

**Odyssey Corporation Limited**

**Policy on Subsidiaries**

**(Effective from October 1, 2014)**

## **POLICY ON SUBSIDIARIES**

### **1. Preamble**

The Board of Directors (the “Board”) of Odyssey Corporation Limited (the “Company”), has adopted the following policy and procedures with regard to Subsidiaries of the Company as defined below. The Board will review and may amend this policy from time to time.

This policy will be applicable to the Company. This policy is to regulate the investments of Company in Subsidiaries and oversee the functioning of subsidiaries based on the applicable laws and regulations applicable on the Company.

### **2. Purpose**

This policy is framed as per requirement of Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges and intended to ensure that Board of Directors has overall supervision of functioning of Subsidiaries of the Company and regulate the investments of the Company in Subsidiaries.

### **3. Definitions**

**“Audit Committee or Committee”** means Committee of Board of Directors of the Company constituted under provisions of Listing agreement and Companies Act, 2013.

**“Board ”** means Board of Directors of the Company.

**“Material Subsidiary”** means a Subsidiary in which the investment of the Company exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year or if the Subsidiary has generated twenty per cent of the consolidated income of the company during the previous financial year.

**“Material Non-Listed Indian Subsidiary”** means an Non-Listed Subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.

**“Material Non-Listed Subsidiary”** means a Subsidiary whose equity shares are not listed on any recognized stock exchange and in which the investment of the Company exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year or if the Subsidiary has generated twenty per cent of the consolidated income of the company during the previous financial year

**“Non-Listed Subsidiary”** means Subsidiary whose equity shares are not listed on any recognized stock exchange.

**“Policy”** means Policy on Subsidiaries.

**“Significant Transaction or Arrangement”** means any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total

liabilities, as the case may be, of the Material Non-Listed Subsidiary for the immediately preceding accounting year

**“Subsidiary(ies)”** means subsidiary of the Company as defined in the Companies Act, 2013

#### **4. Policy & Procedure**

- i. At least one independent director on the Board of the Company shall be a director on the Board of Directors of a Material Non-Listed Indian Subsidiary.
- ii. The Audit Committee of the Company shall also review the financial statements of Subsidiaries, in particular, the investments made by the Non-listed Subsidiary of the Company.
- iii. The minutes of the board meetings of the Non-listed Subsidiary Company shall be placed at the Board meeting of the Company at regular intervals.
- iv. The management of the Company shall quarterly bring to the attention of the Board of the Company, a statement of all Significant Transactions and Arrangements entered into by the Material Non-listed Subsidiary of the Company. List of Material Non-listed Subsidiaries of the Company will be placed before the Board on annual basis in the meeting held immediately after the meeting held for approving the Annual Financial Statements. Thereafter all Significant Transactions and Arrangements entered into by the Material Non-listed Subsidiary of the Company will be placed before the Board on quarterly basis.
- v. The Company shall not dispose of shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than 50% or cease the exercise of control over the Subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal..
- vi. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

Signed

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Effective Date

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