports	NIL	NIL
2.	Professional Consultancy Income	NIL	NIL
	<b>Total</b>	<b>-</b>	<b>-</b>

**Expenditure:**

Sr. No.	Nature	Year ended 31st March 2022	Year ended 31st March 2021
1	Import of Materials	-	-
2	Professional Fees	245	-
3	Analysis Charges	-	-
4	Travelling & Other Expenses	-	184
	<b>Total</b>	<b>245</b>	<b>184</b>

**Note – 26 Contingent Liabilities not provided for:**

Sr. No.	Particulars	March 31, 2022	March 31, 2021
a)	Capital Commitments	NIL	NIL
b)	Claims against company not acknowledged as debts	NIL	NIL
c)	Contingent Liabilities	NIL	NIL

**Note 27: Disclosure on undisclosed/unrecorded income that have been surrender**

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**Note 28:** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realizes in the ordinary course of business. The provisions for all known liabilities are adequate and neither in excess or short of the amount reasonably necessary.

**Note 29:**

(Rs. In '000)

Remuneration to Auditors	Year ended 31st, March, 2022	Year ended 31st, March, 2021
Audit Fees	130	130
Tax Audit Fees	-	-

Remuneration to Directors	Year ended 31st, March, 2022	Year ended 31st, March, 2021
<b>Total</b>	<b>5,460</b>	<b>8,400</b>

**Note- 30 Earning Per Share**

	Particulars	March 31, 2021	March 31, 2020
a)	Net Profit available for Equity Shareholders (Rs in Thousands)	(26,229)	(30,370)
b)	Weighted Average Number of Shares	9,33,27,375	9,33,27,375
c)	Basic Earnings Per Share (in Rs.)	-0.28	-0.32
d)	Diluted Earnings Per Share (in Rs.)	-0.28	-0.32

# DECCAN GOLD MINES LIMITED

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## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

#### **Note 31: Acquiring significant stake in Geomysore Services (India) Private Limited (GMSI) primarily through takeover of Australian Indian Resources Limited, Australia (AIR):**

At their meeting held on February 5, 2019, the Board of Directors of the Company authorized the management to initiate the process of obtaining valuations for GMSI and the Company and come back to it with a firm proposal for its consideration. Whilst on the subject, the Board noted that GMSI had approached the Company in the past and the Company had indicated its openness to consider the proposal on merits as it believed that the proposed takeover of GMSI would result in consolidation benefits in terms of creating the largest portfolio of gold assets held by one Company within India.

The Board of Directors had also recalled that as stated in the Company's 2018 Annual Report, the takeover of GMSI was sought to be achieved through a takeover of AIR which is a key shareholder of GMSI and a 'buy-out' of other interested GMSI shareholders. Further, the proposal was to be put to the Board of the Company and GMSI for their final approval as regards the terms and conditions of the transaction including but not limited to relevant valuation of shares and share exchange ratio at the appropriate time following which applicable shareholder and regulatory approvals will be sought.

By way of background, GMSI is a multi-metal exploration company based in Bangalore, India and has got a portfolio of mineral prospects which include mineral concession applications over the Kolar Gold Belt and the key Jonnagiri Gold Project in Andhra Pradesh over which it holds a granted and executed Mining Lease (ML) and has obtained all statutory permits and licenses for the Project.

More details / update about this transaction has been provided in the market updates made by the company from time to time.

#### **Note 32: Fair Value measurement**

##### **Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### **Note 33 : Financial Risk Management**

##### **Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through the managing board, which evaluates and exercises independent control

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**DECCAN GOLD MINES LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

over the entire process of market risk management. The managing board recommend risk management objectives and policies, which are approved by Senior Management.

**Market Risk- Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

**Note 34: Capital risk management**
**(a) Risk Management**

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

**Note 35:** As the company doesn't own any immovable properties the disclosure regarding the title deeds not held in the name of the company, Valuation and revaluation of assets and others disclosure which are need to be reported under Revised Schedule III, as amended by the Companies Act, 2013 are not applicable.

**Note 36:** The Company has not been declared as wilful defaulter by Banks/Financial Institution/Other Lender.

**Note 37: Details of pending charge creation / satisfaction registration with ROC**

The company has no such charges which are pending for creation.

**Note 38:** The company has not taken any facilities from banks/financial institutions against current assets hence disclosure regarding review and reporting of filings and submission of Quarterly returns or statements with banks/financial institutions are in agreement with books of accounts are not available.

**Note 39: Crypto Currency / Virtual Currency**

The company hadn't done any transaction in Crypto or Virtual currency.

**Note 40: Utilization of borrowed funds and share premium**

- A) The company has not granted/advance/invested funds in any entities or to any other person including foreign entities during the year with the understanding that the
- a) Intermediary shall directly or indirectly lend or invest in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries).
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- B) The company has not received any funds during the year from any person's/entities including foreign entities with the understanding that the company shall
- a) Directly or indirectly lend or invest in any manner whatsoever by or on behalf of the funding entity (Ultimate beneficiaries).
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

# DECCAN GOLD MINES LIMITED

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## DECCAN GOLD MINES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

**Note 41:** During October, 2021 the Company had filed a Composite Scheme of Arrangement with Bombay Stock Exchange Limited (BSE) for its prior approval. The Scheme is for acquisition of a significant stake in Geomysore Services (India) Private Limited by the Company through share swap. The Scheme is under process with BSE.

#### **Note 42: Corporate Social Responsibility**

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 including further amendments thereto, a company has to spend, in every financial year, at least 2% of the average net profits of the company made during the last three years immediately preceding financial year, as per the objects mentioned in the Rules.

The Company Net Profit & Turnover doesn't exceed the prescribed limit in last three years immediately preceding financial year and Net worth doesn't exceeds Rs.500 Cr. Or more, hence provisions of section 135 of the Companies Act, 2013 are not applicable.

#### **Note 43: Disclosure pursuant to IND AS 17 "Leases"**

Operating Lease - IND AS 116 is not applicable as per the view of the management since the Company has taken office premises on lease on a yearly renewable basis.

#### **Note 44: The Code on Social Security, 2020**

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

**Note 45:** Previous year previous figures have been regrouped/reclassified to make them comparable with the current year figures.

**Note 46:** The above financial statements have been reviewed by the audit committee and subsequently approved by the Board of Directors at its meeting held on May 30, 2022.

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**C.A.P.R. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 22034147AKMTWK6770

Place : Mumbai  
Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**  
Chairman

**Modali Hanuma Prasad**  
Managing Director

**K.Karunakaran**  
Chief Financial Officer

**S.Subramaniam**  
Company Secretary

Place : Bengaluru  
Date : 30-05-2022



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**CONSOLIDATED FINANCIAL STATEMENTS****INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Deccan Gold Mines Limited,**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated IndAS financial statements of **Deccan Gold Mines Limited** (herein referred to as "the Holding Company") and its subsidiary (the holding company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as the consolidated Ind AS financial statements)

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of the companies Act, 2013 (herein referred to as "the act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income and consolidated cash flows and changes in equity of the group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with the rule 7 of the Companies (Accounts) rules, 2014. The respective board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which has been used for the purpose of preparation of the Ind AS consolidated financial statements by the Board of directors of the holding company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the holding company's board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor's in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

# DECCAN GOLD MINES LIMITED

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## CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, referred to in the other matters paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the consolidated state of affairs of the group as at 31st March, 2022 and their consolidated loss and their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Other Matters

We did not audit the financial statements/financial information of two subsidiaries, whose financial statement/financial information reflect the total assets of Rs.4,10,868 thousand as at 31st March, 2022, total revenues of Rs.3,308 thousand and net cash outflows amounting to Rs.13,147 thousand for the year ended on that date, as considered in the consolidated Ind AS financial statements. Out of the two subsidiaries, one financial statement has been audited by other auditors whose report(s) have been furnished to us by the management. Further for the other one subsidiary we have been provided management certified accounts for the purpose of consolidation and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary and our reports in terms of sub section (3) & (11) of section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

In case of one subsidiary, i.e. Deccan Gold (Tz) Private Limited, the financial statements as at 31st March, 2022 are unaudited.

