

SAINIK FINANCE & INDUSTRIES LIMITED

POLICY ON PRESERVATION OF DOCUMENTS

1. INTRODUCTION

The Board of Directors (“**the Board**”) of **Sainik Finance & Industries Limited** (“**the Company**”) has adopted this policy on preservation of documents (“**this Policy**”).

This Policy is prepared in terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”)

2. OBJECTIVE

This Policy contains guidelines for identifying documents that need to be maintained, the period of preservation of such Documents and its destruction/disposal. This Policy aims to provide efficient and systematic control on the periodicity and destruction of business related Documents.

3. DEFINITIONS

The capitalized terms used in this Policy shall have the meaning ascribed to such terms in the Companies Act, 2013, rules made thereunder and the Listing Regulations (collectively, the ‘**Statutory Provisions**’), as the case may be.

For the purpose of this Policy, “**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.

“**Electronic Record(s)**” means the electronic record as defined under clause (t) of sub-section (1) of section 2 of the Information Technology Act, 2000.

“**Electronic Form**” means any contemporaneous electronic device such as computer, laptop, compact 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 or otherwise the Company has control over access to it.

“**Maintenance**” means keeping Documents, either physically or in Electronic Form.

“**Preservation**” means to keep in good order and to prevent from being altered, damaged or destroyed.

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4. SCOPE

This Policy applies to all departments and business functions of the Company but does not apply to personal or non-business information

5. RECORD RETENTION SCHEDULE FOR RETAINED RECORDS

The Company has classified the preservation of documents to be done in the following manner and each Employee shall identify temporary and retained documents and at all times maintain the retained records in accordance with the following Retention Schedule:

i. Documents that need to be preserved and retained permanently:

Documents need to be retained permanently:

- a. If in accordance with any statutory requirement or
- b. As may be ascertained by the respective department.

ii. Documents that need to be preserved and retained for a period of not less than eight years after completion of the relevant transactions:

Documents need to be retained for a period of not less than eight years if it is:

- a. Required vide any statutory or legal provision or
- b. Ascertained by the respective department.

iii. Documents that need to be preserved and retained for such period as may be prescribed under any Legal or Statutory provision, as may be applicable to each department:

All other statutory records/ documents of the Company [other than those specified in point nos. 5(i) and 5(ii) above] shall be maintained for such period as may be required to meet compliance with the applicable laws.

iv. Residual Documents (Other non-statutory records/documents):

Where there is no such requirement as per any applicable law, i.e. documents not covered under points 5(i), 5(ii) or 5(iii) above, the Residual Documents, shall be preserved as per the customary practice of a particular department. The same shall be maintained based on the necessity as may be determined by the concerned responsible officers.

6. ACCESSIBILITY AND RETRIEVAL OF RECORDS

i. 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, firefighting device, access control, etc.

ii. Retention of Electronic Record

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 Information Technology Act, 2000, including any statutory amendment(s) or modification(s) thereto, shall be adhered to.

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

7. DESTRUCTION OF DOCUMENTS

All information generated in the course of the Company's business activities 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.

i. Physical:

The Documents should be destroyed at the end of the preservation period specified under Clause 5 of this Policy. The destruction should be carried out in a way that preserves the confidentiality of any information they contain, if so required. A record should be kept about the Documents that have been destroyed.

Records which are required to be maintained for 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.

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

ii. 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.

8. RESPONSIBILITY

Functional heads of respective Units/Departments shall be responsible for monitoring the implementation of this Policy.

9. 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 Board of Directors or the Company Secretary of the Company.

10. POLICY REVIEW:

The Board may subject to applicable laws is entitled to amend, alter, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this Policy and of the applicable law, such applicable law in force from time to time shall prevail over this Policy.

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