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# POLICY ON RELATED PARTY TRANSACTIONS

[Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015]

*(Approved by the Board of Directors on 22nd December, 2025)*

## 1. Preamble and Objective

Hypersoft Technologies Limited ("the Company") recognises that Related Party Transactions can present a potential or actual conflict of interest and may be against the best interests of the Company and its shareholders. This Policy on Related Party Transactions ("the Policy") has been framed in accordance with Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the applicable Indian Accounting Standards, and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), to ensure proper identification, review, approval, monitoring and disclosure of all such transactions.

## 2. Definitions

### (a) Related Party

means a related party as defined under Section 2(76) of the Companies Act, 2013, or under the applicable Indian Accounting Standards (Ind AS 24), or under Regulation 2(1)(zb) of the SEBI LODR. In addition, any person or entity holding equity shares of ten per cent or more in the Company (directly or on a beneficial interest basis at any time during the immediately preceding financial year) shall be deemed to be a related party.

### (b) Related Party Transaction (RPT)

means a transaction involving a transfer of resources, services or obligations between: (i) the Company or any of its subsidiaries on one hand, and a related party of the Company or any of its subsidiaries on the other hand; or (ii) the Company 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, regardless of whether a price is charged, and whether involving a single transaction or a group of transactions in a contract.

### (c) Material Related Party Transaction

means a Related Party Transaction which, either individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower. A transaction involving payments for brand usage or royalty shall be material if the amount exceeds five per cent of the annual consolidated turnover as per the last audited financial statements.

### (d) Arm's Length Transaction

means a transaction between two related parties that is conducted as if they were unrelated, on terms and conditions that would prevail had the transaction been entered into between two independent parties acting in their own interests.

### (e) Ordinary Course of Business

means the usual transactions, customs and practices undertaken by the Company to conduct its business operations, and includes all activities which the Company can lawfully undertake under its Memorandum of Association.

## 3. Identification of Related Parties

Every Director and Key Managerial Personnel shall, at the beginning of each financial year and whenever there is any change, submit to the Company Secretary a list of their relatives and entities in which they are interested, to enable the Company to identify related parties and potential RPTs. The Company Secretary shall maintain and periodically update a master list of related parties.

## 4. Approval of Related Party Transactions

### 4.1 Audit Committee Approval

All Related Party Transactions and subsequent material modifications shall require the prior approval of the Audit Committee of the Company, whether at a meeting or by circulation. Only those members of the Audit Committee who are Independent Directors shall approve RPTs, as required under the SEBI LODR.

### 4.2 Omnibus Approval by the Audit Committee

The Audit Committee may grant omnibus approval for repetitive Related Party Transactions, subject to the following:

(a) the Audit Committee shall lay down the criteria for granting omnibus approval and shall satisfy itself as to the need for such approval and that it is in the interest of the Company;

(b) the omnibus approval shall specify the name(s) of the related party, the nature and duration of the transaction, the maximum value that may be entered into, and the indicative base price or formula for variation in price;

(c) where the need for the transaction cannot be foreseen and the above details are not available, omnibus approval may be granted for transactions not exceeding rupees one crore per transaction;

(d) the Audit Committee shall review, on a quarterly basis, the details of all RPTs entered into pursuant to omnibus approval;

(e) omnibus approval shall be valid for one financial year and shall require fresh approval after the expiry of such period.

### 4.3 Board Approval

Where any Related Party Transaction is not in the ordinary course of business or not on an arm's length basis, or otherwise requires Board approval under Section 188 of the Companies Act, 2013, it shall be placed before the Board of Directors for prior approval. Any Director who is interested in the transaction shall not participate in the discussion or vote on the matter.

### 4.4 Shareholders' Approval

All Material Related Party Transactions and subsequent material modifications shall require the prior approval of the shareholders by way of an ordinary resolution. No related party shall vote to approve such resolution, whether or not such party is a party to the particular transaction.

## 5. Transactions Not Requiring Approval

The following transactions shall not require prior approval under this Policy:

(f) transactions between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting;

(g) transactions between two wholly owned subsidiaries of the Company whose accounts are consolidated with the Company and placed before the shareholders;

(h) any other transaction exempted under the Companies Act, 2013 or the SEBI LODR from time to time.

## 6. Review and Ratification

Where the Company becomes aware of an RPT entered into without prior approval, it shall be placed before the Audit Committee for review. The Audit Committee shall evaluate the transaction and may ratify, revise or terminate the same as it deems appropriate. Where such a transaction is not ratified, the concerned related party shall account to the Company for any gain and indemnify the Company against any loss arising therefrom.

## 7. Disclosure

All RPTs shall be disclosed in the financial statements as required under Ind AS 24. Quarterly details of RPTs on a consolidated basis shall be submitted to the Stock Exchange within twenty-one days from the end of each quarter along with the financial results. This Policy shall be hosted on the website of the Company at www.hypersoftindia.com.

## 8. Amendment

The Board of Directors may review and amend this Policy from time to time. In the event of any conflict between this Policy and the Companies Act, 2013 or the SEBI LODR, the provisions of such law or regulation shall prevail.