

HI-KLASS TRADING & INVESTMENT LTD.

Regd. Off. :24, Veer Nariman Road, Rehman Building, 2nd Floor, Office No.15, Fort, Mumbai – 400 001.

Tel.: 2287 4084, 2287 4085 * Email : info@hiklass.co.in

CIN-L51900MH1992PLCO66262

“INVESTMENT POLICY”



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HI-KLASS TRADING AND INVESTMENT LIMITED (HKTIL)

“INVESTMENT POLICY”

1. INTRODUCTION:

HI-Klass Trading and Investment Limited (“The Company”) is a Non-Banking Financial Company “NBFC” registered with the Reserve Bank of India (RBI). In accordance with the Master Direction- Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as “the RBI Directions”) issued by the RBI, every non-banking financial company shall frame investment policy for the company and implement the same. The objective of investment policy is to safeguard the Company’s funds and at the same time maximize returns along with adhere to RBI’s prudential norms as applicable.

2. SCOPE AND PURPOSE:

In order to operate its business, the company sources funds from different banks, financial institutions including foreign financial institutions to further on lend money to low-income households. Company also collects the repayments of the loans from the low-income household customers and pays back to the financial institution on due repayments dates. In the entire process it is critical for the company to maintain enough liquidity to service the customer financial needs and meet the lender obligation on time.

As the Company business is, based on trust which derives from the timely fulfilment of the commitments with the stakeholders – clients as well as the lenders, maintaining sufficient liquidity, at all times, is critical for the Company. As the company maintains liquidity and liquidity comes at a cost, deployment of liquidity in avenues which give optimum return with no or negligible risk is one of the key objectives for the management of the company. This policy sets a guiding principle for the management to deploy/invest the intermittent liquid funds in avenues which are safe, liquid and provide optimal return on investment.

3. GOVERNANCE:

The Board of Directors “Board” of the Company, being the board of NBFC are required to formulate the Investment Policy in terms of Non-Banking Financial (Non-Deposit Accepting) Companies Prudential Norms Directions 2007. In pursuant to said directions, the Board hereby prescribes the broad guidelines for taking investment decisions by management and to bring operational efficiency in the system.

4. REGULATIONS:

1. During the course of its operations, the Company will strictly adhere to various guidelines issued by RBI or may be stipulated by the Reserve Bank of India (RBI) from time to time in respect of investments made or to be made by the NBFCs.



2. The Board of the Company shall take all investment decisions. The said resolution should specify the total amount up to which the funds may be invested in Banks/ Mutual Funds etc. and the nature of the investments which may be made by the management committee.

3. The Company shall:

a. Not invest more than 25% of its owned fund to a single party; and

In case investment made by the Company is in excess of the ceilings specified above and is in force on the date of commencement of these directions, the investment shall be brought down by the Company as per the directions in due course.

4. Pursuant to any subsequent amendments or any statutory modifications or re-enactments in the above stated guidelines / norms / clarifications or in any other applicable acts / regulations, if there is any change in any of the parameter(s) framed by the Board, then the act / regulation will have overridden effect on the parameter(s).

5. CLASSIFICATION OF INVESTMENTS:

All Investments shall be classified as Long-Term Investments and Current Investments at the time of making the investments primarily on the basis of the objective of the investments, nature of expected returns, period of holding and the liquidity as follows:

Current Investments	The investments made by the Company which are intended to be held for not more than one year from the date on which such investment is made and by its very nature readily realisable.
Long term Investments	Any other investment other than the aforesaid current investments will be construed as long-term investment.

6. VALUATION OF INVESTMENTS:

a) Quoted current investments shall, for the purposes of valuation, be grouped into the following categories, viz.,

- Debentures & Bonds;
- Units of Mutual funds;
- Government securities including treasury bills;
- Others.

Quoted current investments for each category shall be valued at cost or market value whichever is lower.

b) Unquoted investments in the units of mutual funds in the nature of current investments shall be valued at the net asset value declared by the mutual fund in respect of each particular scheme;

c) Commercial Papers shall be valued at carrying cost;



d) A long-term investment shall be valued in accordance with the Accounting Standard issued by ICAI.

7. AUTHORIZATION OF INVESTMENTS:

All investments to be authorised by any one of the followings:

- i) Any director of the Company
- ii) Chief Executive Officer (CEO)
- iii) Chief Financial Officer (CFO)
- iv) Any other person authorised by the Board or its committee

The above officers are authorised to sell, purchase, transfer, endorse, negotiate and or/otherwise deal in Securities/ Mutual Funds and sign letter of indemnity, execute bond of indemnity, guarantee, sign declaration etc. on behalf of Company.

8. APPLICABILITY:

The Policy will be applicable from the date of approval by the Board of Directors of the Company.

