



GLOTTIS LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Framed Under Regulation 16 (1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

POLICY ON MATERIAL SUBSIDIARY

1. INTRODUCTION AND SCOPE

The Board of Directors (the “Board”) of Glottis Limited (the “Company”) has adopted this policy for determining a '**Material**' subsidiary in accordance with Regulation 16 (1) (c) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

This policy is applicable to the Company. This policy is primarily framed under Regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as 'Regulations'. The **Board** of the Company has adopted the following policy on May 25, 2026.

The policy primarily intends to determine the criteria for determining Material Subsidiary/subsidiaries of the Company and ensure compliance with the applicable Regulations.

2. DEFINITIONS

“**Audit Committee or Committee**” means “Audit Committee” constituted by the Board of Directors of the Company under the provisions of Listing Regulations and the Companies Act, 2013, from time to time.

“**Board of Directors**” or “**Board**” means the Board of Directors of Glottis Limited, as constituted from time to time.

“**Holding company**” in relation to one or more other companies, means a company of which such companies are subsidiary companies.

“**Independent Director**” means an independent director referred to in section 149(6) of the Companies Act, 2013, and / or Regulation 16(b) of the Regulations.

“**Material subsidiary**” shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the listed entity (i.e. Glottis Limited) and its subsidiaries in the immediately preceding accounting year.

“**Net worth**” or “**net worth**” means net worth as defined in sub section (57) of section 2 of the Companies Act, 2013, which is as under:

Section 2(57) “net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

“**Subsidiary Company**” or “**Subsidiary**” means subsidiary company as defined in section 2 (87) of the Companies Act, 2013,

All words and expressions used in this Policy, unless defined herein, shall have the meanings respectively assigned to them under the Listing Regulations. In the absence of such definitions or explanations therein, the meanings shall be ascribed in accordance with the Companies Act, 2013, and the Rules, Notifications, and Circulars issued thereunder, as amended from time to time.

3. POLICY

3.1 Compliances under the Listing regulations.

- a) The Audit Committee of the listed entity (i.e. Glottis Limited) shall periodically review the financial statements, in particular, the investments made by the unlisted subsidiary.
- b) The minutes of the meetings of the Board of Directors of the unlisted subsidiary shall be placed at the meeting of the board of directors of the listed entity (i.e. Glottis Limited).
- c) The management of the unlisted subsidiary shall periodically bring to the notice of the Board of Directors of the listed entity (i.e. Glottis Limited), a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

“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 unlisted subsidiary for the immediately preceding accounting year.

3.2 Additional compliances with respect to all unlisted material subsidiary companies whether incorporated in India or not.

- a) At least one independent director on the Board of Directors of the listed entity (i.e. Glottis Limited) shall be a director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not.
- b) Every material unlisted subsidiary incorporated in India shall undertake Secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified.

3.3 Compliances of the listed entity

- a) The listed entity (i.e. Glottis Limited) shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50% (Fifty percent) 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 or Resolution Plan duly approved under Insolvency & Bankruptcy Code, 2016.
- b) Selling, disposing and leasing of assets amounting to more than 20% (twenty percent) of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders (of the listed entity i.e. Glottis Limited) by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court /Tribunal or Resolution Plan duly approved under Insolvency & Bankruptcy Code, 2016.
- c) where a listed entity (i.e. Glottis Limited) has a listed subsidiary which is itself a holding company, the above provisions shall apply to the listed subsidiary insofar as its subsidiaries are concerned.

4. DISCLOSURES

The Company is required to disclose this Policy on its website, and a web link thereto shall also be provided in the Annual Report of the Company.

5. AMENDMENTS TO THE POLICY

The Board of Directors on its own can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