Our opinion on the consolidated Ind AS financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 as amended;
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2022, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report dated 30/05/2022 in "Annexure I", which is based on the auditor's report of the subsidiary companies incorporated in India.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us;

### CONSOLIDATED FINANCIAL STATEMENTS

- i) There were no pending litigations which would impact the consolidated financial position of the Group.
- ii) The Group did not have any material, foreseeable losses on long-term contracts including derivative contracts.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **P R Agarwal & Awasthi**  
Chartered Accountants  
Firm Registration No 117940W

**CA Pawan K. Agarwal**  
Partner  
M No-034147  
UDIN: 22034147AKMUCP9368

Place: Mumbai

Date: 30/05/2022

## Annexure I

### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the consolidated Ind AS financial statements of **Deccan Gold Mines Limited** ("the Holding Company") and its Subsidiary companies (the holding company and its subsidiaries together referred to as "the Group"), as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting (IFCoFR) of the holding company and its one subsidiary incorporated in India as of that date.
2. **Management Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary companies, which are the companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.
3. **Auditor's Responsibility**

Our responsibility is to express an opinion on the Group's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's IFCoFR.
6. **Meaning of Internal Financial Controls over Financial Reporting**

A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles including Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.
7. **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### 8. **Opinion**

In our opinion, the Holding Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria being specified by management.

For **P R Agarwal & Awasthi**  
Chartered Accountants  
Firm Registration No 117940W

**CA Pawan K. Agarwal**  
Partner  
M No-034147  
UDIN: 22034147AKMUCP9368

Place: Mumbai  
Date: 30/05/2022

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

CIN: L51900MH1984PLC034662

### CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022 (Amount in '000)

Particulars	Note No.	31st March, 2022	31st March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, Plant & Equipment	2A	627	1,234
b) Capital Work In Progress	2B	3,50,317	3,43,357
c) Intangible Assets	2C	-	4
d) Intangible Assets under development	2D	53,213	47,980
e) Financial Assets			
(i) Investments	3	-	-
(ii) Advance against Equity (DGTPPL)	-	-	-
(iii) Loans & Advance	4	1,214	3,159
f) Other Non-current Assets	5	6,834	6,834
		<b>4,12,204</b>	<b>4,02,568</b>
<b>Current assets</b>			
a) Financial Assets			
(i) Trade receivables	6	156	156
(ii) Cash and cash equivalents	7	1,253	16,039
b) Current Tax Assets	8	2,317	1,986
c) Other current assets	9	34,621	33,738
		<b>38,347</b>	<b>51,919</b>
<b>TOTAL ASSETS</b>		<b>4,50,552</b>	<b>4,54,487</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Share Capital	10	93,327	93,327
b) Other Equity	11	3,27,592	3,53,906
		<b>4,20,919</b>	<b>4,47,233</b>
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
<b>Deferred tax liabilities (Net)</b>			
<b>Other Long term liabilities</b>			
a) Employee Benefit obligation	12	2,651	3,003
b) Deferred Tax Liability		-	-
		<b>2,651</b>	<b>2,530</b>
<b>2) Current liabilities</b>			
a) Financial Liabilities			
(i) Trade payables	13	-	-
(ii) Other Financial Liabilities	14	15,525	1,423
(iii) Borrowings	15	3,990	-
b) Other Current Liabilities	16	2,131	679
c) Provisions	17	5,335	2,149
		<b>26,981</b>	<b>4,251</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,50,552</b>	<b>4,54,487</b>

Significant Accounting Policies

1

Notes are integral part of the balance sheet & profit & loss account

As per our report of even date

For and on behalf of Board of Directors

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**Kailasam Sundaram**  
Chairman

**Modali Hanuma Prasad**  
Managing Director

**C.A.P.R. Agarwal**

Partner

Membership Number- 34147

UDIN: 22034147AKMUCP9368

Place : Mumbai

Date : 30-05-2022

**K.Karunakaran**  
Chief Financial Officer

**S.Subramaniam**  
Company Secretary

Place : Bengaluru

Date : 30-05-2022

## DECCAN GOLD MINES LIMITED

CIN: L51900MH1984PLC034662

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(Amount in '000)

Particulars	Note No.	For the year ended 31-03-2022	For the year ended 31-03-2021
<b>INCOME :</b>			
Revenue From Operation	18	350	-
Other income	19	412	416
<b>Total Revenue</b>		<b>762</b>	<b>416</b>
<b>EXPENDITURE :</b>			
Employee benefits expenses	20	12,526	10,279
Finance costs	21	88	96
Depreciation and amortization expenses	22	383	751
Other expenses	23	14,365	21,438
<b>Total Expenditures</b>		<b>27,362</b>	<b>32,563</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>(26,600)</b>	<b>(32,147)</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>(26,600)</b>	<b>(32,147)</b>
<b>Extraordinary Items :</b>			
Exceptional/Prior Period Items		-	-
<b>Profit before tax</b>		<b>(26,600)</b>	<b>(32,147)</b>
<b>Tax expenses :</b>			
Current tax (Wealth Tax)		-	-
Deferred tax		-	-
<b>Profit (Loss) for the period from continuing operations</b>		<b>(26,600)</b>	<b>(32,147)</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit/(Loss) from discontinuing operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit (Loss) for the year</b>		<b>(26,600)</b>	<b>(32,147)</b>
Other Comprehensive Income		-	-
Defined benefit plan actuarial gains (loss)		115	221
Exchange differences on translation of foreign operation		247	(13)
<b>Total Comprehensive Income of the year</b>		<b>(26,237)</b>	<b>(31,939)</b>
Profit attributable to			
Owners of the Company		(26,600)	(32,144)
Non controlling Interests		(0)	(4)
Earnings per equity share: Basic (in Rs.)		(0.28)	(0.34)
Earnings per equity share: Diluted (in Rs.)		(0.28)	(0.34)
Significant Accounting Policies	1		
Notes are integral part of the balance sheet & profit & loss account			

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**C.A.P.R. Agarwal**

Partner

Membership Number- 34147

UDIN: 22034147AKMUCP9368

Place : Mumbai

Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**  
Chairman**K.Karunakaran**  
Chief Financial Officer**Modali Hanuma Prasad**  
Managing Director**S.Subramaniam**  
Company Secretary

Place : Bengaluru

Date : 30-05-2022

# DECCAN GOLD MINES LIMITED

## DECCAN GOLD MINES LIMITED

### Consolidated Cash Flow Statement For the year ended 31st March, 2022

(Amount in '000)

PARTICULARS	31st March, 2022	31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax and after Extraordinary items	(26,600)	(32,147)
Adjustment For :		
Depreciation	383	751
Provision for Gratuity	3,049	-
Interest & Finance charges	88	96
Interest received	(87)	(416)
Profit on Sale of Fixed Assets	(312)	-
Exchange differences on translation of assets and liabilities	156	(13)
Expenses on Employee Stock Option	-	-
<b>Operative Profit before Working Capital Changes</b>	<b>(23,322)</b>	<b>(31,729)</b>
Adjustment For :		
Trade Receivables	-	-
Other Receivables, Loans & Advances	1,062	65,747
Trade & Other payable	19,445	(554)
<b>Cash Generation from Operations</b>	<b>(2,815)</b>	<b>33,464</b>
Direct Taxes	(318)	971
<b>Net Cash Flow from operating activities</b>	<b>(3,132)</b>	<b>34,435</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets and Advances	-	-
Increase in Intangible Assets under development	(5,233)	(10,052)
Increase in Capital Work in Progress	(6,960)	(13,559)
Purchase/Sale of Investment (Net)	540	-
Capital Advances Given	-	-
Interest Received	87	416
<b>Net Cash used in investing activities</b>	<b>(11,567)</b>	<b>(23,195)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Share Issue	-	-
Share Application Money Received	-	-
Finance charges & Others	(88)	(96)
<b>Net Cash used in financing activities</b>	<b>(88)</b>	<b>(96)</b>
<b>D. Net Change In Cash And Cash Equivalents (A+B+C)</b>	<b>(14,786)</b>	<b>11,144</b>
Cash and Cash Equivalents (Opening)	16,039	4,895
<b>Cash and Cash Equivalents (Closing)</b>	<b>1,253</b>	<b>16,039</b>

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**C.A.P.R. Agarwal**

Partner

Membership Number- 34147

UDIN: 22034147AKMUCP9368

Place : Mumbai

Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**

Chairman

**K.Karunakaran**

Chief Financial Officer

**Modali Hanuma Prasad**

Managing Director

**S.Subramaniam**

Company Secretary

Place : Bengaluru

Date : 30-05-2022



**DECCAN GOLD MINES LIMITED****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022****A. Equity share capital**

	Number	Amount ('000)
<b>Balance as at 1 April 2020</b>	<b>9,33,27,375</b>	<b>93,327</b>
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	<b>9,33,27,375</b>	<b>93,327</b>
<b>Balance as at 1 April 2021</b>	<b>9,33,27,375</b>	<b>93,327</b>
Changes in equity share capital during 2021-22	-	-
<b>Balance as at 31 March 2022</b>	<b>9,33,27,375</b>	<b>93,327</b>

