



HMT LIMITED
एचएमटी लिमिटेड

दस्तावेज़ों के संरक्षण और अभिलेखीय नीति
Policy on Preservation & Archival of
Documents

(सेबी के 9 और 30 (8) के अनुसार (सूची निर्धारण और प्रकटीकरण आवश्यकताएँ)
विनियम, 2015)

(As per Regulation 9 and 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(As approved by the Board of Directors of the Company on 28.05.2019)

POLICY ON PRESERVATION & ARCHIVAL OF DOCUMENTS

1. PREAMBLE

In any company documents management, more particularly, preservation of documents is of critical importance. It not only covers the various aspects on preservation of the Documents, but also beneficial for the safe disposal/destruction of the Documents and keeping a record of the same. This policy is intended to ensure compliance particularly with the Listing Regulations and the applicable provisions of Companies Act, 2013 towards preservation & archival of documents.

2. RELEVANT PROVISION/REGULATIONS/GUIDELINES

2.1 LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Regulation 9 of Chapter III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires the company to frame a policy on preservation of documents. Further, Regulation 30 (8) requires the Company to frame a Policy on website disclosure and archival of such disclosure.

In compliance to the aforesaid Regulations, this policy is framed for the purpose of systematic, categorization, maintenance, retention of documents received or created in the course of business. The Policy further encompasses the manner of archival of the documents which have been disclosed on the website of the company for the time frame prescribed under Regulation 30 (8).

Regulation 09 of SEBI {Listing Obligations & Disclosure Requirements} Regulations 2015 has provided thus:-

“The Company shall have a policy for preservation of documents classifying them in at least two categories as follows:-

- (a) documents whose preservation shall be permanent in nature;*
- (b) documents with preservation period of not less than eight years after completion of the relevant transactions.”*

2.2 REQUIREMENT OF DOCUMENTS UNDER RIGHT TO INFORMATION ACT, 2005

The Right to Information Act, 2005 provides for maintaining all records duly catalogued and indexed in a manner in the form which would facilitate the Right to Information under this Act. The requests for providing the information have been on the increase every year thereby necessitating the adoption of retention schedule of records.

It is necessary to put in place the schedule of records which would help in timely disposal of requests received from time to time.

Records and archives form an essential and significant part of company's resources. Records are a basic tool of administration. They are the means by which operational processes and functions are performed.

Government of India has enacted the Public Record Act, 1993 to regulate the management, administration and preservation of records of various departments of Central Government/ Public Sector Undertaking and commissions or Committees constituted by the Central Government. Under the aforesaid Act, Government of India has issued Public Record Rules, 1997 which provide that each organization shall compile a schedule of retention of records in consultation with the National Archives of India.

This policy shall be governed by the provisions of the Public Record Act 1993, Companies Act, 2013 and other applicable laws for the time being in force including rules and regulations made there under.

3. SCOPE

The policy is formulated to establish the framework needed for effective preservation/ maintenance of documents and records required to be maintained by the Company.

4. OBJECTIVES

Keeping in view the new law, a listed company needs to adopt the following objectives for preservation of its documents and making them a part of its Policy:

- To provide a framework for the purpose of systematic categorization, maintenance and preservation of documents in the Company.
- To provide a framework of archival of events/information required to be disclosed on website under SEBI Regulations and other information hosted on the website of the Company.
- Preservation of the existing/future documents permanently or for specified period/s.

5. DEFINITIONS

5.1 "Applicable Law" means any law, statutory rules & regulations, or standards applicable on the Company under which any guideline / provision with regard to the preservation of the Documents has been prescribed.

- 5.2 “Board” means the Board of Directors of the Company.
- 5.3 “Company” means HMT LIMITED.
- 5.4 “Current Document(s)” means any Document that still has an ongoing relevance with reference to any ongoing contract, litigation, proceedings, complaint, dispute, or any like matter.
- 5.5 “Document(s)” refers to notes, agreements, notices, advertisements, requisitions, orders, declarations, forms, correspondence, minutes, registers and or any other record (including required under or in order to comply with the requirements of any Applicable Law) maintained on paper or in Electronic Form and does not include multiple or identical copies.
- 5.6 “Document” - Since the crux of the new law relates to “document” it is important to understand its meaning statutorily as well as commercially and in a practical sense.
- Under the new Companies Act 2013, “document” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form. (Section 2 {36})
- Documents may also include those which although not required to be preserved statutorily have been, are, or shall be created, maintained and preserved by a company from time to time, due to its business activities. Specifically such documents shall include those relating to dealings with the customers, suppliers, service providers, employees and other appointees of the company.
- The company shall prepare and maintain an indicative list of various documents required to be preserved under any law/s or otherwise which shall be updated from time to time.
- 5.7 “Electronic Form” means maintenance of documents in any contemporaneous electronic device such as computer, laptop, compact disc, floppy disc, space on electronic cloud, or any other form of storage and retrieval device, considered feasible, whether the same is in possession or control of the Company.
- 5.8 “Maintenance” means keeping Documents, either physically or in Electronic Form.
- 5.9 “Preservation” means to keep in good order and to prevent from being altered, damaged or destroyed.
- 5.10 “Regulations” means the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

5.11 "Head of Function" means Head of function like Engineering, Commercial, Finance, HR, Production, Design etc. at Units. For Corporate functions & Business sectors, Head of function means departmental head reporting to functional Director.

