

SMS LIFESCIENCES INDIA LIMITED
DOCUMENTS PRESERVATION POLICY

1. INTRODUCTION

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every listed Company to maintain certain types of corporate records, usually for a specified period of time. Failure to retain those records for those minimum periods could subject the Company to penalties and fines, cause the loss of rights, obstruct justice, spoil potential evidence in a lawsuit, place the Company in contempt of court, or seriously disadvantage the Company in litigation.

The policy is intended to define the Company's preservation of documents responsibilities and to provide guidance to the executives and staff working in the Company in making decisions and undertaking other activities that may have an impact on the operations of the Company. It also frames the guidelines for fundamental accountability of the Company to retain and preserve its documents as the basis for communication with a range of external stakeholders.

The policy is framed for the purpose of systematic identification, categorization, maintenance, review, retention and destruction of documents received or created in the course of business. The policy would contain guidelines on how to identify documents that need to be maintained, how long certain documents should be retained, how and when those documents should be disposed of, if no longer needed and how the documents should be accessed and retrieved when they are needed.

2. STATUTORY MANDATE

The policy on preservation of documents and archival is mandated by the provisions of regulation 9 of Chapter III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Under this regulation, the Company has a strategic objective of ensuring that significant documents are safeguarded and preserved to ensure its longevity.

3. PRINCIPLE OF RESPONSIBILITY OF EMPLOYEES FOR PRESERVATION OF DOCUMENTS

All the Employees in the permanent rolls of the Company are responsible for taking into account the potential impacts on preservation of the documents in their work area and their decision to retain/preserve or destroy documents pertaining to their area. Such policy bestowing responsibility on the Company's employees would immensely help company's litigation preparedness tool helping the Company's and Outside legal counsel to track down documents to handle the legal cases.

4. 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 against the Company, such employee shall inform the Management and any further disposal of documents shall be suspended until such time as the Management with the due advice from the legal counsel determine otherwise.

5. ADMINISTRATION

The Record Retention Schedule approved by the Board of Directors for initial maintenance, retention and disposal schedule for physical records is given below:

TYPE OF RECORDS	RESPONSIBILITY
Accounting and Finance records, insurance records, tax records, etc.	Finance and Accounts Department
Insurance Records	Finance and Accounts Department
Tax records	Finance and Accounts Department
Corporate Social Responsibility Records	Finance and Accounts Department
Corporate Records including Certificate of Incorporation, Listing Agreement, etc.	Secretarial Department
Policies and Manuals, Disclosures papers	Secretarial Department
Payroll, Pension and retirement related documents, Personnel and HR, policies and other Records	Human Resources Department
Contracts entered into by the Company including Marketing Records, Policies etc.	Marketing Department
Legal Files and Records	Legal & Liaison Departments
Factory licenses, Mining licenses, etc..	Legal & Liaison Departments
Purchase Records, policies.	Purchase Department
Electronic Documents including email retention and back up	Information Technology Department
Correspondence and Internal Memoranda	Respective Departments

DOCUMENTS AS PER RETENTION POLICY

I. ACCOUNTING AND FINANCE RECORDS

Record Type	Retention Period
Accounts Payable ledgers and schedules	8 Years
Accounts Receivable ledgers and schedules	8 Years
Annual Audit Reports and Financial Statements	Permanent
Annual Audit Records, including work papers and other documents that related to the audit	8 years after completion of audit
Bank Statement	8 years
Employee Expense Reports	8 years
General Ledger	Permanent
Interim Financial Statements	8 years
Notes Receivable ledgers and schedules	8 years
Investment Records	Permanent
Bills/Invoices for Capital Expenditure	Permanent
Bills/Invoices, vouchers etc.	8 years

II. INSURANCE RECORDS

Record Type	Retention Period
Claim Files (Including correspondence, medical records, injury documentation, etc.)	Permanent
Group Insurance Plans – Active Employees	8 years
Insurance Policies for the Company	Permanent
Journal Entry Support Data	8 years
Releases and Settlements	Permanent

III. TAX RECORDS

Record Type	Retention Period
Tax-Exemption Documents and related correspondence	Permanent
Excise Tax records	Permanent
Payroll Tax records	8 years
Tax Bills, Receipts, Statements	8 years
Tax Returns – Income, Other relevant Documents, Property	Permanent
Tax workpaper packages - Originals	8 years
Sales Tax Records	8 years
Annual Information Returns – State and Central	Permanent
Service Tax Records	8 years