# DECCAN GOLD MINES LIMITED

## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

### B. Other equity

(Rs. In '000)

	Share Application Money Pending Allotment	Reserves and surplus						Total other Equity
		Securities premium	Retained earnings	Capital Reserves	Employee Stock Option Outstanding	Exchange difference on Translation of foreign Operation	Non Controlling Interest	
Balance as at 1 April 2020	-	7,37,095	(3,67,983)	16,726	-	-	-	3,85,838
Recived Further	-	-	-	-	-	-	-	-
Further Granted	-	-	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-	-	-
Non Controlling Interest on Investment in Subsidiary							5	5
Profit for the quarter/ year	-	-	(32,144)	-	-	-	(4)	(32,147)
Other comprehensive income	-	-	-	-	-	-	-	-
Exchange Gain Loss on Translation of foreign Operation						(13)		(13)
Defined benefit plan actural gains/losses			221					221
Total comprehensive income for the quarter/year	-	-	(31,922)	-	-	(13)	1	(31,934)
<b>Balance as at 31st March, 2021</b>	-	<b>7,37,095</b>	<b>(3,99,905)</b>	<b>16,726</b>	-	<b>(13)</b>	<b>1</b>	<b>3,53,906</b>
<b>Balance as at 1 April 2021</b>	-	<b>7,37,095</b>	<b>(3,99,905)</b>	<b>16,726</b>	-	<b>(13)</b>	<b>1</b>	<b>3,53,906</b>
Received Further	-	-	-	-	-	-	-	-
Further Granted	-	-	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-	-	-
Non Controlling Interest on Investment in Subsidiary							-	-
Profit for the quarter/ year	-	-	(26,600)	-	-	-	(0)	(26,600)
Other comprehensive income	-	-	-	-	-	-	-	-
Exchange Gain Loss on Translation of foreign Operation						169		169
Defined benefit plan actural gains/losses			115					115
Total comprehensive income for the quarter/year	-	-	(26,484)	-	-	169	(0)	(26,315)
<b>Balance as at 31st March, 2022</b>	-	<b>7,37,095</b>	<b>(4,26,389)</b>	<b>16,726</b>	-	<b>156</b>	<b>1</b>	<b>3,27,592</b>

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**C.A.P.R. Agarwal**

Partner

Membership Number- 34147

UDIN: 22034147AKMUCP9368

Place : Mumbai

Date : 30-05-2022

For and on behalf of Board of Directors

**Kailasam Sundaram**

Chairman

**K.Karunakaran**

Chief Financial Officer

**Modali Hanuma Prasad**

Managing Director

**S.Subramaniam**

Company Secretary

Place : Bengaluru

Date : 30-05-2022

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**NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

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**1. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2022****A. PRINCIPLES OF CONSOLIDATION**

The Consolidated Ind AS financial statements relate to Deccan Gold Mines Limited. ("the company") and its Subsidiary.

**A. Basis of preparation of financial statements**

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the quarter and year-to-date figures are taken from the source and rounded to the nearest digits, the quarter figures in these financial statements added up to the figures reported for the previous quarters might not always add up to the year-to-date figures reported in these financial statements.

**B. Basis of consolidation**

Deccan Gold Mines Limited consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note: 45. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

**C. Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in the notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

**B. SIGNIFICANT ACCOUNTING POLICIES****A. Revenue Recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Exploration Income is recognized when services are rendered.
- ii. Interest Income is recognized on accrual basis
- iii. Dividend Income is accounted on accrual basis when the right to receive the dividend is established
- iv. Consultancy Income is recognized as and when services are rendered.

# DECCAN GOLD MINES LIMITED

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## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

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### B. Property, plant and equipment:

Fixed assets are stated at cost of acquisition less accumulated depreciation if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready to use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Vehicles	8 Years
Computers	3 Years
Furniture	10 Years
Office Equipment	10 Years
Plant & Machinery	10 Years
Software	3 Years

Depreciation methods, useful lives and residual value are reviewed periodically, including at each financial year end.

“Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use the assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work – in - progress’. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### C. Exploration and Evaluation Assets

Exploration and evaluation assets comprise capitalised costs which are attributable to the search for gold and related resources, pending the determination of technical feasibility and the assessment of commercial viability of an identified resource which comprises inter alia the following:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geo chemical and geo physical studies; exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements;
- Conducting market and finance studies.

The above includes employee remuneration, cost of materials and fuel used, payments to contractors etc. As the intangible component represents an insignificant/indistinguishable portion of the overall expected tangible costs to be incurred and recouped from future exploitation, these costs along with other capitalised exploration costs are recorded as exploration and evaluation asset.

Exploration and evaluation costs are capitalised on a project-by-project basis pending determination of technical feasibility and commercial viability of the project and disclosed as a separate line item under non-current assets. They are subsequently measured at cost less accumulated impairment/provision. Once proved reserves are determined, exploration and evaluation assets are transferred to “Development” under capital work in progress. However, if proved reserves are not determined, the exploration and evaluation asset is derecognised.

### D. Development Expenditure

When proved reserves are determined, capitalised exploration and evaluation cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head “Development”. All subsequent development expenditure is also capitalised.

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**NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**


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**E. Intangible assets:**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight – line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**F. Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account as and when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**G. Investments**

Financial instruments

- i. Financial assets
- ii. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

**2. Subsequent measurement****a. Financial assets carried at amortised costs: (AC)**

Financial assets are subsequently measured at amortised costs if it is held within a business model and whose objective is to hold the asset in order to collect the contractual cash flows and contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

**b. Financial assets at fair value through other comprehensive income: (FVTOCI)**

A financial assets is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

**c. Financial assets at fair value through profit and loss (FVTPL)**

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

**3. Equity instruments**

All equity investments are measured at fair value, with value changes recognised in the statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'other comprehensive income'.

**4. Investment in Subsidiaries and Associates and Joint Venture :**

The company has accounted for its investments in Subsidiaries and Associates and Joint Venture at cost and at amortised cost.

**H. Foreign Currency****Functional Currency**

The functional currency of the company is the Indian Rupee. The financial statements are presented in Indian Rupees(Rounded off to Thousands).

**Functional Currency Transactions and translations.**

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value

# DECCAN GOLD MINES LIMITED

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## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

### **I. Employee Benefits**

- a. Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- b. Post employment benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The defined benefit obligation is provided for on the basis of an actuarial valuation on projected unit cost method.
- c. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services.

### **J. Taxation**

- a. Provision for current tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by applying the tax rates as applicable.
- b. The Company has carried forward losses under Tax Laws. In absence of virtual certainty of sufficient future taxable income, deferred tax asset has not been recognized by way of prudence in accordance with Indian Accounting Standard 12 "Income Taxes" issued by The Institute of Chartered Accountants of India.

### **K. Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

### **L. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes to the accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

### **M. Segmental Reporting:**

The Company is mainly engaged in the business of gold exploration and mining. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz; Gold Mining & Exploration.

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

## NOTE - 2 : A) PROPERTY, PLANT AND EQUIPMENT

Details of the property, plant and equipment and their carrying amounts are as follows: (Rs. in '000)

Particulars	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	TOTAL
<b>Balance as at 1 April 2020</b>	<b>1,161</b>	<b>905</b>	<b>3,673</b>	<b>739</b>	<b>1,728</b>	<b>8,206</b>
Additions	-	-	-	-	-	-
Acquisition through business combination	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	-	-	-	-
Net exchange differences	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,161</b>	<b>905</b>	<b>3,673</b>	<b>739</b>	<b>1,728</b>	<b>8,206</b>
Depreciation and impairment						
<b>Balance as at 1 April 2020</b>	<b>1,103</b>	<b>688</b>	<b>2,500</b>	<b>676</b>	<b>1,660</b>	<b>6,627</b>
Disposal	-	-	-	-	-	-
Net exchange differences	-	-	-	-	-	-
Depreciation	-	32	286	13	14	345
<b>Balance as at 31 March 2021</b>	<b>1,103</b>	<b>720</b>	<b>2,786</b>	<b>689</b>	<b>1,674</b>	<b>6,972</b>
<b>Carrying amount as at 31 March 2021</b>	<b>58</b>	<b>185</b>	<b>887</b>	<b>50</b>	<b>54</b>	<b>1,234</b>

