



Policy on Preservation of Documents



1. Purpose & Scope

The Securities and Exchange Board of India (“SEBI”) vide its Notification dated September 02, 2015 has issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Regulations”). In terms of Regulation 9 of Chapter III of the Regulations, each listed company is required to frame a policy on preservation of documents.

This “Policy on preservation of documents” (‘the Policy’) is intended to define preservation of documents and to provide guidance to the executives and staff working in the Company to make decisions that may have an impact on the operations of the Company. It not only covers the various aspects on preservation of the Documents, but also the safe disposal/destruction of the Documents.

The purpose for effective and compliant preservation of data encompasses to:

- ✓ Meet the obligations when an organisation is required by legislation or another mandate to keep data;
- ✓ To maximise the investment of resources in data production when there is an expectation that they will continue to be available into the foreseeable future due to cost of producing them;
- ✓ To avoid the embarrassment of losing data when an organisation is identified as responsible for managing them.

2. Definitions –

2.1 “Act” means the Companies Act, 2013.

2.2 “Authority” means any statutory, administrative, arbitral and/or judicial Authority.

2.3 “Board” means the board of directors of the Company or its Committee.

2.4 “Company” means “Exide industries Limited”.

2.5 “Current Document(s)” means any Document, that still has an ongoing relevance with reference to any ongoing litigation, proceedings, complaint, dispute, contract or any like matter.

2.6 “Electronic Record(s)” means the electronic record as defined under clause (t) of sub-section (1) of section 2 of the Information Technology Act, 2000.

- 2.7 “*Electronic Form*” means 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 access to it.
- 2.8 “*Maintenance*” means keeping Documents, either physically or in Electronic Form.
- 2.9 “*Preservation*” means to keep in good order and to prevent from being altered, damaged or destroyed.
- 2.10 “*Regulations*” means the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 including any statutory modifications or re-enactment thereof.

The words and phrases used in this Policy and not defined here shall derive their meaning from the Applicable Law.

3. Coverage

This Policy covers all information created, received, managed and retained by the Company through physical and electronic records including data on the Internet and Intranet sites, databases and emails.

This Policy extends to all locations of the Company including all its factories and divisions.

4. Responsibility

It is the responsibility of the respective Executive Director and the Heads of all Plant / Divisions to ensure the implementation of this Policy, in terms of managing the records and information of their respective Plant & Division, as the case may be. This responsibility may be delegated to an assigned employee who would be responsible for developing and maintaining a system of listing of the records and their respective preservation schedules along with its regular update.

5. Policy

5.1 Records Appraisal Procedure

The records appraisal process shall involve making a considered and formal judgment, often after considerable research, that certain records have enough value to warrant a considerable and continuous expenditure of funds for preserving them. In general, the Company shall consider the following factors while deciding on whether or not documents are to be preserved. However, these are guiding principles and the Company shall not be rigidly bound by them. They shall serve as an aid for the respective operational / functional departments of the Company in making decision for preservation of documents:

- Whether the records are statutory documents required by various regulatory authorities, from time to time;
- Whether the information contained in the document is generally available;
- Whether the values possessed by the records is purely informational or of some intrinsic value; and
- Assessment of the user's need for the document – whether it is of active use, semi-active (not of current use, but referred to on occasions) or is rarely / never needed for reference.

5.2 Manner of preservation of documents

5.2.1 Methodology of preservation

The Company shall primarily utilize any one / combination of the following methods in preserving the documents:

- Department or function wise;
- Subject or topic wise;
- Chronologically;
- Such other method as the divisional heads/plant head may consider appropriate, so as to fulfill the following objectives:
 - ✓ To meet the legal standards for protection, storage and retrieval; and
 - ✓ To optimize the use of space and minimize the cost of record retention.

5.2.2 Storage and security conditions

The documents should be stored in conditions that are secure and clean with low risk of damage. Documents of non-paper format shall require special storage conditions and handling process, after taking into account their specific characters. Similarly documents of continuing value and requiring longer preservation shall require a higher quality of storage.

