

---

---

**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**  
(FORMERLY DECCAN GOLD EXPLORATION SERVICES PRIVATE LIMITED)

**DIRECTOR'S REPORT**

Your Directors have pleasure in presenting their Seventeenth Annual Report of the Company together with the audited accounts of the company for the year ended 31 March, 2014.

**OPERATIONS AND FUTURE OUTLOOK**

Your company continued to carry out exploration activities pursuant to the Agreement with Deccan Gold Mines Limited in terms of which, all expenses incurred by the company for exploration activities in respect of the Projects covered under the said Agreement are reimbursed by Deccan Gold Mines Limited.

The company during the year incurred profit / (loss) of ₹ (0.07) million compared to profit / (loss) of ₹ (0.16) million during the previous year.

The Mining Lease Application over an area of 0.29 sq kms covering the Ganajur Main Gold Prospect is now pending approval of the Ministry of Mines, Government of India (MoM) to whom it was recommended by the State Government of Karnataka. The same is being pursued vigorously.

**UPDATES DURING 2013-14:**

- During January, 2014 the Company announced commencement of diamond core drilling in its Ganajur-Karajgi PL Block comprising 4000-5000 meters of diamond core drilling covering Ganajur Main, its extensions and the surrounding satellite prospects including metallurgical and geo-technical drilling. It may be noted that the Ganajur-Karajgi PL block comprises the highly rated Ganajur Main gold prospect and several satellite prospects such as Ganajur SE, Karajgi Main, Karajgi East, Ganajur South, Ganajur Central and Karajgi Huti prospects hosting gold mineralization in banded iron formations discovered by DESPL. M/s. South West Pinnacle Exploration Private Limited was engaged to undertake this exploratory drilling programme.
- During March, 2014 and July, 2014 the new drilling results from the Ganajur SE Prospect were announced. The results were very promising and considered as excellent in terms of gold mineralization. More details can be had from [www.deccangoldmines.com](http://www.deccangoldmines.com)

**MANAGEMENT**

During the year, Dr. V.N. Vasudev resigned as a Director. The Board places on record its appreciation of the services rendered by Dr. Vasudev during his tenure of Directorship.

The Board comprises of eminent geologists and professionals. Further, Dr. M. Ramakrishnan and Mr. Karunakaran Krishnamurthy are the Directors retiring by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm that:

- a. in preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to any material departures, if any;
- b. they have selected such Accounting Policies and applied them consistently and 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 31 March, 2014 and of the net profit / (loss) for the year ended on that date;
- c. they had taken proper and sufficient care for maintenance of adequate accounting records as required under the Companies Act, 1956 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities; and

## DECCAN GOLD MINES LIMITED

---

---

d. they have prepared the Statement of Accounts for the year ended 31 March, 2014 on a going concern basis.

### **PARTICULARS OF EMPLOYEES**

During the year under review, the company did not have any employee falling under the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

(a) Conservation of energy and technology absorption:

Considering the nature of the company's existing business activities, your Directors have nothing to state in connection with conservation of energy and technology absorption.

(b) Foreign exchange earnings and outgo:

During the year under review, the company did not have any foreign exchange earnings/outgo.

### **AUDITORS**

M/s. Rao & Venkatesulu, Chartered Accountants, Bengaluru (FRN 003108S) who were appointed as Auditors of the company at the last annual general meeting, will be retiring at the conclusion of the ensuing annual general meeting. They, being eligible, have communicated their consent for re-appointment.

### **ACKNOWLEDGMENT**

Your Directors acknowledge the co-operation and support extended by one and all.

For and on behalf of the Board

Place : Bangalore  
Date : 2 September 2014

**S.C.R. Peshwa**  
Director

**K. Karunakaran**  
Director

---

---

## AUDITOR'S REPORT

### TO THE MEMBERS OF DECCAN EXPLORATION SERVICES PRIVATE LIMITED

We have audited the Balance Sheet of DECCAN EXPLORATION SERVICES PRIVATE LIMITED as at 31st MARCH, 2014 and the annexed Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. -

1. The company being not coming under the purview of the Companies (Auditor's Report) Order, 2003 issued by the central government under section 227 (4A) of the Companies Act, 1956, we have not reported our finding on the matters stated therein.
2. Further to our comments in the Annexure referred to in paragraph (1) above:
  - a. we have 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 the law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with those Books of account;
  - d. in our opinion, the Profit and Loss Account and the Balance Sheet dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
  - e. on the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director of the Company are disqualified from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956; and
  - f. in our opinion and to the best of our information and according to the explanations given to us. the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2014; and
    - (ii) in the case of the Profit and Loss Account, of the loss of the company for the year ended on that date.