Particulars	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	TOTAL
<b>Gross carrying amount</b>						
<b>Balance as at 1 April 2021</b>	<b>1,161</b>	<b>905</b>	<b>3,673</b>	<b>739</b>	<b>1,728</b>	<b>8,206</b>
Additions	-	-	-	-	-	-
Acquisition through business combination	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	1,536	-	-	<b>1,536</b>
Net exchange differences	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1,161</b>	<b>905</b>	<b>2,137</b>	<b>739</b>	<b>1,728</b>	<b>6,670</b>
Depreciation and impairment						
<b>Balance as at 1 April 2021</b>	<b>1,103</b>	<b>720</b>	<b>2,786</b>	<b>689</b>	<b>1,674</b>	<b>6,972</b>
Net exchange differences	-	-	-	-	-	-
Held for sale or included in disposal group	-	-	1,308	-	-	1,308
Depreciation	58	32	271	18	-	379
<b>Balance as at 31 March 2022</b>	<b>1,161</b>	<b>752</b>	<b>1,749</b>	<b>707</b>	<b>1,674</b>	<b>6,043</b>
<b>Carrying amount as at 31 March 2022</b>	<b>0</b>	<b>153</b>	<b>388</b>	<b>32</b>	<b>54</b>	<b>627</b>

## Note - 2 :

## B) Capital Work In Progress

Particulars	(Amount in Rs. In '000)
Development of Ganajur Gold Projects	
Opening Balance as on 01/04/2020	3,29,798
Expenditure during the year	13,559
Less: Adjustment during the year	-
Closing balance as on 31/03/2021	3,43,357
Opening Balance as on 01/04/2021	3,43,357
Expenditure during the year	6,960
Less: Adjustment during the year	-
Closing balance as on 31/03/2021	3,50,317

# DECCAN GOLD MINES LIMITED

## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

### Intangible assets under development (ITAUD)

FY 20-21

ITAUD	Amount in ITAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	13,559	13,555	21,638	2,94,605	3,43,357
Projects temporarily suspended	-	-	-	-	-

FY 21-22

ITAUD	Amount in ITAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6,960	13,559	13,555	3,16,243	3,50,317
Projects temporarily suspended	-	-	-	-	-

**Note - 2 :**

### C) Intangible Assets

Details of the Intangible Assets and their carrying amounts are as follows:

(Rs. in '000)

Computer Software	
<b>Gross carrying amount</b>	
Balance as at 1 April 2020	5,843
Additions	-
Acquisition through business combination	-
Held for sale or included in disposal group	-
Net exchange differences	-
<b>Balance as at 31 March 2021</b>	<b>5,843</b>
<b>Depreciation and impairment</b>	
Balance as at 1 April 2020	5,433
Net exchange differences	-
Held for sale or included in disposal group	-
Depreciation	406
<b>Balance as at 31 March 2021</b>	<b>5,839</b>
<b>Carrying amount as at 31 March 2021</b>	<b>4</b>
<b>Gross carrying amount</b>	
Balance as at 1 April 2020	5,843
Additions	-
Acquisition through business combination	-
Held for sale or included in disposal group	-
Net exchange differences	-
<b>Balance as at 31 March 2021</b>	<b>5,843</b>
<b>Depreciation and impairment</b>	
Balance as at 1 April 2021	5,839
Net exchange differences	-
Held for sale or included in disposal group	-
Depreciation	4
<b>Balance as at 31 March 2022</b>	<b>5,843</b>
<b>Carrying amount as at 31 March 2022</b>	<b>-</b>



NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs. in '000)

**Note - 2 : D) Intangible Assets under Development**

Details of the Intangible Assets under development and their carrying amounts are as follows:

**Exploration and Evaluation Assets**

Gross carrying amount	
Balance as at 1 April 2020	37,926
Additions	10,054
<b>Balance as at 31 March 2021</b>	<b>47,980</b>
<b>Carrying amount as at 31 March 2021</b>	<b>47,980</b>

Gross carrying amount	
Balance as at 1 April 2021	47,980
Additions	5,233
<b>Balance as at 31 March 2022</b>	<b>53,213</b>
<b>Carrying amount as at 31 March 2022</b>	<b>53,213</b>

**Intangible assets under development (ITAUD)****FY 20-21**

ITAUD	Amount in ITAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	10,054	7,386	5,454	25,086	47,980
Projects temporarily suspended	-	-	-	-	-

**FY 21-22**

ITAUD	Amount in ITAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5,233	10,054	7,386	30,540	53,213
Projects temporarily suspended	-	-	-	-	-

31st March, 2022

31st March, 2021

**Note - 3 : Non-current investments****Investment in Equity instruments :****In Subsidiaries**

Unquoted : (Fully paid up)

**Total****Aggregate Value of Quoted Investment****Market Value of Quoted Investment****Aggregate Value of Unquoted Investment****Advance against equity:**

Deccan Gold Tanzania Pvt Ltd

**Note - 4 : Loans**

Security Deposits	-	-
Unsecured, considered good	1,214	3,159
<b>Total</b>	<b>1,214</b>	<b>3,159</b>

**Loans and advances to Holding Company**

Secured, considered good

Unsecured, considered good

Doubtful

Less: Provision for doubtful loans and advances

<b>Total</b>	<b>1,214</b>	<b>3,159</b>
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# DECCAN GOLD MINES LIMITED

## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

### Note - 5 : Other Non-Current Assets (Rs. in '000)

Capital Advances	6,820	6,820
Preliminary Expenses	14	14
<b>Total</b>	<b>6,834</b>	<b>6,834</b>

### Note - 6 : Trade Receivables

Unsecured, Considered Good	156	156
Due from Directors	-	-
Due from Others	-	-
<b>Total</b>	<b>156</b>	<b>156</b>

### Trade Receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	-	-	-	-	156	156
(i) Undisputed Trade receivables -considered doubtful						-
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful						-

### Frade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	-	-	-	-	156	156
(i) Undisputed Trade receivables -considered doubtful						-
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful						-

### Note - 7 : Cash and cash equivalents

#### Balances with banks

i. Balance with Banks	1,055	3,822
ii. Bank deposits with more than 12 months maturity	192	181
iii. Bank deposits not having maturity more than 12 months	-	12,000
iv. Cheques, drafts on hand	-	-
Cash on hand	7	35
Others	-	-
<b>Total</b>	<b>1,253</b>	<b>16,039</b>

Earmarked Balance with banks for unclaimed dividend

Balance with banks to the extent held as margin money

### Note - 8 : Current Tax Assets

Income Tax Authorities	2,317	1,986
<b>Total</b>	<b>2,317</b>	<b>1,986</b>

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs.in '000)

**Note - 9 : Other current assets**

Advances other than Capital Advances

-To Subsidiary Company	-	-
-To Others	786	459
Balance with Government authorities:		
-Other than Income Tax	33,403	32,734
Prepaid Expenses	432	498
Preliminary Expenses	-	-
Interest Receivable	-	47
<b>Total</b>	<b>34,621</b>	<b>33,738</b>

**Note 10 : Share Capital****Equity Share**

A	Authorised Share Capital	Number	Amount ('000)
	Beginning of the year at 1 April 2020	25,00,00,000	2,50,000
	Increase/(decrease) during the year	-	-
	<b>Total shares authorised as at 31 March 2021</b>	<b>25,00,00,000</b>	<b>2,50,000</b>
	Total shares authorised as at 1 April 2021	25,00,00,000	2,50,000
	Increase/(decrease) during the year	-	-
	<b>Total authorised share capital as at 31 March 2022</b>	<b>25,00,00,000</b>	<b>2,50,000</b>

**Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of INR 1 per share.

**Equity Share**

B	Issued, Subscribed & fully Paid Up	Number	Amount ('000)
	Balance as at 1 April 2020	9,33,27,375	93,327
	Changes during the period	-	-
	<b>Balance as at 31 March 2021</b>	<b>9,33,27,375</b>	<b>93,327</b>
	Balance as at 1 April 2021	9,33,27,375	93,327
	Changes during the period	-	-
	<b>Shares issued and fully paid as at 31 March 2022</b>	<b>9,33,27,375</b>	<b>93,327</b>

**C. Shares held by holding/ultimate holding company including shares held by subsidiaries or associates of the holding company/ultimate holding company**

31st March, 2022	31st March, 2021
-	-

**D Share held by promoters as at 31st March 2022**

Name of the shareholder	31st March, 2022		31st March, 2021		Change in Holding
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Rama Mines (Mauritius) Limited	2,41,61,450	25.89%	2,43,84,731	26.13%	-0.24%

# DECCAN GOLD MINES LIMITED

## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

(Rs.in '000)

### E. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31st March, 2022		31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rama Mines (Mauritus) Limited	2,41,61,450	25.89%	2,43,84,731	26.13%

### F. Disclosure pursuant to Part I of Schedule 3 to the Companies Act :

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares :</b>	
Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