5.2.3 Duration of preservation

The minimum retention requirement of Company's documents under different categories is provided as **Retention Schedule** as an annexure to this Policy. The 'Retention Schedule' has classified the records under following categories:

- i. Documents whose preservation shall be permanent in nature;
- ii. Documents to be retained for not less eight (8) years;
- iii. Documents which are required to be preserved for a specified period for less than eight years under various Applicable Laws in force, from time to time:
 - Documents under this category shall be preserved for a minimum period, as prescribed under the Applicable Laws;
- iv. Documents which are of temporary nature and not prescribed for any specific period under any Applicable laws:
 - Documents under this category shall be preserved for such period as the concerned employee may consider appropriate in consultation with their respective Divisional Head/Plant Head.

5.2.4 Destruction of Documents

Documents which no longer serve a useful purpose, should be destroyed. This would free filing equipment for storage of records currently needed in the conduct of business. Destruction of documents can also improve operational efficiency by reducing the quantity of records to be searched in order to locate the needed information.

Destruction as a normal administrative practice therefore can occur when the records are duplicated, unimportant or for short-term use only. This applies to both Physical and Electronic Documents.

The temporary Documents, excluding the Current Document(s) where there is no specified period under any Applicable Law, may be destroyed by the concerned employee in consonance and mutual understanding with their respective Divisional Head/Plant Head.

However, it be noted that all confidential documents, shall be destructed only after the approval of the Directors or the Company Secretary of the Company.

5.2.5 Modes of preservation

- i. The Documents may be preserved in
 - a. Physical form or
 - b. Electronic Form.
- ii. The concerned employee who is required to preserve the Documents is generally expected to observe the compliance of requirements of Applicable Law.
- iii. The preservation of Documents should be such as to ensure that there is no tampering, alteration, destruction or anything which endangers the content, authenticity, utility or accessibility of the Documents.
- iv. The preserved Documents must be accessible at all reasonable times. Access may be however be controlled, so as to ensure integrity of the Documents and prohibit unauthorized access. Special care should be taken to ensure that the records which are confidential in nature, should be marked as 'confidential' and should have selected access as may be determined by the Executive Director/Divisional Head/Plant Heads

5.2.6 Conversion of the form in which the Documents are preserved

- a. The physical Documents preserved may be converted, whenever required or felt necessary, into electronic form to ensure ease in maintenance of records and efficient utilization of space.
- b) Subject to compliance of the Applicable laws, this will be done after obtaining prior approval of the respective Executive Director or Divisional Head/Plant Head.

6. Authority to make alterations to the Policy

The Board is authorized to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall be in consonance with the provisions of the Acts and Regulations.

7. Interpretation

In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this Policy is changed to conform to the law, rule, regulation or standard.

8. Effective Date

This Policy is effective from 1st December, 2015.

Annexure – I (Retention Schedule)

(This is an indicative list only)

Sr. No.	Record Category	Record Type	Minimum Retention Requirement
1	Secretarial	<ul style="list-style-type: none"> ➤ Memorandum and Articles of Association ➤ Register & Index of Members ➤ Minutes of General Meeting, Board Meeting & Committee Meeting ➤ Blank forms and share certificates ➤ Register of charges ➤ Register of particulars of loans and guarantees given, securities provided and acquisitions of securities made. ➤ Register of investments not held in its own name by the company. ➤ Register of Directors and KMPs and their Shareholdings ➤ Register of contracts or arrangements in which directors are interested. ➤ Annual Reports ➤ Offer documents 	Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent
		<ul style="list-style-type: none"> ➤ Attendance Registers (SS-1) ➤ Agenda, copies of Board, Committee and General Meeting related papers (SS-1) ➤ Proof of sending Notice of Board & Committee meetings, Agenda, Notes on Agenda, Circular resolution along with its papers, draft minutes, signed minutes and its delivery (SS-1) ➤ Proof of sending Notice to shareholders, Notices of any failed transmissions and subsequent re-sending (SS-2) ➤ Annual Returns ➤ All notices pertaining to disclosure of interest of directors & KMPs ➤ Instrument creating a charge or modification ➤ Secretarial Audit Report 	8 years 8 years 3 years 3 years 8 years 8 years from the end of the financial year to which it relates 8 years from date of satisfaction of charge For a minimum period

