

Nirlon Limited's Preservation of Documents (**POD**) Policy

(Effective from March 29, 2016)*

I. Background, Introduction of LODR, 2015 by SEBI & Adoption of the Policy

i. Background

The Directors ("**the Board**") of Nirlon Limited ("**the Company**" or "**NL**"), adopted the Preservation of Documents (**POD**) Policy and procedures with regard to preservation of documents on March 29, 2016 under Regulation 9 of the LODR, 2015.

ii. Introduction of LODR, 2015 by SEBI

SEBI introduced Listing Obligations & Disclosure Requirements Regulations, 2015 (**LODR, 2015**) effective from December 1, 2015. The LODR provide, inter alia, various regulations, annexures and schedules, and all listed companies are required to comply with the LODR, 2015.

iii. Adoption of the POD Policy

The Directors on March 29, 2016 approved and adopted the POD Policy in compliance with the LODR, 2015.

II. Objectives

- a. Under Regulation 9 of the LODR, the Company is required to adopt the Preservation of Documents (**POD**) Policy.
- b. The POD Policy contains guidelines for identifying Documents (defined later) that need to be maintained, the period of preservation of such Documents and its destruction/disposal.
- c. This Policy aims to provide an efficient and systematic control on the periodicity and destruction of business related Documents.

III. Definitions

- i. "**Board**" means the Board of Directors of the Company from time to time;
- ii. "**SEBI (LODR) Regulations, 2015**"/"**LODR, 2015**" means Listing Obligations and Disclosure Requirements Regulations, 2015 as notified by the Securities and Exchange Board of India on September 02, 2015 effective from December 01, 2015, and any modification and amendment thereto;
- iii. "**Policy**" means the Preservation of Documents Policy/POD Policy;
- iv. "**Act**" means Companies Act, 2013 any modifications and/or re-enactment thereof;

- v. "**Regulation**", means Regulation 9 of the LODR and any modification and amendment thereto;
- vi. "**Document**" means document maintained in any medium, (paper, electronic, optical, magnetic, etc.), that is created, received, transmitted or used in the course of and in relation to the business of the Company.

IV. Scope

The POD Policy applies to all departments and business functions of the Company but does not apply to personal or non-business information as may be deemed fit by the Board, and notified from time to time (as per **Annexure A** of this policy and any amendment thereto).

V. Accessibility and Retrieval of Records

1. Retention of Physical records

Preserved records shall be kept confidentially, securely with access control and with ease of retrieval, whether in-house or externally. Measures should be taken for physical security of the records maintained like selection of area of record room/s, firefighting device, access control, etc.

2. Retention of Electronic Records

Wherever allowed/required by any law/statute, records may be maintained in electronic form. In case records and documents are maintained in electronic form, all the requirements relating to the Information Technology Act, 2000, including any statutory amendment(s) or modification(s) thereto, shall be adhered to.

In case of a switch-over to another electronic system, it should be ensured that all the records in the old electronic system should be migrated to the new electronic system, and all old records should be accessible in the new system.

VI. Destruction of Documents

All information generated in the course of the Company's business activity that is not required to be retained, must be safely destroyed or discarded as soon as practicable, but in any event within 180 days of the completion of the project/assignment/contract.

1. Physical

The Documents should be destroyed at the end of the preservation period as per **Annexure A**. The destruction should be carried out in a way that preserves the confidentiality of any information, if so required. A record should be kept of the Documents that have been destroyed.

Records which are required to be maintained for a certain period of time shall be added to the archive when it no longer has a business need. Files or items when added to the archive will be recorded on a database that shall be maintained by the facilities and retrieving the records from the archive must be for valid

business reasons.

Office copies of Notices, Agenda, Notes on Agenda and other related papers of the transferor company, as handed over to the transferee company may be destroyed in terms of this clause and permission of the Central Government, where applicable.

Documents should be shredded through a paper shredding machine and not sold as scrap.

