

JASCH INDUSTRIES LTD
REGD OFFICE 43/5 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.

2. OUR SUBSIDIARIES

Indev Gauging Systems Inc (INDEV) is a wholly owned subsidiary of Jasch North America Co. (JNAC), the latter itself being a wholly owned subsidiary of Jasch Industries Ltd (JIL). Both INDEV and JNAC have been incorporated under the laws of the United States. Jasch Automation Ltd (JAL) is a wholly owned subsidiary of JIL incorporated under the Indian Companies Act 2013.

Note : Consequent upon disinvestment of shares of JNAC by JIL, both JNAC and INDEV ceased to be subsidiaries of the Company during the financial year 2019-20. During the same financial year, JAL also applied for voluntarily striking off its name from the Register of Companies.

3. 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 JIL and its subsidiaries in the immediately preceding accounting year.

4. POLICY ON A MATERIAL SUBSIDIARY

JIL 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.