
PRESERVATION OF DOCUMENTS

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Draft Policy on the Preservation of Documents is being presented before the Board Meeting to be held on Thursday, November 5, 2015 for their perusal, comment and approval.

As per the provisions of above said regulations of 2015 issued on September 2nd, 2015, the following policy for the safekeeping and preservation of the Company's documents, registers, returns etc. under the different Statutes, Acts, Rules and Regulations which a Company required to maintained, is being applicable w.e.f. December 1st, 2015.

PURPOSE & OBJECTIVE

A Company since its incorporation is required to maintain several documents, registers returns, invoices, bills, agreement etc. for smooth conduct of its activities. The purpose of this policy is to create a system for the safekeeping of such documents, authorize a proper person responsible for and classify them according to the time period they are required to be kept under the statutory obligations as mandated in various statutes.

In furtherance of abovementioned objectives, this Policy seeks to serve the below mentioned purposes:

- Identify the various documents whose record is required to be kept by the company under different applicable Statues.
- Classify such documents according to the time period they are required to be kept in record such as one which need to be preserved permanently and one which are to be preserved for a period not less than eight(8) years and then accordingly make arrangement for preservation of the same.

DEFINITION

“Act” means Companies Act, 2013 and Rules and Regulations made thereunder including any statutory modification and enactment.

“Company” means Salora International Limited having its registered office at D-13/4, Okhla Industrial Area, Phase-II, New Delhi-110 020.

“Regulations” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Books of Accounts” includes records maintained in respect of—

- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;

- (ii) all sales and purchases of goods and services by the company;
- (iii) the assets and liabilities of the company; and
- (iv) the items of cost as may be prescribed under section 148 of the Act in the case of a company which belongs to any class of companies specified under that section.”

“Custodian” means and includes the person appointed/authorized by the Board of Directors of the Company, to maintain the records of documents and is responsible for their safekeeping and preservation.

“Documents” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

“Documents having Legal Hold” means a document or record which is required to be retained in connection with a pending or reasonably foreseeable lawsuit, government or internal investigation, or audit.

“Registered Office” of the Company means the office premises situated at the address D-13/4, Okhla Industrial Area, Phase-II, New Delhi-110 020, registered with Registrar of Companies as Registered Office.

“Relevant Transaction” means the transaction/arrangement entered into in connection with or pursuant to the provisions of any section, rule and regulation mentioned against it, to evaluate the time period for which a document is required to be preserved.

CLASSIFICATION OF DOCUMENTS

Documents of the company are classified into below mentioned types:

- a) Documents whose preservation shall be permanent in nature;
- b) Documents with preservation period of not less than eight years after the completion of relevant transaction;
- c) Documents with preservation period different from the above mentioned two categories.

Documents to be preserved permanently: Below mentioned documents shall be preserved permanently:

S. No.	Name of Documents	Section/Rule
1	Register of Loan, Guarantee, Security and acquisition made by the Company.	Section 186(9) of the Act, read with Rule 12 of Companies (Meetings of Board and its Powers) Rules, 2014.
2	Register of investments not held in its own name by the Company.	Section 187(3) of the Act and rule 14 of the Companies (Meetings of Board and its Power) Rules, 2014
3	Register of Contracts with related parties and contracts or arrangement in which directors are interested.	Section 189(1) of the Act read with rule 16 of the Companies (Meetings of Board and its Power) Rules, 2014

4	Register of Charges.	Section 85 of the Act read with Companies (Registration of Charges) Rules, 2014.
5	Register of Members including an index of names.	Section 88 read of the Act with rule 5 of Companies (Management and Administration) Rules, 2014
6	Foreign Register of Members.	Section 88(4) of the Act read with rule 5 of Companies (Management and Administration) Rules, 2014
7	Minutes of proceedings of General Meeting, Meeting of Board of Directors and other meetings and resolutions passed by Postal Ballots.	Rule 25 of Companies (Management and Administration) Rules, 2014
8	Register of renewed and duplicate Share Certificates.	Rule 6(3) of the Companies (Share Capital & Debentures) Rules, 2014

Documents with preservation period of not less than eight years after completion of the relevant transactions:

S. No.	Name of the Document	Section/Rule	Time period from of relevant Transaction
1	Disclosure/ notices by a director of its interest.	The Companies (Meetings of Board and its Powers) Rules, 2014.	From the end of Financial Year to which it relates.
2	Books of Accounts including vouchers relevant to any entry in such Books of Accounts.	Section 128 of the Act.	From the end of Financial Year to which it relates.
3	Register of Deposits.	Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.	From the Financial Year in which the latest entry is made in register.
4	The instrument creating Charge or Modification.	Section 85 of the Act read with Companies (Registration of Charges) Rules, 2014.	From the date of satisfaction of charge by the Company.
5	Register of Debenture-holders including an index of names.	Section 88 of the Act read with Companies (Management and Administration) Rules, 2014.	From the date of redemption of debentures or securities, as the case may be.
6	Foreign Register of debenture-holders.	Section 88 of the Act read with Companies (Management and Administration) Rules, 2014.	From the date of redemption of such debentures.

7	Annual return and copies of all certificates and documents required to be annexed thereto.	Section 92 of the Act read with Companies (Management and Administration) Rules, 2014.	From the date of filing with ROC.
8	Debenture Trust Deed	Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014	From the date of signing of such deed.