IV. CORPORATE SOCIAL RESPONSIBILITY RECORDS

Record Type	Retention Period
Records on CSR Projects(including amount budgeted, spent and balance if any) projects undertaken and progress thereon	Permanent

V. CORPORATE RECORDS INCLUDING CERTIFICATE OF INCORPORATION, LISTING AGREEMENT, ETC.

Record Type	Retention Period
Corporate Records (certificate of incorporation, commencement of business, listing agreement, common seal, minutes book of board and committees thereof, annual reports originals, statutory registers, etc.)	Permanent
Industrial entrepreneurial Memorandum, and other statutory approvals.	Permanent
ROC Filings and Stock Exchange filings in physical and Electronic form	permanent
Annual Reports	Permanent

VI. POLICIES AND MANUALS

Record Type	Retention Period
Policy and procedures manuals – Original	Current version with revision history
Policies and procedures manuals - Copies	Retain current version only

VII. PAYROLL, PENSION AND RETIREMENTS RELATED DOCUMENTS, PERSONNEL AND HR, POLICIES AND OTHER RECORDS

Record Type	Retention Period
Payroll Registers (Gross and Net)	8 years after termination of service of employment
Retirement and Pension Records	Permanent
Personnel Files of individual employees	Permanent
Commission / Bonuses / Incentives / Awards	8 years
Policy and procedures manuals – Original	Current version with revision history

VIII. CONTRACTS ENTERED INTO BY THE COMPANY INCLUDING MARKETING RECORDS, POLICIES ETC.

Record Type	Retention Period
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documents)	8 years
Policy and procedures manuals – Original	Current version with revision history
Policies and procedures manuals - Copies	Retain current version only

IX. LEGAL FILES AND RECORDS

Record Type	Retention Period
Legal Memoranda and Opinions	3 years after the closure of the matter
Litigation files	1 year after expiration of disposal of the

	case
Court Orders	Permanent
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent
Original Purchase / Sale Deeds	Permanent
Original Lease Agreements	3 years after expiration of the lease

X. FACTORY LICENSES, MINING LICENSES, ETC.

Record Type	Retention Period
Factory Licenses	Permanent
Pollution Control Board certificates and approvals	Permanent
Environmental Approvals	Permanent
Mining licenses	Permanent
Policy and procedures manuals – Original	Current version with revision history
Policies and procedures manuals - Copies	Retain current version only

XI. PURCHASE RECORDS, POLICIES.

Record Type	Retention Period
Purchase Orders	8 years
Quotations	8 years
Policy and procedures manuals – Original	Current version with revision history
Policies and procedures manuals - Copies	Retain current version only

XII. ELECTRONIC DOCUMENTS INCLUDING EMAIL RETENTION AND BACK UP

Electronic Mail: Not all email needs to be retained, depending on the subject matters

All e-mail – from internal and external sources to be deleted after 24 months.

Staff will strive to keep all but an insignificant minority of their email related to business issues.

Central I.T team would archive email for six months after the staff has deleted it after which time the email will be permanently deleted.

Staff will not store or transfer the Company related emails on non-work related computers except as necessary or appropriate with due approvals from the Central IT team and the respective Managers.

Staff will take care not to send confidential / proprietary information to outside sources.

Any e-mail that the staff deemed vital to the performance of their job should be copied to the staff's specific folder and/or printed and stored in the employees' workplace.

Electronic Documents including PDF files.

PDF documents – Can be a maximum period of 8 years. But the said document may be destroyed depending upon the completion of the job or its use coming to an end.

Text/ Formatted files: All word / excel / Power point files may be deleted once every year depending on the importance or lack of it.

XIII. CORRESPONDENCE AND INTERNAL MEMORANDA

General Principle: Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract.

Those pertaining to routine matters and having no significant, lasting consequences should be discarded within two years.

Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

6. DISCLOSURE OF CODE ON PUBLIC DOMAIN

This policy and any amendment thereof will be published on the Company's website.

7. REVIEW PERIODICITY AND AMENDMENT

This Policy may be revised/modified/amended by the Board at such intervals as it may deem fit. The Board shall review the Policy every two years unless such revision is necessitated earlier and shall also have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. However, the amended regulatory requirements will supersede the Policy, till the time, the policy is suitably amended.