For **RAO & VENKATESULU**  
Chartered Accountants

**K.Y. NINGOJI RAO**  
Partner

Membership No. : 018278  
FR No. 003108S

Place : Bangalore  
Date : 28 April 2014

**DECCAN GOLD MINES LIMITED**

**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**  
(FORMERLY DECCAN GOLD EXPLORATION SERVICES PRIVATE LIMITED)

**BALANCE SHEET AS AT 31 MARCH, 2014**

Particulars	Sch No	31.3.2014	31.3.2013
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholder's Funds:			
a Share Capital	1	100	100
b Reserves and Surpluses	2	6,871	6,941
c Money Received Against Share Warrants			
2 Share Application Money Pending Allotment			
3 Non-Current Liabilities:			
a Long Term Borrowings			
b Deferred Tax Liabilities (Net)			
c Other Long Term Liabilities			
d Long Term Provisions			
4 Current Liabilities:			
a Short Term Borrowings			
b Trade Payables	3	13,619	705
c Other Current Liabilities	4	475	24
d Short Term Provisions		-	
<b>TOTAL</b>		<b>21,065</b>	<b>7,770</b>
<b>II ASSETS</b>			
1 Non Current Assets:			
a Fixed Assets:			
(i) Tangible Assets	5	571	628
(ii) Intangible Assets			
(iii) Capital work-in-progress		-	-
(iv) Intangible Assets Under Development			
b Non Current Investments			
c Deferred Tax Assets (net)	6	35	
d Long Term Loans and Advances	7	282	284
e Other Non Current Assets	8	711	909
2 Current Assets:			
a Current Investments			
b Inventories		-	-
c Trade Receivables	9	18,756	5,736
d Cash and Cash Equivalents	10	651	172
e Short Term Loans and Advances	11	58	41
f Other Current Assets			
<b>TOTAL</b>		<b>21,065</b>	<b>7,770</b>

NOTES TO ACCOUNTS

19

Schedules referred to above and notes attached there to form an integral part of Balance Sheet.

For **DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

As per our report of even date attached.  
For **Rao & Venkatesulu**  
Chartered Accountants

S.C.R PESHWA  
Director

K.KARUNAKARAN  
Director

K Y Ningoji Rao  
Partner  
Membership No. :018278  
FRN: 003108S

Place : Bangalore  
Date : 28 April 2014

**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**  
(FORMERLY DECCAN GOLD EXPLORATION SERVICES PRIVATE LIMITED)

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31 MARCH, 2014**

Particulars	Sch No	31.3.2014	31.3.2013
<b>REVENUES:</b>			
Revenue From Operations	12	18,394	8,699
Other Income	12	125	-
<b>Total Revenue (I +II)</b>		<b>18,519</b>	<b>8,699</b>
<b>EXPENSES:</b>			
1 Exploration Expenses	13	18,468	8,705
2 Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade		-	-
3 Employee Benefit Expense		-	-
4 Financial Costs	14	3	2
5 Depreciation and Amortization Expense	15	114	120
6 Other Expenses	16	37	37
<b>Total Expenses</b>		<b>18,622</b>	<b>8,864</b>
<b>Profit Before Exceptional and Extraordinary Items &amp; Tax</b>		<b>(103)</b>	<b>(164)</b>
Exceptional Items	17	2	-
<b>Profit Before Extraordinary Items and Tax</b>		<b>(105)</b>	<b>(164)</b>
Extraordinary Items		-	-
<b>Profit Before Tax</b>		<b>(105)</b>	<b>(164)</b>
Tax Expense:			
1 Current Tax		-	-
2 Earliar Year Taxes		-	-
3 Deferred Tax		(35)	-
<b>Profit (Loss) For The Perid From Continuing Operations</b>		<b>(69)</b>	<b>(164)</b>
Profit/(Loss) from Discontinuing Operations			
Tax Expense of Discounting Operations			
Profit/(Loss) From Discontinuing Operations			
<b>Profit/(Loss) For The Period</b>		<b>(69)</b>	<b>(164)</b>
Earning Per Equity Share:			
1 Basic		-6.98	-16.44
2 Diluted		-6.98	-16.44

Schedules referred to above and notes attached there to form part of Profit & Loss Account

For **DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

S.C.R PESHWA  
Director

K.KARUNAKARAN  
Director

As per our report of even date attached.

