



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

February 24, 2020

Corporate Relationship Department
BSE Limited, Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai – 400 001
Scrip Code: 512068

Dear Sirs

Sub:	Recent Judgment of the Hon'ble High Court of Karnataka dated February 14, 2020 in M/s. Kumar Enterprises (WP No. 57619 of 2015) and its impact on Ganajur Mining Lease (ML) application awaiting issue of Grant Notification Letter from the Government of Karnataka
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We write to present the following update on the above subject.

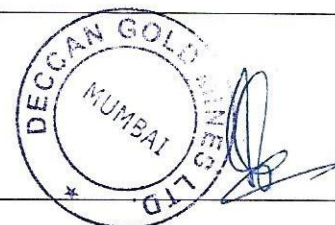
The Hon'ble High Court of Karnataka has passed a Judgment dated February 14, 2020 in the case of M/s. Kumar Enterprises (Petitioner) in WP No. 57619 of 2015.

The Judgment has been uploaded on the Company's website and is available at the following link and shareholders are encouraged to go through the same

<https://deccangoldmines.com/wp-content/uploads/2020/02/WP57619-15-14-02-2020.pdf>

The key points emerging from the Judgment impacting our Ganajur ML application are as under:

Ganajur ML application	Key points emerging from the Judgment / impact on Ganajur ML application
Ganajur ML application was recommended by the Government of Karnataka and received prior approval of the Ministry of Mines, Government of India (MoM) on July 24, 2015. A clarification was issued by MoM on February 7, 2017 that their prior approval was granted under Section 10A(2)(b) of MMDR Act, 1957 (introduced through an amendment to MMDR in 2015) and advising the Government of Karnataka to get the mining lease executed in accordance with law at the earliest and expedite the clearances & approvals for starting the mining operation	"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" – <i>in the light of this Order, it should follow that the Government of India (Ministry of Mines) cannot put its prior approval for Ganajur ML under abeyance.</i>
Even after the grant of prior approval by the MoM, the Government of Karnataka raised queries with regard to the Ganajur ML application thereby reviewing its own recommendation. This prompted the MoM to raise counter queries on the Ganajur ML and keep its prior approval for the Ganajur ML in abeyance till further orders	"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" – <i>in the light of this Order, the Government of Karnataka cannot review its recommendations with regard to Ganajur ML</i>



Registered Office

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Accordingly, we approached the Senior Legal Counsel of M/s. Kumar Enterprises and presented the facts relating to our Ganajur ML application. The Senior Legal Counsel opined that the principles laid down in the Judgment with regard to a Mining Lease application falling under Section 10A(2)(c) of MMDR Act, 1957 are equally applicable to the Ganajur Mining Lease application which falls under Section 10A(2)(b) of MMDR Act, 1957. He further stated that we are therefore on a strong legal footing with regard to Ganajur ML application and advised us to approach the Hon'ble High Court of Karnataka seeking directions to

- (a) MoM to lift the abeyance on its prior approval for the Ganajur ML; and
- (b) Government of Karnataka to issue the Grant Notification Letter for Ganajur Mining Lease followed by execution of the Mining Lease Deed.

Whilst we are considering the opinion of the Senior Legal Counsel and shall keep our shareholders updated of further developments in this regard, we are concurrently following up with both the State and Central Government (s) to resolve the matter.

Yours truly

S. Subramaniam

Company Secretary & Compliance Officer
ACS No 12110



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