

# **The Indian Performing Right Society Limited**

## **INVESTMENT POLICY**

(Approved by the Members at the 1<sup>st</sup> / 2024-2025 EGM)

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### **Objective and Purpose of the Policy**

The objective of this Investment policy is to lay down the parameters for Investments of funds which are not required for immediate distribution.

The endeavour of IPRS will be to limit the turnaround time between the receipt of Royalty from its licensees and its end distribution. However, any lag in payment of Royalty (due to delay in receipt of logs/processing distribution) necessitates investments of funds in instruments which generates returns and ensures safety of the principal amount invested.

### **Guidelines for Investment**

IPRS will follow the following guidelines for Investments

- Safety of Capital – Hence no exposure to equity based plans
- Liquidity of Capital – Investment Horizon 1 to 3 years
- Return of Capital – To get returns commensurate with market plans
- Diversification – Investments to be spread across multiple schemes / banks in order to de-risk exposure
- Return of Capital – To get returns commensurate with market plans

### **Options for Investments**

- Bank Fixed Deposits – Minimum 70 - 75% of Total Investment (with bankers of IPRS)
- Mutual Funds (Debt Schemes – with no exposure to equity) – Maximum 25-30% of Total Investment. The schemes for such investments will be
  - Liquid Funds, Money Market Funds, Short Term Funds with duration of 3-4 years
  - Gilt Funds – Invests in Government Securities issued by RBI on behalf of Government
  - State Development Loans (Bonds) – issued by State Government

IPRS is not in the business of Investments and its primary objective is licensing and distribution of royalties. Hence, it is not necessary that 100% of the surplus funds lying in the bank accounts need to be invested. The objective of the policy is to ensure whatever investments IPRS makes is governed by the parameters set in this policy.