



BANNARI AMMAN SPINNING MILLS LIMITED

Policy on Preservation of Documents and Archival of Documents

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Policy on Preservation of Documents and Archival of Documents

1. Purpose and Scope

The policy is framed, adopted and approved by the Board of Directors for the purpose of systematic identification, categorization, maintenance, review retention and destruction of documents maintained, received or arising in the course of business of the Company. The policy would govern accountability for adherence to its terms.

2. Statutory Mandate

The policy on preservation of documents and archival is mandated by the provisions of regulation 9 of Chapter III of LODR, 2015.

3. Classification of Documents to be preserved / retained

Based on the recommendations of the management of the Company, the Board of Directors have classified the following documents for preservation/ retention for the period as specified here under:-

- ❖ Documents that need to be preserved / retained permanently – Doc 1
- ❖ Documents that may be preserved / retained for a period of 8 years as specified under the Companies Act, 2013 or LODR – Doc 2
- ❖ Documents to be preserved electronically and archived when necessary – Doc 3.
- ❖ Documents that may be required by judicial proceedings and which may be destroyed after closure of the legal case – Doc 4.
- ❖ Emails of all employees for a period of 3 years – Doc 5.
- ❖ Documents which may be retained for less than 8 years – Doc 6.

4. Principle of Responsibility of Employees for Preservation of Documents

All employees in the permanent roles of the Company have a general obligation and responsibility for compliance with these guidelines in the matter of maintenance, preservation and destruction of documents. The specific responsibility in this behalf of employees of the concerned department is indicated in this policy.

5. Periodical Review of the Policy by Top Management

This policy formulation is subject to periodical review by the top management if and when necessitated by experience or practical difficulties encountered, provided that any such review shall be subject to approval of the Board of Directors. Such review may take into consideration Local State or Central Legislation's applicable from time to time to the maintenance, preservation or destruction of any of the records.

6. Administration

The Record Retention Schedule approved by the Board of Directors for initial maintenance, retention and disposal schedule for physical records is as given in the annexure.

7. 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 Top Management and any further disposal of documents shall be suspended until such time as the Top Management with the due advice from the legal counsel determine otherwise. The Top Management in such case shall inform all the employee by mail under "Userlist" of the need to retain the documents and suspension of disposal of the same.

- 8.** This policy shall come into force from the date of adoption or amendment of this policy from time to time.
- 9.** The adequacy of this Policy shall be reviewed and reassessed atleast once in three years and appropriate recommendations shall be made to the Board to update the Policy based on the changes that may be brought about to the regulatory framework, from time to time.

Note: This Policy was adopted at the Board Meeting dt.12.11.2015 and reviewed and amended at the Board Meeting dt 30.5.2023

APPENDIX

Type of Record

- I. Accounting and Finance records including Annual Financial statement
- II. Insurance Records
- III. Tax records
- IV. Contracts entered into by the Company including Marketing Contracts
- V. Corporate Records including Certificate of Incorporation, Listing Agreement and other approvals from other statutory authorities.
- VI. Legal Files and Records
- VII. Property Records
- VIII. Payroll Records and Pension and retiral related Records
- IX. Personnel and HR Records
- X. Programs & Service Records
- XI. Sponsorship Projects Records
- XII. Corporate Social Responsibility Records
- XIII. Correspondence and Internal Memoranda
- XIV. Electronic Documents including email retention and back up
- XV. Miscellaneous Records

Accounting and Finance records including Annual Financial statement:

Responsibility : FINANCE AND ACCOUNTS DEPARTMENT

Record Type	Retention Period	Document Type
Accounts Payable ledgers and schedules	8 Years	Doc -2
Accounts Receivable ledgers and schedules	8 Years	Doc - 2
Annual Audit Reports and Financial Statements	Permanent	Doc - 1
Annual Audit Records, including work papers and other documents that related to the audit	8 years after completion of audit	Doc - 2
Annual Plans and Budgets	3 years after the budget year is closed	Doc - 6
Bank Statement and Cancelled Cheques	8 years	Doc - 2
Employee Expense Reports	8 years	Doc - 2
General Ledger	Permanent	Doc - 1
Interim Financial Statements	8 years	Doc - 2

Notes Receivable ledgers and schedules	8 years	Doc - 2
Investment Records	Permanent	Doc - 1
Security deposit receipt copies	3 years after termination of the contract	Doc - 6

Insurance Records:

Responsibility : FINANCE AND ACCOUNTS DEPARTMENT

Record Type	Retention Period	Document Type
Annual Loss Summaries	8 Years	Doc -2
Audits and Adjustments	8 Years	Doc - 2
Claim Files (Including correspondence, medical records, injury documentation, etc.	Permanent	Doc - 1
Group Insurance Plans – Active Employees	8 years	Doc - 2
Group Insurance Plans - Retirees	Permanent	Doc - 1
Insurance Policies for the Company	Permanent	Doc - 1
Journal Entry Support Data	8 years	Doc - 2
Releases and Settlements	Permanent	Doc - 1

