

BAZEL INTERNATIONAL LTD.

“INVESTMENT POLICY”

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1. INTRODUCTION:

Bazel International Ltd (“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 here by 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. 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 realizable.
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 purpose of valuation, be grouped into the following categories, viz.
 - (i) equity shares,
 - (ii) preference shares,
 - (iii) debentures and bonds,
 - (iv) Government securities including treasury bills.
 - (v) units of mutual fund, and
 - (vi) others
- b) Quoted current investments for each category shall be valued at cost or market value whichever is lower. For this purpose, the investments in each category shall be considered scrip-wise and the cost and market value aggregated for all investments in each category. If the aggregate market value for the category is less than the aggregate cost for that category, the net depreciation shall be provided for or charged to the profit and loss account. If the aggregate market value for the category exceeds the aggregate cost for the category, the net appreciation shall be ignored. Depreciation in one category of investments shall not be set off against appreciation in another category.
- c) Unquoted equity shares in the nature of current investments shall be valued at cost or breakup value, whichever is lower. However, NBFCs may substitute fair value for the breakup value of the shares, if considered necessary. Where the balance sheet of the investee company is not available for two years, such shares shall be valued at one Rupee only.
- d) Unquoted preference shares in the nature of current investments shall be valued at cost or face value, whichever is lower.

- e) Investments in unquoted Government securities or Government guaranteed bonds shall be valued at carrying cost.
- f) 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.
- g) Commercial papers shall be valued at carrying cost.
- h) A long-term investment shall be valued in accordance with the applicable Accounting Standards.

Note: Unquoted debentures shall be treated as term loans or other type of credit facilities depending upon the tenure of such debentures for the purpose of income recognition and asset classification

7. AUTHORIZATION OF INVESTMENTS:

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

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

The above officers are authorized 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.

For BAZEL INTERNATIONAL LTD.

Pankal Dawar
(Managing Director)
DIN: 06479649