

POLICY ON RELATED PARTY TRANSACTIONS

A. PREAMBLE

The Board of Directors (the “**Board**”) of Absolute Projects (India) Limited (the “**Company**”) has adopted the following policy and procedures with regard to the Related Party Transactions as defined below. The Audit Committee shall review and may propose amendments to this policy as may be required.

The policy will be applicable to the Company. This policy is to regulate transactions between the Company and its related parties based on the laws and regulations applicable on the Company.

B. BASIC GUIDELINES

The Code has been framed and adopted by the Company in compliance with the provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”) and such other Rules/Regulations, as may be notified by the Government/ SEBI from time to time and the Companies Act, 2013 (the “**Act**”) and the Companies (Meetings of Board and its Powers) Rules, 2014 (the “**Rules**”), as amended from time to time.

Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

C. OBJECTIVE

This policy is framed in compliance with Regulation 23 of Listing Regulations and such other Rules/Regulations, as may be notified by the Government/ SEBI from time to time and Section 188 of the Act and the Rules, as amended from time to time, and other applicable provisions, if any (*collectively referred to as the “Applicable Regulatory Provisions”*).

This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable to the Company, and all Related Party Transactions shall be entered into by the Company in accordance with this Policy or in accordance with the applicable provisions.

D. DEFINITIONS

Arm’s Length Transaction	shall mean a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
“Associate”	shall mean a Company as defined under section 2(6) of the Act and as defined by Accounting Standard (AS) 23, “Accounting for Investments in Associates in Consolidated Financial Statements” and by Accounting Standard (AS) 18, “Related party disclosures”.



"Audit Committee or Committee"	shall mean the Audit Committee of the Board constituted under Section 177 of the Act and Regulations 18 of the Listing Regulation;
"Board"	shall mean the Board of Directors of the Company.
"Control"	means control as defined in Section 2(27) of the Act and shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Key Managerial Personnel"	shall mean the officers of the Company as defined in Section 2(51) of the Act and other applicable provisions, if any, as amended from time to time.
"Material Related Party Transaction"	shall have the meaning as defined under Regulation 23(1) of the Listing Regulations. Provided that in case of any amendment to the Act or Listing Regulations, definition of Material Related Party Transactions will be deemed to be changed without any further approval of Audit Committee or Board.
"Ordinary course of business"	shall mean the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.
"Policy"	shall mean this Related Party Transaction Policy.
"Relative"	With reference to any person, means who is related to another, if: - (i) They are members of a Hindu Undivided Family; (ii) They are Husband or wife or (iii) One person is related to the another in the following manner, namely: a. Father, includes step-father. b. Mother, includes step-mother. c. Son, includes step-son. d. Son's wife. e. Daughter. f. Daughter's husband. g. Brother, includes step-brother. h. Sister, includes step-sister.




"Related Party"

As defined under the Listing Regulation – shall mean a related party as defined under section 2(76) of the Act or under the applicable accounting standards. Provided that: (a) any person or entity forming a part of the promoter or promoter group of the company; or (b) any person or any entity, holding equity shares:

- (i) of twenty per cent or more; or
- (ii) of ten per cent or more, with effect from April 1, 2023;

in the company either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year; shall be deemed to be a related party.

Under Section 2(76) of the Act, as referred above, a Related Party with reference to a company means —

- a. A Director of the Company or his/her relative.
- b. A Key Managerial Personnel (KMP) of the Company or his/her relative.
- c. A firm in which a Director, Manager, or their relative is a partner.
- d. A private company in which a Director, Manager, or their relative is a member or director.
- e. A public company in which a director or Manager is a director and, together with his/her relatives, holds more than 2% of the paid-up share capital.
- f. Any body corporate whose Board of Directors, Managing Director, or Manager is accustomed to act in accordance with the advice, directions, or instructions of a director or Manager (excluding advice given in a professional capacity).
- g. Any person on whose advice, directions, or instructions a director or Manager is accustomed to act (excluding advice given in a professional capacity).
- h. Anybody corporate which is:
 - ✓ holding, subsidiary, or associate company of the Company;
 - ✓ A subsidiary of a holding company to which the Company is also a subsidiary; or
 - ✓ An investing company or a venturer of the Company.
- i. Any other person or entity as may be prescribed under applicable laws.




