



SHYAMA COMPUTRONICS AND SERVICES LIMITED

(Formerly known as Shyama Infosys Limited)

RELATED PARTY TRANSACTIONS POLICY

Effective- May 29, 2024

[As approved by Board of Directors on May 29, 2024]

Shyama Computronics and Services Limited

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RELATED PARTY TRANSACTIONS POLICY

1. INTRODUCTION

The Board of Directors (“the Board”) of Shyama Computronics and Services Limited (formerly known as Shyama Infosys Limited) (“the Company”) has formulated a Policy dealing with Related Party Transactions and materiality of Related Party Transactions in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any amendment or modification thereof) and also to comply with the provisions of Section 188 of the Companies Act, 2013.

The Policy is made with an intent to ensure proper approval and reporting of RPTs as applicable, between the Company and related party(ies) in the best interest of the Company and its Stakeholders.

The Board has adopted this Policy at its meeting held on 29th May, 2024, which can be amended from time to time and shall come into effect from the date of listing of the Equity Shares of the Company.

2. DEFINITIONS

“**Arm’s length Transactions**” means a transaction between two Related Parties that is conducted as if they are unrelated so that there is no conflict of interest.

“**Audit Committee**” means Committee of Board of Directors of the Company constituted under provisions of the Listing Regulations and Companies Act, 2013.

“**Board**” means Board of Directors of the Company.

“**Company**” means Shyama Computronics and Services Limited (formerly known as Shyama Infosys Limited).

“**Compliance Officer**” means the Company Secretary of the Company or such Compliance Officer identified by the Board for the purpose of SEBI LODR;

“**Key Managerial Personnel**” or “**KMP**” means Key Managerial Personnel as defined under the Companies Act, 2013.

“**Material Related Party Transactions under SEBI LODR and the Companies Act, 2013**” means:

- a. any transaction to be entered into with a Related Party (other than a Wholly Owned Subsidiary), value whereof individually or taken together with previous Related Party Transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company or Rs.1000 crores, whichever is lower, as per the last audited financial statements of the Company or such other threshold as may be laid down from time to time by applicable law;
- b. a transaction involving payments made to a Related Party with respect to brand usage or royalty if the transaction(s) to be entered into individually or taken together with previous transactions

during a financial year, exceeding five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company;

- c. transactions as defined under Section 188(1) of the Act, 2013 by the Company with Related Parties as defined under Section 2(76) of the Act, 2013 where the aggregate value of the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the limits as prescribed under the Act, 2013 from time to time.

“Material Modification” will mean and include any modification to an existing related party transaction having variance of 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be or such modification which would make the transaction less favourable to the Company.

“Relative” means relative as defined under the Companies Act, 2013, and Rules prescribed thereunder as amended from time to time.

“Related Party” means a related party as defined under Section 2 of the Companies Act, 2013 and under Regulation 2(1)(zb) of the Listing Regulations and/or under the applicable Accounting Standards, as amended from time to time.

“Related Party Transaction” (“RPT”) shall mean such transactions as specified under Section 188 of the Companies Act, 2013 or Rules made thereunder and under Regulation 2(1)(zc) of the Listing Regulations, including any amendment or modification thereof.

Regulation 2(1)(zc) states that “related party transaction” means a transaction involving a transfer of resources, services or obligations between:

- a. A listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or,
- b. A listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023, regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Provided that the following shall not be a related party transaction:

- a. The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. Payment of dividend;
 - ii. Subdivision or consolidation of securities;
 - iii. Issuance of securities by way of a rights issue or a bonus issue; and

- iv. Buy-back of securities.
- c. Acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board.

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s).

Further, unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013/ Listing Regulations as may be amended from time to time and shall have the meaning respectively assigned to them therein.

Under Section 188 of the Companies Act, 2013, contracts or arrangements with related party with respect to:

- a. Sale, purchase or supply of any goods or materials;
- b. Selling or otherwise disposing of, or buying, property of any kind;
- c. Leasing of property of any kind;
- d. Availing or rendering of any services;
- e. Appointment of any agent for purchase or sale of goods, materials, services or property;
- f. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- g. Underwriting the subscription of any securities or derivatives thereof, of the company.

3. IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Each director and Key Managerial Personnel is required to give notice of disclosure of interest under section 184 of the Companies Act 2013, along with their list of relatives to the Company. The Company shall collate the data and shall at all times maintain database of Company's Related Parties and shall ensure that no transaction is entered into with any Related Party without requisite approvals.

