



# CAPITALINDIA

Rediscover Business

## POLICY FOR DOCUMENT PRESERVATION AND ARCHIVAL

Version	:	1.0
Owned By	:	CFO
Approved By	:	Board
Effective From	:	May 03, 2018

## 1. PREAMBLE:

- 1.1 This policy for document preservation, archival and destruction of Capital India Finance Limited (*formerly known as Bhilwara Tex-Fin Limited*) (“**Company**”) shall be known as “Capital India Finance Limited: Document Preservation and Archival Policy” (“**Policy**”).
- 1.2 The Policy has been framed in accordance with the provisions of the Companies Act, 2013, and Regulation 9 of Chapter III of the Regulations (*defined hereinafter*). Archival policy as referred to in Regulation 30 (8) of the Regulations forms part of this Policy. This Policy is intended to ensure compliance particularly with the Regulations and the applicable provisions of the Act. The Policy has been approved by the Board (*defined hereinafter*) of the Company and shall come into force from May 03, 2018.
- 1.3 The decision of the Board with regard to any or all matters relating to this Policy shall be final and binding on the Company and all its Employees (*defined hereinafter*).

## 2. OBJECTIVES OF THE POLICY:

The objective of the policy is to establish guidelines for management, preservation, archival and destruction of Documents (*defined hereinafter*) by the Company.

The Applicable Law (*defined hereinafter*) requires the Company to maintain and preserve certain types of Documents either permanently or for a specified period of time. Failure to maintain and preserve such Documents could subject the Company and its Employees to penalties and fines, cause the loss of rights, obstruct justice, adversely impact potential evidence in a lawsuit, place the Company in contempt of court or may seriously disadvantage the Company in litigation.

For proper functioning of the Company as well as to comply with applicable legal requirements, it is necessary to ensure that the Documents of the Company are adequately protected and maintained, and the Documents that are no longer needed or are of no significance are discarded at proper time and in a proper manner.

This policy sets out a data retention schedule for all Documents of the Company and the related procedures to be followed to ensure compliance with this Policy. The

retention periods are based on legal, tax, audit and defined business needs.

### 3. SCOPE:

This Policy shall apply to all the Documents of the Company.

### 4. DEFINITIONS:

- 4.1 “**Act**” shall mean: (i) the Companies Act, 2013, to the extent the same is in force; and (ii) the Companies Act, 1956, to the extent the same is in force, and, wherever applicable, the rules framed thereunder and any subsequent amendment, re-enactment, notification or replacement thereof for the time being in force;
- 4.2 “**Applicable Law**” shall mean the Companies Act, 2013, the Regulations and any other law, statutory rules, regulations or standards applicable to the Company, for the time being in force;
- 4.3 “**Authorized Person**” shall mean Head of the Respective Departments;
- 4.4 “**Board**” shall mean the board of director(s) of the Company;
- 4.5 “**Company**” shall have the meaning given to such term in Clause 1.1 hereto;
- 4.6 “**Document(s)**” shall refer to all documents, deeds, agreements, notices, orders, declarations, forms, minutes, registers, returns, approvals, licenses, permissions, books of accounts, petitions, suits, records, files, books, etc., and any other documents, papers, records, etc., required to be preserved under Applicable Laws, whether created, prepared, issued, sent, received or kept in pursuance of any Applicable Law for the time being in force or otherwise, maintained on physical paper or in Electronic Form, but shall not include the temporary Documents;
- 4.7 “**Electronic Form**” shall mean any contemporaneous electronic device such as computer, laptop, compact disc, floppy disc, space on electronic cloud, or any other form of storage and retrieval device, considered feasible, whether the same is in possession or control of the Company or otherwise the Company has control over or access to it;
- 4.8 “**Electronic Record(s)**” shall mean data, record or data generated, image or sound stored, received or sent in an Electronic Form or micro film or computer generated micro fiche;
- 4.9 “**Employee**” shall mean any employee of the Company, whether permanent, contractual or otherwise and for the purposes of this policy shall also include any ‘Key

