

Archival Policy

I. Objective

Regulation 9 and 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 require framing of a policy by all listed companies for preservation/ archival of documents.

Accordingly the Board of Directors of India Nippon Electricals Limited has adopted this Archival Policy for establishing the framework needed for effective records management in the Company.

The Companies Act, 2013, under various provisions, provides for the preservation and maintenance of different documents and also specifies the period for which the documents have to be retained.

The Listing Regulations provide that the listed entity shall disclose on its website all such events or information which are considered material and which has been disclosed to stock exchanges are to be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

Therefore a combined reading of the Act and the Listing Regulations give effect to the framing of an Archival Policy.

II. Definitions

“Board” shall mean the Board of Directors of India Nippon Electricals Limited.

“Company” means India Nippon Electricals Limited

“Documents” shall mean corporate documents or records of the Company

“Policy” means the Archival Policy of the Company

“Listing Regulations” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Words and expressions not defined in this policy but defined in SEBI Regulations, the Securities Contracts (Regulation) Act 1956, the Depositories Act, 1996 or the Companies Act, 1956 and the Rules and regulations made there-under shall have the same meaning assigned therein.

III. Classification of Documents and its maintenance

Based on the provisions of the Listing Regulations and the Act, Documents are broadly classified into Permanent and Temporary as explained below:

1. Permanent Documents: Certain documents of the Company are required to be retained for perpetuity. For example all Incorporation documents are required to be retained permanently by the Company.
2. Temporary Documents: Temporary Documents are those which can be destroyed or permanently deleted if stored in electronic form after the period of time specified in Law. For example, Listing Regulations require listed entities to retain documents compulsorily for a period of not less than eight years.

<p>IV. Document Retention</p>
<p>The Policy requires the Company to maintain the documents in physical form or electronic form or both, in perpetuity or for specified periods of time. The Documents essentially include, whether physical or electronic, such as Memorandums, Contracts, Minutes of Meetings, Auditor's Reports, employee records, Court Orders, Tax Assessment Orders etc.</p> <p>Any document that is required to be maintained by law should be retained for the time period and in the form mandated by law. The period of retention listed in the schedule is based on the time limits for potential judicial claims and aims to draw sensible conclusions as to how long keeping the records will protect the Company. In general, documents that are not subject to retention should be kept long enough to accomplish the task for which they were generated.</p>
<p>V. Record Retention Schedule</p>
<p>The record retention schedule for various records/documents is given in the annexure to this policy.</p>
<p>VI. Roles and Responsibilities</p>
<p>The Board may delegate the responsibility for determining whether to retain or dispose or archive specific documents to one or more senior management personnel of the Company. The Record Retention Schedule referred in item V above, contains details of the function which is responsible for retention of the documents and their further disposal in the prescribed manner. The head of the respective functions has to ensure adherence to this policy.</p>
<p>VII. Storage and Archival of Records</p>
<p>Important original documents shall be kept in a secure location. Electronic data shall be backed-up by the IT department and the back-up files shall be kept at an offsite location.</p> <p>Copies of all material disclosures made to the stock exchanges under Regulation 30 of the Listing Regulations shall be hosted on the website of the Company for a minimum period of five years. After a period of five years from the date of filing the records or documents with the stock exchanges, the copies of such records or documents shall be in the custody of the Company Secretary.</p>
<p>VIII. Website Records</p>
<p>The Companies Act and Listing Regulations require various policies and other information related to investors to be hosted on the website. Such records need to be hosted for a period of 5 years in the website and thereafter to be maintained as hard copy in the custody of the Secretarial Department.</p>

IX. Litigation
Destruction of all electronic and paper documents should be suspended when a lawsuit, claim or government investigation is pending till a final order is received.
X. Destruction of Documents
<p>When information reaches the expiry date for retention, ensure that ALL copies of that information are permanently destroyed. Where information is held in more than one media the information must be removed from all record systems, both physical and electronic. The HOD responsible for maintenance of the records can decide to retain one copy, in appropriate cases, either as a hard copy or electronically.</p> <p>Disposal of significant documents should be documented by the relevant HODs by keeping a record of the document disposed of, the date and method of disposal, and who authorized the disposal.</p>
XI. Amendment
The Board of Directors may amend or modify this Policy in whole or in part, at any time, without assigning any reason whatsoever, subject, however, to the condition that such alterations will be in consonance with the provisions of the applicable law.