For **Rao & Venkatesulu**  
Chartered Accountants

K Y Ningoji Rao  
Partner  
Membership No. :018278  
FRN: 003108S

Place : Bangalore  
Date : 28 April 2014

**DECCAN GOLD MINES LIMITED**

**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**  
(FORMERLY DECCAN GOLD EXPLORATION SERVICES PRIVATE LIMITED))

**SCHEDULES FORMING PART OF ANNUAL ACCOUNTS**

(₹ '000)

**Share Capital**

**Schedule : 1**

Particulars	As At 31.3.2014	As At 31.3.2013
<b>AUTHORIZED CAPITAL</b> 50,000 Equity Shares of ₹ 10/- each.	500	500
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 10,000 Equity Shares of ₹ 10/- each, Fully Paid Up	100	100
<b>Total</b>	<b>100</b>	<b>100</b>

**Reserve & Surpluses**

**Schedule : 2**

Particulars	As At 31.3.2014	As At 31.3.2013
Reserves	-	-
Total	-	-
Profit & Loss Account:		
Balance Brought Forward	6,941	7,105
Add: Net Profit For The Year	(70)	(164)
<b>Total</b>	<b>6,871</b>	<b>6,941</b>

**Trade Payables**

**Schedule : 3**

Particulars	As At 31.3.2014	As At 31.3.2013
Trade Creditors	13,490	661
Others	130	44
<b>Total</b>	<b>13,620</b>	<b>705</b>

**Other Current Liabilities**

**Schedule : 4**

Particulars	As At 31.3.2014	As At 31.3.2013
TDS Payable	475	24
<b>Total</b>	<b>475</b>	<b>24</b>

**Short Term Provisions**

**Schedule : 5**

Particulars	As At 31.3.2014	As At 31.3.2013
Provisions For Current Taxes	-	-
Provision From Employees Benefit	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Fixed Assets

Note 6

Fixed Assets	Rate	Gross Block			Accumulated Depreciation				Net Block (WDV)	
		Balance as at 01-04-2013	Additions	Disposals	Balance as at 31-03-2014	Balance as at 01-04-2013	For the year	Written back	Balance as at 31-03-2014	Balance as at 31-03-2013
Tangible Assets :										
Land	0%	-	-	-	-	-	-	-	-	-
Buildings	10%	-	-	-	-	-	-	-	-	-
Plant & Equipment	15%	-	-	-	-	-	-	-	-	-
Vehicles	15%	844	-	-	844	234	92	-	326	518
Furniture & Fixtures	10%	-	-	-	-	-	-	-	-	-
Office equipment	10%	13	-	-	13	2	1	-	3	10
Office equipment	60%	-	33	-	33	-	10	-	10	23
Computer	60%	26	23	-	49	19	11	-	30	19
<b>Sub Total (A)</b>		<b>883</b>	<b>56</b>	<b>-</b>	<b>939</b>	<b>255</b>	<b>114</b>	<b>-</b>	<b>369</b>	<b>571</b>
Intangible Assets :										
<b>Sub Total (B)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capital Work In Progress		-	-	-	-	-	-	-	-	-
<b>Sub Total (C)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Intangible assets under Development		-	-	-	-	-	-	-	-	-
<b>Sub Total (D)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current Year (A+B+C+D)</b>		<b>883</b>	<b>56</b>	<b>-</b>	<b>939</b>	<b>255</b>	<b>114</b>	<b>-</b>	<b>369</b>	<b>571</b>
Previous Year		883	-	-	883	135	120	-	255	629

## Deferred Tax Assets (Net)

Schedule : 7

Particulars	As At 31.3.2014	As At 31.3.2013
Deferred Tax Assets	35	-
Less: Deferred Tax Liabilities	-	-
<b>Total</b>	<b>35</b>	<b>-</b>

## Long Term Loans and Advances

Schedule : 7

Particulars	As At 31.3.2014	As At 31.3.2013
Security Deposit	127	127
Other Loans & Advances	155	156
<b>Total</b>	<b>282</b>	<b>283</b>

## Other Non Current Assets

Schedule : 8

Particulars	As At 31.3.2014	As At 31.3.2013
Long Term Trade Recievables	-	-
Others	711	909
<b>Total</b>	<b>711</b>	<b>909</b>

## Trade Recievables

Schedule : 9

Particulars	As At 31.3.2014	As At 31.3.2013
Outstanding for more than six months	377	-
Others	18,379	5,735
<b>Total</b>	<b>18,756</b>	<b>5,735</b>

**DECCAN GOLD MINES LIMITED**  
**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

<b>Cash &amp; Cash Equivalent</b>		<b>Schedule : 10</b>	
Particulars	As At 31.3.2014	As At 31.3.2013	
Cash-in-Hand	22	13	
Bank Balance	630	158	
<b>Total</b>	<b>652</b>	<b>171</b>	