### Note 11 - Other Equity:

	As at 31 March 2022	As at 31 March 2021
<b>Capital Reserves</b>		
Opening Balance	16,726	16,726
(+)/(-) Transfer	-	-
Closing Balance	16,726	16,726
<b>Securities Premium Account</b>		
Opening Balance	7,37,095	7,37,095
(+)/(-) Transfer	-	-
Closing Balance	7,37,095	7,37,095
<b>Retained Earnings</b>		
Opening balance	(3,99,904)	(3,67,982)
(+) Net Profit / (Net Loss) for the current year	(26,600)	(32,144)
Defined benefit plan actuarial gains(losses)	115	221
<b>Closing Balance</b>	<b>(4,26,389)</b>	<b>(3,99,904)</b>
<b>Non Controlling Interest</b>		
Opening balance	1	-
(+) during the Year	-	5
(+)/(-) Share of Profit/(Loss)	(0)	(4)
Closing Balance	1	1
<b>Exchange difference on Translation of foreign Operation</b>		
Opening balance	(13)	-
(+)/(-) during the Year	169	(13)
Closing Balance	156	(13)
<b>Total</b>	<b>3,27,592</b>	<b>3,53,906</b>

### Note - 12 : Employee Benefits

Gratuity	2,651	3,003
<b>Total</b>	<b>2,651</b>	<b>3,003</b>

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs.in '000)

As at 31 March 2022 As at 31 March 2021

**Note - 13 : Trade payables****Unsecured :**

Micro, Small and Medium Enterprises

Due to Holding Company

Due to Others

**Total****Note - 14 : Other Financial Liabilities**

Outstanding Expenses

**Total****Note - 15 : Borrowings**

Loan from GMSI

Other (Loan from Directors)

**Total****Note - 16 : Other Current Liabilities**

Statutory dues

**Total****Note - 17 : Provisions****Provision for employee benefits :**

Gratuity

**Total****Note - 18 : Revenue From Operations**

Consultancy income

**Total****Note - 19 : Other income**

Interest Income

Interest on IT refund

Interest on Loan

Profit on sale of assets

Exploration Contract Income

**Total****Note - 20 : Employee benefit expenses**

Salaries &amp; wages

Gratuity

Contributions to provident and other fund

Expenses on Employee Stock Option Scheme

Staff welfare expenses

**Total**

# DECCAN GOLD MINES LIMITED

## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

	As at 31 March 2022	(Rs.in '000) As at 31 March 2021
<b>Note - 21 : Finance costs</b>		
Interest expenses (GSMI)	39	0
Interest on TDS	14	0.38
Bank Charges	34	95.35
<b>Total</b>	<b>88</b>	<b>96</b>

### Note - 22 : Depreciation & Amortization Expenses

Depreciation on Tangible Assets	379	345
Depreciation on Intangible Assets	4	406
<b>Total</b>	<b>383</b>	<b>751</b>

### Note - 23 : Other expenses

Electricity Expenses	199	184
Listing Fees	540	528
Rent	1,147	2,667
Rates and taxes	255	210
Repair and maintenance	1,069	121
Director Remuneration	5,460	8,400
Advertising and business promotion	97	77
Traveling and conveyance	165	295
Travelling overseas	-	184
Communication Expenses	207	298
Legal and professional fees	2,939	968
Geologist Consultancy fee	546	-
Director Sitting Fees	485	480
Auditor's remuneration	166	165
Secretarial Audit Remuneration	300	-
Exchange loss/gain	91	-
Insurance Charges	78	63
Office Maintaince	127	197
Membership & Subscription	44	58
Meeting Expenses	339	-
Miscellaneous Assets written off	-	6,439
Miscellaneous expenses	111	104
<b>Total</b>	<b>14,365</b>	<b>21,438</b>

### Payments to auditor

For Audit Fee	166	165
For Certification & Others	-	-
<b>Total</b>	<b>166</b>	<b>165</b>

NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

(Rs.in '000)

## Note - 24 : Analytical Ratios

Ratios	Head	As on 31st March, 2022			As on 31st March, 2021			% Variance	Reason for variance
		Numerator	Denominator	Current Period	Numerator	Denominator	Previous Period		
		Rs.	Rs.		Rs.	Rs.			
Current Ratio	Current Assets / Current Liabilities	38,347	26,981	1.42	51,919	4,251	12.21	-88.36%	The Company currently have liquidity crunch. In coming years the management has optimistic that once the operation will commence the situation will under control.
Debt-equity ratio	Total Debt / Shareholder's Equity	3,990	4,20,919	0.01	-	4,47,233	-	100.00%	
Debt service coverage ratio	EBIDTA/ Total Debt Service	-26,177	4,029	-6.50	-31,396	-	-	100.00%	
Return on equity	Net Income available to Shareholders / Shareholder's Equity	-26,237	4,20,919	-0.06	-31,939	4,47,233	-0.07	-12.72%	
Inventory turnover ratio	Cost of Goods Sold / Avg. Inventory	-	-	-	-	-	-	-	
Trade receivables turnover ratio	Revenue from Operations / Average Account Receivables	-	-	-	-	-	-	-	
Trade payables turnover ratio	Total Purchases + Total Other Expenses / Average Account Payables	-	-	-	-	-	-	-	
Net capital turnover ratio	Revenue from Operations / Average Working Capital	-	-	-	-	-	-	-	
Net profit ratio	Net Profit /Total Revenue	-26,237	762	-34.42	-31,939	416	-76.76	-55.15%	
Return on capital employed	Earning Before Interest & Tax / Capital Employed	-26,198	4,23,570	-0.06	-31,939	4,50,236	-0.07	-12.81%	
Return on investment	Net Income/ Total Assets	-26,237	4,50,552	-0.06	-31,939	4,54,487	-0.07	-17.13%	

# DECCAN GOLD MINES LIMITED

## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

**Note - 25:** As per Indian Accounting Standard 19 "Employee Benefits", the disclosure of Employee benefits as defined in the Indian Accounting Standard is given below:

### Defined Benefit Plan:

#### Gratuity

#### 1) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	Gratuity Funded	
	2021-22	2020-21
Defined Benefit Obligation at the beginning of the year	5,152	4,661
Current Service Cost	739	480
Interest Cost	264	232
Past Service Cost	2,046	-
Benefits paid	(100)	-
<b>Actuarial (Gain)/Loss</b>	<b>(115)</b>	<b>(221)</b>
<b>Defined Benefit Obligation at the end of the year</b>	<b>7,986</b>	<b>5,152</b>

#### 2) Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	Gratuity Funded	
	2021-22	2020-21
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return of Plan Assets	-	-
Actuarial Gain/Loss	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at the end of the year	-	-
Actual Return of Plan Assets	-	-

#### 3) Reconciliation of Fair Value of Assets and Obligations

Particulars	Gratuity	
	2021-22	2020-21
Fair Value of Plan Assets	-	-
Present Value of Obligation	7,986	5,152
<b>Amount recognized in Balance Sheet (Surplus/(Deficient))</b>	<b>7,986</b>	<b>5,152</b>

#### 4) Expenses recognised during the year

Particulars	Gratuity	
	2021-22	2020-21
<b>In Income Statement</b>		
Current Service Cost	739	480
Interest Cost	264	232
Return on Plan Assets	-	-
Past Service Cost	2,046	-
<b>Net Cost</b>	<b>3,049</b>	<b>712</b>



**NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

In Other Comprehensive Income	-	-
Actuarial (Gain)/Loss	(115)	(221)
<b>Net(Income)/Expense for the period Recognized in OCI</b>	<b>2,934</b>	<b>491</b>

**5) Actuarial Assumptions**

Particulars	Gratuity Funded	
	2021-22	2020-21
Discount Rate(per annum)	7.15% -7.15%	6.50% -6.05%
Rate of Escalation in Salary(per annum)	6.00%	6.00%

**6) Sensitivity Analysis**

Particulars	As at 31st March,2022		As at 31st March,2021	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/-0.5%)	8,011-128	7,726-117	5,127-178	4,842-169
Change in rate of Salary increase (delta effect of +/-0.5%)	7,724-117	8,012-128	4,914-169	5,055-178

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

- Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- Interest risk:** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
- Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary risk:** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**Note – 26: Related party disclosure**

- Name of related parties and relationship

S. No.	Name of the party	Relationship
1	Sandeep Lakhwara	Managing Director (Resigned on 30.09.21)
2	Govind Samant	Director
3	Dr. Modali Hanuma Prasad	Managing Director (w.e.f . 01.10.21)
4	Natesan Chinnapan	Independent Director
5	Kailasam Sundaram	Chairman
6	Mrs.Revathi Thiruvengadam	Independent Director
7	K. Karunakaran	Chief Financial Officer
8	S. Subramaniam	Company Secretary & (Executive Director –w e f 01.10.21)

