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

Policy for Determining Material Subsidiaries

Framed under Regulation 16(1)(c) read with Regulations 24 and 24A of SEBI (LODR) Regulations, 2015

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 Objective

This Policy for Determining Material Subsidiaries (the "Policy") is framed by Riga Sugar Co. Limited (the "Company") pursuant to Regulation 16(1)(c) read with Regulations 24 and 24A 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"). Its objective is to define what constitutes a "material subsidiary", to lay down the governance framework applicable to subsidiaries and material subsidiaries, and to set out the related disclosure requirements.

As on the date of adoption of this Policy, the Company does not have any subsidiary, associate or joint venture company. This Policy shall apply to every subsidiary of the Company as and when incorporated or acquired, whether in India or outside India.

2. Definitions

2.1 **"Material subsidiary"** means a subsidiary whose turnover or net worth exceeds ten per cent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year, in terms of Regulation 16(1)(c) of LODR.

2.2 For the purposes of the requirement to appoint an independent director of the Company on the board of an unlisted subsidiary under Regulation 24(1) of LODR, and notwithstanding clause 2.1 above, **"material subsidiary"** means a subsidiary whose turnover or net worth exceeds twenty per cent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year, in terms of the Explanation to Regulation 24(1) of LODR.

2.3 **"Subsidiary"** shall have the meaning assigned to it under Section 2(87) of the Act.

2.4 **"Significant transaction or arrangement"** means any individual transaction or arrangement that exceeds or is likely to exceed ten per cent 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.

2.5 Words and expressions used but not defined in this Policy shall bear the meanings assigned to them under LODR, the Act, the Securities Contracts (Regulation) Act, 1956, or the rules and regulations made thereunder, as the context may require.

3. Identification of Material Subsidiaries

The Audit Committee shall, on an annual basis, review the audited financial statements and the financial data of each subsidiary of the Company and identify the subsidiaries which qualify as material subsidiaries under clause 2.1 and clause 2.2 above. Such identification shall be carried out immediately after the annual accounts for the relevant financial year are prepared, and the results shall be placed before the Audit Committee and the Board of Directors at the meeting at which the annual audited accounts of the Company are considered. The list of material subsidiaries shall be updated whenever a subsidiary is incorporated, acquired or disposed of during the year.

4. Governance Framework for Subsidiaries

The following shall apply in relation to the subsidiaries of the Company, in terms of Regulation 24 of LODR:

(a) at least one independent director on the Board of Directors of the Company shall be a director on the board of directors of each unlisted material subsidiary, whether incorporated in India or not, the materiality for this purpose being determined on the twenty per cent test set out in clause 2.2;

(b) the Audit Committee of the Company shall review the financial statements, and in particular the investments made, by each unlisted subsidiary;

(c) the minutes of the meetings of the board of directors of each unlisted subsidiary shall be placed before the Board of Directors of the Company;

(d) the management of each 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 such subsidiary;

(e) 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 fifty 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 and Bankruptcy Code, 2016 and such an event is disclosed to the recognised stock exchange(s) within one day of the resolution plan being approved;

(f) the sale, disposal or lease of assets amounting to more than twenty per cent of the assets of the material subsidiary on an aggregate basis during a financial year shall require the prior approval of the shareholders of the Company by way of a special resolution, unless the sale, disposal or lease 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 and Bankruptcy Code, 2016 and such an event is disclosed to the recognised stock exchange(s) within one day of the resolution plan being approved; and nothing in this clause shall apply where such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company; and

(g) where the Company has a listed subsidiary which is itself a holding company, the provisions of clauses (e) and (f) above shall apply to that listed subsidiary and not to the Company.

5. Secretarial Audit and Compliance

In terms of Regulation 24A of LODR, the Company and every material unlisted subsidiary incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report given by a company secretary in practice, in the prescribed form, to the annual report of the Company. The Company shall also obtain and submit the annual secretarial compliance report within the timelines prescribed under LODR.

6. Disclosure, Review and Amendment

This Policy shall be disclosed on the website of the Company in terms of Regulation 46(2)(h) of LODR, and a web-link to this Policy shall be provided in the Annual Report of the Company. The Board of Directors may review, amend, suspend or repeal 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 provisions of LODR and the Act 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