2. Electronic

Electronic information, including e-mails that are no longer required to be retained, must be purged using appropriate techniques which ensure that the data cannot be reconstructed from the storage media on which it resided. Records stored on magnetic media must be destroyed by reformatting at least once. However, the backup copies of the records must also be destroyed.

VII. Responsibility

Functional heads of respective departments shall be responsible for monitoring the implementation of the POD Policy.

VIII. Policy Enforcement

Failure to comply with this Policy may result in punitive action against the concerned employee. Questions regarding enforcement of the Policy should be referred to the Functional Heads or the Company Secretary of the Company.

IX. Review and Amendment

The POD Policy shall be reviewed as and when required to ensure that it meets the objectives of Statutory Provisions and remains effective.

The POD Policy shall be reviewed periodically and may be amended by the Executive Director of the Company, as may be deemed necessary.

X. Interpretation

In case of any conflict between the provisions of the POD Policy and Statutory Provisions, Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall automatically apply to the POD Policy.

In case any clarification is required with respect to the POD Policy, kindly contact the Executive Director of the Company.

Annexure A to the POD Policy of Nirlon Limited

Periodicity of Preservation of Documents

The guidelines given below shall be followed for proper preservation of documents

Document Category	Document type	Preservation period	Mode of Preservation
Company Incorporation	<ul style="list-style-type: none"> • Memorandum / Articles of Association • Certificate of incorporation • Certificate of commencement of business • Licenses, certificates, approvals and other such documents issued by Central/State Government and any other statutory and/or regulatory body • Orders, judgments of judicial authorities • Policies, Charters and Codes of the Company • Other related Documents 	Permanent	Physical and/or electronically
Business Operations	<ul style="list-style-type: none"> • Sub-contractors agreements, • Purchase orders • Leave and License Agreements • Extension letters • Parking letters • Nirlon Knowledge Park (NKP) guidelines and rules • Business Operation guidelines of the Company • Any other related Documents 	Ten financial years or such period as may be specified under the applicable law/ statute etc.	Physical and/or electronically

Project Department	<ul style="list-style-type: none"> • All as-built drawings, Plans • Ministry of Environment and Forest (MOEF) Approval • Department of Industries (DOI) Approval • Occupation Certificate (OC) • Commencement Certificate and Completion Certificate (CC), Initial Approval/Disapproval • Structural drawings, Master Plan and any modification thereto, • BMC approved drawings, Tenders • Scrutiny fee • Purchase orders (POS) 	Permanent	Physical and/or electronically
Tax and Finance records	<ul style="list-style-type: none"> • Books of accounts, including inter-alia, financial statements, vouchers relevant entries in books of accounts, audit records, invoices, expense records, bank records etc. in accordance with the applicable provisions of Companies Act, 2013, Income tax Act, and any other applicable laws. • Application/correspondence with various Direct and Indirect tax authorities • Excise invoices / bills / challans • Returns and Assessment Records • Sales Tax documents • All copies of registrations • Loan related Documents • Agreements pertaining to securities • Documents related to all other taxes and duties 	Eight financial years or such period as may be specified under applicable law/statute etc.	Physical and/or Electronically

Secretarial records	<ul style="list-style-type: none"> • Statutory Registers, indices, returns, forms as required under various applicable laws / statutes / regulations etc. • Notice, agenda and notes to agenda of meetings of the Board and its Committees, wherever applicable • Minutes of the meetings of the Board of Directors and of its Committees • Minutes of all meetings of shareholders • Office copies of Notices, scrutinizer's report and other documents related to meetings of shareholders/creditors of the Company • Attendance register of the meetings of the Board and its Committees • Statutory filings with the Stock Exchanges, SEBI, Ministry of Corporate Affairs, Reserve Bank of India and any other statutory/regulatory authority • Applications and approvals for issuance and listing of securities • Press releases, publicly filed documents • Land title deeds/documents/receipts • Other related Documents required to be permanently preserved under any applicable law/regulation/statute etc. • Other related Documents relating to litigations etc. 	Permanent To be preserved until the matter is resolved /settled	Physical and/or electronically
	Documents specified to be preserved for eight financial years under any applicable law/regulation/statute etc.	Eight financial Years	Physical and/or electronically