Further each director, KMP is also responsible for providing notice to the Board or Audit Committee of any potential RPT involving him or her or his or her relative, including any additional information about the transaction that Board/Audit Committee may reasonably request.

4. FACTORS TO BE CONSIDERED WHILE GRANTING APPROVAL TO RELATED PARTY TRANSACTIONS

The Audit Committee/Board will consider the following factors, among others, to the extent relevant to the RPT while granting the approval:

- a. Whether the terms of the RPT are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- b. Whether there are any compelling business reasons for the Company to enter into the RPT and the nature of alternative transactions, if any;
- c. Whether the RPT would affect the independence of an Independent Director;
- d. Whether the transaction qualifies to be a transaction in ordinary course of business;
- e. Whether the transaction is in the interest of the Company;

- f. Whether the RPT would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the terms and size of the transaction, the purpose and timing of the transaction, the direct or indirect nature of the transaction, Key Managerial Personnel's or other Related Party's interest in the transaction.

5. PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS

a. AUDIT COMMITTEE APPROVAL

- All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee of the Company. However, only Independent Directors of Audit Committee shall approve the related party transactions
- All Related Party Transactions and their subsequent material modifications shall require prior approval of the Audit Committee whether at a meeting or by resolution by circulation or any other manner as provided by the Companies Act, 2013 along with Rules made thereunder, or by Secretarial Standards, or as per Regulation 23(2) of SEBI (LODR) Regulations, 2013. Prior approval of the Audit Committee shall also be required for the following Related Party Transactions:
 - i. a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the Company, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover, as per the last audited financial statements of the Company;
 - ii. with effect from April 1, 2023, a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the Company, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual standalone turnover, as per the last audited financial statements of the subsidiary.

In case any member of the Committee is interested in the transaction proposed for approval, the interested member shall abstain from voting and only the dis-interested members shall vote on the resolution.

6. Omnibus Approval

The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions:

- a. the audit committee shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the listed entity and such approval shall be applicable in respect of transactions which are repetitive in nature;
- b. the audit committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the listed entity;

- c. the omnibus approval shall specify:
 - i. the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into;
 - ii. the indicative base price / current contracted price and the formula for variation in the price if any; and
 - iii. such other conditions as the audit committee may deem fit.

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

- d. The audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given.
- e. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

7. APPROVAL OF BOARD OF DIRECTORS

- a. The Board shall approve such RPT as are required to be approved under section 188 of the Companies Act 2013 and/or Listing Regulations and/or transactions referred to it by the Audit Committee.

However, approval of the Board will not be required in case of transactions entered into by the company in its ordinary course of business and at arm's length.

- b. All material related party transactions and subsequent material modifications shall require approval of Board of Directors of the Company.
- c. Any member of the Board having potential interest in any RPT shall recuse himself and abstain from discussing and voting on the approval of Related Party Transaction.
- d. The Company may, if considered necessary, and if required by the Board of Directors or Audit Committee, seek external opinion in order to determine if the Related Party Transaction is in the Ordinary Course of Business and/or is at Arm's Length Price.

8. APPROVAL OF SHAREHOLDERS

- a. All Material RPTs and subsequent material modifications as defined in this Policy require prior approval of the shareholders through a resolution.
- b. All entities falling under the definition of "related parties" shall not vote to approve such resolution whether the entity is a party to the particular transaction or not.

- c. The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:
- Justification for why the proposed transaction is in the interest of the listed entity;
 - A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;
 - A summary of the information provided by the management of the listed entity to the audit committee;

9. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee, Board of Directors or Shareholders:

- a. Any transaction that involves the providing of compensation in connection with his or her duties to the Company or to any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- b. Reimbursement made of expenses incurred by a Related Party for business purpose of the Company, or Reimbursement received for expenses incurred by the Company on behalf of a Related Party.
- c. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.
- d. Any other exception which is consistent with the Applicable Laws, including any rules or regulations made thereunder, and does not require prior approval by the Audit Committee.

10. DISCLOSURES

The particulars of contracts or arrangement with Related Parties referred to in section 188(1) of the Act shall be disclosed in the report of the Board as per Section 134 of the Act. Further, the Company shall provide additional disclosures on related party transactions as required under Regulation 23 of the SEBI (LODR) Regulations, 2015.

11. REVIEW AND AMENDMENT OF THE POLICY

Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

The Board of Directors on recommendation of the Audit Committee shall review the policy at least once in every three years. However, the Board of Directors reserves its right to amend or modify the policy in whole or in part, at any time without assigning any reason whatsoever.


