



**DECCAN GOLD
MINES LIMITED**

(CIN : L51900MH1984PLC034662)

Corporate & Correspondence Address

No. 5, 19th Main Road, 4th Sector HSR Layout, Bengaluru-560102 Tel : +91 80 67155700 Fax : +91 80 67155701 Email : info@deccangoldmines.com Web : www.deccangoldmines.com

May 5, 2020

Corporate Relationship Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai 400001

Dear Sirs

Sub:	Processing of Ganajur Mining Lease (ML) application at Government of Karnataka
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We write to intimate that a response is at last now being prepared by the Government of Karnataka with regard to the queries raised by the Ministry of Mines, Government of India (Central Government) on the Ganajur ML application of our subsidiary, Deccan Exploration Services Private Limited (DESPL).

It may be noted that based on our limited interaction with Government officials responsible for processing our file due to the Covid 19 lockdown and movements recorded on State Government websites, we can report that there has been significant work done on our Ganajur ML file over the last couple of weeks.

We are hopeful that the Government of Karnataka's responses are being finalized and will be forwarded to the Central Government shortly and believe that the Central Government will lift the abeyance on its prior approval for Ganajur ML and advise the Government of Karnataka to issue the Grant Notification Letter for the said ML.

Background Information

It may be noted that the Central Government is still awaiting a reply from the Commerce & Industries Department, Government of Karnataka to its queries raised on the Ganajur ML application vide its letters dated July 22, 2019 and October 8, 2018. Please refer to our previous BSE updates in this respect. Since then, we have met the C & I officials on various occasions and have provided multiple information / documents to facilitate the furnishing of replies by them to the Central Government's queries

In the light of the multiple approvals / opinions from various authorities like Indian Bureau of Mines, Law Department of Government of Karnataka, we are of the opinion that our legal rights to receive the Ganajur ML are protected under the provisions of the MMDR Act, 1957.

Further, we have also joined the mining industry / industry bodies in making representations to the Government for protecting legitimate rights accrued to mineral concession applicants under the provisions of MMDR Act, 1957.

Our legal rights have been further cemented by a Judgment delivered dated February 14, 2020 by the Hon'ble High Court of Karnataka in M/s. Kumar Enterprises (WP No. 57619 of 2015), the facts of which case are substantially similar to Ganajur ML. Whilst the shareholders may refer to our Update made on February 24, 2020 for more details about the Judgment, the key points that have been laid down in this Judgment are reiterated hereunder:

Registered Office

Parinee Crescenzo, C38-C39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

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(a) “it is well settled that in the absence of any statutory provision which provides for review of an administrative order by an authority, the authorities are not entitled to review their own orders”. ***In the light of this, we believe it is now not open to the Government of Karnataka to review its recommendation with regard to Ganajur ML or the Central Government to review its prior approval already accorded.***

(b) “an order granting prior approval by the Government of India is not empty formality and the same is passed after application of mind and after consideration of the entire material on record.” ***In the light of this, it should follow that Ministry of Mines, Government of India cannot put its prior approval for Ganajur ML under abeyance.***

We shall update our shareholders of further developments on this regard.

We request the BSE to take the information on record and oblige.

Yours truly

Subramaniam S.

Company Secretary

Mem No.:ACS 12110

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