Documents with preservation period different from the above mentioned two categories: Besides above stated documents mentioned in Companies Act, 2013, following below mentioned documents shall be preserved for a time limit as mentioned:

- i. All books and documents relating to the issue of share certificates, including blank forms of share certificates shall be preserved by the Company for not less than thirty years and in case of dispute, shall be preserved permanently. *(Rule 7 of the Companies (Share Capital and Debentures) Rules, 2014).*
- ii. All certificates surrendered to a company shall immediately be defaced by stamping or printing the word “cancelled” in bold letters may be destroyed after the expiry of three years from the date on which they are surrendered, under the authority of a resolution of Board. *(Rule 7(3) of the Companies (Share Capital and Debentures) Rules, 2014)*
- iii. The Company shall maintain and preserve for at least five (5) years such books of account, and other documents as the Central Government, after consultation with the stock exchange concerned, may prescribe in the interest of the trade or in the public interest, and such books of account, and other documents shall be subject to inspection at all reasonable times by the Securities and Exchange Board of India. *(Sec. 6(2) of Security Contracts (Regulation) Act, 1956).*
- iv. Transfer Pricing documents and information shall be kept and maintained for a period of Eight (8) Years from the end of the relevant Assessment Years i.e., for a total period of 10 Previous Years. *(Rule 10 D of Income-Tax Act, 1961).*
- v. All the return, records, invoices and other documents (both electronic and hard-copy, including back-ups) under Central Excise Act, 1944 shall be preserved for a period of five (5) years. *(Counted from the first day of the financial year following the financial year to which a record, return, invoice or document pertain-as per trade notice issued by commissioner of Central Excise & Service tax dated: 30.07.2010).*
- vi. Records including computerized data as maintained by assessee as per various laws in force from time to time, records of accounting transactions, all other financial records maintained in normal course of business shall be preserved for at least a period of five (5) years. *(Rule 5 of Service Tax Rules, 1994).*

- vii. The disclosure made under SEBI (Prohibition of Insider Trading) Regulations, 2015 shall be preserved for a minimum period of five (5) years. *(Regulation 6(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015)*

PLACE OF KEEPING THE DOCUMENTS

All the documents shall be kept at the Registered Office of the Company, however relaxation provided in the Act, pertaining to a particular document with regard to keeping of such documents may be availed after following the due procedure prescribed in the related section of the Act and Rules made thereunder.

RECORDS DESTRUCTION

Official Records should be discarded promptly after the expiration of applicable Official Retention/Preservation Period. Unofficial Records should be discarded promptly after they are no longer useful or after expiry of Unofficial Retention/Preservation Period. However, no Record subject to a Legal Hold shall be discarded unless approved by Company's Legal Department/ Board.

MODES OF DESTRUCTION

Documents can only be discarded or destroyed:

- (i) by tearing off,
- (ii) by burning into fire, and
- (iii) by destructed through paper shredder.

Confidential documents and other important papers shall be destroyed in the presence of concerned custodians. No sale of records/documents to street collectors is permissible unless the same are in shredded condition.

MANDATORY PRESERVATION/ RETENTION OF RECORDS HAVING A LEGAL HOLD

No document/ record having any legal hold, be discarded or destroyed or altered in any manner if a lawsuit, government or internal investigation or audit relating to the subject of the Record is pending or reasonably foreseeable.

Reasonably foreseeable means a situation where an employee knows or apprehends that a lawsuit, government or internal investigation or tax related proceedings or audit is expected. If the employee is aware that he/she has document/ record having any legal hold or which is related to any pending or reasonably foreseeable lawsuit, government or internal investigation or tax related proceedings or audit, then such document/ record must be preserved/ retained by such employee discarded unless approved by Company's Legal Department/ respective head of department/ Board, even after expiry of applicable document/record preservation period.

MODES OF PRESERVATION

The Company shall keep the documents in the format prescribed under the Act and/or Rule to which such document relates either in the Physical Copy or in the Electronic mode.

CUSTODIAN OF PRESERVED DOCUMENTS

The Documents shall be kept by a committee of the Board, if so authorised by the Board or where the Company has a Company Secretary, the Company Secretary and in case of his un-availability, a Director specifically authorized by the Board for the safe custody of any document. In other cases, documents pertaining to any specific department, head/incharge of that department.

DUTIES OF THE CUSTODIAN

A custodian shall:

1. be responsible to maintain the records of Documents.
2. make sure that adequate procedure are being adopted to preserve documents for a required term.
3. regularly be updated about the format/policy /procedures being introduced by respective Authorities and make sure that such documents are being recorded in such updated format only.
4. make available such documents to the person authorized under the said Act for the purposes as assigned to him such as audit, inquiry, inspection etc.
5. make sure that the information prepared and disclosed under such documents in accordance with the prescribed standards in the respective states.

IMPLEMENTATION

For the compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (that comes in effect from 1st December, 2015), every Listed Company shall formulate a policy on the preservation of documents, approved by its Board of Directors.

Scope of this policy is mainly include but not to limit documents prescribed in the Companies Act, 2013 and Rules and Regulations made thereunder (including any statutory modification and enactment).

REVIEW AND AMENDMENT

This policy shall be reviewed at least once in a year to ensure it meets the requirements of legislation & the need of the organization. The Company reserves the right to amend or modify this Policy in whole or in part as circumstances so warrants, at any time without assigning any reason whatsoever.
