



TVS Electronics Limited

POLICY FOR PRESERVATION / ARCHIVAL OF DOCUMENTS

(As approved by the board at its meeting held on 2nd February, 2016)



TVS Electronics Limited

1. Introduction

Securities and Exchange Board of India (SEBI) has introduced SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Regulations), effective 1st December 2015. Clause 9 and 30 of Regulations mandates framing of a policy by all listed companies for preservation / archival of documents.

Accordingly, TVS Electronics Limited (hereinafter referred to as 'the Company' or 'TVSE'), has formulated and notified this Policy for preservation / archival of documents in compliance with the Regulations, to be effective 1st December 2015. The board of directors reviews and amends this policy from time to time.

2. Objective

To ensure that the Company

- complies with document retention laws;
- allow for continuity in the event of a disaster;
- retains valuable documents and saves time, money and space;
- protects against allegations of selective document destruction; and
- provides for a routine destruction of non-business, superfluous, and outdated documents.

3. Definitions

“Archive/archiving” is the process of transferring records to a repository managed by personnel specialized in storing, conserving and authorizing access to the records entrusted.

“Policy” means Policy for preservation / archival of documents.

Words and expressions not defined in this policy shall have the same meaning but defined in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Securities and Exchange Board of India Act 1992 (15 of 1992), the Securities Contracts (Regulation) Act 1956, the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 and rules and regulations made there-under.



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4. Classification of Documents to be preserved / retained

Based on the recommendation of the management of the Company, the Board of Directors have classified the following documents to be retained and preserved for posterity.

Documents that need to be preserved / retained permanently

Documents that may be preserved / retained for a period of 8 years

5. Document retention

Any document that is required to be maintained by law should be retained for the time and in the form that is 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 a retention requirement should be kept long enough to accomplish the task for which they were generated.

Where the recommended retention period given is eight years, this is based on the eight year time limit within which legal proceedings must be commenced. Where documents may be relevant to a contractual claim, it is recommended that these be retained for at least the corresponding eight year limitation period.

Each record of information should entail identifying when the retention period of each record is due to expire and taking immediate action to ensure its destruction in a proper and secure manner.

The Company has a legal duty to retain relevant documents which it knows or believes may be relevant to any legal action.

6. Roles and responsibilities

Ultimate responsibility for determining whether to retain or dispose or archive of specific documents rests with the board. The board may delegate the operational aspects of this function to one or more senior management personnel (SMP) of the Company.



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The Secretarial / Legal department can advise on whether minimum retention periods are prescribed by law, and whether retention is necessary to protect the Company's position where the likelihood of a claim has been identified by the board.

The Secretarial / Legal department cannot be expected to possess the operational or background knowledge required to assess whether a particular document may be required by the Company. This is the responsibility of the SMPs or HODs concerned.

7. Storage and Archival of Records

Important original documentation shall be kept in a secure location

A record that is no longer required by the unit, department, or division in which it originated or was received, and that has permanent legal, institutional, or historical value, to be archived.

Hard copies or scanned copies of documentation beyond its operational date may be kept onsite for reference purposes.

Electronic data shall be backed-up by the IT department and the back-up files shall be kept at an offsite location.

Copies of all material disclosures made to the stock exchanges under Regulation 30 of the Regulations (Disclosed Information) shall be hosted on the website of the Company for a minimum period of 5 years. After a period of 5 years from the date of filing the records or documents with the stock exchanges, the copies of such records or documents shall be archived from the website of the Company. Any one intending to review the Disclosed Information after 5 (five) years may write to the Compliance Officer of the Company

8. Litigation

All electronic and paper document destruction should automatically be suspended when a lawsuit, claim or government investigation is pending, threatened or reasonably foreseeable. In the case of electronic destruction, the IT department is responsible for ensuring that any automatic destruction programme is disabled.



9. Document destruction

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, for example, paper copies – shredded; electronic copies – completely destroyed from any memory source or other media.

All documents, including electronic documents, that are no longer relevant to the Company's business, should be destroyed every thirty (30) days. Drafts of documents that have been finalised should not be retained, unless a SMP or HOD advises otherwise.

10. Method of disposal

The Company should follow these guidelines:

- Documents should be destroyed on site, using the shredders.
- steps should be taken to make data virtually impossible to retrieve;
- If data is no longer relevant it should be deleted after thirty (30) days and if data is relevant it should be backed up and stored offsite. If in doubt further advice should be sought from the SMP or IT department.
- wherever practicable, disposal should further recycling, in-line with the Company's commitment to sustainable development and promoting an alternative waste disposal strategy.

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 authorised disposal.

Amendment

The Board has the right to 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.



