



**REPORT OF THE AUDIT COMMITTEE OF ODYSSEY TECHNOLOGIES LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION WITH CYBERNEME PRIVATE LIMITED HELD ON MONDAY, THE 10<sup>TH</sup> DAY OF DECEMBER 2018 AT 3:30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 5<sup>TH</sup> FLOOR, DOWLATH TOWERS, 63, TAYLORS ROAD, KILPAUK, CHENNAI- 600 010.**

**Present :**

1. Mr. Kurilla Srinivas Rao, Chairman
2. Mr. G Rajasekaran, Member
3. Mr. B. Antony Raja, Member
4. Mr. Arun Kumar Ghadei, Statutory Auditor & Invitee

**1. Background**

- 1.1. A meeting of the Audit Committee of the Company was held on 10<sup>th</sup> December, 2018 to consider and note the Valuation Report and recommend the proposed Scheme of Amalgamation of Cyberneme Private Limited (Transferor Company) with the Company, under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")
- 1.2. This report of the Audit Committee is made in order to comply with the requirements of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time.
- 1.3. The following documents were placed before the Audit Committee:
  - (a) Draft Scheme, duly initialed by the Chairman of the Company for the purpose of identification; and
  - (b) Valuation Report dated 10<sup>th</sup> December, 2018 ("Valuation Report") prepared and issued by M/s. Sundararajan Associates LLP, describing the methodology adopted in arriving at the share entitlement ratio;

**2. Proposed Scheme of Amalgamation**

- 2.1 The Audit Committee noted the rationale and the benefits of the Scheme which, *inter-alia*, are as follows:
  - (a) Cyberneme Private Limited, Transferor Company is actively engaged in technology research and Intellectual Property (IP) generation especially during the last decade, working primarily in the area of designing and prototyping hardware and software for healthcare, security, sensor networks and Internet of Things (IoT). The Transferor Company has made notable breakthroughs in asymmetric key usage in IoT devices and other stand-alone devices such as mobile phones and Smart TVs.
  - (b) The amalgamation will make available to the Company the benefit of technological expertise of Cyberneme Private Limited, the Transferor Company.
  - (c) The Company will benefit from the technological capability of Cyberneme Private Limited, the Transferor Company, and the ability to offer globally relevant services leveraging mobile phones, Smart TVs and other IoT devices for a wider range of application areas.

CERTIFIED TRUE COPY  
For ODYSSEY TECHNOLOGIES LTD.

B. ANTONY RAJA  
Whole-time Director





2.2 The Salient features of the draft Scheme includes:

- (a) On the Scheme becoming effective, the Company can simplify the digital signature experience for users and enterprises alike with products using the technology of the transferor company, widening the market for its existing and immediate future products.
- (b) The equity shares of the Company will be issued to the shareholders of Cyberneme Private Limited on the Scheme becoming effective.

2.3 The Audit committee reviewed the Valuation Report and noted the recommendation made therein.

The share entitlement ratio recommended by the valuation report is as follows:

- (a) For every fully paid share (Rs 10/-) in Cyberneme Private Limited, a total of 114 shares is recommended in Odyssey Technologies Limited.
- (b) For every partly paid share (Rs 3.18) in Cyberneme Private Limited, a total of 36 shares was calculated and recommended in Odyssey Technologies Limited.

### 3. Recommendation of the Audit Committee

Taking into consideration the draft Scheme and the Valuation Report as placed, the Audit Committee recommends the draft Scheme to the Board of Directors of the Company for its consideration and approval.

By Order of the Audit Committee  
For and on Behalf of Odyssey Technologies Limited

**Kurilla Srinivas Rao**  
**Chairman**  
**Audit Committee**



Place : Chennai  
Date : 10<sup>th</sup> December, 2018

