

Hindusthan Microfinance Private Limited (HMPL)



Policy on Management, Preservation and Retrieval of Documents

Hindusthan Microfinance Private Limited (HMPL)
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Background and objectives

Record preservation and management is concerned with the selection, classification, storage, and efficient retrieval of information. This requires a structured approach in order to comply with the applicable laws and regulations and to meet business needs. The broad objectives of the policy are as under :

a) The Policy establishes the guidelines for management, preservation, destruction and retrieval of documents, both in physical form and electronic form.; (b) to facilitate easy retrieval of documents at the time of referral needs (c) To fulfil statutory and regulatory requirements; (d) To quickly respond to litigation cases including tax matters and provide for evidential needs ; (e) To ensure scientific and systematic preservation and management of records ; (f) To prevent accumulation of unwanted records occupying avoidable storage space , ; & (g) to fix up responsibility at various levels for proper management of records & registers .

The Record Retention Policy of Hindusthan Microfinance Private Limited (HMPL) governs the obligations and responsibilities of all staff in relation to the management of official records. Under this policy, each department has an obligation to maintain official records and keep them in good order and condition.

Responsibilities

The principal responsibility of ensuring the preservation and archival of documents pertaining to the different departments will rest with the concerned heads of departments (“Head of Department”) / units/ (Branch Managers / Area Managers).

Modes of preservation

Documents may be preserved in electronic/digital form or in physical form. Guidelines , specifying safeguards and processes, pertaining to electronic & digital form of records are detailed in IT Policy of the Company . The physical documents preserved may be converted, whenever required or felt necessary, into electronic form to ensure ease in maintenance of records and efficient utilization of space. This will be done after obtaining prior approval of the Board.

Retention schedule

The retention schedule outlined below categorizes documents based on their respective retention periods.

| | |
|-----------|-----------------------------------|
| Permanent | 1. Register/Index of shareholders |
|-----------|-----------------------------------|

| | |
|-----------|--|
| retention | <ol style="list-style-type: none"> 2. Certificate of Incorporation 3. Memorandum and articles of association 4. Minute books of General meetings, Meetings of the Board, and Committee as per Companies Act, 2013, as amended. 5. Register of contracts as per Companies Act, 2013, as amended. 6. Register of charges as per Companies Act 2013, as amended. 7. Register of investments as per Companies Act, 2013, as amended; and 8. Intellectual property rights documents owned by the Company (including, but not be limited to copyrights, trademarks, patents, and industrial designs) 9. The Orders ,judgements of Judicial Authorities ,Tribunals , Adjudicating Authorities relating to the company; 10. Licenses ,Certificates ,Approvals,etc issued/recorded by any Government /Statutory /Regulatory Authorities 11. Registration Certificates under Tax Laws 12. Title Documents 13. Policies , Charters, and Codes of the Company 14. Register of guarantees and securities issued by the Company 15. Registers of transfer ,transmission of securities 16. Register of Directors and Key Managerial Personnel 17. Register of Directors’ Share Holding 18. Register of Documents destroyed |
| 10 years | <ol style="list-style-type: none"> 1. Customer Identification & Address. Includes copies of ID documents, address proofs, etc. 10 years after business relationship ends 2. Supporting documents for transactions: 10 years from transaction date |
| 8 years | <ol style="list-style-type: none"> 1. Statutory documents, including the proper books of account, records, and documents, etc. 2. instrument creating charge or modification (from the date of satisfaction of charge) as per Companies Act, 2013, as amended. 3. Annual returns as per Companies Act,2013, as amended. 4. Register of share allotment (from the date of each allotment) as per Companies Act, 2013, as amended. 5. Annual financial statements → <ol style="list-style-type: none"> a. annual accounts b. directors report c. auditors report |

| | |
|---------|---|
| | <ol style="list-style-type: none"> 6. Return of declaration in respect of beneficial interest in any share as per Companies Act, 2013, as amended. 7. Copy of newspaper advertisement or publications 8. The postal ballot and all other papers or registers relating to postal ballot including voting by electronic means. 9. Disclosure/return filed under Listing Regulations 10 Correspondence with Tax Authorities 11 . GST .Bills ,Chalans ,etc. 12. Books of Accounts including vouchers ,invoices ,bank records ,audit records ,financial statements . 13. Tax Returns and Assessment Records 14. Documents related to staff , pay roll ,and other personnel related matters (HR Department) 15. Documents related to loans/borrowings 16 .Documents related to Procurement of Hard ware , Software , Servers log ,licenses (IT Department related) 17. Any and other Registers where retention period is not mentioned specifically |
| | <ol style="list-style-type: none"> 1. |
| 5 years | <ol style="list-style-type: none"> 1. All notices pertaining to disclosure of interest by directors. 2. Agenda papers of meetings of board and its committees 3. Delivery receipt of notice sent, agenda and minutes of committees, board, and general meetings of the Company. 4. Internal audit reports submitted to the Board 5. Correspondence with Regulators - includes inspection reports, regulatory orders |

Destruction of Documents :

The documents after completion of the period of preservation mentioned in this policy ,if no longer required may be destroyed with prior approval of Executive Director. A Register of Documents to be destroyed will be maintained at the company Head Office. Before approval, the details (e.g. Department , Serial Number , Subject matter , Date of approval, Date of destruction, Signature) need to be recorded in this Register.

Compliance of the Policy

The Internal Auditors auditing the Head Office and the Units (Branches / Area Office) shall verify the compliance to this policy of Management , Preservation & Retrieval of Documents from time to time and ensure its compliance .

Review & Amendments :

The policy may be reviewed periodically , to ensure that it fulfils its objective and continues to remain effective After review ,any amendment needed in the Policy may be proposed to the Board for approval . In case of conflict between the provisions of the policy and the statutory provisions /regulatory direction , the latter will prevail over the former .

Note#1:

Documents, other than mentioned in the three time-based categories, which are mandatorily required to be maintained and preserved the preservation period can be specified by the department depending upon utility/need for the record or upon the direction of any regulator.

Note#2:

Relevant Acts/Laws guiding this policy

- Indian Evidence Act, 1872
- RBI Act, 1934
- Prevention of Money Laundering Act, 2002 (in reference to amendment to Section 12 of Prevention of Money Laundering Act, 2002 through Prevention of Money Laundering (Amendment) Act, 2012)
- General records as per RBI
- SEBI
- TAX Laws (Income tax and GST)
- IRDA
- PF and ESIC act

Note#3: These periods are not based on analysis of the cost of retention compared with the benefit derived from the availability of data and can be modified.