



**BHARAT SEATS LIMITED**



## **POLICY FOR PRESERVATION OF DOCUMENTS**

*[In terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

Original policy dated 10<sup>th</sup> November, 2015

Revised (22<sup>nd</sup> October, 2021)



## Bharat Seats Limited Policy for Preservation of Documents

*[In terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

### A. PREAMBLE:

The Securities and Exchange Board of India issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the '**Regulations**') on 2<sup>nd</sup> September, 2015 with an aim to consolidate and streamline the provisions of existing listing agreements thereby ensuring better enforceability.

In terms of Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listed entity as defined in the regulations, shall have a policy for preservation of documents, approved by its board of directors, classifying them in at least two categories as (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 transactions. But **with recent amendment in Finance Act, 2021, section 149 required the documents to be preserved for ten years after the end of the assessment year.** In view of the above, the Board of the Directors of the Company, on 22<sup>nd</sup> October, 2021 revised (Original policy dated 10<sup>th</sup> November, 2015), has approved the "Policy for Preservation of Documents" ("Policy") to amend the **preservation period from eight years to eleven years.**

### B. PURPOSE:

The objective and purpose of the policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records that are no longer needed or are of no value, are discarded at the proper time. The Policy aims at retention and maintenance of documents necessary for the proper functioning of the organization as well as to comply with applicable legal requirements. All Records received or created by the employee in the course of employment with the Company belong to the Company and must be managed and retained pursuant to the retention periods defined by this Policy.

### C. DEFINITIONS

- (a) "**Board**" means Board of Directors of the Company.
- (b) "**Act**" means the Companies Act 2013 as amended from time to time.
- (c) "**Documents**" means all the documents and records of the Company, both in hard copy and in electronic form. Including but not limited to, email and attachments, documents scanned into PDF format, Power Point presentations, spreadsheets, databases, picture and graphic files, computer generated faxes, calendars, network access files and Internet usage files.
- (d) "**Regulations**" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on 2<sup>nd</sup> September 2015 and effective from 1<sup>st</sup> December 2015.



## D. APPLICABILITY:

- (a) All employees of Company, whether permanent or on contract, including those in all subsidiaries, if any and all members of the Management are covered by this Policy.
- (b) This policy applies to all paper and electronic-based documents and communications created or received by Company employees, regardless of location, including all Company locations, off-site locations, computer storage or employees' laptops.

## E. PRESERVATION OF DOCUMENTS:

The Companies Act, 2013, the Regulations and other applicable laws requires the Company to maintain certain types of Documents on a permanent basis or for a specific period of time. Other than the Documents which are legally require to be preserved, there are many other Documents which are also important to the business and conduct of the Company. Therefore, all the Documents of the Company must be preserved, retained and maintained as follows:

- (a) All documents are to be preserved according to the *Document Preservation Schedule* ("*Schedule A*" to this policy).
- (b) All documents that are not covered by the Data Preservation Schedule and of the temporary nature may be preserved according to the prudent life of the document and/or as per the decision of the respective functions.

Documents may be preserved either in electronic mode and/or physical mode.

## F. DESTRUCTION OR DISPOSAL OF DOCUMENTS:

Employees may only destroy or dispose of records in accordance with the Policy. Where records are scheduled for destruction this should be undertaken by methods appropriate to the confidentiality status of the records. All Company records approved and eligible for destruction must be destroyed under confidential conditions, unless the material is widely published. If staff is uncertain of the status of a record, it should be treated as confidential and destroyed under confidential conditions.

Confidential records should be destroyed as follows:

- **Destruction of paper records**  
Records must be destroyed by cutting, crushing, burning or other physical means.
- **Destruction of magnetic media**



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Records stored on magnetic media such as floppy disks must be destroyed by reformatting at least once. Deleting files from magnetic media is not sufficient to ensure the destruction of the records. Backup copies of the records must also be destroyed.

- **Destruction of optical media**

Records held on optical media such as rewritable disks must be destroyed by cutting, crushing or other physical means.

Any person who becomes aware of documents subject to an open audit, unresolved claim, litigation, or administrative proceeding shall immediately notify the Legal or Secretarial Department and his or her Records –in Charge. No employee shall destroy any Record/document that is subject to an open audit, unresolved claim, litigation or administrative proceeding. All Records, including electronic items, which relate in any way to the subject of ongoing or impending claims, litigation or governmental investigation, shall be maintained in a secure location as determined by the Records-in- Charge until otherwise directed by the Legal or Secretarial Department.

