**RIGA SUGAR CO. LIMITED**

A Subsidiary of Nirani Sugars Limited · CIN: L15421WB1980PLC032970

Registered Office: 14 Netaji Subhas Road, 2nd Floor, P.S. Hare Street, Kolkata – 700 001, West Bengal · www.rigasugar.com

# Dividend Distribution Policy

*Framed having regard to Regulation 43A of SEBI (LODR) Regulations, 2015 and Sections 123 to 127 of the Companies Act, 2013 (adopted voluntarily)*

| Version | Approved by | Effective date |
|---|---|---|
| 1.0 | The Board of Directors at its meeting held on 13 August 2026 | 13 August 2026 |

## 1. Introduction and Applicability

This Dividend Distribution Policy (the “Policy”) is framed by Riga Sugar Co. Limited (the “Company”) having regard to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and the applicable provisions of the Companies Act, 2013 (the “Act”) and the rules made thereunder, including the Companies (Declaration and Payment of Dividend) Rules, 2014.

Regulation 43A applies mandatorily to the top 1,000 listed entities based on market capitalisation calculated as on 31 March of every financial year. As the Company does not presently fall within that class, this Policy is adopted on a voluntary basis in the interest of transparency and good corporate governance, and shall in any event apply, and be complied with in full, if and when the Company falls within the class of entities to which Regulation 43A applies.

## 2. Objective

The Policy sets out the parameters and the factors that the Board of Directors (the “Board”) will consider while recommending or declaring dividend, and seeks to strike a balance between rewarding the shareholders of the Company through dividend and the need to retain capital in the business to support its growth, operations and financial stability.

## 3. Parameters for Declaration of Dividend

### 3.1 Circumstances under which the shareholders may or may not expect dividend

The declaration and payment of dividend is subject to the availability of distributable profits computed in accordance with Section 123 of the Act, the cash flow position of the Company, and the financial and external factors set out below. The shareholders may not expect dividend, or may expect a lower dividend, in the following circumstances:

(a) inadequacy of profits, absence of distributable surplus, or losses (including accumulated losses) in any financial year;

(b) significant capital expenditure, modernisation, expansion or investment plans, whether committed or proposed;

(c) restrictions or covenants under any loan or financing arrangement, restructuring package, resolution plan, or arrangement with lenders or creditors;

(d) restrictions imposed by any statute, regulation, order or direction of any regulatory or judicial authority;

(e) any material adverse change in the business, operations or financial position of the Company, including on account of factors affecting the sugar industry; and

(f) where the Board is of the view that the retention of profits is in the longer-term interest of the Company and its shareholders.

### 3.2 Financial parameters and internal factors

The Board shall, inter alia, consider the operating profit and net profit for the year; the cash flow and liquidity position; working capital requirements; capital expenditure and capital commitments; retained earnings and accumulated losses; debt-servicing obligations, leverage and loan covenants; contingent liabilities; the cost and availability of alternative sources of finance; provisions and reserves required to be created; past dividend trends; and any proposal for buy-back of securities.

### 3.3 External factors

The Board shall, inter alia, consider prevailing macro-economic conditions; conditions in and the cyclicality of the sugar industry, including cane availability, cane pricing and sugar realisation; statutory and regulatory provisions, restrictions and directions, including those relating to the sugar sector; the taxation regime applicable to dividend; and Government policy affecting the business of the Company.

### 3.4 Utilisation of retained earnings

Retained earnings may be applied towards funding of capital expenditure, organic and inorganic growth, repayment or prepayment of debt, augmentation of working capital, meeting contingencies, issue of bonus shares, buy-back of securities, general corporate purposes, and such other purposes as the Board may consider to be in the interest of the Company, in each case in accordance with applicable law.

### 3.5 Parameters with regard to various classes of shares

As on the date of adoption of this Policy, the Company has only one class of shares, namely equity shares, and accordingly the dividend, if any declared, shall be distributed on that class of shares. In the event that the Company issues shares of any other class, including preference shares, the dividend payable on each such class shall be in accordance with the terms of issue of such shares and applicable law, and the holders of equity shares shall be entitled to dividend only after the dividend payable on such other class has been paid.

## 4. Procedure for Declaration and Payment

4.1 Final dividend, if any, shall be recommended by the Board and declared by the shareholders at the annual general meeting; the amount of dividend declared shall not exceed the amount recommended by the Board.

4.2 Interim dividend, if any, may be declared by the Board during any financial year, or at any time during the period from closure of the financial year till the holding of the annual general meeting, out of the surplus in the profit and loss account or out of the profits of the financial year for which such dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration, in accordance with Section 123(3) of the Act.

4.3 Dividend, once declared, shall be deposited in a separate bank account within five days of declaration and shall be paid within thirty days of declaration, in accordance with Sections 123 and 127 of the Act.

4.4 Any dividend that remains unpaid or unclaimed shall be transferred to the Unpaid Dividend Account within seven days of the expiry of the said thirty-day period, and the amount remaining unpaid or unclaimed for seven years from the date of such transfer, together with the corresponding shares, shall be transferred to the Investor Education and Protection Fund in accordance with Sections 124 and 125 of the Act and the rules made thereunder.

4.5 The Company shall make the declaration of dividend and the fixing of the record date in accordance with Regulations 29, 42 and 43 of LODR, and shall make the requisite intimations to the stock exchange(s) within the prescribed timelines.

## 5. Disclosure, Review and Amendment

This Policy shall be disclosed in the Annual Report of the Company and on the website of the Company in terms of Regulation 43A(2) and Regulation 46(2) of LODR. Where the Company proposes to declare dividend on the basis of parameters in addition to those set out in this Policy, or proposes to change any of the parameters, it shall disclose such changes along with the rationale in the Annual Report and on its website. The Board may review and amend this Policy from time to time. Any subsequent amendment or modification in LODR or the Act shall automatically apply to this Policy, and to the extent of any inconsistency, the statutory provisions shall prevail.

### Document control

Approved by the Board of Directors of Riga Sugar Co. Limited at its meeting held on 13 August 2026 and effective from 13 August 2026. Version 1.0. Owner / custodian: Company Secretary & Compliance Officer. Review: Reviewed by the Board of Directors as and when required, and in any event at least once every three financial years. This document is placed on the Company's website at www.rigasugar.com. In the event of any conflict between this document and the provisions of any applicable statute, rules, regulations or guidelines, the statutory provisions shall prevail.

**For Riga Sugar Co. Limited**

Company Secretary & Compliance Officer