Sr. No.	Record Category	Record Type	Minimum Retention Requirement
			of 8 years subject to the provisions of applicable laws
2	SEBI, Stock Exchanges, Registrar of Companies	<ul style="list-style-type: none"> ➤ Documents filed with Registrar of Companies (ROC) and SEBI ➤ All documents filed with Stock Exchanges ➤ Show cause notices received from SEBI, Stock Exchanges or ROC, replies to such show cause notices, if 	<p>For a minimum period of 8 years from the date of filing</p> <p>5 years</p> <p>Shall be preserved till the disposal of the case</p>
3	Accounting and Finance	<ul style="list-style-type: none"> ➤ Annual Audit Reports and Financial Statements ➤ Fixed Assets Register ➤ Orders received from various quasi judicial authorities from time to time 	<p>Permanent</p> <p>Permanent</p> <p>Permanent</p>
		<ul style="list-style-type: none"> ➤ Accounts Payable ledgers and schedules ➤ Accounts Receivable ledgers and schedules ➤ Annual Audit Records, including work papers and other documents that related to the audit ➤ General Ledger ➤ Interim Financial Statements ➤ Notes Receivable ledgers and schedules ➤ Cost Records ➤ Treasury documents – Credit approvals from Bank 	<p>10 years</p> <p>10 years</p> <p>10 years after due completion of audit</p> <p>10 years</p> <p>10 years</p> <p>10 years</p> <p>10 years</p> <p>10 years</p>
		<ul style="list-style-type: none"> ➤ Payroll TDS, PF, ESI return and challan applicable on payroll ➤ Bank Account passbook or statement, Bank Reconciliation statement and LC documents ➤ Bill of Entry ➤ Bank statement and cancelled cheques ➤ Employee expense report 	<p>6 years</p> <p>6 years</p> <p>6 years</p> <p>6 years</p> <p>6 years</p>
		<ul style="list-style-type: none"> ➤ Tax and Vat Audit ➤ Security deposit receipt copies ➤ Bank Guarantee 	<p>Till assessment is done</p> <p>Till contract is on</p> <p>Till expiry of claim period</p>

Sr. No.	Record Category	Record Type	Minimum Retention Requirement
		➤ Tax Litigation documents	Till disposal of appeals
4	Taxation	➤ Tax-Exemption Documents and related correspondence	Till closure of appeals
		➤ Excise Tax records	Till closure of appeals
		➤ Tax Returns – Income	Till closure of appeals
		➤ Sales Tax Records	Till closure of appeals
		➤ Service Tax Records	Till closure of appeals
		➤ Tax Bills, Receipts, Statements	8 years
		➤ Tax workpaper packages – Originals	8 years
		➤ Payroll Tax records	6 years
5	Insurance	➤ Group Insurance Plans – Retirees	Permanent
		➤ Insurance Policies for the Company	Permanent
		➤ Annual Loss Summaries	10 years
		➤ Audits and Adjustments	10 years
		➤ Group Insurance Plans – Active Employees	10 years
		➤ Journal Entry Support Data	10 years
		➤ Releases and Settlements	10 years
		➤ Claim Files (Including correspondence, medical records, injury documentation, etc.	10 years
6	Property Records	➤ Statutory Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
		➤ Original Purchase/Sale Deeds	Permanent
		➤ All Documents related to property (including intellectual property) owned by it.	Permanent
		➤ Original Lease Agreements	3 years after expiration of the Lease
7	Contracts	➤ Contracts and related correspondence including any proposal that resulted in the contract and all other supportive document	8 years from termination of Contract /Agreements /Completion of purchase
		➤ Petitions, Applications, Appeals, Memorandum of Appeals and orders	5 years from the final order/decrece
8	Personnel & Human	➤ Personnel Files of individual employees	Permanent
		➤ Employee Handbook & Induction Manual	Permanent

Sr. No.	Record Category	Record Type	Minimum Retention Requirement
	Resources	➤ Commission / Bonuses / Incentives / Awards	8 years
		➤ Employee Earnings Records	3 years after termination of service of employment
		➤ Employee Medical Records	3 years after termination of service of employment
		➤ Application forms, job or promotion records, performance evaluation, termination papers, test results, training and qualification records and enquiry related papers	3 years after termination of service of employment
		➤ Job description	2 years
		➤ Employment contracts – Individual	1 year
		➤ Correspondence with employment agencies and advertisements for job openings	1 year