The words and phrases used in this Policy and not defined here shall derive their meaning from the Applicable Law.

6. POLICY ON PRESERVATION

6.1 Classification based on preservation period

Based on preservation duration, the company shall classify the documents in following Categories. For Policy documents, the preservation period starts on the date of introduction of revised version.

a) Documents whose preservation shall be permanent in nature:

Certificate of Incorporation, Memorandum & Articles of Association, Minutes of Board/Committee/ General Meetings, Statutory Returns of the Company under direct taxes, Statutory Registers etc to be maintained permanently under Companies Act, 2013, Trade secrets, definitive documents for acquisition/ merger of/ with a company, etc. shall be preserved permanently.

b) Documents with preservation period of not less than eight years after completion of the relevant transactions:

Books of Accounts as defined in Companies Act 2013, Statutory Registers/ Documents required to be maintained **for 8 (eight years)** under Companies Act, 2013, Technology Collaboration Agreements, Joint Venture Agreements, Press releases and other Statutory Returns required as per concerned Act shall be preserved for a period of not less than eight years after the completion of the relevant transactions.

c) Documents with preservation period of less than eight years after completion of the relevant transactions:

- i. Customer orders, Records related to Court/ Arbitration/ Judicial/ Quasi-Judicial cases, etc- shall be preserved for a period of less than 8 years subject to the condition that transaction/ agreement/ cases are not current and have been completed/ expired/ disposed of.
- ii. All such events or information which has been disclosed to Stock Exchanges and hosted on company's website for the purpose of shareholder communication shall be maintained for 5 Years.

Any other document not covered above at a), b) & c) shall be preserved by the concerned department during the preservation period as decided by the respective head of function in line with the requirement of law, if applicable. Notwithstanding para herein above the documents shall **also** be preserved to meet the requirement under the regulations in the following manner:

- i. Where there is a period for which a Document is required to be preserved as per Applicable Law, for the period required by Applicable Law.
- ii. Where there is no such requirement as per Applicable Law, then for such period till the document remains "Current".
- iii. In case of any other Document, for such period, as the respective functional head decides after taking a considered view about its relevance.

6.2 Modes of preservation

The Documents may be preserved in

- ✓ Physical form and/or
- ✓ Electronic Form.

6.3 Responsibility for preservation of Documents

The responsibility for preservation of documents shall be with the concerned Head of function.

6.4 Authority to make alterations to the Policy

The Chairman and Managing Director is authorized to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall be in consonance with the provisions of the Regulation and other applicable laws.

6.5 Destruction of Documents

After retention period, concerned functional head shall decide the records which are to be destroyed. A list of the Documents disposed/destroyed shall also be maintained. It shall state the brief particulars of the Documents destroyed, date of disposal/destruction and the mode of destruction. Before destruction of documents, the concerned head of department may preserve copies of the same in Electronic Form considering future usefulness of the documents. The electronic copies of the documents

preserve can also reviewed in future and destroyed as per the decision of the concerned functional Head.

6.6 Conversion of the form in which the Documents are preserved

The physical Documents that are preserved may also be converted, whenever required or felt necessary, into electronic form to ensure ease in maintenance of records and efficient utilization of space

7. Preservation of litigation documents

Documents arising out of various litigation wherein a company is a party in any manner, shall need to be preserved as per the directions/orders of the court/s / tribunal/s/ judicial/ other authority/ies as may be applicable, in absence of which the documents shall be preserved for a period of not less than eight consecutive calendar years after conclusion of the litigation.

8. Deviation from the Policy

Any court/s/ tribunal/s/ judicial/ other authority/ies shall have the power to direct a company to produce /preserve and/or destroy any document/s, however, if any document/s has/ have been destroyed pursuant to the Policy followed as per the SEBI Regulations, herein, it may not be possible for the company to produce such document/s, therefore, necessary permission to that effect has to be taken by the company and/ or a statement to that effect shall be given by the company from/to the relevant authorities. Any other action/s shall need to be taken as may be advised by these authorities.

9. Alteration to the Policy

The Audit Committee and Board of Directors of a company shall need to review the Policy, from time to time, to ensure its effectiveness.

10. Archival Policy

The policy applies to documents/ information hosted on the website of the company including events/information required to be disclosed on website under SEBI Regulations.

The disclosure of material /events shall be hosted and retained on the Company's website for a minimum period of 5 (five) years. Thereafter depending upon the nature, materiality, impact and relevance of the material/ event/ information, the disclosure of such material/ event can :

- a) continue to remain hosted on the Company's website for a longer period of time on the advice of concerned functional head to Corporate Communication
- b) can be removed from the website or
- c) can be archived by appropriate technology.

11. Interpretation/ Clarification

Any interpretation/ clarification related to policy shall be issued by the Company Secretary in consultation with concerned Head of function at corporate office after approval from Chairman & Managing Director.

12. Implementation of the Policy

In case of conflict between this policy and any other procedures/ instructions/ guidelines etc., on preservation and archival of documents, the provisions of this policy shall take precedence. In specific cases of conflict being encountered with respect to preservation/ archival of a document created before the date of issuance of the policy, the respective head of function will be the approving authority to interpret such cases in the light of the subject policy being issued. Head of Function shall ensure that this policy is not violated/ contradicted.

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