

**VMS INDUSTRIES LIMITED**

**PRESERVATION OF DOCUMENTS POLICY**

[Pursuant to Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**Approved by**

Board of Directors

**VMS INDUSTRIES LIMITED**

**CIN:** L74140GJ1991PLC016714

**Registered Office:**

808/C PINNACLE BUSINESS PARK,  
CORPORATE ROAD, PRAHLADNAGAR,  
Ahmedabad, Gujarat-380015, India

## **PRESERVATION OF DOCUMENTS POLICY**

### **1. PREAMBLE**

- 1.1 This Policy (hereinafter referred to as “the **Policy**”) shall be called “**Preservation of Documents Policy**” of VMS INDUSTRIES LIMITED (hereinafter referred to as the “**Company**”).
- 1.2 This Policy has been framed in compliance with the provisions of Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**SEBI LODR Regulations**”) which requires every listed company to have a policy on preservation of documents, approved by its Board of Directors, classifying them into at least two categories:
  - i. Documents whose preservation shall be permanent in nature; and
  - ii. Documents to be preserved for not less than eight years after completion of the relevant transaction.
- 1.3 Accordingly, the Board of Directors of the Company, at its meeting held on 28<sup>TH</sup> November, 20015 approved this Policy.

### **2. OBJECTIVES OF THE POLICY**

- 2.1 The objective of the Policy is to ensure that all important documents, generated or received by the Company, are adequately maintained and preserved in compliance with the applicable statutory provisions and to facilitate destruction of documents that are no longer required, at an appropriate time in specified manner.
- 2.2 The Policy establishes the guidelines for management, retention, preservation and destruction of documents, both in physical form and Electronic Form by the Company.

### **3. SCOPE OF THE POLICY**

- 3.1 This Policy shall apply to all Documents (as mentioned in Clause 4 below) which include records maintained in the form of books or stored in a computer or tapes or discs or in any other Electronic Form or transcribed information of any type whether expressed in ordinary or machine language.
- 3.2 The preservation of documents, as mandated under the Policy, shall apply to all Documents regardless of its location, including all Company locations, off-site locations, computer storage or employees’ laptops etc. which are required to be maintained as per the statutory requirements of the Companies Act, 2013 and SEBI LODR Regulations.

### **4. DOCUMENTS**

- 4.1 “**Documents**” refers to all corporate records which include papers, files, registers, writings, memos, manuscript, letters/correspondences/communications, work orders, letters of acceptance, memorandum of understandings, agreements, detailed project reports, sale deed, conveyance deed, licences, opinions, press releases, circulars, judgments, orders, approvals, registration certificates, plans, etc. generated or received or maintained by the Company in the course of its business either in physical form or in Electronic Form produced by a computer or by any other device but not limited to emails and attachments, scanned papers, word documents, presentations,

spreadsheets, databases, pictures, graphics.

- 4.2 **“Electronic Form”** means maintenance of documents in 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.

## **5. PRESERVATION SCHEDULE OF DOCUMENTS**

5.1 The Documents shall be preserved under following categories:

- (a) Documents whose preservation shall be permanent in nature.
- (b) Documents with preservation period of not less than eight years after completion of the relevant transaction.
- (c) Documents with preservation period specified by statutory authorities under applicable laws.
- (d) Documents with preservation period specified under any other policy of the Company or duly approved by the management / functional/ strategic business unit head / entity head as per the business needs of the Company or delegation of authorities etc., subject to (a) to (c).

## **6. DOCUMENTS WHOSE PRESERVATION SHALL BE PERMANENT IN NATURE (CATEGORY A)**

- 6.1 All Documents as may be required under the applicable statute, laws, rules and regulations, namely, including but not limited to the following:
- i. Certificate of incorporation;
  - ii. Memorandum and Articles of association of the Company;
  - iii. Agreements made by the Company with Stock Exchanges and Depositories, etc;
  - iv. Permanent account number;
  - v. Tax deduction account number;
  - vi. Goods and service tax/export/import/ other registration certificates;
  - vii. licences, court orders, awards, patents, trademarks, copy rights;

shall be preserved permanently.

- 6.2 Statutory records and registers that are required to be maintained permanently under the provisions of the Companies Act 2013 including Annual Financial Statements with Statutory Auditors Report, Annual Report.
- 6.3 Minutes of the Board Meeting, Board Committee Meetings, General Meetings of Members etc. shall be retained in perpetuity in the Company’s minute book.
- 6.4 Agenda items and approval note for the agenda items along with relevant annexure thereto pertaining to the meeting of the Board / Committee of the Board shall be preserved permanently.
- 6.5 Documents relating to any property of the Company, property tax, Delegation of powers, all Policies / Policy Guidelines of the Company framed under various regulations shall be retained perpetually.
- 6.6 The records of disposal / destruction along with the approval obtained under clause 13 of this policy shall be preserved permanently.