<b>Short Terms Loans and Advances</b>		<b>Schedule : 11</b>	
Particulars	As At 31.3.2014	As At 31.3.2013	
Loans & Advances from Related Parties	-	-	
Others	58	41	
<b>Total</b>	<b>58</b>	<b>41</b>	

<b>Revenues From Operations &amp; Other Income</b>		<b>Schedule : 12</b>	
Particulars	Current Year	Previous Year	
<b>Revenues From Operations:</b>			
Exploration Contract	18,393	8,699	
Drilling Contract Receipts			
<b>Total</b>	<b>18,393</b>	<b>8,699</b>	
<b>Other Income:</b>			
Consultancy Receipts	125	-	
Interest on Others	-	-	
Miscellaneous Receipts	-	-	
<b>Total</b>	<b>125</b>	<b>-</b>	
<b>Total</b>	<b>18,518</b>	<b>8,699</b>	

<b>Exploration Expenses</b>		<b>Schedule : 13</b>	
Particulars	Current Year	Previous Year	
Analysis Charges	276	74	
Boarding & Lodging Charges	31	235	
Books & Periodicals	1	-	
Camp Expenses	58	24	
Diesel & fuel	111	102	
Duplicating Charges	37	4	
Field Supplies & Consumables	141	89	
Field Vehicle Maintenance	92	58	
RP Processing Fees	35	1,302	
Rent	345	360	
Land & Crop Compensation	591	480	
Field Travel Expenses	61	137	
Exploration Contract Expenses	3,164	3,069	
Food & Water Charges	263	162	
Professional & Consultantancy Fee	1,267	1,822	
Equipment Hire Charges	1,217	-	
Trenching , Drilling & Pitting Charges	10,768	776	
Surveying Charges	-	6	
Other Camp Expenses	11	5	
<b>TOTAL carried To Profit &amp; Loss Account</b>	<b>18,468</b>	<b>8,704</b>	



<b>Change in Inventories</b>		<b>Schedule : 14</b>	
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>	
Opening Stock:			
Working in Progress	-	-	
<b>Total</b>	-	-	
Closing Stock:			
Working in Progress	-	-	
<b>Total</b>	-	-	
<b>Total</b>	-	-	

<b>Financial Cost</b>		<b>Schedule : 15</b>	
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>	
Interest On Loans			
Bank Charges & Other Charges	3	2	
<b>Total</b>	<b>3</b>	<b>2</b>	

<b>Depreciation &amp; Amortised Cost</b>		<b>Schedule : 16</b>	
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>	
Depreciation	114	120	
Preliminary Expenses Amortized	-	-	
<b>Total</b>	<b>114</b>	<b>120</b>	

<b>Other Expenses</b>		<b>Schedule : 17</b>	
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>	
Rates & Taxes	-	1	
Postage & Telegraph	-	-	
Filing Fee	-	2	
Printing & Stationery	3	3	
Other Expenses	2	-	
Professional Fee	3	4	
Travelling Expenses			
Auditors Remuneration:			
For Audit	23	22	
For Tax Audit	5	4	
For Others	1		
<b>Total [ A + B ]</b>	<b>37</b>	<b>37</b>	

<b>Exceptional Items</b>		<b>Schedule : 18</b>	
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>	
Penal Interest & Other Expenses	2	-	
<b>Total</b>	<b>2</b>	<b>-</b>	

**DECCAN GOLD MINES LIMITED**  
**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

**TRADE PAYABLES**

Particulars	As At 31.3.2014	As At 31.3.2013
<b>FOR TRADE:</b>		
Geo Mysore Services (India) Pvt Ltd	1,929	607
Shiva Analyticals(India) Ltd	272	-
South West Pinnacle Exploration Pvt Ltd	9,681	-
BS Envitech (P)Ltd	377	53
SR Info.Solutions Pvt Ltd	1,230	-
<b>Total</b>	<b>13,489</b>	<b>660</b>
<b>FOR EXPENSES:</b>		
Staff	-	18
Professional Charges Payable	54	-
Rent Payable	20	-
Rao & Venkatesulu	55	27
<b>Total</b>	<b>130</b>	<b>45</b>
<b>Total</b>	<b>13,619</b>	<b>705</b>

**OTHER CURRENT LIABILITIES**

Particulars	As At 31.3.2014	As At 31.3.2013
Income Tax TDS Payable	475	24
<b>Total</b>	<b>475</b>	<b>24</b>