## **G. RESPONSIBILITY:**

It is the responsibility of each employee and manager to comply with this Policy. Specifically; Employees have the responsibility to:

- (a) Retain company records according to established retention schedules and to keep them no longer than required.
- (b) Dispose of information if there is no legal or business purpose for retaining it.
- (c) Destroy information if it is not covered by the records retention schedule or needed for legal purposes.
- (d) Transfer records to their manager when changing jobs or leaving the company.
- (e) Keep general correspondence only as long as needed and in compliance with the established Annexure of this Policy.

Where permitted by law, any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

This Policy shall be read in conjunction with all other Company policies. Questions regarding the content or interpretation of this policy or the records management process shall be directed to your Records- in- Charge or the Company Secretary of the Company.

Company Secretary has the authority to modify the *Schedule 'A'* as and when required, as per the requirement of the Company.

## **H. AMENDMENT :**

Notwithstanding anything contained in this Policy, the Board shall have the power to amend this Policy at any time.



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*If case of any inconsistency between this Policy and the Indian regulations, the requirements of the Indian regulations shall prevail.*

*In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities including SEBI, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.*

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## SCHEDULE A

### DOCUMENT PRESERVATION SCHEDULE :

| Function                | Indicative particular of the document                   | Preservation period              |
|-------------------------|---|----------------------------------|
| <b>Finance</b>          | Signed Financial Statements                             | 11 years or as prescribed by law |
|                         | Audit Reports   | 11 years or as prescribed by law |
|                         | Loan Documents  | 11 years or as prescribed by law |
|                         | Quarterly Balance Sheet                                 | 11 years or as prescribed by law |
|                         | Cash Book and Bank Book                                 | 11 years or as prescribed by law |
|                         | Sales Book  | 11 years or as prescribed by law |
|                         | Purchase Book   | 11 years or as prescribed by law |
|                         | Journal Book  | 11 years or as prescribed by law |
|                         | General Ledgers   | 11 years or as prescribed by law |
|                         | Supplier and Customer Ledger                            | 11 years or as prescribed by law |
|                         | Stores Ledger   | 11 years or as prescribed by law |
|                         | Fixed Assets Register                                   | 11 years or as prescribed by law |
|                         | Bank Statements   | 11 years or as prescribed by law |
|                         | Bank Deposits   | 11 years or as prescribed by law |
| <b>HR &amp; Payroll</b> | Personal records  | Permanent                        |
|                         | Attendance records/ Wages Register                      | 11 years or as prescribed by law |
|                         | License & Registration under:-<br>- Factories Act, 1948 | Permanent                        |



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|                              |   |  |
|------------------------------|---|--|
|                              | <ul style="list-style-type: none"><li>- Employees Provident Fund Misc.Prov. Act, 1952</li><li>- Employees State Insurance Act, 1948</li><li>- Contract Labour Regulation &amp; Abolition Act, 1970</li><li>- Pollution Control Board</li><li>- Explosives Act</li></ul> |  |
| <b>Taxation</b>              | Income Tax files for assessment   | 11 years or as prescribed by law                         |
|                              | Income Tax Audit Records  | 11 years or as prescribed by law                         |
|                              | Tax return & computation papers   | 11 years or as prescribed by law                         |
|                              | Goods and Service Tax(GST) returns  | 11 years or as prescribed by law                         |
|                              | Assessment & Litigation documents & all related documents   | Till the pendency of proceedings and 2 years thereafter  |
| <b>Legal</b>                 | Agreements/Contracts/MOUs   | Till expiry of tenure and 2 years thereafter.            |
|                              | Litigation/Claim and all related documents  | Till the pendency of proceedings and 2 years thereafter. |
|                              | Powers of Attorney & Letters of Authority   | 1 year after expiry                                      |
| <b>Corporate Secretarial</b> | Minutes Books (All meetings)  | Permanent  |
|                              | Charter documents including MOA/AOA   | Permanent  |
|                              | Annual Return/Annual Reports/certificates   | 8 years from date of filing                              |
|                              | Board Meeting related Papers  | 8 years  |
|                              | Registers and Index of Members etc.   | Permanent  |