Managerial Personnel' (as defined under the Companies Act, 2013);

- 4.10 "Head of Respective Departments" shall mean the head of functional unit of the Company like the human resources department, the purchase department, the marketing department, the legal and secretarial department, the administration department, the taxation department, the finance and accounts department or any other department of the Company, as the context may require.
- 4.11 "Regulations" shall mean the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
- 4.12 "Schedule" shall have the meaning given to such term in Clause 6.1 hereto; and

Capitalized terms used but not defined herein, shall have the meaning given to such terms under the Act and / or other Applicable Laws.

## 5. TEMPORARY DOCUMENTS:

- 5.1 The temporary Documents shall include all business documents that are intended to be superseded by final or permanent Documents, or which are intended to be used only for a limited period of time, including, but not limited to written memoranda and dictation to be typed in the future, reminders, to-do lists, reports, drafts, and inter-office correspondence regarding a client or business transaction.
- 5.2 Temporary Documents can be destroyed or permanently deleted, if in Electronic Form, when a project or matter closes. Upon closing of such project or matter, the respective departments shall gather and review all such temporary Documents and ensure that before destroying or deleting such temporary Documents, duplicates of all the final Documents pertaining to the project or matter have been retained.
- 5.3 Upon destruction or deletion of the temporary Documents, the respective departments shall organize the final Documents (and duplicates / multiple copies, if required, under Applicable Law) in a file marked "Final" and store them appropriately, as required under this Policy.

## 6. SCHEDULE:

- 6.1 The Document retention schedule as provided in **Annexure 1** hereto ("**Schedule**"), lays down the retention period for all the Documents of the Company. The Schedule applies to all the Documents of the Company regardless of their location, and shall include Documents in off-site locations, in computer storage and / or in Employees' laptops.
- 6.2 In the event, certain Documents are not covered in the Schedule, such Documents

should not be retained for more than 1 (One) year. Provided however, in case a longer retention period is prescribed under Applicable Laws from time to time, such period shall supersede the period prescribed in this Policy.

- 6.3 The Documents may be sent on a regular basis to a different location or a third-party service provider, hired for preservation of such Documents, to reduce the space utilized by such Documents in the office area. This exercise shall be done in consultation with the Head of Respective Departments and if required, the legal and secretarial department, and having due regard to the stamp duty implications, if any. In such cases, every Employee responsible for and / or handling such Documents shall maintain a list of all such Documents along with the respective locations at which such Documents are being maintained.
- 6.4 Any information in the Electronic Form that must be preserved or maintained pursuant to this Policy, which are confidential or sensitive shall be access-restricted. The Documents which are confidential in nature should be titled / marked as confidential before being sent to the intended users.
- 6.5 Every Employee shall adhere to and shall comply with this Policy and the guidelines specified in this regard from time to time.
- 6.6 Any revision to the Schedule to this Policy shall be subject to the approval of the Board.
- 6.7 When any Employee leaves, resigns or is transferred from the Company, he / she shall return to his / her immediate superior or destroy all the Documents in his / her possession as directed and deemed fit by such immediate superior of the concerned Employee.

## **7. DOCUMENT DISPOSAL:**

- 7.1 The documents specified in Schedule which are not required to be maintained and preserved permanently, may be destroyed after the expiry of the specified retention period in such mode and under the instructions approved by the Head of Respective Departments. Any deviation will be approved by the Chief Financial Officer.
- 7.2 Each Employee must report any Document destruction suspected to be in non-compliance with this Policy or Applicable Law, to his or her immediate superior or the Head of Respective Departments.

## **8. ARCHIVING OF DOCUMENTS WHICH ARE HOSTED ON COMPANY'S WEBSITE:**

- 8.1 All Documents generated, disclosed by the Company, on its website, for the purpose of shareholder communication or as required under the Applicable Laws, shall be the

property of the Company and shall not be destroyed or purged without the approval of the Head of Respective Departments to which such Documents pertain to.