**TRADE RECEIVABLES**

Particulars	As At 31.3.2014	As At 31.3.2013
<b>DUES FOR LESS THAN SIX MONTHS:</b>		
Deccan Gold Mines Ltd	18,377	5,736
IMC-SRG Consulting Pvt Ltd	3	
<b>Total</b>	<b>18,380</b>	<b>5,736</b>
<b>DUES FOR MORE THAN SIX MONTHS:</b>		
Deccan Gold Mines Ltd	377	
<b>Total</b>	<b>377</b>	
<b>Total</b>	<b>18,756</b>	<b>5,736</b>

**OTHER NON CURRENT ASSETS**

Particulars	As At 31.3.2014	As At 31.3.2013
Long Term Trade Receivables		
Others:		
Income Tax T.D.S.	711	909
<b>Total</b>	<b>711</b>	<b>909</b>

**LONG TERM LOANS & ADVANCES**

Particulars	As At 31.3.2014	As At 31.3.2013
Security Deposit	127	127
<b>Total</b>	<b>127</b>	<b>127</b>
Others:		
Rent Deposit	155	155
Yogesh	-	-
Jajadish Chandra Jat	-	1
<b>Total</b>	<b>155</b>	<b>156</b>

**SHORT TERM LOANS & ADVANCES**

Particulars	As At 31.3.2014	As At 31.3.2013
Loans & Advances From Related Parties		
<b>Total</b>	<b>-</b>	<b>-</b>
Others:		
Service Tax	58	41
<b>Total</b>	<b>58</b>	<b>41</b>

**SCHEDULE '19'****NOTES FORMING PART OF ANNUAL ACCOUNTS:****1. Share Capital:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Authorized Capital: 50,000 Equity Shares of ₹ 10/- Each	500	500
B. Issued, Subscribed & Paid Up Capital: 10,000 Equity Shares of ₹ 10/- Each, Fully Paid Up	100	100
<b>Total</b>	<b>100</b>	<b>100</b>

**Reconciliation of Number of Shares:**

Particulars	As At 31.3.2014	As At 31.3.2013
Equity Shares:		
Balance at the beginning	10	10
Add: Number of Share Allotted	Nil	Nil
<b>Balance at close</b>	<b>10</b>	<b>10</b>

**Number of Shares issued for consideration other wise than for cash:**

Particulars	As At 31.3.2014	As At 31.3.2013
Equity Shares of ₹10/- Each	Nil	Nil

**Rights, preferences and restrictions attached to each class of shares:****Equity Share of ₹1000/- each fully paid-up:**

- Right to dividend on pari passu
- Voting rights one vote per each share
- No preferential rights are attached
- No restrictions are attached.

**DECCAN GOLD MINES LIMITED**  
**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

**Name of shareholders holding more than 5% of Equity Shares:**

Name of Shareholders	As At 31.3.2014	As At 31.3.2013	% of Shares
Deccan Gold Limited	9999	9999	99.99%

**2. Particulars of Reserves and Surpluses:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Capital Reserves:	Nil	Nil
B. General Reserve:	Nil	Nil
Share Premium:	Nil	Nil
C. Profit & Loss Account:		
Opening Balance Brought Forward	6,940	7,105
Add: Current Year Profit	(70)	(164)
Closing Balance Carried Forward	6,871	6,940
D. Total	6,871	6,940

**3. Trade Payables:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Trade Creditors	13,490	661
B. Others	130	44
C. Total	13,620	705

**4. Other Current Liabilities:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Income Tax TDS Payable	475	24
E. Others	Nil	Nil
F. Total	475	24

**5. Fixed Assets:**

Details of Fixed Assets are furnished in Annexure "A" hereto

**6. Net Deferred Tax Assets:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Deferred Tax Asset	35	Nil
B. Deferred Tax Liability	Nil	Nil
C. Net Deferred Tax Asset	35	Nil

Particulars of Deferred Tax liability provided in the accounts are as follows:

Particulars	Current Year	Previous Year
Written Down Value As Per Books	571	629
Written Down Value As Per Income Tax	571	629
Difference in WDV	Nil	Nil
Deferred Tax Liability	Nil	Nil
Disallowances U/s 40(a) & 43B	Nil	Nil
Unabsorbed depreciation & Business Loss	103	Nil
Deferred Tax Asset	35	Nil
Net Deferred Tax Asset	35	Nil
Deferred Tax Provided in earlier years	Nil	Nil
Deferred Tax Provided(+)/Withdrawn(-) in the year	35	Nil

