

# **SAGAR SYSTECH LIMITED**

## **POLICY ON PRESERVATION OF DOCUMENTS AND ARCHIVAL POLICY**

**PREFACE:**

The Board of Directors (the 'Board') of Sagar Systech Limited (the 'Company') at its meeting held on Friday **10<sup>th</sup> August 2018** has adopted the policy on Preservation of Documents (the 'Policy') which will be effective from immediate effect.

This policy is formulated in pursuance of Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015("Listing Regulation").

**1. PURPOSE OF POLICY:**

This policy on preservation of documents will ensure safe-keeping of records, safeguard of the documents from any tampering or disposal etc.and that the records of the Company which are no longer needed or are of no value are discarded after following the due process for discarding the same.

This Policy is also for the purpose of aiding employees of the Company in handling the documents efficiently, understanding their obligations in retaining and preserving the documents and records which are required to be maintained as per the applicable statutory and regulatory requirements.

**2. SCOPE OF THE POLICY:**

This policy categorizes the records that will be preserved indefinitely without any time limit and the records that will be preserved for specified period of time and outlines responsibilities to create, maintain and lawfully dispose of the records. It endorses the Preservation of records in the Company's Archives.

**3. DEFINITIONS:**

- a. "Act" means the Companies Act, 2013.
- b. "Applicable Law" means any law, rules, circulars, guidelines or standards issued by Securities Exchange Board of India, Ministry of Corporate Affairs and The Institute of Company Secretaries of India or such other statutory laws/regulations as applicable under which the preservation of the Documents has been prescribed.
- c. "Authorized Person" means head of respective departments or functional heads for the time being.
- d. "Company" means "SAGAR SYSTECH LIMITED";
- e. "Board" means the Board of Directors of the Company;
- f. "Policy" means this Policy of Preservation of Documents of the Company;

- g. "Record" in relation to this policy includes
- e. "books and papers" as defined in clause 12 of section 2 of the Companies Act, 2013;
- f. "books of accounts" as defined in clause 13 of section 2 of the Companies Act 2013;
- g. "documents" as defined in clause 36 of section 2 of the Companies Act, 2013;
- h. "Registers" as defined in clause 74 of section 2 of the Companies Act, 2013.
- l "Document(s)" refers to papers, notes, agreements, notices, advertisements, requisitions, orders, declarations, forms, correspondence, minutes, indices, registers and or any other record, required under or in order to comply with the requirements of any Applicable Law, whether issued, sent, received or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in Electronic Form and does not include multiple identical copies.

#### **4. OBJECTIVE OF THE POLICY:**

This Policy mechanism provides the comprehensive framework for preservation of documents for a specified period of time to achieve the following objectives:

- a) Effective corporate governance and risk management;
- b) Effective information management to support the work of the administrations and provision of continued access to it at times when needed;
- c) Systematic disposal/destruction of Company's non-current records that have outlived their administrative usefulness.
- d) Identification of the Company's records that are of continuing administrative and historical value to warrant their transfer to and preservation in the Company's Archives.

#### **5. CLASSIFICATION OF RECORDS & DOCUMENTS:**

Based on the requirement & for the purpose of achieving the above objectives and effective management, the period for which the records of the Company shall be maintained have been classified into two categories:

2. The documents of a permanent nature (listed in **Annexure 1**) shall be maintained and preserved permanently by the Company subject to the Modifications, amendments, additions, deletions or any changes made therein from time to time; Provided that all such modifications, amendments, additions, deletions in the documents shall also be preserved permanently by the Company.

2. The documents to be maintained and preserved for a specified time period after completion of the relevant transactions (listed in **Annexure-2**) shall be preserved by the Company for a term not less than eight years after completion of the relevant transactions subject to the modifications, amendments, additions, deletions or any changes made therein from time to time;

Provided that all such modifications, amendments, additions or deletions in the documents shall also be preserved for a term not less than eight years;

Provided further that the Company may keep the documents as specified above in an electronic mode.

While prescribing different time periods for preservation of records, the following aspects have been taken into account:

(a) Compliance with statutory and regulatory requirements.

(b) Requirements of SEBI/RBI/MCA officials to have access to certain records.

(c) Requirements of internal and external auditors to have access to certain records.

The documents or records not covered by this Policy shall be maintained by the Company for the time period specified for their preservation under any statute or regulation, for the time being in force.

This Policy applies to the records & documents maintained by the Company in any format or medium.

#### **6. LOCATION OF RECORDS:**

As mandated by the Companies Act, 2013 or under any other statute, certain records shall be located at the registered office of the Company. The records for which no specific place has been specified under any statute may be maintained at the corporate office of the Company or at any other place as may be, decided by the officers of the Company considering their utilization and usefulness.

