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## NOTICE OF ANNUAL GENERAL MEETING

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NOTICE is hereby given that the Thirtieth Annual General Meeting of the Shareholders of DECCAN GOLD MINES LIMITED ("THE COMPANY") will be held on Tuesday, 30 December, 2014 at Banquet Room, Ground Floor, West End Hotel, 45, New Marine Lines, Mumbai – 400 020 at 2.30 P.M. to transact the following Business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2014, Statement of Profit and Loss for the year ended on that date along with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Charles Edward English Devenish (DIN: 01252091), who retires by rotation and being eligible, has offered himself for reappointment.
3. To re-appoint M/s. V.K. Beswal & Associates, Chartered Accountants (Firm Registration No. 101083W), as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their Remuneration.

### SPECIAL BUSINESS :

4. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary 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), Mr. Krishnamurthy Ramaswamy Kuduvali (DIN: 00556641), in respect to whom the Company has received a notice in writing proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of 5 (Five) years, upto 30 December, 2019."

5. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary 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), Dr. Moni Ramakrishnan (DIN: 01193152), in respect to whom the Company has received a notice in writing proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of 5 (Five) years upto 30 December, 2019."

6. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary 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), Prof. Vinod Kumar Gaur (DIN: 00611175), in respect to whom the Company has received a notice in writing proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of 5 (Five) years upto 30 December, 2019."

7. **To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:**

**"RESOLVED THAT** in partial modification of Resolution No. 5 passed at the Annual General Meeting of the Company held on 11th December, 2013 for the appointment and terms of remuneration of Mr. Sandeep Lakhwara (DIN: 01049978), Managing Director of the Company and pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made

## DECCAN GOLD MINES LIMITED

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thereunder, as amended from time to time, read with Schedule V to the Act and as per the recommendation of the Nomination and Remuneration Committee (NRC) consent of the Company be and is hereby accorded to the revision in the terms of remuneration of Mr. Sandeep Lakhwara, Managing Director of the Company, with effect from 1st January, 2015 for the remainder of the tenure of his contract, as set out in the Explanatory Statement annexed to the Notice convening this meeting and with authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to vary the terms of appointment including remuneration of the Managing Director from time to time within such maximum amount as may be paid as per the provisions of Schedule V of the Companies Act, 2013 as amended from time to time.

**RESOLVED FURTHER that** the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**8. 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 Section 62(1) (b) and all other applicable provisions of the Companies Act, 2013 ("the Act"), and the Companies (Share Capital and Debentures) Rules, 2014 ("the Rules"), and any other applicable provisions of the Companies Act, 2013, the provisions of the Memorandum and Articles of Association of the Company, and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "the Regulations") (including any statutory modification(s) or re-enactment thereof), the Listing Agreements entered into by the Company with the Stock Exchanges where securities of the Company are listed and any other applicable laws for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committees thereof, including the Nomination and Remuneration Committee (hereinafter referred to as "the Committee") to exercise its powers, including the powers conferred by this resolution), the approval and consent of the members of the Company be and are hereby accorded to the Board, to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, whether working in India or outside India, including any Director of the Company, whether whole time or otherwise but excluding Independent Directors and Promoters of the Company, as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and Regulations prevailing from time to time (all such persons are hereinafter collectively referred to as "Employees") under a Scheme titled "Deccan Gold Mines Limited Employees Stock Option Scheme 2014", (hereinafter referred to as the "ESOP Scheme-2014"), such number of equity shares of the Company not exceeding 3,000,000 (Three Million) Equity Shares of the Company of Re.1/- each under the ESOP Scheme, in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the ESOP Scheme, the provisions of the law or regulations issued by the relevant Authority, as may be prevailing at that time.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division of the Company and others, the Board / Nomination and Remuneration Committee is authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the Employee.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot Equity Shares upon exercise of options from time to time in accordance with the said ESOP Scheme and such Equity Shares shall rank pari passu in all respects with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment of securities, the Board be and is hereby authorized to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said ESOP Scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Act, and

the rules made thereunder, the Memorandum and Articles of Association of the Company, Regulations and any other applicable laws or to suspend, withdraw or revive the ESOP Scheme from time to time as may be specified by any statutory authority, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this Resolution, the Board be authorized to determine terms and conditions of issue of the Securities and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Shareholders of the Company.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committee, with power to further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard”.

