**JASCH GAUGING TECHNOLOGIES LTD**

**43/2 BAHALGARH ROAD, SONIPAT, HARYANA 131021**

**POLICY ON MATERIALITY OF SUBSIDIARY**

1. **PREAMBLE**

It is a requirement of Regulation 16(1)(c) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 that the Company shall formulate a policy for determining “material” subsidiary and disclose it on the website of the Company.

1. **OUR SUBSIDIARIES**

The Company does not have any subsidiary.

1. **TEST OF MATERIALITY OF A SUBSIDIARY**

A subsidiary is considered as material whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of JGTL and its subsidiaries in the immediately preceding accounting year.

1. **POLICY ON A MATERIAL SUBSIDIARY**

JGTL shall not dispose of shares in such material subsidiary which will result in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50 per cent 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 or 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 exchange within one day of the resolution plan being approved.