**7. DOCUMENTS TO BE PRESERVED FOR NOT LESS THAN EIGHT YEARS AFTER COMPLETION OF THE RELEVANT TRANSACTION (CATEGORY B)**

7.1 The following documents shall be maintained and preserved for a term not less than eight years after completion of the relevant transactions. All modifications, amendments, additions, deletions to the said documents shall also be preserved for a term not less than eight years.

- a) Documents/information furnished to Stock Exchanges including information submitted in compliance of SEBI LODR Regulations, as amended from time to time, shall be preserved for a minimum period of eight years from the end of the financial year in which the documents/information is furnished;
- b) Documents/information submitted to Registrar of Companies / Ministry of Corporate Affairs in compliance with the Companies Act, 2013 and Rules thereunder shall be preserved for a minimum period of eight years from the end of the financial year in which the documents/information is submitted;
- c) Books of Accounts as per Companies Act, 2013;
- d) Board Report;
- e) Annual Returns (copies of all certificates and documents required to be annexed thereto) as per Companies Act, 2013;
- f) Office Copies of Notices, Agenda, Notes on Agenda of Board Meetings and Board Committees and other related papers shall be preserved for as long as they remain current or for eight financial years, whichever is later and may be destroyed thereafter with the approval of the Board, as prescribed by the "Secretarial Standard-I on Meetings of Board of Directors" issued by the Institute of Company Secretaries of India;
- g) Office Copies of Notices, Scrutinizer's Report and related papers regarding General Meetings (including AGM) shall be preserved for as long as they remain current or for eight financial years, whichever is later and may be destroyed thereafter with the approval of the Board of Directors, as prescribed by the "Secretarial Standard-2 on General Meetings" issued by the Institute of Company Secretaries of India;
- h) Attendance Register for Board Meeting and recording of attendance of Meetings through electronic mode for eight financial years and may be destroyed thereafter with the approval of the Board of Directors, as prescribed by the "Secretarial Standard-1 on Meetings of Board of Directors" issued by the Institute of Company Secretaries of India;
- i) Records under FEMA / Prevention of Money Laundering (Maintenance of Records) Rules, 2005 shall be retained for a period of 10 years.
- j) Any other document, certificates, statutory registers which may be required to be maintained and preserved for not less than eight years after completion of the relevant transactions under the Companies Act, 2013 and/or SEBI LODR Regulations.
- k) **Tax Records:** Tax records includes records of income tax, TDS, goods and service tax, customs duty but are not limited to Documents concerning tax assessment, tax filings, tax

returns, proof of deductions, payment challans, invoices, tax audit reports, appeal preferred against any claim made by the relevant tax Authorities. Tax Records shall be maintained for a minimum period of 8 years from the end of Financial Year or up to the year of assessment/ disposal of appeal by appellate authority whichever is later as the case may be. Where the assessment in relation to any year has been reopened, in such case all the books of account and documents shall continue to be kept till the assessment so reopened has been completed or till appeal for reopening the issue is dismissed by judiciary as time barred or it is finally settled at Supreme Court.

Transfer Pricing documents and Information must be maintained for a period of 8 years from the end of the relevant assessment year i.e., for a total period of 10 previous years.

- l) **Legal Documents:** Legal Documents which include, but shall not be limited to, legal memoranda and opinions, pleadings, litigation files, documents relating to cases pending in any Court or Tribunal or any other Authority empowered to give a decision on any matter shall be retained till Orders passed by any Court or Tribunal or any Authority or Judgment which are final in nature and cannot be superseded.

Property documents, where the rights in such property cease to exist, shall be retained for a period of 8 years after the rights in such property cease to exist. Interim Orders shall be retained till a Final Order is received or for a period of 8 years whichever is higher.

Contracts, licenses, loan documentation, charge creation documents, guarantees, indemnities, joint venture agreements, shareholders agreements, other agreements etc., shall be retained for 8 years after the expiry of the term or its validity.

In the court cases, the connected documents/files should be retained till disposal of the case by the highest Court of appeal and Legal Department should be consulted to determine the retention period of particular documents.