## DECCAN GOLD MINES LIMITED

### NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

b) Transactions with related parties:-

(Amount in '000)

Nature	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Managerial Remuneration paid to director</b>		
a) Sandeep Lakhwara	4,200	8,400
b) Dr. Modali Hanuma Prasad	1,260	-
<b>Directors Sitting Fees &amp; Audit Committee fees</b>		
a) Kailasam Sundaram	145	140
b) Natesan Chinnapan	145	140
c) Revathi Thiruvengadam	100	60
d) Modali Hanuma Prasad	95	140
<b>Remuneration paid to CFO</b>		
a) K Karunakaran	3,260	3,150
<b>Remuneration paid to CS</b>		
a) S Subramaniam	4,395	3,990
<b>Balances outstanding with related parties</b>		
a) Sandeep ,Lakhwara	1 692	-
b) Modali Hanuma Prasad	1,209	-
c) Kailasam Sundaram	67.5	-
d) Natesan Chinnapan	67.5	-
e) Revathi Thiruvengadam	54	-
f) K Karunakaran	1,916	-
g) S. Subramaniam	2,516	-

**Note - 27: The particulars of Foreign Exchange Earnings and Expenditure are:**

**Earnings:**

	Particulars	31st March, 2022	31st March, 2021
1	Exports	Nil	Nil
2	Professional Consultancy Income	Nil	Nil
	Total	-	-

**Expenditure:**

Sr.No.	Particulars	31st March, 2022	31st March, 2021
1	Import of Materials	-	-
2	Professional Fees	245	-
3	Analysis Charges	-	-
4	Travelling & Other Expenses	-	184
	<b>Total</b>	<b>245</b>	<b>184</b>

**NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.****Note 28: Contingent Liabilities not provided for:**

(Amount in '000)

SL	Particulars	March 31, 2022	March 31, 2021
a.	Capital Commitments	Nil	Nil
b.	Claims against company not acknowledged as debts	Nil	Nil
c.	Contingent Liabilities	Nil	Nil

**Note 29: Disclosure on undisclosed/unrecorded income that has been surrendered**

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**Note 30:** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realizes in the ordinary course of business. The provisions for all known liabilities are adequate and neither in excess or short of the amount reasonably necessary.

**Note 31 : Earning Per Share**

SL	Particulars	March 31, 2022	March 31, 2021
a)	Net Profit available for Equity Shareholders (Rs in Thousands)	(26,237)	(31,939)
b)	Weighted Average Number of Shares	9,33,27,375	9,33,27,375
c)	Basic Earnings Per Share (in Rs.)	(0.28)	(0.34)
d)	Diluted Earnings Per Share (in Rs.)	(0.28)	(0.34)

**Note 32: Fair Value measurement**

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**Note 33: Financial Risk Management****Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

# DECCAN GOLD MINES LIMITED

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## NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

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The Company manages market risk through the managing board, which evaluates and exercises independent control over the entire process of market risk management. The managing board recommend risk management objectives and policies, which are approved by Senior Management.

### **Market Risk- Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

### **Note 34: Capital risk management**

#### **(a) Risk Management**

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

**Note 35:** As the company doesn't own any immovable properties the disclosure regarding the title deeds not held in the name of the company, Valuation and revaluation of assets and others disclosure which are need to be reported under Revised Schedule III, as amended by the Companies Act, 2013 are not applicable.

**Note 36:** The Company has not been declared as Wilful defaulter by Banks/Financial Institution/Other Lender.

### **Note 37: Details of pending charge creation / satisfaction registration with ROC**

The company has no such charges which are pending for creation.

**Note 38:** The company has not taken any facilities from banks/financial institutions against current assets hence disclosure regarding review and reporting of filings and submission of Quarterly returns or statements with banks/financial institutions are in agreement with books of accounts are not available.

### **Note 39: Crypto Currency / Virtual Currency**

The company hadn't done any transaction in Crypto or Virtual currency.

### **Note 40: Utilization of borrowed funds and share premium**

- A) The company has not granted/advance/invested funds in any entities or to any other person including foreign entities during the year with the understanding that the
- a) intermediary shall directly or indirectly lend or invest in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries).
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- B) The company has not received any funds during the year from any person's/entities including foreign entities with the understanding that the company shall
- a) Directly or indirectly lend or invest in any manner whatsoever by or on behalf of the funding entity (Ultimate beneficiaries).
  - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**NOTES TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.**

**Note 41:** During October, 2021 the Company had filed a Composite Scheme of Arrangement with Bombay Stock Exchange Limited (BSE) for its prior approval. The Scheme is for acquisition of a significant stake in Geomysore Services (India) Private Limited by the Company through share swap. The Scheme is under process with BSE.

**Note 42: Corporate Social Responsibility**

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 including further amendments thereto, a company has to spend, in every financial year, at least 2% of the average net profits of the company made during the last three years immediately preceding financial year, as per the objects mentioned in the Rules.

The Company Net Profit & Turnover doesn't exceed the prescribed limit in last three years immediately preceding financial year and Net worth doesn't exceed Rs.500 Cr. Or more, hence provisions of section 135 of the Companies Act, 2013 are not applicable.

**Note 43: Disclosure pursuant to IND AS 17 "Leases"**

Operating Lease - IND AS 116 is not applicable as per the view of the management since the Company has taken office premises on lease on a yearly renewable basis.

**Note 44: The Code on Social Security, 2020**

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

**Note 45:** Additional Information pursuant to Para 2 of General Instructions for preparation of consolidated financial statements

(Rs. in '000)

Name of the Entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in Profit/Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Other Comprehensive Income	Amount
Deccan Exploration Services Private Limited	103.51	4,35,700	0.50	(132)	3.59	(13)	0.55	(145)
DECCAN GOLD (TANZANIA) PRIVATE LIMITED	1.27	5,240	0.12	(31)	25.11	91	0.23	60

**Note 46:** Previous year figures have been re-grouped/reclassified wherever/necessary to make them comparable with current year.

**Note 47:** The above financial statements have been reviewed by the audit committee and subsequently approved by the Board of Directors at its meeting held on May 30, 2022.

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

For and on behalf of Board of Directors

**Kailasam Sundaram**  
Chairman

**Modali Hanuma Prasad**  
Managing Director

**C.A.P.R. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 22034147AKMUCP9368  
Place : Mumbai  
Date : 30-05-2022

**K.Karunakaran**  
Chief Financial Officer

**S.Subramaniam**  
Company Secretary

Place : Bengaluru  
Date : 30-05-2022



# **DECCAN GOLD MINES LIMITED**

## **REGISTERED OFFICE**

Parinee Crescenzo, 8th Floor, Opp. MCA Ground, C38-39, G Block,  
Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

Email : [info@deccangoldmines.com](mailto:info@deccangoldmines.com) Website : [www.deccangoldmines.com](http://www.deccangoldmines.com)

## **CORPORATE OFFICE**

No.1285, 5th Main, 7th Sector, HSR Layout, Bengaluru - 560102

Tel : +91 80 45384000 Fax : +91 80 45384001

Email : [info@deccangoldmines.com](mailto:info@deccangoldmines.com) Web : [www.deccangoldmines.com](http://www.deccangoldmines.com)

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## NOTICE OF ANNUAL GENERAL MEETING

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**NOTICE** is hereby given that the Thirty Eighth (38th) Annual General Meeting of the Members of **Deccan Gold Mines Limited** (CIN: L51900MH1984PLC034662) (**'the Company'**) will be held at 11.00 a.m. IST on Wednesday, September 28, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

### ORDINARY BUSINESS:

**1. Adoption of Annual Audited Financial Statements**

To receive, consider and adopt the Annual Audited Financial Statements, including the Consolidated Financial Statements of the Company, for the financial year ended March 31, 2022 together with the Board's Report and Auditors' Report thereon.

**2. Re-appointment of Dr Hanuma Prasad Modali (DIN: 01817724) who retires by rotation**

To appoint a Director in place of Dr. Hanuma Prasad Modali (DIN: 01817724), who retires by rotation and being eligible, has offered himself for reappointment.

**3. To re-appoint M/s. P R Agarwal & Awasthi, Chartered Accountants, Mumbai (Firm Registration No. 117940W), as Statutory Auditors of the Company for a second consecutive term of five (5) years to hold office from the conclusion of this 38th Annual General Meeting until the conclusion of the 43rd Annual General Meeting and to authorize the Board of Directors to fix their Remuneration.**

### SPECIAL BUSINESS:

**4. Appointment of Mr. Andrew Mark Weeks (DIN:08962937) as an Independent Director**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under (including any statutory modifications or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Andrew Mark Weeks (DIN: 08962937), who was appointed as an Additional Director (Non-executive Independent Director) with effect from August 9, 2022 and who fulfils the qualifications for being appointed as an Independent Director and in respect of whom the Company has received a notice under Section 160 of the Act from a shareholder proposing his candidature for the office of Director of the Company, be appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a period of 2 (Two) years up to August 8, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things as are necessary to give effect to this Resolution."