Type of Record

1. Accounting and Finance records including Annual Financial statement
2. Insurance Records
3. Tax records
4. Contracts entered into by the Company
5. Corporate Records including Certificate of Incorporation, Listing Agreement and other approvals from other statutory authorities.
6. Legal Files and Records
7. Property Records
8. Payroll Records
9. Pension and retiral related Records
10. Personnel and HR Records
11. Electronic Documents including email retention and back up
12. Correspondence and Internal Memoranda & Miscellaneous Records

1. Accounting and Finance records including Annual Financial statement

| Record Type | Retention Period | Responsibility |
|---|-----------------------------------|---------------------------------|
| Accounts Payable ledgers and schedules - in system | 8 Years | Finance and Accounts Department |
| Accounts Receivable ledgers and schedules - in system | 8 Years | |
| Annual Audit Reports and Financial Statements (including schedules) | Permanent | |
| 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 | |



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|---|---|
| Notes Receivable ledgers and schedules | 8 years |
| Investment Records | Permanent |
| Security deposit receipt copies | 8 years after termination of the contract |
| Inventory ledger & inventory related documents (in system) | 8 Years / 3 years (hard copies) |
| Purchase day book in system | 8 Years |
| Sales day book in system | 8 Years |
| Cash book & related documents | 8 Years / 3 years (hard copies) |
| Fixed assets register in system | 8 Years |
| Land documents - sale / purchase deeds | Permanent |
| Central excise documents (including duplicate for transporter copy of bills) | 5 years after assessment |
| Sales tax documents (including original for buyer copy of bills) | |
| Income tax documents | |
| General Agreements (including loan documents) | 8 Years (after expiry) |

2. Insurance Records

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



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3. Tax records

| Record Type | Retention Period | Responsibility |
|--|------------------|---------------------------------|
| Tax-Exemption Documents and related correspondence | Permanent | Finance and Accounts Department |
| Excise Tax records | Permanent | |
| Payroll Tax records | 8 years | |
| Tax Bills, Receipts, Statements | 8 years | |
| Tax Returns – Income, Franchise, 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 | |
| Tribunal Rulings | Permanent | |

4. Contracts entered into by the Company including Marketing Records

| Record Type | Retention Period | Responsibility |
|--|------------------|----------------------|
| Contracts and Related Correspondence (including any proposal that resulted in the contract and all other supportive documents) | 8 years | Marketing Department |
| Contracts with PR / Advertising Agencies | 8 years | |



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

| Record Type | Retention Period | Responsibility |
|--|--|--|
| Corporate Records (certificate of incorporation, commencement of business, listing agreement, common seal, minutes book of board and committees thereof, annual reports originals, etc.) | Permanent | Secretarial Department Doc – 1 Doc – 2 |
| Licence and Permits, Industrial entrepreneurial Memorandum, and other statutory approvals | Permanent | |
| ROC Filings and Stock Exchange filings in physical and Electronic form | 8 years from the date of filing | |
| FEMA/ RBI related documents and filings | Permanent | |
| Register of Members commencing from the date of registration of the Company | Permanent | |
| Index of members | Permanent | |
| Bylaws and Amendments | Permanent (current version with revision history) | |
| Register of Debenture Holders | 8 years after the redemption of debentures | |
| Index of Debenture Holders | | |
| Policies and Procedures | Permanent (current version with revision history) | |



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6. Legal Files and Records

| Record Type | Retention Period | Responsibility |
|--|------------------|------------------|
| Legal Memoranda and Opinions | Permanent | Legal Department |
| Litigation files | Permanent | |
| Court Orders | Permanent | |
| Trademarks, Copyrights, Licenses, etc. | Permanent | |
| Other related records | Permanent | |

7. Property Records

| Record Type | Retention Period | Responsibility |
|--|---------------------------------------|-----------------|
| Correspondence, Property Deeds, Assessments, Licenses, Rights of Way | Permanent | Land Department |
| Original Purchase / Sale Deeds | Permanent | |
| Original Lease Agreements | 8 years after expiration of the lease | |

8. Payroll Records

| Record Type | Retention Period | Responsibility |
|---|--|----------------|
| Employee Deduction Authorization | 8 years after termination of service of employment | HR Department |
| Payroll Deductions | | |
| Labour Distribution Cost Records including details regarding gratuity and retiral disbursements | | |
| Payroll Registers (Gross and Net) | | |
| Time Cards / Sheets | 8 years | |
| Unclaimed Wage Records | 8 years | |
| Leave Records | 8 years after the relevant period | |



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9. Pension and retiral related Records

| Record Type | Retention Period | Responsibility |
|--------------------------------|------------------|----------------|
| Retirement and Pension Records | Permanent | HR Department |

10. Personnel and HR Records

| Record Type | Retention Period | Responsibility |
|--|--|----------------|
| Personnel Files of individual employees | Permanent | HR Department |
| Commission / Bonuses / Incentives / Awards | 8 years | |
| Employee Earnings Records | 8 years after termination of service of employment | |
| Attendance registers / records | | |
| Employee Medical Records | | |
| Attendance records, application forms, job or promotion records, performance evaluations, termination papers, test results, training and qualification records, enquiry related papers | | |
| Employment Contracts - Individual | | |
| Employee Handbook & Induction Manual | Permanent | |
| Correspondence with Employment Agencies and Advertisements for job openings | 8 years | |
| Job Description | 8 years after superseding the earlier document | |



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11. 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 archived according to the space constraint provided to the employee.
- 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 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.

12. Correspondence and Internal Memoranda & Miscellaneous Records

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.
3. Correspondence and Internal Memoranda important to the Company or having lasting significance - Permanent, subject to review

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