8.2 The Documents hosted on the website including those required as per the Regulations and / or any other Applicable Laws shall be archived after a period of 5 (Five) years (or such longer periods as may be prescribed under Applicable Laws for such Documents) and shall be sent to the Company's archives in consultation with the Head of Respective Departments, which thereafter may be destroyed as per the Schedule provided herein.

8.3 The Documents to be uploaded on website shall be arranged under proper heads and sub heads in such a manner that they can easily be located/ searched by the viewers.

**9. SUSPENSION OF RECORD DISPOSAL IN THE EVENT OF LITIGATION OR CLAIMS:**

In case the Company is served with any notice for request of Documents or any Employee becomes aware of a governmental investigation or audit concerning the Company or commencement of any litigation / proceedings against the Company, such Employee shall inform the Head of Respective Departments, and any further disposal of the Documents shall be suspended until such time as the Head of Respective Departments with the due advice from the legal counsel determine otherwise.

**10. DISSEMINATION OF THE POLICY:**

The approved Policy shall be uploaded on the Company's website: [capitalindia.com](http://capitalindia.com).

**11. GENERAL:**

Notwithstanding anything contained in this Policy, the Company shall ensure compliance with any additional requirements as may be prescribed under any laws/regulations either existing or arising out of any amendment to such laws/regulations or otherwise and applicable to the Company from time to time.

**12. REVIEW OF POLICY:**

This Policy shall be subject to review, if necessary. Any change/amendments in Applicable Laws with regard to maintenance and preservation of documents and records shall be deemed to be covered in this Policy without any review. Any

change/amendments to this Policy shall be approved by the Board.

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Annexure 1

DOCUMENT RETENTION SCHEDULE / PERIODICITY OF PRESERVATION OF DOCUMENTS

Document Category	Document Type	Preservation Period	Mode of Preservation Physical/electronic	Department Responsible for Preservation and Concerned Employee
<b>Direct Tax and Finance Records</b>	<ul style="list-style-type: none"> <li>• Books of accounts, including inter-alia, financial statements, vouchers relevant to entry in books of accounts, audit records, invoices, expense records, bank records etc. in accordance with the applicable provisions of the Companies Act, 2013, Income Tax Act, 1961 and any other Applicable Laws.</li> <li>• Application / correspondence with various direct tax authorities</li> <li>• Direct tax Documents</li> <li>• Fixed assets register, bills for fixed assets</li> <li>• Returns and assessment records</li> <li>• Documents related to the Company's borrowing</li> <li>• Agreements / instruments pertaining to creation or modification or satisfaction of charge on the Company's</li> </ul>	<p>8 (Eight) financial years from the date of creation of such records. In case of contracts, 8 (Eight) financial years after the life of such Documents</p>	Physical/electronic mode	<b>FINANCE AND ACCOUNTS DEPARTMENT</b>



	<p>assets Orders passed by tax authorities , Reserve Bank of India and foreign exchange management related Documents</p> <ul style="list-style-type: none"> <li>• Other related Documents</li> </ul>			
<b>Indirect Tax</b>	<ul style="list-style-type: none"> <li>• Application / correspondence with various indirect tax authorities / assessment orders</li> <li>• Excise invoices / bills / challans</li> <li>• Sales tax / value added tax Documents</li> <li>• Goods and service tax / Service tax</li> <li>• Documents related to all other taxes and duties</li> </ul>	8 (Eight) financial years from the date of creation such records	Physical/electronic mode	<b>TAXATION DEPARTMENT</b>
<b>Company Operations</b>	<ul style="list-style-type: none"> <li>• Licenses, certificates, approvals and other such Documents issued by the Central and / or the State Government and any other statutory and/or regulatory body</li> <li>• Land title deeds / Documents / receipts</li> <li>• Policies, charters and codes of the Company</li> <li>• Case file of all disputes with statutory authorities.</li> <li>• Orders and judgments of judicial authorities</li> </ul>	Permanent	Physical/electronic mode	<b>ADMINISTRATION DEPARTMENT</b>
<b>Legal</b>	<ul style="list-style-type: none"> <li>• Notices, Applications, Petitions, Suits, Plaints, Submissions, Replies, Joinders, Re-joinders etc.</li> </ul>	Permanent	Physical/electronic mode	<b>LEGAL AND</b>