#### **7. AUTHORITY AND RESPONSIBILITY:**

Key managerial Personnel of the Company shall be responsible to deal with the records according to the time frame prescribed in the Policy for their preservation.

The respective Head of Departments of the Company shall be responsible for maintenance, preservation and disposal of documents in respect of the areas of operations falling under the charge of each of them, in terms of this policy.

**8. MODES OF PRESERVATION:**

- 1) The Documents may be preserved in
  - a) Physical form or
  - b) Electronic Form.
- 2) The officer of the Company required to preserve the Document shall be Authorized Person who is generally expected to observe the compliance of requirements of Applicable Law.
- 3) The preservation of Documents should be such as to ensure that there is no tampering, alteration, destruction or anything which endangers the content, authenticity, utility or accessibility of the Documents.
- 4) The preserved Documents must be accessible at all reasonable times. Access may be controlled by Authorized Person with preservation, so as to ensure integrity of the Documents and prohibit unauthorized access.

**9. CUSTODY OF THE DOCUMENTS:**

Subject to the Applicable Law, the custody of the Documents shall be with the Authorized Person Where the Authorized Person tenders resignation or is transferred from one location of the Company to another, such Person shall hand over all the relevant Documents, lock and key, access control or password, or Company Disc, other storage devices or such other Documents and devices in his possession under the Policy to the person who have take charge of department head.

**10. AUTHORITY FOR APPROVAL OF POLICY:**

The Board shall have the authority for approval of this policy in pursuance to the Regulations. This authority has been granted *via* the Regulations.

**11. AUTHORITY TO MAKE ALTERATIONS TO THE POLICY:**

The Board 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 Acts and Regulations.

**12. DISPOSAL OF DOCUMENTS:**

- a) Destruction as a normal administrative practice usually occurs because the records are duplicated, unimportant or for short term use only. This applies to both Physical and Electronic Document.  
The temporary Documents, excluding the Current Document(s) shall be disposed after the relevant or prescribed period, by the Authorized Person in whose custody the Documents are stored, after the prior approval of the Board or any

other authority as required under the Applicable Law pursuant to which the Documents have been preserved. The categories of Documents may be disposed as normal administrative practices are listed in **Annexure 2**.

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b) A register of the Documents disposed shall also be maintained. It shall state the brief particulars of the Documents disposed, date of approval for disposal of records, date of disposal/destruction and the mode of destruction.

The entries in the register shall be authenticated by the Authorized Person. The format of the register shall be in accordance with **Annexure 3**.

**POLICY ON PRESERVATION OF DOCUMENTS**

**13. BACKGROUND:**

Where a Document is being maintained both in physical form and in Electronic form, the authenticity with reference to the physical form should be considered for every purpose. Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("LODR") require every Listed Company to formulate a policy on Preservation of Documents which has to be approved by the Board of Directors at its Meeting held on 10<sup>th</sup> August, 2018.

**14. INTERPRETATION:**

In this context, the following policy has been framed by the Board of Directors ("Board") of Mukesh Babu Financial Services Limited with the objective of classifying various documents, enacted law, rule, Regulation or standard governing the Company, the law, rule, records and registers for the purpose of systematic identification, categorization, maintenance, review, preservation and destruction of documents received or created in the course of business. In any circumstance where the terms of this policy differ from any existing or newly regulation or standard will take precedence over these policies and procedures and such time as this policy is changed to conform to the law, rule, Regulation or standard.

The policy contains guidelines on how to identify documents that need to be maintained, how long certain documents should be retained, how and when those documents should be disposed off, if no longer needed and how the documents should be accessed and retrieved when they are needed.

**15. RECORD APPRAISAL:**

The Company shall at regular intervals carry out the appraisal of the records & documents preserved as per this Policy. The purpose of the appraisal process shall be to ensure that the records & documents are examined at the appropriate time to determine whether or not they are worthy of archival preservation, (i) whether they need to be retained for a longer period as they are still in use; or (ii) whether they should be dispose. The appraisal of records shall be undertaken only after the approval from Key Managerial Personnel.

This Policy can be modified and/ or amended with the approval of the Board of Directors only.

The Board of the Company has adopted this updated Policy at the Meeting of the Board held on 10th August, 2018.

**16. OBJECTIVE OF THE POLICY**

The objective of this Policy is to classify the documents, records and registers of the Company which are required: Copy of this policy duly approved by the Board shall be circulated among all the respective department heads of the Company for their necessary action. The new employees shall be informed about the policy by the Human Resource and Administration department. This policy as amended from time to time shall be made available at the notice board of the Company for all the employees, whether existing or new.