"Related Party Transactions"

As defined under the Listing Regulation – shall mean a transfer of resources, services or obligations between

- i. 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. 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 of the company or any of its subsidiaries; 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 company 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) Retail purchases from company or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors:

Under Section 188 of the Act, 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.

Collectively the Related Party Transaction shall constitute the above.



"Senior Management"	shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
"Subsidiary"	means a Company as defined under section 2(87) of the Act, and as defined by Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and by Accounting Standard (AS) 18, "Related party disclosures".

E. POLICY

The Company shall not enter into contracts or arrangements with a related party without the approval of the Audit Committee.

On a quarterly basis, the Audit Committee shall review transactions with related parties for omnibus approval given on the basis of the Applicable Regulatory Provisions. Omnibus approvals shall be valid for a period not exceeding one (1) year and shall require fresh approvals after the expiry of one (1) year.

The Board of Directors in their meeting held on December 3, 2025 has approved the threshold limits as provided in **Annexure A** of this Policy for determining the materiality

Company shall not directly or indirectly give loan or give any guarantee or security in connection with loan to any person or body corporate exceeding prescribed limits. However, such restrictions would not apply to transactions with wholly owned subsidiary(ies).

F. CONTRACTS OR ARRANGEMENTS NOT IN THE ORDINARY COURSE OF BUSINESS OR AT ARM'S LENGTH BASIS



Contracts or arrangements approved which are not in the ordinary course of business or at arm's length shall be disclosed in the Board's Report along with justification for entering into such contract or arrangement.

In the event such contract or arrangement is not in the ordinary course of business or at arm's length, the company shall comply with the provisions of the Act and the Rules framed thereunder and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.

G. MATERIAL RELATED PARTY TRANSACTIONS

All material related party transactions will be placed for the approval of the shareholders of the Company and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Transactions with wholly owned subsidiary(ies), whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval, are exempt from approval of shareholders.

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

H. IDENTIFICATION OF RELATED PARTY

Each director and Key Managerial Personal ("KMP") is responsible for providing notice to the Board or Audit Committee regarding persons and entities to be considered as "Related Party" by virtue of his/her being Director/KMP in the entity or holding certain shareholding percentage. Such notice shall be provided to the Company at the time of appointment and also at the time of first board meeting in every financial year and whenever there is any change in the disclosures already made.

I. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

Each director and Key Managerial Personnel are responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

J. TERMS OF THE POLICY

1. All Related Party Transactions and subsequent material modifications must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.
2. All the Related Party Transactions proposed to be entered into shall require prior approval of the Audit Committee including the transactions to be entered in the ordinary course of business. The Audit Committee shall accordingly recommend the Related Party Transaction for the approval of Board of Directors/ Shareholders as per the terms of this policy.
3. All the Related Party Transactions prescribed under Section 188 of the Act and within the threshold limits prescribed under rule 15 sub rule (3) of the Rules, shall along with the prior approval of Audit Committee shall also require approval of the Board of Directors.
4. All the Material Related Party Transactions and Related Party Transactions, exceeding the threshold limits prescribed under rule 15 sub rule (3) of the Rules shall require prior approval of the Audit Committee, Board of Directors and Shareholders of the Company by way of Resolution prescribed under section 188 of the Act and the Listing Regulation.

K. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

All related party transactions and subsequent material modifications must be reported to the Audit Committee for its prior approval in accordance with this Policy. The Committee shall review the transaction/s and report the same for approval of the Board and shareholders, if required, in accordance with this Policy.

1. Approval of Audit Committee


- a) All Related Party Transactions shall require prior approval of the Audit Committee either at a meeting or




- b) by resolutions by circulations. Any member of the committee who has potential interest in any related party transaction will abstain from discussion and voting on the approval of the related party transaction.
- c) Audit Committee shall have all rights to call for information/documents in order to understand the scope of the proposed related party transactions.
- d) The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the company or its subsidiary subject to the following conditions:
- The Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
 - The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
 - Such omnibus approval shall specify the following:
 - Name(s) of the Related Party;
 - Nature of the transaction;
 - Period of transaction;
 - Maximum amount of transaction that can be entered into;
 - The indicative base price/current contracted price and the formula for variation in the price, if any, and;
 - Such other conditions as the Audit Committee may deem fit.
 - In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1,00,00,000 (Rupees one crore) per transaction;
 - The Audit committee shall review, at least on a quarterly basis, the details of Related party transactions entered into by the Company or its subsidiary pursuant to each of the omnibus approval given;
 - Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