**9. 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 Section 62(1) (b) and all other applicable provisions of the Companies Act, 2013 (“the Act”), and the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”), and any other applicable provisions of the Companies Act, 2013, the provisions of the Memorandum and Articles of Association of the Company, and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “the Regulations”) (including any statutory modification(s) or re-enactment thereof), the Listing Agreements entered into by the Company with the Stock Exchanges where securities of the Company are listed and any other applicable laws for the time being in force, the consent and approval of the members be and is hereby accorded to the Board to grant 1,500,000 stock options under ESOP Scheme 2014 to Mr. Sandeep Lakhwara, Managing Director (as specified in the Explanatory Statement hereto) equal to 2.53% of the present issued capital (excluding outstanding warrants and convertibles) of the Company of 59,218,250 equity shares at the time of grant of options under Deccan Gold Mines Limited Employees Stock Option Scheme 2014 (“ESOP Scheme 2014”) during the financial year 2014-15 or in any of the subsequent financial years, and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of the law or regulations issued by the relevant Authority.”

**10. 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 Section 62(1) (b) and all other applicable provisions of the Companies Act, 2013 (“the Act”), and the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”), and any other applicable provisions of the Companies Act, 2013, the provisions of the Memorandum and Articles of Association of the Company, and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “the Regulations”) (including any statutory modification(s) or re-enactment thereof), the Listing Agreements entered into by the Company with the Stock Exchanges where securities of the Company are listed and any other applicable laws for the time being in force and subject to such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s) thereof, including the Nomination and Remuneration Committee which the Board might constitute (hereinafter referred to as “the Committee”) to exercise its powers, including the powers conferred by this Resolution, the approval and consent of the members of the Company be and are hereby accorded to the Board, to extend the benefits and coverage of the “Deccan Gold Mines Limited Employees Stock Option Scheme 2014” (“ESOP Scheme 2014”), referred to in the Resolution under Item No. 8 of this Notice, also to such persons who are in permanent employment including the Managing and/or Whole-time Director(s), whether present and future, of the Company’s holding and subsidiary companies, whether working in India or outside India, unless they are prohibited from

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participating in the Scheme under any law or regulations for the time being in force, and on such terms and conditions as may be decided by the Board.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment of securities, the Board be and is hereby authorized to evolve, decide upon and bring into effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said ESOP Scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Act, and the rules made thereunder, the Memorandum and Articles of Association of the Company, Regulations and any other applicable laws or to suspend, withdraw or revise the ESOP Scheme from time to time as may be specified by any statutory authority, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in relation to formulation and implementation of the said ESOP Scheme at any stage including at the time of listing of the equity shares issued herein without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

By order of the Board  
for DECCAN GOLD MINES LIMITED

Place : Mumbai  
Date : 19th November, 2014

**S. Subramaniam**  
Company Secretary  
ACS 12110

CIN: L51900MH1984PLC034662

**REGISTERED OFFICE:**

Parinee Crescenzo, C38-C39, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051.  
Tel .No.:022-033040797 Fax No.: 022-33040779.  
Email.: info@deccangoldmines.com  
Website.: www.deccangoldmines.com

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THAT A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of the members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital carrying voting rights may appoint a single person as Proxy and such person cannot act as proxy for any other member.
2. Proxies, if any, in order to be valid and effective, must be received at the Company's Registered Office not later than 48 (forty-eight hours) before the time fixed for commencement of the meeting.
3. Corporate members who intend to send their authorized representatives to attend and vote at the meeting should send a certified copy of their board resolution to this effect.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of special businesses to be transacted at the meeting, is hereto annexed.
5. The physical copies of notice of 30th Annual General Meeting and the annual report 2013-14 shall be open for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays, up to the date of the annual general meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 22 December, 2014 to Tuesday, 30 December, 2014 (both days inclusive) for the purpose of the annual general meeting.
7. Members are requested to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:
  - For shares held in physical form: with the Registrar and Transfer Agent of the Company.
  - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.

**Request to members:**

1. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Investor Relations Department, so as to reach the Corporate Office of the Company at least seven working days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent practicable.
2. Members / proxy are requested to bring a copy of Annual Report and attendance slip to the meeting.
3. Members who hold shares in the dematerialized form are requested to write their Client ID and DP ID and those who hold shares in the physical form are requested to write their folio number in the attendance slip.
4. Non Resident Indian members are requested to immediately inform their depository participant (in case of shares held in dematerialized form) or the Registrars and Transfer Agents of the Company (in case of shares held in physical form), as the case may be, about:
  - (i) the change in the residential status on return to India for permanent settlement;
  - (ii) the particulars of the NRE account with a bank in India, if not furnished earlier.
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the

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Company are requested to submit their request with their valid e-mail address to Link Intime India Private Limited, Registrar and Share Transfer Agents. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.

