

S. P. APPARELS LIMITED

**POLICY FOR PRESERVATION AND ARCHIVING OF
DOCUMENTS**

S. P. APPARELS LIMITED: POLICY FOR PRESERVATION AND ARCHIVING OF DOCUMENTS

1. Background

The Securities and Exchange Board of India (“SEBI”), vide its Notification dated September 2, 2015, issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). The SEBI Listing Regulations come into force from December 1, 2015. Regulations 9 and 30(8) of the Listing Regulations mandate listed entities to formulate a Policy for preservation and archiving of documents. It is in this context that the Document Retention and Archival Policy (“Policy”) is being framed and implemented. The terms of this Policy are subject to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations and in the event of any inconsistency, the provisions of the Companies Act, 2013 and the SEBI Listing Regulations shall prevail.

2. Objective of the policy

The objective of this Policy is to classify the documents in two categories i.e. (i) documents which need to be preserved permanently and (ii) documents which need to be preserved for a specific period of time, which is currently at least 8 (Eight) years under the SEBI Listing Regulations. The Company may keep the documents specified under (i) and (ii) above in electronic mode.

3. Policy

The corporate records of S. P. APPARELS LIMITED (the “Company”) are important assets. Corporate records include essentially all records, whether paper or in electronic form. A record may be in the form of a memorandum, an e-mail, a contract or a case study and includes computerized desk calendar, an appointment book or an expense record etc.

Failure to retain the records could subject the employees and the Company to penalties and fines, cause the loss of rights, obstruct justice, adversely impact potential evidence in a lawsuit, place the Company in contempt of court, or seriously disadvantage the Company in litigation. The Company expects all employees to fully comply with this Policy, provided that all employees should note the following general exception to any stated destruction schedule:

If an employee has reasons to believe, or the Company informs the employee concerned, that Company records are relevant to litigation or potential litigation (i.e., a dispute that could result in litigation), then the employee must preserve those records until the Legal or respective Department determines that the records are no longer needed. This exception supersedes any previously or subsequently established destruction schedule for those records. If an employee(s) believe that exception may apply, or has any question regarding the possible applicability of that exception, he/she may contact the Company Secretary.

The Company, from time to time establishes retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property. While minimum retention periods are

suggested, the retention of the documents identified in those schedules and of documents not included in the identified categories should be determined by the Head of the Department, primarily by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors.

Broadly, there are two kinds of Company records- **Temporary** and **Retained**.

TEMPORARY RECORDS

Temporary records include all business documents that are intended to be superseded by final or permanent records, or which are intended to be used only for a limited period of time, including, but not limited to written memoranda and dictation to be typed in the future, reminders, to-do lists, reports, drafts, and interoffice correspondence regarding a client or business transaction. **Temporary records can be destroyed or permanently deleted if in electronic form when a project or matter closes.**

Upon closing of such temporary files, the respective departments shall gather and review all such temporary records. Before destroying or deleting these documents make sure to have duplicates of all the final records pertaining to the project or matter. Upon destruction or deletion, organize the final records (and duplicates) in a file marked "Final" and store them appropriately, as required under this Policy.

RETAINED RECORDS

Retained records include all business documents that are not superseded by modification or addition, including but are not limited to documents given (or sent via electronic form) to any third party not employed by the Company, or to any government agency; final memoranda and reports; correspondence; handwritten telephone memoranda not further transcribed; minutes; specifications; journal entries; cost estimates; etc.

RECORD RETENTION SCHEDULE

Each Head of the Department shall identify and at all times maintain a schedule of temporary and retained documents.

Records as per the Companies Act, 2013 and SEBI Regulations

The documents of the Company, which are broadly classified in the following two categories:

1. The documents which shall be maintained and preserved permanently by the Company (Annexure I) 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.

These documents, shall after a period of 5 years be archived and the procedure for retrieval of the documents so archived shall be explicitly stated on the website of the company.

2. The documents which shall be maintained and preserved by the Company for the term not less than eight years after completion of the relevant transactions (Annexure I) 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.

Annexure I

DOCUMENTS PRESERVATION SCHEDULE

Corporate Department		
Sr. No.	Record Type	Preservation Period
1.	Registration certificates	Permanent
2.	Memorandum and Articles of Association	Permanent
3.	Common Seal	Permanent
4.	Minutes of Board, General and Committee meetings	Permanent
5.	Counter folios of share certificates issued from time to time	Permanent
6.	Statutory Registers	Permanent
7.	Material Agreements/ Contracts	Permanent
8.	Licenses and Statutory approvals	Permanent
9.	Disclosure under Regulation 30 of the LODR	Permanent available on website for 5 years and thereafter archived
10.	Disclosure under the SEBI (Prohibition of Insider Trading) Regulations, 2015	8 years
11.	Disclosures received under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011	8 years

12.	Documents provided for preparation of Letter of Offer / Prospectus under the SEBI (ICDR) Regulations, 2009	Permanent
13.	Any correspondence with SEBI	8 years
14.	Quarterly compliances under the LODR and the Listing Agreement until December 2015	8 years
15.	Annual Reports	Permanent
16.	ROC Forms	8 years
17.	Board Agenda and supporting documents	8 years
18.	Office copies of Notice of General Meeting and related papers	8 years
19.	Office copies of Notice of Board Meeting / Committee Meeting, Agenda, Notes on Agenda and other related papers	8 years
20.	Attendance Register	8 years
21.	Any other document as may be required to be maintained	8 years

Tax Records

Tax records includes, but are not limited to Documents concerning tax assessment, tax filings, tax returns, proof of deductions, appeal preferred against any claim made by the relevant tax Authorities. Tax Records shall be maintained for a period of 8 (Eight) Years after a final Order has been received with respect to any matter which was preferred for Appeal, as the case may be.