Annexure to the Archival Policy

1. Accounting and Finance records

Record Type	Retention Period	Responsibility
Accounts Payable ledgers and Schedules	8 years	Finance and Accounts Department
Accounts Receivables ledgers and Schedules	8 years	
Annual audit records including work papers and other documents that related to the audit	8 years after completion of audit	
Bank statement and cancelled cheques	8 years	
Employee expense reports	8 years	
General Ledger	Permanent	
Interim financial statements	8 years	
Investment records	Permanent	
Security deposit receipt copies	8 years after termination of the contract	
Inventory ledger and inventory related documents	8 years / 3 years	
Purchase / Sales / Cash book related documents/vouchers	8 years	
Fixed Assets Register	8 years	
Annual audit reports and Financial Statements (including schedules)	Permanent	
Cost Accounting Records	8 Years	
Central Excise documents	8 years after assessment	
Sales Tax documents	8 years after assessments	
Income tax documents	8 years after assessment	
General agreements (including loan documents)	8 years (after expiry)	

2. Insurance Records

Record Type	Retention Period	Responsibility
Group Insurance Plans	8 Years	Finance and Accounts Department
Claim files including correspondence	Permanent	
Insurance Policies for the Company	Permanent	
Journal Entry and support data	8 Years	
Audit and Adjustments	8 Years	

3. Tax Records

Record Type	Retention Period	Responsibility
Tax exemption documents and related correspondence	Permanent	Finance and Accounts Department
Excise Records	Permanent	
Payroll Tax Records	8 Years	
Tax Returns	Permanent	
Documents concerning assessment, appeals, demands and proof of payments	8 Years after a final order has been received.	
Tax working papers	8 Years	
Sales Tax Records	8 Years	
Service Tax Records	8 Years	
Rulings on appeals	Permanent	

4. Contracts entered into by the Company including Marketing and Materials Records

Record Type	Retention Period	Responsibility
Customer purchase orders and its amendments	8 Years	Marketing
Supplier Agreements and NDA with customers	8 Years after ceasing to be a supplier	Marketing
Agreements with suppliers/ Service Providers, Purchase / Job orders and their amendments	8 years after the discontinuation of the supplier or service provider	Materials Department

5. Corporate / Secretarial Records

Record Type	Retention Period	Responsibility
Corporate Records (Certificate of Incorporation, commencement of business, listing agreement, common seal, minutes book of the Board and its committees, annual report originals etc.)	Permanent	Secretarial Department
ROC filings and Stock Exchange filings in physical and electronic form	8 years from the date of filing	Secretarial Department
License, Permits, IEM and other statutory approvals	Permanent	Finance
FEMA/RBI related documents and filings	Permanent	Finance
Register of members	Permanent	Secretarial Department & Share Transfer Agents
Index of members	Permanent	Secretarial Department & Share Transfer Agents
Registers to be maintained under various provisions of Companies Act, like Register of Directors, Register of Charges, Register of Investments, Register of contracts in which Directors are interested etc.	Permanent	Secretarial Department

6. Legal files and Records (including property records)

Record Type	Retention Period	Responsibility
Property documents and related correspondence	Permanent	Finance and Accounts
Original lease agreements	8 Years after expiry of the lease	Finance and Accounts
Trade Marks and related correspondence	Permanent	Finance and Accounts
Patents and related documents	Permanent	Engineering Department
Legal documents, opinions, orders, judgements etc. of legal disputes relating to assets and other creditors and debtors	8 years after final judgement	Finance and Accounts
TCA, Collaboration Agreements and related correspondence	Permanent	Finance and Accounts

7. Payroll and HR Records

Record Type	Retention Period	Responsibility
Personnel files of individual employees	Permanent	HR Dept.
Payroll Registers	8 Years	
Attendance records, wage disbursement records	8 Years	
Gratuity and Retirement disbursements related records	8 Years after termination of service of employment	
Staff loan and deduction related records	8 Years after termination of service of employment	
Bonus and Incentive related workings and records	8 Years	
Retirement and pension records	Permanent	
Correspondence with employment agencies and advertisement for job openings	8 Years	
Performance review, complaints, memo and action taken against employees	8 Years after termination of employment	