2. Approval of Board of Directors

- If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for the Board to approve a Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.
- All the related party transactions prescribed under Section 188 of the Act, which are not in the ordinary course of business or not at Arm's Length Basis and all material related party transactions shall be brought before the Board and the Board shall consider and approve the related party transaction at a meeting.
- Any member of the Board who is interested or has potential interest (as mentioned under section 184(2) of the Act), in any related party transaction shall not be present at the meeting during discussions on the subject matter of the resolution relating to such related party transaction.

3. Approval of Shareholders

- a) All the Material Related Party Transactions shall require approval of the shareholders through resolution prescribed under section 188 of the Act and the Listing Regulation and the Related Parties shall abstain from voting on such resolution.
- b) All the Transactions, other than the Material Related Party Transaction, with the related parties which are not in the Ordinary Course of Business and at Arms' Length shall, subject to the limits mentioned in Rules 15(3) of the Rules, also require the approval of the shareholders through resolution prescribed under section 188 of the Act and the Listing Regulation and the Related Parties shall abstain from voting on such resolution.
- c) Transactions that, require previous approval of Shareholders of the Company, as prescribed under rule 15(3) of the Rules, includes the transactions/ contracts/ arrangements as follows:
 - (i) sale, purchase or supply of any goods or materials, directly or through appointment of agent, amounting to ten per cent. or more of the audited annual consolidated 'revenue from operations' of the Company for the last financial year, as mentioned in section 188(1)(a) and (e) of the Act;
 - (ii) selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten per cent. or more of audited consolidated net worth of the Company for the last financial year, as mentioned in section 188(1)(b) and (e) of the Act;
 - (iii) leasing of property of any kind amounting to ten per cent or more of the turnover of the company or 10% of audited annual consolidated 'revenue from operations' of the Company for the last financial year, as mentioned in section 188(1)(c) of the Act;
 - (iv) availing or rendering of any services, directly or through appointment of agent, amounting to ten per cent. or more of audited annual consolidated the 'revenue from operations' of the Company for the last financial year, as mentioned in section 188(1)(d) and (e) of the Act.
 - (v) appointment to any office or place of profit in the Company, its subsidiary company or associate company at a monthly remuneration exceeding Rs.2,50,000 as mentioned in 188(1)(f) of the Act; and
 - (vi) for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company exceeding one percent of the net worth as as mentioned in section 188(1)(g) of the Act.
- d) The limits as provided in paragraph 3(c)(i) to (iv) above, shall however apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year;
- e) However, transactions with wholly owned subsidiaries are exempt for approval of shareholders.

4. Transaction not requiring approval of Audit Committee, Board or Shareholders

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

- (i) Any transaction that involves the providing of remuneration and sitting fees paid by the company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, provided that the same is not material in terms of the provisions of sub-regulation (1) of SEBI (LODR) Regulation.



- (ii) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and where all holders of such securities receive the same benefits pro rata as the Related Party.

L. CRITERIA FOR APPROVAL OF A RELATED PARTY TRANSACTION BY THE BOARD / AUDIT COMMITTEE

- a) To review a Related Party Transaction, the Board / Audit Committee will be provided all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.
- b) The information provided shall specifically cover the following:
1. The name of the related party and the nature of its relationship with the Company.
 2. The nature, duration, and key particulars of the contract or arrangement.
 3. The material terms of the contract or arrangement, including the value thereof, if any.
 4. Details of any advance paid or received under the contract or arrangement, if applicable.
 5. The manner of determination of pricing and other commercial terms, whether forming part of the contract or otherwise.
 6. Confirmation as to whether all relevant factors pertaining to the contract have been considered; if not, details of the factors not considered along with the rationale for the same.
 7. The person(s) or authority responsible for approving the transaction.
 8. Any other information that may be relevant or material for the Committee to take an informed decision on the proposed transaction.
- c) In determining whether to approve a Related Party Transaction, the Board/ Audit Committee shall consider the following factors, amongst others, to the extent relevant to the Related Party Transaction: -
1. Whether the transaction is in the ordinary course of business of the Company.
 2. Whether the terms of the Related Party Transaction 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;
 3. Whether there are any undue compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
 4. Whether the Related Party Transaction would affect the independence of the directors/KMP;
 5. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
 6. Where the ratification of the Related Party Transaction is allowed by law and is sought from the Committee, the reason for not obtaining the prior approval of the Committee and the relevance of business urgency and whether subsequent ratification would be detrimental to the Company; and
 7. Whether the Related Party transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.