### 6. E-Voting

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The instructions for members for e-voting electronically:-

- A. In case a Member received an email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]
  - (i) Open email and open PDF file viz., "Deccan Gold Mines Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder-Login
  - (iv) Put user ID and password as initial password / PIN noted in step (i) above.
  - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Homepage of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVENT" of Deccan Gold Mines Limited.
  - (viii) Now you are ready for e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e., other than individuals, HUF, NRI etc.), are required to send scanned copy (PDF/JPG Format) of the relevant board resolution / authority letter etc., together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to [hsk@rathiandassociates.com](mailto:hsk@rathiandassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]
  - (i) Initial password is provided at the bottom of the Attendance Slip for the AGM.
  - (ii) Please follow all steps from Sl. No. A (ii) to A (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- III. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password / PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- V. The e-voting period commences on Monday, the 22 December, 2014 (9.00 am) and ends on Wednesday, 24 December, 2014 (5.00 pm). During this period, the shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date (21 November, 2014), may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 21 November, 2014.
- VII. Mr. Himanshu S. Kamdar, Practising Company Secretary, M/s. Rathi & Associates, Mumbai (Membership No. 5171, Certificate of Practice No. 3030) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Board of Directors of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The results DECLARED ALONGWITH THE Scrutinizer's Report shall be placed on the Company's website [www.deccangoldmines.com](http://www.deccangoldmines.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.
- X. Members are requested to send all communications relating to shares to the Company's Registrar & Share Transfer Agent (R & T Agent) at the following address:

LINK INTIME INDIA PRIVATE LIMITED  
C-13, Pannalal Silk Mills Compound,  
LBC Marg, Bhandup (West), Mumbai – 400078.  
Phone No. (022) 25963838 Fax No. (022) 25946969  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

7. Members / Proxies are requested to bring the attendance slips duly filled in to the Meeting.

By order of the Board  
for DECCAN GOLD MINES LIMITED

Place : Mumbai  
Date : 19th November, 2014

**S. Subramaniam**  
Company Secretary  
ACS 12110

CIN: L51900MH1984PLC034662

**REGISTERED OFFICE:**

Parinee Crescenzo, C38-C39, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051.  
Tel .No.:022-033040797 Fax No.: 022-33040779.  
Email.: [info@deccangoldmines.com](mailto:info@deccangoldmines.com)  
Website.: [www.deccangoldmines.com](http://www.deccangoldmines.com)

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### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **ITEM NOS.:- 4, 5 & 6**

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from 1st April, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

Mr. Krishnamurthy Ramaswamy Kuduvalli (DIN:00556641), Dr. Moni Ramakrishnan (DIN: 01193152) and Prof. Vinod Kumar Gaur (DIN: 0611175) were appointed as Independent Directors of the Company pursuant to Clause 49 (III)(i) of the listing agreement. Being eligible, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Krishnamurthy Ramaswamy Kuduvalli, Dr. Moni Ramakrishnan and Prof. Vinod Kumar Gaur offer themselves for appointment, and are proposed to be appointed as Independent Directors for the term as stated in their respective resolution.

The said three directors have given declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, each of these Directors fulfill the conditions specified in the Companies Act, 2013 and Rules made thereunder for their appointment as Independent Directors of the Company.

The Board of Directors believes that vast experience and knowledge of the aforesaid directors shall be beneficial for the progress of the Company. Hence, in the interest of the Company, the Board recommends the appointment of Mr. Krishnamurthy Ramaswamy Kuduvalli, Dr. Moni Ramakrishnan and Prof. Vinod Kumar Gaur as Independent Directors.

The draft letters of appointment of aforesaid Independent Directors, setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Apart from Mr. Krishnamurthy Ramaswamy Kuduvalli, Dr. Moni Ramakrishnan and Prof. Vinod Kumar Gaur, in their respective resolution, 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 above resolution.

#### **ITEM NO.:- 7**

Mr. Sandeep Lakhwara was appointed as Managing Director of your Company vide resolution no. 5 passed by the shareholders at their 29th Annual General Meeting of the Company for a period of 3 years w.e.f. 1st May, 2013 on such remuneration as mentioned therein.

Keeping in mind the future scaling up in the operations of the Company, your Board of Directors at the recommendation of the Nomination and Remuneration Committee at their meeting held on 19 November, 2014, considered and approved revision in the remuneration of Mr. Sandeep Lakhwara, Managing Director to Rs. 700,000 per month with effect from 1 January, 2015 for the remainder of his term up to 30 April, 2016 with proportionate increase in the benefits related to his salary, subject to the approval of the Members of the Company.

The aggregate of the remuneration as aforesaid shall be in compliance with the provisions of Sections 196 and 197 read with Schedule V to the Act, as amended and as in force from time to time. All other terms and conditions of appointment of Mr. Sandeep Lakhwara as Managing Director of the Company, as approved at the AGM of the Company held on 11th December, 2013, shall remain unchanged.

As per provisions of Section 196, 197 read with Part II Section II of Schedule V of the Companies Act, 2013, it would be necessary to seek the approval of members by way of a Special Resolution for revision in terms of appointment of Managing Director, hence revised terms of remuneration of Mr. Sandeep Lakhwara are placed for approval of members.