**7. Long Term Loans & Advances:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Security Deposit	127	127
B. Loans & Advances to Related Parties	Nil	Nil
C. Other Loans & Advances	155	156
<b>D. Total</b>	<b>282</b>	<b>156</b>

**8. Other Non-Current Assets:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Long Term Trade Receivables	Nil	Nil
B. Advances with Revenue Authorities	711.34	909.26
C. Other Loans & Advances	Nil	Nil
<b>D. Total</b>	<b>711.34</b>	<b>909.26</b>

**9. Trade Receivables:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Outstanding for more than Six Months	377	Nil
B. Others	18,379	5,736
<b>C. Total</b>	<b>18,756</b>	<b>5,736</b>

**10. Cash & Cash Equivalents:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Cash In Hand	22	14
B. Bank Balance	630	159
<b>C. Total</b>	<b>652</b>	<b>171</b>

**Bank Balances Include:**

Particulars	As At 31.3.2014	As At 31.3.2013
i. Unpaid Dividends	Nil	Nil
ii. Margin Money	Nil	Nil
III. Deposits with more than 12 months maturity	Nil	Nil
iv. Cheques & Drafts On Hand	Nil	Nil
v. Others	630	158
<b>Total</b>	<b>630</b>	<b>158</b>

**11. Short Term Loans & Advances:**

Particulars	As At 31.3.2014	As At 31.3.2013
A. Loans & Advances to Related Parties	Nil	Nil
B. Advances with Revenue Authorities	Nil	Nil
C. Other Loans & Advances	58	41
<b>D. Total</b>	<b>58</b>	<b>41</b>

**12. Sales & Other Incomes:**

Particulars	Current Year	Previous Year
A. Revenue from Operation : Exploration Contract	18,394	8,699
<b>Total</b>	<b>18,394</b>	<b>8,699</b>
B. Other Incomes: Consultancy Receipts	125	Nil
Interest on Deposits & Others	Nil	Nil
Miscellaneous Receipts	Nil	Nil
<b>Total</b>	<b>125</b>	<b>8,699</b>
<b>Total</b>	<b>18,519</b>	<b>8,699</b>

**DECCAN GOLD MINES LIMITED**  
**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

**13. Exploration Expenses:**

Particulars	Current Year	Previous Year
Analysis Charges	276	74
Boarding & Lodging Charges	31	235
Books & Periodicals	1	Nil
Camp Expenses	58	24
Diesel & Fuel	111	102
Duplicating Charges	37	4
Field Supplies & Consumables	141	89
Field Vehicle Maintenance	92	58
RP Processing Charges	35	1,302
Rent	345	360
Land & Crop Compensation	591	480
Field Travel Expenses	61	137
Exploration Contract Expenses	3,164	3,069
Food & Water Charges	263	162
Professional & Consultancy Fees	1,267	1,822
Hire Charges	1,217	Nil
Trenching, Drilling & Pitting Charges	10,768	776
Surveying Charges	Nil	6
Other Camp Expenses	11	5
<b>Total</b>	<b>18,468</b>	<b>8,705</b>

**14. Financial Cost:**

Particulars	Current Year	Previous Year
Bank Charges & Other Charges	3,310	2,474
<b>Total</b>	<b>3,310</b>	<b>2,474</b>

**15. Depreciation Amortized Cost:**

Particulars	Current Year	Previous Year
A. Depreciation	114	120
B. Preliminary Expenses Amortized	Nil	Nil
<b>Total</b>	<b>114</b>	<b>120</b>

**16. Other Expenses:**

Particulars	Current Year	Previous Year
Office Expenses	2,369	447
Postage & Telegrams	120	60
Rates & Taxes		891
Filing Fees		1,975
Printing & Stationery Expenses	3,131	2,835
Professional Fees	3,400	3,750
AUDITORS REMUNERATION:		
For Audit	22,472	22,472
For Taxation	4,494	4,494
For Expenses	1,000	
<b>Total</b>	<b>36,986</b>	<b>36,924</b>

**17. Exceptional Items:**

Particulars	Current Year	Previous Year
Penal Interest & Other Expenses	1,953	Nil
<b>Total</b>	<b>1,953</b>	<b>Nil</b>

## DECCAN EXPLORATION SERVICES PRIVATE LIMITED

**18. Contingent Liabilities:** Nil (P.Y Nil)

**19. Trade Receivables:**

Classified as Current: ₹ 18,735.88 (P.Y. ₹. 5,735.66) includes:

Particulars	As At 31.3.2014	As At 31.3.2013
i. Debts Due for a period:		
a. more than Six Months from the due date	377	Nil
b. Others	18,379	5,736
ii. Debts considered good and secured	Nil	Nil
iii. Debts considered good but not secured	18,756	5,736
iv. Debts considered unsecured and doubtful of recovery and not provided for	Nil	Nil
v. Debts due from:		
a. Directors	Nil	Nil
b. Other Officers	Nil	Nil
c. Companies in which the Directors of the company is Directors	Nil	Nil
d. Firms in which Directors of the company are interested as partners	Nil	Nil

**20. Loans and Advances:**

Classified as Current: ₹ 58 (P.Y. ₹ 41) includes:

Particulars	As At 31.3.2014	As At 31.3.2013
i. Short Term Loans & Advances:		
a. Capital Advances	Nil	Nil
b. Security Deposits	Nil	Nil
c. Due From Related Parties	Nil	Nil
d. Others	58	41
ii. Loans and advances which are:		
a. Secured and considered good	Nil	Nil
b. Unsecured and Considered Good	58	41
c. Doubtful	Nil	Nil
iii. Loans & Advances due from:		
a. Directors	Nil	Nil
b. Directors Relatives	Nil	Nil
c. Companies in which the Directors of the company is Directors	Nil	Nil
d. Firms in which Directors of the company are interested as partners	Nil	Nil

**21. Loans and Advances:**

Classified as Non-Current: ₹ 282.43 (P.Y. ₹ 283.55) includes:

Particulars	As At 31.3.2014	As At 31.3.2013
i. Long Term Loans & Advances:		
e. Capital Advances	Nil	Nil
f. Security Deposits	127	127
g. Due From Related Parties	Nil	Nil
h. Others	155	156
ii. Loans and advances which are:		
d. Secured and considered good	Nil	Nil
e. Unsecured and Considered Good	282	284
f. Doubtful	Nil	Nil

**DECCAN GOLD MINES LIMITED**  
**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

iii. Loans & Advances due from:		
e. Directors	Nil	Nil
f. Directors Relatives	Nil	Nil
g. Companies in which the Directors of the company is Directors	Nil	Nil
h. Firms in which Directors of the company are interested as partners	Nil	Nil

**Classified as Non-Current: ₹ 711 (P.Y ₹ 909) includes:**

Particulars	As At 31.3.2014	As At 31.3.2013
i. Long Term Loans & Advances:		
a. Capital Advances	Nil	Nil
b. Security Deposits	Nil	Nil
c. Due From Related Parties	Nil	Nil
d. Others	711	909
ii. Loans and advances which are:		
a. Secured and considered good	Nil	Nil
b. Unsecured and Considered Good	711	909
c. Doubtful	Nil	Nil
iii. Loans & Advances due from:		
a. Directors	Nil	Nil
b. Directors Relatives	Nil	Nil
c. Companies in which the Directors of the company is Directors	Nil	Nil
d. Firms in which Directors of the company are interested as partners	Nil	Nil

**22. Amounts due to and From Related Parties:**

Particulars	As At 31.3.2014	As At 31.3.2013
<b>Amounts due to Related Parties:</b>		
i Geomysore Services India Private Limited	1,929	607
Total	1,929	607
<b>Amounts due from Related Parties:</b>		
i Deccan Gold Mines Ltd	18,754	5,735
Total	18,754	5,735

**23. Operating Cycles of the various businesses considered by the management are:**

Particulars	Period of operation cycle
i Mining Exploration Contract	One Year
ii Mining Consultancy	Six Months

**24. The particulars of Gross Sales and Net of Duties are:**

Particulars	Gross Value	Less: Duty	Net of Duty
i Mining Exploration Contract	20,376	1,982	18,394
Mining Consultancy	140	15	125
Total	20,516	1,997	18,519



**25. The particulars of Foreign Exchange Earnings and Expenditure are:**

Particulars	Current Year	Previous Year
<b>Earnings:</b>		
i Exports	Nil	Nil
<b>Expenditure:</b>		
i Import of Materials	Nil	Nil
ii Import of Consumables	Nil	Nil
iii Import of Machinery	Nil	Nil
iv Travelling & Other Expense	Nil	Nil
Total	Nil	Nil

**26. Particulars of amounts contributed to various funds for Employees benefit:**

Particulars	Current Year	Previous Year
Provident Fund	Nil	Nil
ESI Contribution	Nil	Nil
Labour Welfare Fund	Nil	Nil
Total	Nil	Nil