**5. Appointment of Mrs. Deepthi Donkeshwar (DIN: 08712113) as an Independent Director**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under (including any statutory modifications or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mrs Deepthi Donkeshwar (DIN: 08712113), who was appointed as an Additional Director (Non-executive Independent Director) with effect from August 9, 2022 and who fulfils the qualifications for being appointed as an Independent Director and in respect of whom the Company has received a notice under Section 160 of the Act from a shareholder proposing her candidature for the office of Director of the

## DECCAN GOLD MINES LIMITED

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Company, be appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a period of 2 (Two) years up to August 8, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things as are necessary to give effect to this Resolution.”.

**6. To replace Clause III (B) - Objects Incidental or Ancillary to the attainment of Main Objects and deletion of Clause III (C) - Other Objects Clause in the Memorandum of Association of the Company:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended from time to time and subject to the approval of the Registrar of Companies, Maharashtra, Mumbai ('ROC') and/or of any other statutory or regulatory authority, as may be necessary, consent of the members be and is hereby accorded to alter the Memorandum of Association in the following manner:

- a) the existing Clause III (B) therein titled "Objects Incidental or Ancillary to the attainment of Main Objects" consisting of sub-clauses 4 to 18 be deleted and replaced by New Clause III (B) titled "Matters which are necessary for furtherance of the Objects specified in Clause III (A)" consisting of sub-clauses 4 to 52; and
- b) the existing Clause III (C) therein titled "Other Objects" consisting of sub-clauses 19 to 61 be deleted.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all deeds, matters, things, acts, and to execute any agreements, documents and writings, as may be deemed necessary, but not limited to making correspondences with any regulatory authority and/or to settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit.”

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

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

Registered Office:  
Parinee Crescenzo, 8th Floor,  
C38-39, G Block,  
Bandra Kurla Complex,  
Mumbai 400051  
CIN: L51900MH1984PLC034662

Place : Bengaluru  
Date : August 11, 2022



**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, General Circular No. 20/2021 dated December 8, 2021 and 2/2022 dated May 05, 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 AGM, up to December 31, 2022, through Video Conferencing (VC) or Other Audio Visual Means (OAVM). In accordance with the applicable provisions and the MCA and SEBI Circulars, the 38th AGM 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 AGM 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 Annual Report for FY 2021-22 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 and Annual Report for FY 2021-22 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. 12.
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. Notice is also given under Section 91 of the Act read with Regulation 42 of Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from September 19, 2022 to September 28, 2022 (both days inclusive).
10. 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.
11. 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.

## DECCAN GOLD MINES LIMITED

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12. 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, September 25, 2022

**End of e-voting:** Up to 5:00 p.m. (IST) on Tuesday, September 27, 2022

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, September 21, 2022. 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, September 21, 2022 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, September 21, 2022; 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 Exchanges.
- 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, September 28, 2022.

**(A) Information and other instructions relating to remote e-voting are as under:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li> <li>• After successful authentication, you will be able to see e-Voting 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 and you will be re- directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https:// eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https:// web.cdslindia.com/myeasi./Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>
<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

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Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: <ol style="list-style-type: none"> <li><b>User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>PAN:</b> 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.</li> <li><b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> <li>Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</li> <li>* Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>* Click “confirm” (Your password is now generated).</li> </li></ul> </li> <li>Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab.</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘<b>Submit</b>’.</li> <li>After successful login, you will be able to see the notification for e-voting. Select ‘<b>View</b>’ icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option ‘<b>Favour / Against</b>’ (If you wish to view the entire Resolution details, click on the ‘<b>View Resolution</b>’ file link).</li> <li>After selecting the desired option i.e. Favour / Against, click on ‘<b>Submit</b>’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘<b>Yes</b>’, else to change your vote, click on ‘<b>No</b>’ and accordingly modify your vote.</li> </ol>

### 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.

### Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME and have forgotten the password:

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on ‘Submit’.
- In case shareholders / members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members 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.

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

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participant's 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".

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

In case shareholders/ members holding securities in Demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-Voting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 –4918 6000.

**(B) Instructions for shareholders / members to attend the Annual General meeting through Instameet:**

Instructions for Shareholders/Members entitled to attend the Annual General Meeting through InstaMeet (VC/ OAVM) provided by Link InTime India Private Limited are as under:

1. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.
2. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

Open the internet browser and launch the URL for InstaMeet: <https://instameet.linkintime.co.in> and register with your following details:

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

**Select - Demat Account No. or Folio No.** as the case may be depending on the mode of your holding

- Shareholders/members holding shares in demat account with NSDL: Please enter 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/members holding shares in demat account with CDSL: Please enter 16 Digit Beneficiary ID
- Shareholders/members holding shares in Physical Form (i.e. Share Certificate): Please enter your Folio Number registered with the Company.

**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.

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

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

**Note** : 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.

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

### **C. Instructions for shareholders / members to register themselves as speakers during Annual General Meeting:**

1. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email id [dgmlagm@deccangoldmines.com](mailto:dgmlagm@deccangoldmines.com) mentioning their name, demat account number/folio number, email id, mobile number before 6.00 p.m. on September 21, 2022. Further, Shareholders are requested to send their questions to the aforesaid email id before 6.00 p.m. on September 21, 2022 to enable the Company to answer their question(s) suitably.
2. Shareholders will get confirmation on first cum first basis.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholders 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.
6. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
7. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### **D. Instructions for shareholders / members to vote during the Annual General Meeting through Instameet:**

Once the electronic voting is activated by the scrutiniser 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, September 21, 2022.
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 AGM 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 AGM in a fair and transparent manner.
5. The Scrutinizer shall after the conclusion of voting at the AGM, 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 AGM, 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 AGM shall be placed on the website of the Company till the date of AGM. 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.

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7. Since the AGM 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:  
Parinee Crescenzo, 8th Floor,  
C38-39, G Block,  
Bandra Kurla Complex,  
Mumbai 400051  
CIN: L51900MH1984PLC034662

Place : Bengaluru  
Date : August 11, 2022



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

### **Item No. 4**

The Board of Directors (vide Circular Resolution dated August 9, 2022) had appointed Mr. Andrew Mark Weeks (DIN: 08962937) as an Additional Director (Independent & Non-Executive) for a period of 2 years with effect from August 9, 2022 i.e., till August 8, 2024 subject to the approval of the Members of the Company.

Mr. Andrew Mark Weeks has given a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In the opinion of the Board, Mr. Andrew Mark Weeks fulfils the conditions specified in the Companies Act, 2013 and Rules made there under as well as SEBI Listing Regulations for his appointment as an Independent Director of the Company.

The Board of Directors believe that the vast experience and knowledge of Mr. Andrew Mark Weeks in the field gold exploration and mining, production and resource management will be beneficial to and is in the interest of the Company. The draft letter of appointment of aforesaid Independent Director, setting out the terms and conditions is available for inspection by the Members electronically from the date of dispatch of Notice of Annual General Meeting (AGM) onwards till the conclusion of the AGM.

Apart from Mr. Andrew Mark Weeks, none of the other persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested financially or otherwise in the resolutions included under Item No. 4.

In view of the above, the Board of Directors, recommends the Special Resolution as set out in Item No. 4 of the Notice for approval of the Members of the Company.

### **Item No. 5:**

The Board of Directors (vide Circular Resolution dated August 9, 2022) had appointed Mrs. Deepthi Donkeshwar (DIN: 08712113) as an Additional Director (Independent & Non-Executive) for a period of 2 years with effect from August 9, 2022 i.e., till August 8, 2024 subject to the approval of the Members of the Company.

Mrs Deepthi Donkeshwar has given a declaration that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In the opinion of the Board, Mrs. Deepthi Donkeshwar fulfils the conditions specified in the Companies Act, 2013 and Rules made there under as well as SEBI Listing Regulations for her appointment as an Independent Director of the Company.

The Board of Directors believe that the vast experience and knowledge of Mrs. Deepthi Donkeshwar in the fields of Management Consulting and Human Resources Management will be beneficial to and is in the interest of the Company. The draft letter of appointment of aforesaid Independent Director, setting out the terms and conditions is available for inspection by the Members electronically from the date of dispatch of Notice of Annual General Meeting (AGM) onwards till the conclusion of the AGM.

Apart from Mrs. Deepthi Donkeshwar, none of the other persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested financially or otherwise in the resolutions included under Item No. 5.