Tax records :

Responsibility : FINANCE AND ACCOUNTS DEPARTMENT

Record Type	Retention Period	Document Type
Tax-Exemption Documents and related correspondence	Permanent	Doc -1
Excise Tax records	Permanent	Doc - 1
Payroll Tax records	8 years	Doc - 2
Tax Bills, Receipts, Statements	8 years	Doc - 2

Tax Returns – Income, Franchise, Property	Permanent	Doc – 1
Tax workpaper packages - Originals	8 years	Doc – 2
Sales Tax Records	8 years	Doc – 2
Annual Information Returns – State and Central	Permanent	Doc – 1
Service Tax Records	8 years	Doc – 1

Contracts entered into by the Company including Marketing Records

Responsibility : MARKETING DEPARTMENT

Record Type	Retention Period	Document Type
Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documents)	8 years	Doc – 2

Corporate Records including Certificate of Incorporation, Listing Agreement and other approvals from other statutory authorities.

Responsibility : SECRETARIAL DEPARTMENT

Record Type	Retention Period	Document Type
Corporate Records (certificate of incorporation, commencement of business, listing agreement, common seal, minutes book of board and committees thereof, annual reports originals, etc.)	Permanent	Doc – 1
ROC Filings and Stock Exchange filings in physical and Electronic form	5 years from the date of filing	Doc – 6

Legal Files and Records

Responsibility : LEGAL DEPARTMENT

Record Type	Retention Period	Document Type
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Legal Memoranda and Opinions	3 years after the closure of the matter	Doc - 4
Litigation files	1 year after expiration of disposal of the case	Doc - 4
Court Orders	Permanent	Doc - 1

Property Records

Responsibility : LEGAL DEPARTMENT

Record Type	Retention Period	Document Type
Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent	Doc - 1
Original Purchase / Sale Deeds	Permanent	Doc - 1
Original Lease Agreements	3 years after expiration of the lease	Doc - 6

Payroll Records:

Responsibility : HUMAN RESOURCES DEPARTMENT

Record Type	Retention Period	Document Type
Employee Deduction Authorization	3 years after termination of service of employment	Doc - 6
Payroll Deductions	3 years after termination of service of employment	Doc - 6
Labour Distribution Cost Records including details regarding gratuity and retiral disbursements	3 years after termination of service of employment	Doc - 6

Payroll Registers (Gross and Net)	3 years after termination of service of employment	Doc - 6
Time Cards / Sheets	2 years	Doc - 6
Unclaimed Wage Records	3 years	Doc - 6
Leave Records	2 years after the relevant period	Doc - 6

Pension and retiral related Records:

Responsibility : HUMAN RESOURCES DEPARTMENT

Record Type	Retention Period	Document Type
Retirement and Pension Records	Permanent	Doc - 1

Personnel and HR Records

Responsibility : HUMAN RESOURCES DEPARTMENT

Record Type	Retention Period	Document Type
Personnel Files of individual employees	Permanent	Doc - 1
Commission / Bonuses / Incentives / Awards	8 years	Doc - 2
Employee Earnings Records	3 years after termination of service of employment	Doc - 6
Employee Handbook & Induction Manual	Permanent	Doc - 1
Employee Medical Records	3 years after termination of service of employment	Doc - 6
Attendance records, application forms,	3 years after	Doc - 6

job or promotion records, performance evaluations, termination papers, test results, training and qualification records, enquiry related papers	termination of service of employment	
Employment Contracts - Individual	3 years after termination of service of employment	Doc - 6
Correspondence with Employment Agencies and Advertisements for job openings	3 years	Doc - 6
Job Description	3 years after superseding the earlier document	Doc - 6

Programs & Service Records

Responsibility : HUMAN RESOURCES DEPARTMENT

Record Type	Retention Period	Document Type
Attendance Records	3 years	Doc - 6
Program statistics, etc,	3 years	Doc - 6
Research & Publications	Permanent	Doc - 1

Corporate Social Responsibility Records

Responsibility : Secretarial Department

Record Type	Retention Period	Document Type
Records on CSR Projects(including amount budgeted, spent and balance if any) projects undertaken and progress thereon	Permanent	Doc - 1

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

1. Those pertaining to routine matters and having no significant, lasting consequences should be discarded within two years.
2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently.

Responsibility : RESPECTIVE DEPARTMENT

Electronic Documents including email retention and back up

Responsibility : INFORMATION TECHNOLOGY DEPARTMENT

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.

Document Type : Doc 5

1. 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.

Document Type : Doc – 3

2. Web page files

- May be retained for a period of 5 years as specified in SEBI's LODR Regulations, 2015.
- May be archived by the I.T. department with the support of the service provider for a period of 3 years after the initial period of five years of live page.