**27. Related Party Transactions Disclosures:**

Particulars	Associated Concerns & Directors Relatives	Key Management Personnel	TOTAL
Exploration & Other Expenses Paid	3,100	Nil	3,100
Exploration Contract Receipts	18,394	Nil	18,394
Financial Transactions:			
a. Loan Borrowed	Nil	Nil	Nil
b. Loan Repaid	Nil	Nil	Nil
c. Interest Paid	Nil	Nil	Nil
d. Equity Share Capital	Nil	Nil	Nil
e. Share Application	Nil	Nil	Nil
f. Advances Recovered	Nil	Nil	Nil
g. Advances Paid	Nil	Nil	Nil
h. Refundable Deposit paid under Joint Development agreement	Nil	Nil	Nil
Sale Of Fixed Assets	Nil	Nil	Nil
Purchase Of Fixed Assets	Nil	Nil	Nil
Receiving Of Services	Nil	Nil	Nil
Rendering Of Services	Nil	Nil	Nil
Guarantees & Collaterals:	Nil	Nil	Nil
Associated Concerns:	None		
Share Holders & Relatives:	a. M/s Geomysore Services India (P) Ltd. b. M/s Deccan Gold Mines Ltd		
Key Management Personnel	a. Mr. S.C.R.Peshwa-Director b. Mr.Karunakarn-Director		

28. Previous figures have been rearranged and regrouped so as to make them comparable with current figures.

**DECCAN GOLD MINES LIMITED**  
**DECCAN EXPLORATION SERVICES PRIVATE LIMITED**

---

---

**29. SIGNIFICANT ACCOUNTING POLICIES :**

- A. REVENUE RECOGNITION:
1. Sales revenues and Contract Receipts are accounted on accrual basis goods.
  2. All incomes, to the extent they are ascertained, are accounted on accrual basis.
- B. EXPENDITURE RECOGNITION:
1. All expenditure relating to the purchase of goods and contract expenses are accounted on accrual basis.
  2. All expenditure, to the extent they are ascertained, are accounted on accrual basis.
- C. VALUATION OF INVENTORY:
- Inventories of goods traded are valued at cost or net realizable value whichever is lower.
- D. FIXED ASSETS:
- Depreciation on fixed assets are provided on Witten Down Value Method at the rates prescribed under Income Tax Rules, 1962.
- E. INVESTMENTS:
- Investments are valued at cost.
- F. TAXES ON INCOME:
- a. Current Liability towards Taxes On Income is recognized as per the estimates made as per the provisions of the Income Tax.
  - b. Deferred Tax Asset and liabilities is recognized as per AS 22 issued by the ICAI; and
- G. AMORTISATION OF INTAGIBLE ASSETS:
- All Intangible Assets are amortized as per AS 26 issued by the ICAI.
30. Particulars of number of employees drawing remuneration exceeding a sum of ₹ 24,00,000 per annum or ₹ 2,00,000 per month is Nil.

**31. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:**

## I. Registration Details:

Registration No.	22819
State Code	08

**BALANCE SHEET AS AT 31st MARCH, 2014**

## II. Capital raised during the year:

(₹ '000)

Particulars	Current Year	Previous Year
Public Issue	Nil	Nil
Right Issue	Nil	Nil
Bonus Issue	Nil	Nil
Private Placement	Nil	Nil

## III. Position of mobilization and deployment of funds:

Total Liabilities	21,065	7,769
Total Assets	21,065	7,769
<b>Sources of Funds:</b>		
Paid Up Capital	100	100
Reserves & Surpluses	6,871	6,940
Non Current Liabilities	Nil	Nil
Current Liabilities	1,409	729
<b>Application Of Funds:</b>		
Net Fixed Assets	571	628
Net Deferred Tax Asset	35	Nil
Non Current Investments	Nil	Nil
Other Non Current Assets	993	1,193
Current assets	19,466	5,948

## IV. Performance of the Company:

Total Turnover & Income	18518	8699
Total Expenditure	18621	8863
Exceptional Items	2	Nil
Profit Before Tax	(105)	(164)
Profit After Tax	(105)	(164)
Earning Per Share [Basic & Diluted]	(₹ 6.99)	(₹ 16.44)
Dividend- Interim/Proposed Per Share	Nil	Nil

## V. Generic names of three principal products of Company (as per monetary terms):

Product Description	Item Code (ITC Code)
a. Mining Exploration	980100.45

As per our report of even date attached.

For **DECCAN EXPLORATION SERVICES PRIVATE LIMITED**For **Rao & Venkatesulu**  
Chartered AccountantsS.C.R PESHWA  
DirectorK.KARUNAKARAN  
DirectorK Y Ningoji Rao  
Partner  
Membership No. :018278  
FRN: 003108SPlace : Bangalore  
Date : 28 April 2014