	Details relating to unclaimed/unpaid divided	Seven years	Physical and/or electronically
Legal	Executed copies of contracts/agreements entered by the Company	Eight years beyond the life of the contract or such period as may be specified under applicable law/statute etc.	Physical and/or electronically
	<ul style="list-style-type: none"> • Documents relating to business projects/contracts/bids • Case file of all disputes with different authorities. • Registration/renewal Documents • Documents relating to development of intellectual property • All Documents containing trade secrets • Original and supplementary license user agreements • Other related Documents 	Permanent	Physical and/or electronically
	Documents relevant to litigation or any potential litigation (dispute that may result in litigation), claim, audit, investigation or enforcement action.	Until the Legal Department of the Company determines in writing that such Documents are no longer needed.	Physical and/or electronically
Insurance	<ul style="list-style-type: none"> • Contractor All Risk (CAR) Policy • Fire Policy, • Transit Policy • Loss of Profit Policy • Public liability Policy, • Vehicles / Equipment Policy 	Four financial years or such period as may be specified under applicable law/statute etc.	Physical and/or electronically

Production, Purchases and related records	<ul style="list-style-type: none"> • Production procedures, production data, system based records, MIS, yield, rejections etc. • Other production related records required to be maintained under any applicable law/statute etc. • Purchase orders, annual rate contracts, quotations and comparative quotation analysis etc. • Bill of entry/bill of lading, shipping bill, airway bill etc. 	Eight financial years or such period as may be specified under applicable law/statute etc.	Physical and/or electronically
Strategy/projects	<ul style="list-style-type: none"> • Documents relating to Greenfield / Brownfield projects • Statistical information, negotiation drafts, analysis reports etc. • Other related documents 	Five years beyond the life of the project/ assignment or such period as may be specified under applicable law /statute etc.	Physical and/or electronically
Employment/ Personnel records	<ul style="list-style-type: none"> • Documents relating to individual personnel records, payroll, salary history, bonuses, performance reviews etc. • Other personnel related documents 	Eight financial years or such period as may be specified under applicable law/statute etc.	Physical and/or electronically
Information technology	<ul style="list-style-type: none"> • Documents in relation to procurement of IT hardware, software, licenses etc. • Operations & User Manuals • License and Information Security Register • Server logs • Disaster Recovery Site logs • Inventory of back up data • Other related Documents 	Eight financial years or such period as may be specified under applicable law/statute etc.	Physical and/or electronically

Marketing and Sales records	<ul style="list-style-type: none"> • Final copies of marketing and sales documents • Sales & Marketing policies • Excise Invoices • Debit Note/Credit Notes • Credit Appraisal Forms & Ratings • Agreements with Agents • Collection Advices • Related MIS • Other related Documents 	Eight financial years or such period as may be specified under applicable law/statute etc.	Physical and/or electronically
International	Documents governed by the jurisdiction of a foreign country	As requirements per of concerned the country	Physical and/or electronically
Incidental or other business related information	• Drafts and preliminary versions of documents superseded by work paper and other transitory information	As long as it remains relevant	Physical and/or electronically
	• Any other Document relating to the business of the Company	180 days or as long as it remains current	Physical and/or electronically

Where the preservation period of Documents is not included in the above identified categories, such period shall be determined by the application of the general guidelines affecting Document preservation identified in this Policy, as well as any other pertinent factors.

Any document not included above, should be maintained for the minimum period legally required, and in other cases as determined by the respective head of the department in writing.

***POST INTRODUCTION BY SEBI LODR, 2015**