Rama Petrochemicals Limited
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Name of document	**Policy for Determining Material Subsidiaries**
Applicability	**Rama Petrochemicals Limited**
Effective date	**May 27, 2025**

COMMENCEMENT:

This Policy shall came into effect from May 27, 2025 pursuant to clause 49 of the Listing Agreement.

PURPOSE:

The purpose of this policy is to lay down criteria for identification and dealing with Material subsidiary(s) and to formulate a governance framework for subsidiary(s) of Rama Petrochemicals Limited.

DEFINITIONS:

a. "**Company**" means Rama Petrochemicals Limited.

b. **"Board"** shall mean Board of Directors of Rama Petrochemicals Limited.

c. "**Income / Revenue**" means Total Income (including other income) as per the latest audited financial statements of the Company.

d. **"Subsidiary Company or Subsidiary"** means a subsidiary company as defined under 2(87) of the Companies Act, 2013.

e. "**Material Subsidiary**" shall mean a subsidiary, whose income or net worth exceeds 10% percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediatelypreceding accounting year.

f. "**Material Unlisted Subsidiary**" shall mean an unlisted subsidiary, whose income or net worth exceeds10% percent of the consolidated income or net worth respectively, of the listed entity and its subsidiariesin the immediately preceding accounting year.

- "**Net Worth**" means net worth as defined under Section 2(57) of the Companies Act, 2013.

GOVERNANCE OF MATERIAL SUBSIDIARIES:

I. Review of list of Material subsidiaries

The list of Material subsidiaries of the Company shall be placed before the Audit Committee for theirreview on an annual basis.

II. Disposal of shares or assets of Material subsidiary

a. The Company shall not dispose of shares in the Material Subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution at a general meeting or through postal ballot.
b. The Company shall not sell, dispose of or lease out assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during the financial year without prior approval of shareholders by way of special resolution.

Provided that the provisions of Para II (a) & (b) shall not be applicable if the divestment or sale or disposal or 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.

III. Secretarial Audit

Material Unlisted Subsidiary incorporated in India shall undertake secretarial audit and shall annexwith its annual report, a secretarial audit report, given by a company secretary in practice.

IV. Appointment of Independent Directors

Based on the recommendations of the Nomination and Remuneration Committee of the Company, theBoard shall appoint at least one independent director of the Company on the Board of the Material Unlisted Subsidiary.

For the purpose of the above provision "Material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

GOVERNANCE OF ALL SUBSIDIARIES:

V. Matters to be reviewed by the Board of Directors

a. The minutes of the Board meetings of the Unlisted Subsidiaries.
b. Statement of all significant transactions and arrangements entered into by the unlistedsubsidiaries.
c. A statement containing salient features of the financial statement of its subsidiaries and associatecompanies (on an annual basis).

VI. Matters to be reviewed by the Audit Committee

a. Financial statements of subsidiaries, in particular, the investments made by the unlistedsubsidiaries.
b. Utilization of loans and/ or advances from/investment in the subsidiary exceeding Rs. 10 croreor 10% of the asset size of the subsidiary, whichever is lower.
c. Any transaction between the Company and its subsidiary(s) shall be entered into in accordance with the policy on dealing with related party transactions of the Company.

INTERPRETATION:

Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or rules and regulations made thereunder, or any other relevant legislation / law applicable to the Company. In case of any conflict between the law andthe policy, the law shall prevail.

AMENDMENTS:

The policy is a public document and shall be uploaded on the website of the Company. The Board shall have the power to amend the policy or replace the policy entirely with a new policy. However, the MD/WTD and the Company Secretary are jointly authorized to provide clarifications or to amend the Policy to give effect to any changes / amendments notified by the Securities Exchange Board of India. Consequently, the policy shall be placed before the Board for their noting and ratification.

For RAMA PETROCHEMICALS LIMITED

HARESH D. RAMSINGHANI
MANAGING DIRECTOR
DIN 00035416