



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

March 2, 2021

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Street
Mumbai - 400 001
Scrip Code: 512068

Dear Sirs,

Sub:	Ganajur Mining Lease (ML) application of our wholly owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) – Writ Petition before the Hon'ble High Court of Karnataka
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We write to present the following Update on the captioned matter:

(a) Hearing held on March 2, 2021:

The Writ Petition (WP 14209/2020) came up for hearing before the Hon'ble High Court of Karnataka on March 2, 2021 (Court Hall No 1, Cause List 1 and Item No 19).

Once again, the Central Government Advocate was queried by the Hon'ble Court as to state the source of power under which they have kept their prior approval for Ganajur ML under abeyance. Further, they were also asked to furnish their response to the 'doctrine of legitimate expectation' with regard to mineral concession applications saved under Section 10A(2)(b) of MMDR Act, 1957 as laid down in the decision of the Hon'ble Supreme Court of India in Bhushan Power and Steel Ltd vs Government of Odisha dated December 15, 2016.

Thereafter, the Court posted the matter for hearing on March 12, 2021.

In this regard, relevant extracts from the Bhushan Power case Judgment are reproduced hereunder.

QUOTE:

Section 10A(2) carves out exceptions by saving certain categories of applications even filed before the Amendment Act, 2015 came into operation. Three kinds of applications are saved.

Second category of applications, which are kept eligible under the new provision are those where reconnaissance permit or prospecting licence had been granted and the permit holder or the licensee as the case may be had undertaken reconnaissance operations or prospecting operations. The reason for protecting this class of applicants, it appears, is that such applicants, with hope to get the license, had altered their position by spending lot of money on reconnaissance operations or prospecting operations. This category, therefore, respects the principle of legitimate expectation.

It would, thus, be seen that in all the three cases, some kind of right in law, came to be vested in these categories of cases which led the Parliament to make such a provision saving those rights and understandably so."

UNQUOTE:



Registered Office

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(2)

(b) Daily Order of the last hearing held on February 22, 2021:

We attach the Daily Order with regard to the last hearing that took place on February 22, 2021 that has been uploaded on the website of the Hon'ble High Court of Karnataka.

It can be inferred from the Daily Order that at the outset, the Central Government was asked to disclose the statutory provision under which the power was exercised to keep its prior approval for Ganajur ML under abeyance. The Court had noted their response that though there is no such specific statutory provision, they would be able to justify it by filing a statement of objections.

Further, the Court had observed that the stand of the State Government is also contradictory. Initially they had stated that there was no prior approval and now they are stating that the prior approval which was granted is not in accordance with law. The Central Government needs to take a clear stand as to whether the State Government is entitled to challenge the prior approval by contending that it is not in accordance with law when the Union of India has stated that prior approval is in existence.

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

Yours truly

Subramaniam S
Company Secretary
ACS No 12110



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Daily Order

Judge Name	Case No/Year	Date of Order	Daily Order
CHIEF JUSTICE AND SACHIN SHANKAR MAGADUM	WP 14209/2020	22/02/2021	When we made a query to the learned counsel appearing for the first respondent to disclose the statutory provision under which the power was exercised to keep the prior approval in abeyance, he states that though there is no such specific statutory provision, he will be able to justify it by filing a statement of objections. 2. The learned Additional Government Advocate firstly submits that in fact there is no prior approval. Thereafter, he submits that the prior approval which was granted is not in accordance with law. 3. The only narrow controversy which arises in this petition is whether the Government of India has a statutory power to keep in abeyance, the prior approval issued under sub-section (1) of Section 5 of the Mines and Minerals (Development & Regulation) Act, 1957. The issue will have to be addressed also in the light of the factual position that the prior approval remains in abeyance right from 22nd July 2019. 4. List the petition on 2nd March 2021 for hearing. 5. The learned Additional Government Advocate invited our attention to a letter dated 7th February 2017 (Annexure-Z). However, a perusal of paragraph 6 shows that in fact there is a prior approval granted on 24th July 2015 and therefore, the State Government has been informed to get the mining lease executed. 6. The Union of India will also have to take a clear stand before the Court on one more issue. When the Union of India has stated that the prior approval is in existence, whether the State Government is entitled to challenge the

Judge Name	Case No/Year	Date of Order	Daily Order
			prior approval by contending that it is not in accordance with law.

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