The disclosure required in terms of Part II Section II of Schedule V of the Companies Act, 2013 is given hereunder.

**I. GENERAL INFORMATION:**

Nature of Industry	Gold exploration
Date or expected date of commencement of commercial production	Expected commencement of commercial production is early 2016 subject to grant of Mining Lease in respect of the Ganajur Gold Project whose details are given below.
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

**FINANCIAL PERFORMANCE BASED ON GIVEN INDICATORS:**

Particulars	(Rs in '000s)		
	2013-14	2012-13	2011-12
Total Income	5,895	1,571	3,028
Profit/(Loss) before Taxation	(3,359)	(10,205)	(10,618)
Profit/(Loss) after Tax	(3,359)	(10,205)	(10,618)
Balance brought forward	(63,467)	(53,262)	(42,644)
Balance transferred to Balance Sheet	(66,826)	(63,467)	(53,262)
	No. of shares	No. of shares	No. of shares
Paid-up capital	58,867,250	58,771,250	58,526,250

The Company is a gold exploration company and awaits grant of Mining Lease in respect of the Ganajur Gold Project of its wholly-owned subsidiary i.e., Deccan Exploration Services Private Limited. As such, the Company has not commenced commercial production.

**Foreign investments or collaborations, if any:**

Rama Mines Mauritius Limited, Mauritius (RMML) is the promoter of the Company and as on date i.e., 19 November, 2014 holds 24,950,144 equity shares of Re.1/- each holding 42.13% stake in Deccan Gold Mines Limited.

**II INFORMATION ABOUT THE APPOINTEE:**

Sr. No.	Particulars	
1	Background details	Mr. Sandeep Lakhwara has several years experience advising junior Australian exploration and mining companies on development strategies. Educated at Curtin University in Western Australia and a member of the Australian Society of Certified Practising Accountants (CPAs), Sandeep has been a principal and partner of several Australian based accounting practices specializing in capital raisings for the mineral industry, financial planning and corporate regulatory requirements for publicly listed companies. He lived in Australia for 25 years, headed various organizations in the past, at times taking small start-ups to fully developed successful businesses, and moved to Bangalore, India during 2002 to oversee the development of the mineral exploration projects in India.

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2	Recognition or awards	Mr. Sandeep has made various presentations on factors influencing gold pricing, the operation and business model of international mineral exploration companies, and is regularly called upon to contribute articles on the gold mining industry to various newspapers and magazines.
3	Past remuneration	Rs.100,000 per month.
4	Job profile and his suitability	Mr. Sandeep Lakhwara has been functioning as the Managing Director of the Company and is primarily responsible for the acquisition, growth and operations of Deccan Gold Mines Limited since 2002.
5	Remuneration proposed	Rs 700,000 per month (in terms of the proviso to Part II Section II (A) of Schedule V to the Companies, Act, 2013)
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).	At present, Deccan Gold Mines Limited is the only gold exploration company in India that is listed on the BSE Limited (BSE). Hence, there is no comparative remuneration profile available in India.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Nil

### III OTHER INFORMATION:

Reasons of loss or inadequate profits	Revenue / profits can only be generated post commencement of commercial production of gold.
	Deccan Gold Mines Limited is a gold exploration company and is yet to commence commercial production.
	Commercial production can commence only after the grant of Mining Lease in respect of the Ganajur Gold Project of its wholly-owned subsidiary viz., Deccan Exploration Services Private Limited (DESPL) which is presently under the active consideration of the Ministry of Mines, Government of India, New Delhi (MoM).
Steps taken or proposed to be taken for improvement	The Company has been vigorously pursuing the grant of mineral concession applications lodged by it and its wholly-owned subsidiary with specific focus on the Mining Lease application over the Ganajur Gold Project of its wholly-owned subsidiary DESPL, which is under the active consideration of MoM.
Expected increase in productivity and profits in measurable terms	<p>Revenue / profits can only be generated post commencement of commercial production of gold. Commercial production can commence only after grant of Mining Lease in respect of the Ganajur Gold Project of DESPL, a wholly-owned subsidiary of the Company.</p> <p>It may be noted that DESPL commissioned an independent agency, viz., SRK Mining Services (India) Private Limited (SRK) to prepare a mineral resource estimate of the Ganajur Gold Project. SRK estimated a JORC (an internationally accepted Code for measuring mineral resources) compliant total resource of 308,000 Ozs of gold, out of which 301,000 Ozs is categorized under 'Indicated' and the rest under 'Inferred' category. Post the grant of Mining Lease in respect of the Ganajur Gold Project, the Company would be able to estimate the productivity and profits in measurable terms.</p>