Employment /Personnel Record

The Company is required to keep certain documents relating to recruitment, employment and personnel information, performance review, action taken by or against any employee, complaints by or against any employee. These Documents relating to Employment or Personnel information shall be retained for a period of at least 8 (Eight) years.

Financial Data

The Company's website provides access to financial documents/ information for existing and potential stakeholders which are regulatory in nature, including annual reports and financial results.

Press Releases

Press Release shall include, but shall not be limited to, any intimation given to the press regarding financial results, profits, Meetings of the Board, General Meetings, and overall

performance of the Company. The Company shall retain all Press Releases for at least 8 (Eight) years.

Legal Documents

Legal Documents shall include, but shall not be limited to contracts, legal opinions, pleadings, Orders passed by any court or tribunal, Judgments, Interim Orders, Documents relating to cases pending in any Court or Tribunal or any other Authority empowered to give a decision on any matter, Awards, Documents relating to property matters. A contract shall be retained for a period of 8 (Eight) Years or for 8 (Eight) Years after the expiry of the term of the contract, whichever is higher. Documents relating to any property owned by the Company shall be retained perpetually. Other property Documents shall be retained for a period of 8 (Eight) Years or for a period of 8 (Eight) Years after the rights in such property ceases to exist, whichever is higher. Orders passed by any Court or Tribunal or any Authority or Judgment which are final in nature and cannot be superseded shall be retained permanently. Interim Orders shall be retained till a Final Order is received or for a period of 8 (Eight) Years whichever is higher. Pleadings shall be retained for a period of 8 (Eight) Years or till the matter has been disposed off, whichever is higher.

Marketing and Sales Documents

The Company shall retain relevant marketing and sales Documents for a period of at least 8(Eight) Years.

Intellectual Property Documents and Licenses

Intellectual Property Documents shall include, but shall not be limited to Copyrights, Trademarks, Patents, and Industrial Designs. Intellectual Property Rights Documents that are owned by the Company shall be retained by the Company permanently. Licenses shall be retained till the time the validity of the License and for a period of 8 (Eight) Years thereafter or for a period of at least 8 (Eight) Years, whichever is higher.

RECORD MAINTENANCE AND STORAGE

The Documents may be preserved either in physical form or electronic form. All records in physical form are to be maintained by the Records/Respective Department(s) at the respective locations. Electronic version(s) of all of records are to be maintained within the Company's centralized electronic record software database, which is maintained by the IT Services Department. The Company shall make appropriate provisions for back up of all documents preserved both physically and electronically.

The officer(s) of the Company who is/are generally expected to observe the compliance of requirements of applicable law shall be the person(s) responsible to preserve the documents (authorized person).

The preservation of documents should be in such a manner to ensure that there is no tampering, alteration, destruction or anything which endangers the content, authenticity, utility or accessibility of the documents.

The preserved documents must be accessible at all reasonable times. Access may be controlled by the authorized person for preservation, so as to ensure integrity and confidentiality of the documents and prohibit unauthorized access.

DISPOSAL OF RECORDS

Physical records disposed of pursuant to the retention periods specified in the Document Retention Schedule shall be disposed of using a cross-cut shredder. The Records Department shall adopt appropriate procedures to permanently dispose of any non-paper physical records, such as photographs or audio/video recordings. In the event that it is necessary to manually dispose of an electronic record, the IT Department shall use the "permanent delete" function to permanently dispose of electronic records.

HOLD ON RECORD DESTRUCTION AND DELETION

If a lawsuit or other proceeding involving the Company is reasonably foreseeable, all destruction of any possibly relevant documents, including e-mail, must cease immediately. Documents relating to the lawsuit or potential legal issue will then be retained and organized under the supervision of the Company Secretary's Department. Violation of this aspect of the Company's Document Retention Policy could subject the Company and the employees involved to civil and criminal penalties. In the event of a Document Hold Direction, the IT Department shall immediately disable the "permanent delete" and "automatic delete" functions of the Company's software with respect to the designated records and disable the automatic deletion of recycle bins and deleted items folders on appropriate Company computers; the Records Department shall immediately suspend all disposition of records maintained on-site or off-site location as appropriate; and the Company Secretary's Department shall immediately notify all appropriate employees by e-mail that they are not to dispose of relevant Temporary Records or other records until notified otherwise.

E-MAIL POLICIES

All electronic communication systems as well as all communications and stored information transmitted, received, or contained on the Company's information systems are the property of the Company. Employees using this equipment for personal purposes do so at their own risk.

Employees have no expectation of privacy in connection with the use of Company equipment or with the transmission, receipt, or storage of information using the Company's equipment. Authorized Company personnel may access communications and stored information at any time without notice or consent. Employees should avoid using Company e-mail for personal purposes. Personal e-mails should be deleted as soon as possible-mails relating to audit work papers and financial controls should be retained for at least 8 years. All emails to the Company's Officers or Audit Committee relating to complaints on auditing, accounting, frauds or internal controls should be retained permanently. Any messages exchanged between the Company and third parties (such as consultants and auditors) should be archived, regardless of their content. Instant messages have the same status as e-mails and should be treated identically.

4. Effective Date

The Policy amended and approved by the Board of Directors shall be effective from 14.11.2016.

5. Compliance

Failure to comply with this Document Retention Policy may result in disciplinary action.

Questions about this policy should be referred to the Office of the Group General Counsel, who is in charge of administering, enforcing and updating this policy.

Date: 14.11.2016.