

KANEL INDUSTRIES LIMITED

POLICY ON PRESERVATION OF DOCUMENTS

(Pursuant to Clause 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. Introduction

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been notified by Securities and Exchange Board of India on September 02, 2015, which shall replace the existing Listing Agreement.

In compliance with these requirements of Listing Regulations and to establish the framework needed for effective preservation / maintenance of documents and records required to be maintained under Listing Regulations, the Board of Directors of KANEL INDUSTRIES LIMITED has approved and adopted this Policy for Preservation of Documents. This policy shall be effective from December 1, 2015.

2. Definitions

“Board of Directors” or “Board” means the Board of Directors of KANEL INDUSTRIES LIMITED as constituted / re-constituted from time to time.

“Company” means KANEL INDUSTRIES LIMITED

“Listing Regulations” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

“Policy” or “this Policy” means Policy on Preservation of Documents.

“Stock Exchanges” means the stock exchanges where the Company’s shares are listed.

“SEBI” means Securities & Exchange Board of India.

The words, terms and expressions used in this Policy shall have the same meaning as given in Clause 2 of Chapter I of the Listing Regulations.

3. Classification of Documents

Documents shall be classified in the following categories.

- a) Documents whose preservation shall be permanent in nature;
- b) Documents with preservation period of not less than eight (8) years after completion of the relevant transactions.

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

Subject to clause 3 above, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general

guidelines affecting document retention identified above, as well as any other pertinent factors as the overseeing authorities deem fit.

a) **Accounts and Finance:**

Annual Audit Reports and Financial Statements should be retained permanently. Books of Accounts, Ledgers and Vouchers etc to be kept for 8 years from end of Financial Year or completion of assessment under Income Tax whichever is later.

b) **Tax Records:**

Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning the Company's revenues and expenses including capital expenditure. Tax records should be retained for at least eight years from the date of filing the applicable return or such period of time as prescribed under Tax laws whichever is later.

c) **Employment Records / Personnel Records:**

Labour laws require the Company to maintain certain recruitment, employment and personnel information. The Company should maintain personnel files that reflect performance reviews if any and any complaints brought against the Company or individual employees under applicable labour laws. The Company should also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file.

i. Employment and personnel records shall be preserved for a minimum period of eight years irrespective of whether such employee continues to be employed with the Company or not.

ii. Individual employee files need to be maintained as long as the concerned individual remains an employee of the Company as also for a minimum period of 5 years thereafter or such period of time as prescribed under respective laws for time being in force whichever is later.

iii. Returns under various labour laws, governmental and statutory filings etc. need to be retained in accordance with the related statute as may be specified therein or for a minimum period of 8 years whichever may be later.

d) **Legal Files and Papers:**

Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of eight (8) years or till the completion of the case, whichever is later.

e) **Marketing and Sales Documents:**

The Company should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally eight (8) years.

f) **Minutes, Statutory Registers & other Documents:**

Minutes of Meetings of Board, Members and other Committees Meeting along with statutory registers as prescribed under governing laws for time being in force shall be preserved for such period as provided in respective laws. Any document where preservation period is not prescribed under governing laws shall be preserved for a minimum period of eight years.

g) **Press Releases/Public Filings:**

The Company should retain copies of all press releases and documents filed with Stock Exchanges, Registrar of Companies and other regulatory authorities on a permanent basis.

h) **Contracts:**

Final, execution copies of all contracts entered into by the Company should be retained. The Company should retain copies of the final contracts for at least five years beyond the life of the agreement, and longer in the case of publicly filed contracts.

i) **Property Records:**

Documents relating to Land and Buildings and Intellectual property protection such as patents, copyrights etc. should be kept permanently / life of the Patents, Copyrights etc.

j) **Electronic Mail:**

E-mail that needs to be saved should be either:

- i. Printed in hard copy and kept in the appropriate file; or
- ii. Downloaded to a computer file and kept electronically or on disk as a separate file as to ensure its timely retrieval.

4. **Register of Documents destroyed**

The Company shall maintain a separate register for Documents destroyed in the following format:

Specimen format of the register of documents disposed off/ destroyed

| Particulars of Document along with provision of Law | Date and Mode of Destruction | Initials of the Authorized Person |
|---|------------------------------|-----------------------------------|
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5. **Amendment**

The Board of Directors of the Company reserves the right to amend or modify this policy in whole or in part, as may be required, at any point of time.

6. Responsibility

The Managing Director / Executive Director / Manager of the Company, from time to time, shall be responsible for implementing this Policy and procedures for retention / preservation of papers and records under this policy and communicating the respective periods for destruction of such records and documents to the relevant employees.