In view of the above, the Board of Directors, recommends the Special Resolution as set out in Item No. 5 of the Notice for approval of the Members of the Company.

## DECCAN GOLD MINES LIMITED

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### Item No. 6:

Presently, the Objects Clause (Clause III) of the Memorandum of Association of the Company is based on the requirements of the erstwhile Companies Act, 1956 and comprises 3 parts (A) - Main Objects; (B) - Objects Incidental or Ancillary to the attainment of Main Objects and (C) Other Objects.

It may be noted under the Companies Act, 2013 ("Act") read with the format prescribed under 'Table A' of Schedule I to the Act setting out the format of Memorandum of Association of a Company Limited by Shares, the Objects Clause (Clause III) of the Memorandum of Association shall comprise two parts viz., (1) Main Objects and (2) Objects Incidental or Ancillary to the attainment of Main Objects. There is no provision for "Other Objects".

In order to streamline and align the Objects Clause of the Company's Memorandum of Association to be in compliance with the requirements of the Companies Act, 2013, it is proposed to modify / amend the Objects Clause of the existing Memorandum of Association of the Company as under:

- a) the existing Clause III (B) therein titled "Objects Incidental or Ancillary to the attainment of Main Objects" consisting of sub-clauses 4 to 18 be deleted and replaced by New Clause III (B) titled "Matters which are necessary for furtherance of the Objects specified in Clause III (A)" consisting of sub-clauses 4 to 52; and
- b) the existing Clause III (C) therein titled "Other Objects" consisting of sub-clauses 19 to 61 be deleted.

The draft Memorandum of Association of the Company (revised as above) is available on the website of the Company ([www.deccangoldmines.com](http://www.deccangoldmines.com)) and shareholders can also email to us at [dgmlagm@deccangoldmines.com](mailto:dgmlagm@deccangoldmines.com) / [subbu@deccangoldmines.com](mailto:subbu@deccangoldmines.com) for a copy of the same.

None of the persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested financially or otherwise in the resolutions included under Item No. 6.

In view of the above, the Board of Directors, recommends the Special Resolution as set out in Item No. 6 of the Notice for approval of the Members of the Company.

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

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

Registered Office:  
Parinee Crescenzo, 8th Floor,  
C38-39, G Block,  
Bandra Kurla Complex,  
Mumbai 400051  
CIN: L51900MH1984PLC034662

Place : Bengaluru  
Date : August 11, 2022

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**Profile of the Directors being appointed / re-appointed as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standards – 2**


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**(1) Dr Hanuma Prasad Modali:**

Age (Date of Birth)	57 years (July 18, 1965)
Date of appointment on the Board	December 12, 2017
Term	<p>Dr. Hanuma Prasad Modali holds office as the Managing Director of the Company for a term upto 30th September, 2024.</p> <p>He liable to retire by rotation pursuant to the requirements of Section 152 of the Companies Act, 2013 and has offered himself for re-appointment.</p>
Educational Qualification	M.Sc., Ph.D., MAusIMM
Background details, Recognition or awards and Experience & Expertise in functional areas	<p>Dr. Hanuma Prasad has 28 years of experience in exploration and mining industry, as exploration manager as well as part of the corporate management team. He has a Doctorate in Geology and worked with Geological Survey of India from 1994 to 2001 in geological mapping and mineral exploration projects. Dr. Hanuma joined Australian Indian Resources Group (AIR) in the year 2001 as an Exploration Manager and along with his team explored 15000 sq.km area in central India for gold, base metals, Ni-Cu-PGE and made significant discoveries. He was actively involved in the exploration research on generating new gold and Ni-PGE targets in India.</p> <p>Besides exploration, since 2008 Dr. Hanuma was closely associated with the Business Development team of the AIR Group, during which he carried out due diligence of several precious commodity projects. He has been associated with fund raising into AIR and Geomysore Services (India) Pvt Ltd. Dr. Hanuma has co-managed NI 43-101 compliant feasibility study on Jonnagiri Gold Project along with a team of international and Indian experts. He is currently the Managing Director of the Company and is also part of the senior management of Geomysore Services India Private Limited ("GMSI") as Technical Adviser and Consultant in developing Jonnagiri gold mining project.</p> <p>Dr. Hanuma has worked widely in Africa, SE Asia, South America and CIS countries as a part of due diligence team to advice various business houses in acquiring mineral projects in these countries. He has been instrumental in setting up gold and other mineral exploration and mining companies in Sudan, Ivory Coast, Togo, Zambia, Malawi and Kyrgyzstan.</p>

## DECCAN GOLD MINES LIMITED

.	Dr. Hanuma was a Board Member of Lionsgold Limited, earlier listed on AIM Board and now sits on the Board of Australian Indian Resources Limited, Australia (AIR) and its group companies in India. He is a member of Australian Institute of Mining and Metallurgy (AusImm)
Shareholding in the Company	183,555 shares (as on August 11, 2022)
Terms and Condition of appointment (Other brief terms also required to be stated)	Director liable to retire by rotation
Details of Remuneration sought to be paid	Dr Hanuma Prasad Modali was appointed as Managing Director of the Company since October 1, 2021 (for a term of 3 years) upon terms and conditions including remuneration as approved by the shareholders at their AGM held on December 22, 2021
Remuneration last drawn	- Same as above -
Number of Meetings attended during the year 2021-22	6
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Dr Hanuma Prasad Modali is not related to any other director of the Company.
Other membership / Chairmanship of Committees of the Boards	Nil
Directorship in other Indian Public Limited Companies	Nil

### (2) Mr. Andrew Mark Weeks:

Age (Date of Birth)	54 years (December 13, 1967)
Date of appointment on the Board	August 9, 2022
Term	Two years from August 9, 2022 (not liable to retire by rotation)
Educational Qualification	Bachelor of Applied Science (Geology), FAusIMM
Background details, Recognition or awards and Experience & Expertise in functional areas	<p>Mr. Andrew Mark Weeks is a Geologist with over 30 years of experience in the mining industry. He has worked in senior production and resource management roles with Acacia Resources, WMC and BHP as well as 10 years as a Principal Consultant for Golder Associates. He has had a privileged career working on and visiting tens of minerals resource projects and mines on every continent (except Antarctica) and has worked in gold, nickel, silver, diamond, uranium, copper, tungsten, PGE and iron ore projects. As a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM), he has sufficient experience to qualify as a Competent Person for various metals including gold.</p> <p>In 2020, he founded 2020 Resources Pty Ltd, to promote excellence in mineral resource development and ore control processes.</p>
Shareholding in the Company	Nil
Terms and Condition of appointment (Other brief terms also required to be stated)	Independent & Non-executive Director

Details of Remuneration sought to be paid	Sitting Fees will be paid for attending Board and Committee Meetings as determined by the Board of Directors of the Company
Remuneration last drawn	Nil
Number of Meetings attended during the year 2021-22	N.A., (appointed on August 9, 2022)
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Mr. Mr. Andrew Mark Weeks is not related to any other director of the Company.
Other membership / Chairmanship of Committees of the Boards	Nil
Directorship in other Indian Public Limited Companies	Nil

**(3) Mrs. Deepthi Donkeshwar:**

Age (Date of Birth)	39 years (August 4, 1983)
Date of appointment on the Board	August 9, 2022
Term	Two years from August 9, 2022 (not liable to retire by rotation)
Educational Qualification	B.Tech and Masters in Business Administration
Background details, Recognition or awards and Experience & Expertise in functional areas	<p>Mrs. Deepthi Donkeshwar has an extensive background in Management Consultancy &amp; HR management. She is a qualified Human Resource Consultant with a Master's in Business Administration having graduated with a B.Tech Degree. She is having 15 plus years of experience as a Management &amp; HR Consultant in the Engineering and IT industry.</p> <p>Based in Hyderabad, she is now a Director in Holistic Corporate Advisors Private Limited as a Management Consultant &amp; Human Resources Specialist. She is also one of the partners in Vasavi Holistic Corporate Services, a leading real estate group in Hyderabad since last 26 years.</p>
Shareholding in the Company	'Nil'
Terms and Condition of appointment (Other brief terms also required to be stated)	Independent & Non-executive Director
Details of Remuneration sought to be paid	Sitting Fees will be paid for attending Board and Committee Meetings as determined by the Board of Directors of the Company.
Remuneration last drawn	Nil
Number of Meetings attended during the year 2021-22	N.A., (appointed on August 9, 2022)
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Mrs. Deepthi Donkeshwar is not related to any other director of the Company.
Other membership / Chairmanship of Committees of the Boards	Nil
Directorship in other Indian Public Limited Companies	Nil