	<ul style="list-style-type: none"> <li>• Court Orders Permanently</li> <li>• Legal Memoranda and Opinions Permanently</li> </ul>			SECRETARIAL DEPARTMENT
Legal	<ul style="list-style-type: none"> <li>• Contracts / Agreements</li> </ul>	For 5 (Five) years from the end of respective contract period / completion of work	Physical/electronic mode	LEGAL AND SECRETARIAL DEPARTMENT
Secretarial records	<ul style="list-style-type: none"> <li>• Memorandum of association and articles of association of the Company</li> <li>• Certificate of incorporation of the Company</li> <li>• Minutes of the meetings of the Board and of its committees</li> <li>• Minutes of all meetings of the shareholders of the Company</li> <li>• Office copies of notices, scrutinizer's report and other documents related to the meetings of the shareholders/creditors of the Company</li> <li>• Attendance register of the meetings of the Board and its committees</li> <li>• Register of members, register of directors, and all such registers required to be maintained under Applicable Law</li> <li>• Agreements with stock</li> </ul>	Permanent	Physical/electronic mode	LEGAL AND SECRETARIAL DEPARTMENT

	<p>exchanges, depositories etc.</p> <ul style="list-style-type: none"> <li>• Applications and approvals for issuance and listing of securities</li> <li>• Policies, charters and codes of the Company</li> <li>• Documents relating to trademarks or any other intellectual property rights</li> <li>• Notice, agenda and notes to agenda of meetings of the Board and its committees and / or shareholders and copies of newspaper advertisement or publications in relation thereto</li> <li>• All notices in form MBP – 1 received from directors</li> <li>• Return of declaration in respect of beneficial interest in any shares of the Company under Companies Act, 2013</li> <li>• Statutory filings with ROC, Ministry of Corporate Affairs.</li> <li>• Other Documents required to be permanently preserved under the Companies Act, 2013 or any other Applicable Law</li> </ul>			
<b>Contracts entered into by the Company with Customers</b>	<ul style="list-style-type: none"> <li>• Executed copies of contracts / agreements entered by the Company with customers</li> </ul>	5 (Five) years after the life of such Documents	Physical mode / electronic mode	<b>OPERATIONS DEPARTMENT</b>



<b>Purchase related records</b>	<ul style="list-style-type: none"> <li>• Purchase orders, annual rate contracts, quotations and comparative quotation analysis etc.</li> <li>• Bill of entry / bill of lading, shipping bill, airway bill etc.</li> <li>• Other related Documents</li> </ul>	8 (Eight) financial years from the date of creation of the Document	Physical mode / electronic mode	<b>ADMINISTRATION DEPARTMENT</b>
<b>Human Resource</b>	<ul style="list-style-type: none"> <li>• Documents relating to individual personnel records (personnel files, attendance, leave records etc.), payroll, salary history, bonuses, insurances, employment exchange, performance reviews etc.</li> <li>• Other related Documents</li> </ul>	4 (Four) years from the date of cessation of employment	Physical mode / electronic mode	<b>HUMAN RESOURCES DEPARTMENT</b>
<b>Web Page Files</b>	<ul style="list-style-type: none"> <li>• Documents as specified in the Regulations</li> </ul>	5 (Five) years	Electronic mode	<b>INFORMATION TECHNOLOGY DEPARTMENT</b>