

ORIENT TECHNOLOGIES LIMITED

POLICY ON DETERMINATION OF MATERIAL SUBSIDIARIES

[As approved by the Board of Directors on May 27, 2026]



1. **BACKGROUND**

Orient Technologies Limited [“Company”] has formulated the Policy for determination of “Material Subsidiaries”(hereinafter referred to as “Policy”) in accordance with Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), which requires every listed company to formulate a policy for determining a “material” subsidiary and Regulation 46(2)(h) of the SEBI Listing Regulations which requires each listed company to publish this policy on company’s website.

2. **SCOPE**

The material subsidiaries of the Company will be covered under this policy.

3. **OBJECTIVE OF THE POLICY**

The Policy has been formulated to determine the Material Listed or Non-Listed Indian or Foreign Subsidiaries of the Company and to provide the governance framework for such subsidiaries.

4. **DEFINITIONS**

- i. **“Act”** means the Companies Act, 2013 including any statutory modification or reenactment thereof.
- ii. **“Audit Committee or Committee”** means the “Audit Committee” constituted by the Board of Directors of the Company, under the provisions of Regulation 18 of SEBI Listing Regulations and amendment thereof and Section 177 of the Companies Act, 2013.
- iii. **“Board”** means the Board of Directors of Orient Technologies Limited as constituted from time to time.;
- iv. **“Company”** means Orient Technologies Limited;
- v. **“Independent Director”** means a director of the Company, not being a Whole-Time Director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the SEBI Listing Regulations and the Companies Act, 2013 (“Act”);
- vi. **“Listing Regulations”** means the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereof;
- vii. **“Management”** means the Senior Management and Key Managerial Personnel of the Company.
- viii. **“Material Subsidiary”** means a subsidiary, whose turnover or net worth exceeds 10% (ten per cent) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year;
- ix. **“Policy”** means this Policy on determination of material subsidiaries.
- x. **“Significant Transaction or Arrangement”** means any individual transaction or arrangement that exceeds or is likely to exceed 10% (ten percent) 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.
- xi. **“Subsidiary(ies)”** means subsidiary of the Company as defined under Section 2(87) of the Companies Act, 2013; and rules made thereunder.
- xii. **“Stock Exchange”** means a recognised Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (Regulation) Act, 1956, as amended.



- xiii. **“Unlisted Subsidiary”** means subsidiary whose securities are not listed on any recognized Stock Exchange(s).

All words and expressions used in this policy, unless specifically defined hereafter, shall have the same meaning respectively assigned to them under the SEBI Listing Regulations. In the absence of any definition or explanation therein, such words and expressions shall have the meanings assigned to them under the Companies Act, 2013 and the rules, regulations, notifications, circulars and other statutory modifications or re-enactments made thereunder, as amended from time to time.

5. **POLICY AND PROCEDURE**

The Board of the Company adopted the following policy and procedures with regard to the Subsidiaries of the Company on 27th May, 2026:

A) INDEPENDENT DIRECTOR ON THE BOARD OF MATERIAL UNLISTED SUBSIDIARY INCORPORATED IN INDIA OR OVERSEAS:

- i. At least one independent director on the Board of the Company shall be a Director on the Board of an unlisted material Subsidiary, whether incorporated in India or overseas.
- ii. For the purpose of this clause A (i), **‘material subsidiary’** shall mean a subsidiary, whose turnover or net worth exceeds 20% (twenty percent) of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

B) REVIEW OF FINANCIAL STATEMENTS AND MINUTES OF THE UNLISTED SUBSIDIARY

- i. The Audit Committee of the Company shall also review the financial statements of the unlisted subsidiaries, in particular, the investments made by the unlisted Subsidiary of the Company on an annual basis.
- ii. The minutes of the Board meetings of the unlisted Subsidiary Company shall be placed at the Board meeting of the Company.

C) SIGNIFICANT TRANSACTIONS/ARRANGEMENTS OF UNLISTED SUBSIDIARY COMPANIES

The management of the unlisted subsidiary shall periodically 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 Company.

D) RESTRICTION ON DISPOSAL OF SHARES OF MATERIAL SUBSIDIARY BY THE COMPANY

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 or equal to 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 under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code, 2016 (“Insolvency code”) and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

E) RESTRICTION ON DISPOSAL OF ASSETS OF MATERIAL SUBSIDIARY BY THE COMPANY

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 by way of special resolution unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly



approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

F) SECRETARIAL AUDIT OF MATERIAL UNLISTED SUBSIDIARIES

Material Subsidiary, which is unlisted and 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 by SEBI/Stock Exchanges.

G) DISCLOSURE OF MATERIAL EVENTS OR INFORMATIONS

The Company shall disclose all events or information as covered under Regulation 30 of SEBI Listing Regulations with respect to subsidiaries, which are material for it.

H) REPORTING AND DISCLOSURE

This Policy shall be placed on Company's website and shall also be disclosed in accordance with the applicable provisions of the Act and SEBI Listing Regulations. The Company will provide weblink of this policy in the Annual Report of the Company.

I) REVIEW AND AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the Statutory Provisions and remains effective. Modification / Amendment, if any to this policy shall be made with the approval of the Board of Directors of the Company.

J) COMPLIANCE RESPONSIBILITY

Compliance of this Policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

H) COMPLIANCE BY STEP DOWN SUBSIDIARIES

Where a listed entity has a listed subsidiary, which is itself a holding company, the provisions of this regulation shall apply to the listed subsidiary in so far as its subsidiaries are concerned.

6. INTERPRETATION

In case of any conflict between the provisions of this Policy and of Statutory Provisions, the Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall be carried out with the approval of the Board of Directors of the Company.

In case of any clarification required with respect to this Policy, kindly contact the Company Secretary of the Company.

7. REVIEW AND AMENDMENTS

The Board reserves the power to review and amend this policy from time to time. All provisions of this policy would be subject to revision or amendment in accordance with the applicable law as may be issued by relevant statutory, governmental or regulatory 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.