- m) **Employment Records / Personnel Records:** Office order file, recruitment, employment and personnel information, performance reviews, memoranda and correspondence, complaints, actions taken, transfers, postings, re-designations, Promotion orders, Appraisal records/ Assessment sheets, Leave records till the employees on rolls or 8 years from the date of separation whichever is higher.
- n) **Press Releases:** Press Release shall include, but shall not be limited to, any intimation given to the press regarding financial results, Board and General Meetings, performance of the Company, other statutory announcements. The Company shall retain all Press Releases for at least 8 years.
- o) **E-mails:** E-mail Archival Policy of the Company will be applicable to all the emails of employees under which, inter alia, users' emails are archived automatically for backup and retained in Enterprise Vault for 3 years. Account holders are responsible for maintaining a copy of the item in the appropriate file if the time is required to be retained beyond 3 years.
- p) Keeping in view the documents retention and audit requirements, all E-mails from internal and external sources that may be considered to be important having significant impact on business transaction should be archived for such relevant period as may be applicable by either:
- (i) printed in hard copy and kept in the appropriate file; or

(ii) downloaded to a computer file and kept electronically or on disk as a separate file.

## **8. DOCUMENTS WITH PRESERVATION PERIOD SPECIFIED BY STATUTORY AUTHORITIES UNDER APPLICABLE LAWS (CATEGORY C)**

8.1 In addition to the documents mentioned in Category 'A' and 'B' above, other documents, certificates, forms, statutory registers, records, etc. which are required to be mandatorily maintained and preserved shall be preserved for a stipulated period of time as per the circulars issued in this respect from time to time or as per the applicable Statutory/ Regulatory provisions in this regard.

8.2 **Information on Website:** Disclosures made by the Company to the Stock Exchanges shall be hosted on the website of the Company for a minimum period of five years under SEBI LODR Regulations. Upon completion of five years period such disclosures shall be removed from the website of the Company under this policy of the Company.

8.3 **Specified Orders:** Notwithstanding anything contained in this policy, if a higher period of retention of documents is stated in any Act / Statute or prescribed by Statutory Authorities in the form of orders, direction or otherwise, such higher period becomes applicable.

## **9. DOCUMENTS WITH PRESERVATION PERIOD SPECIFIED UNDER ANY OTHER POLICY OF THE COMPANY OR DULY APPROVED BY THE MANAGEMENT / FUNCTIONAL / STRATEGIC BUSINESS UNIT HEAD / ENTITY HEAD AS PER THE BUSINESS NEEDS OF THE COMPANY OR DELEGATION OF AUTHORITIES (CATEGORY D)**

In cases of documents not specifically stated or falling under the general principle of the documents covered by this Policy, such documents may continue to be preserved as per the process in existence in respective department.

## **10. GENERAL EXCEPTION TO PRESERVATION SCHEDULE**

If there are reasons to believe, or the Company informs the employee concerned, that Company records are relevant for potential litigation (i.e., a dispute that could result in litigation), then the employee must preserve those records until the Legal or Respective Department determines that the records are no longer needed.

## **11. RESPONSIBILITY**

The Heads of respective Departments of the Company shall be responsible for preservation of the documents in terms of this Policy, in respect of the areas of operations falling under the charge of each of them.

## **12. MODE OF MAINTENANCE**

12.1 The Company shall maintain these records either in physical or Electronic Form. The applicable provisions of law, rules and regulations with regard to electronic maintenance of records shall be adhered to. The said records be also maintained in such a manner that their retrieval is easy and quick.

12.2 All the records shall be maintained as per the prescribed formats, if any, as amended from time to time under the various rules and regulations.

### **13. DESTRUCTION OF DOCUMENTS**

13.1 After the expiry of the statutory retention period, the preserved documents may be destroyed. The destruction of documents as a normal administrative practice shall be followed for records which are duplicate/ unimportant or irrelevant.

13.2 This applies to both physical and electronic documents.

### **14. 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.

### **15. AMENDMENT TO THE POLICY**

15.1 This Policy is framed in line with the existing provisions of the SEBI LODR Regulations. Any future changes in the SEBI LODR Regulations will ipso facto apply to this Policy.

15.2 In case of any modification / amendment / re-enactment of any existing acts, rules, regulations, guidelines, etc. or an enactment of any new act, rules, regulations, guidelines, etc., which are inconsistent with this Policy, then such modified / amended / re-enacted provision or new provisions shall prevail over the Policy.

### **16. DISCLOSURE ON WEBSITE**

The Policy shall come into effect immediately. A copy of the Policy including amendments thereto shall be hosted on the website of the Company.

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