

GOL OFFSHORE LIMITED

Policy on Material Subsidiaries

TITLE :

This Policy shall be called 'GOL_Policy on material subsidiaries'.

COMMENCEMENT:

The Policy shall come in to existence with effect from 1st October 2014.

OBJECTIVE :

As per the revised clause 49(V)(D) of the Listing agreement the company shall formulate a policy for determining 'material' subsidiaries and such policy shall be disclosed on the company's website and a web link thereto shall be provided in the Annual Report. The provision becomes applicable with effect from 1st October 2014.

In compliance of the provision above, this policy on the material subsidiaries has been formulated.

DEFINITIONS :

Audit Committee means the Audit Committee of the Board of Directors of GOL OFFSHORE LIMITED

Board means the Board of Directors of GOL OFFSHORE LIMITED.

Company means GOL OFFSHORE LIMITED.

Independent Director means a director of the Company who satisfies the criteria laid down under section 149 of the Companies Act, 2013.

Material Subsidiary means a subsidiary of the Company 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.

Policy means this policy on the material subsidiaries.

Significant transaction or arrangement shall mean 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 subsidiary for the immediately preceding accounting year.

Subsidiary or Subsidiary Company shall have the same meaning as is defined in section 2 (87) of the Companies Act, 2013.

CERTAIN MANDATORY RULES REGARDING MANAGEMENT / DISPOSAL OF SUBSIDIARIES:

- a) At least one independent director on the Board of Directors of the Company shall be a director on the Board of Directors of a material non-listed Indian subsidiary companies.
- b) The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- c) The minutes of the Board meetings of the unlisted subsidiary companies shall be placed at the Board meeting of the Company. The management should periodically (preferably quarterly) bring to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.
- d) A subsidiary shall be considered as material if the investment of the Company in the subsidiary 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.
- e) 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.
- f) 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.

DISCLOSURE OF THE POLICY:

This policy shall be disclosed on the company's website and a web link thereto shall be provided in the Annual Report.

AMENDMENTS :

The Board of Directors shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provisions or replace this Policy entirely with a new Policy.

INTERPRETATION :

- a) Any word used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Agreement, Accounting Standards or any other relevant legislation / law applicable to the Company.

- b) In case of any dispute or difference upon the meaning / interpretation of any word or provision in this Policy, the same shall be referred to the Audit Committee and the decision of the Audit Committee on the same shall be final. In interpreting such term / provision, the Committee may seek the help of any of the officers of the Company or an outside expert as it deems fit.