- (i) to be preserved permanently and
- (ii) or new to be preserved for a period of not less than 8 years.

## **Policy on Archival of Events/ Information Disclosed to Stock Exchanges**

### **Background**

Sagar Systech Limited (the Company) has framed a Policy for determination of materiality for events/ information and disclosure thereof to the stock exchange (Policy for determination of Materiality) as required under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Regulations), for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria specified in the Listing Regulations.

Regulation 30(8) of the Listing Regulations requires the Company to disclose on its website all such events or information which has been communicated to stock exchange(s) under this Regulation, such information which has been communicated to the stock exchanges shall 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, which will also be disclosed on its website.

In line with the above, the Company shall adopt the following policy for archival of the disclosures made on the website for information and events communicated to the stock exchanges under Regulation 30 of the Listing Regulations.

The Board of the Company has adopted this updated Policy at the Meeting of the Board held on 10th August, 2018.

### **A) Archival Process**

1. All the relevant disclosures of information and events communicated to the stock exchanges under Regulation 30 of the Listing Regulations will be hosted on the website of the Company under the section titled "Investor Relations" for a period of five years and thereafter it will be shifted to the section titled "Archives" hosted on the website of the Company.
2. The disclosures of information and events communicated to the stock exchanges will be retained on the website of the Company in the section titled "Archives" for a minimum period of two years.
3. This policy will be periodically reviewed and amended based on any changes in the laws, rules and regulations applicable to the Company from time to time or changes in internal processes.

4. Adoption of this Policy shall be communicated to the Stock Exchange(s) where the Company's Equity Shares are listed.

**B) Destruction of documents Process**

Any of the documents mentioned in sub clause (A) of this policy, which are not required to be maintained and preserved permanently shall be destroyed.

If documents / records should not be kept longer than is necessary and should be disposed of at the right time as unnecessary retention of records consumes time, space and equipment use.

The Company shall maintain a register of disposal of records in the custody of the Compliance Officer of the Company, wherein the brief particulars of the records disposed of shall be entered.

This register of disposal of records shall be maintained permanently by the Company with the assistance of the Compliance Officer either in physical or electronic form.

**ANNEXURE-I**  
**Records to be preserved permanently**

Item No.	Records/Documents
1.	Certificate of Incorporation
2.	Certificate for Commencement of Business
3.	Memorandum and Articles of Association
4.	Agreements made by the Company with Stock Exchanges, Depositories, etc. Minute Books of General Meetings, Board and Committee Meetings as per
5.	Companies Act, 2013
6.	Register and Index of Members, debenture-holders or other security holders, if any
7.	Register of Contracts as per Companies Act, 2013
8.	Register of Charges as per Companies Act, 2013
9.	Register of Investments as per Companies Act, 2013
10.	Files relating to premises VIZ. Title Deeds/Lease Deeds of owned premises/land and building, etc. and related Ledger/ Register
11.	Authorization /licenses obtained from any statutory authorities
12.	Policies of the Company framed under various regulations
13.	Register of disposal of records
14.	Certificates obtained from various statutory authorities
15.	Such other records as may be required under any law from time to time

**ANNEXURE-2**

**Records to be preserved for minimum period of eight years**

Item No.	Record/Documents
1.	Instrument creating charge or modification (from the date of satisfaction of charge) as per Companies Act, 2013
2.	Register of Inter Corporate Loans and Investments as per the
3.	Annual Returns as per Companies Act 2013
4.	Register of Deposits as per Companies Act, 2013
5.	Register of Allotment (from the date of each allotment) as per Companies Act, 2013
6.	Annual financial statements including: - Annual accounts - Director's report - Auditor's report including Secretarial Auditor's report/ Cost Auditor's Report
7.	Vouchers / Voucher register and books of accounts as defined under sub-section 13 of section 2 of the Companies Act, 2013
8.	Income Tax Returns filed under Income Tax Act, 1961
9.	All notices in form MBP - 1 received from Directors and KMPs along with any amendment thereto.
10.	Return of declaration in respect of beneficial interest in any share as per Companies Act 2013
11.	Copy of newspaper advertisement or publications
12.	Records relating to Court Cases / CBI Cases / Police Cases/ Civil Suits/ Labor Court Cases/ Arbitration Cases.
13.	Compliance Reports received from any statutory authority
14.	Correspondences made with any statutory authority
15.	Register of Powers of Attorney, if any
16.	Forms and returns filed with RBI/MCA or with any other statutory authority

**ANNEXURE-3.**

**Register of the Documents Disposed**

Item No.	Brief Particulars of the Documents Disposal	Date of approval for disposal of records	Date of Disposal	Mode of Disposal	Whether archived electronically or not