M. DISCLOSURES

- a) Every Director of a Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
- (i) With a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
- (ii) With a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

- b) All Directors/ KMPs are required to disclose the entities in which they or their relatives are or deemed to be interested, in the prescribed form.
- c) Each Director and KMP of the Company shall promptly notify the Company Secretary of the Company of any material transaction or Relationship that could reasonably be expected to give rise to any conflict of interest.
- d) The Company shall maintain Register pertaining to related party transactions in the prescribed form.
- e) The related party transaction entered into with the related party/ies shall be disclosed in the Director Report / Annul Report as per the disclosure requirement of the Act.
- f) The Policy on dealing with Related Party Transactions is disclosed in the company's website and a web link thereto shall be provided in the Annual Report.
- g) Details of all material transactions with related parties shall be disclosed, quarterly in the Compliance Report on Corporate Governance, as required under listing agreement.

N. RATIFICATION

- a) Any Related Party Transaction entered into without obtaining the prior approval of the Audit/ Board/ Shareholders(respective authority/ies) may be ratified, subject to the applicable provisions of the Act and the Listing Regulation, if post review of the said transaction(s)/ contract(s), the appropriate authority is satisfied, that the said Related Party Transaction is not detrimental to the interest of the Company, however, the appropriate authority may also ratify such transaction or contracts, with or without the modification(s).
- b) Where any contract or arrangement is entered into, without obtaining the consent of the Audit Committee, Board or approval by a Resolution in the General Meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contractor arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it..




- c) If the appropriate authority decides, not to approve a particular transaction, it may require the Related Party to reimburse the benefits which might have accrued to it and/ or indemnify the Company with regard to the subject Related Party Transaction which is not approved by the appropriate authority.
- d) However, the Related Party transaction which are entered into without the approval of the appropriate authority and subsequently not ratified by the appropriate authority, the applicable provisions of the Act and the Listing Regulation shall apply.

O. AMENDMENTS TO THE POLICY

- a) The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision /amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.
- b) In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

The approved Policy shall be uploaded under a separate section on the website of the Company at <https://www.apil-online.com/>

Effective Date: December 3, 2025

Date of the approval by the Board: December 3, 2025

Version: 01



Chairman's Signature

ANNEXURE - A

All Related Party Transactions will be subject to following approval matrix, as may be applicable

Provisions	Approval Required			Remark
	Audit Committee	Board of Directors	Shareholders (Ordinary Resolution)	
Transactions in ordinary course of business and on annual arm's length basis amounting to less than 10% of annual consolidated turnover of the Company				
Transactions in ordinary course of business and on annual arm's length basis amounting to ten per cent. or more of annual consolidated turnover of the Company				
Payments made to a Related Party with respect to brand usage or royalty up to 5% of annual consolidated turnover of the Company				
Payments made to a Related Party with respect to brand usage or royalty in excess of 5% of annual consolidated turnover of the Company				
Transactions either not in the ordinary course of business or arm's length basis				
Sale, purchase or supply of any goods or materials, directly or through appointment of agent.				* Amounting to 10% or more of annual turnover
Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent.				* Amounting to 10% or more of net worth

Provisions	Approval Required			Remark
	Audit Committee	Board of Directors	Shareholders (Ordinary Resolution)	
Leasing of property of any kind.				* Amounting to 10% or more of annual turnover
Availing or rendering of any services, directly or through appointment of agent				* Amounting to 10% or more of annual turnover
Appointment to any office or place of profit in the company, its subsidiary company or associate company				* Remuneration exceeds Rs. 250,000 per month
Underwriting the subscription of any securities of the company or derivatives thereof				* Remuneration exceeds 1% of net worth
* Note: In case of shareholders' approval for such transactions, related parties that are parties to the contract shall abstain from voting.				