

Mahindra & Mahindra Financial Services Limited

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| Name of Document | Policy on Preservation of Documents |
| Version | 1.0 |
| State whether Policy/Code/Manual/ Guideline | Policy |
| Issuing Authority | Board of Directors |
| Owner | Ms. Brijbala Batwal |
| Issue Date | 21-10-2015 |
| Effective Date | 01-12-2015 |
| Last amended | Not Applicable |
| Version History | Version 1.0 Issued on 21-10-2015 effective 01-12-2015 |

POLICY FOR PRESERVATION OF DOCUMENTS

1. INTRODUCTION

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“new Regulations”) require listed companies to have a policy for preservation of documents, approved by its board of directors, classifying them in at least two categories as follows-

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

This Policy is framed in accordance with the above requirements of the new Regulations, notified on 2nd September 2015 and other SEBI Circulars specified in this regard, if any. This policy shall be effective from 1st December 2015 being the date when the new Regulations become effective.

2. OBJECTIVE

The objective of this Policy is ‘aiding employees of the Company in understanding their obligations in retaining physical documents and electronic documents’.

The policy is formulated to manage the Company’s information in a structured manner, to retain information for as long as it has a business purpose, to satisfy statutory or regulatory requirements, and to protect information which is vital to the Company.

3. SCOPE

This policy covers all information created, received, managed and retained by the Company (including all its units and divisions), in hard copy and electronic records.

Information, under this policy, includes all hard copy and digital information created or received in connection with the business of the Company including originals and copies of correspondence, recordings, work papers, video tapes, photographs, product specifications, reports etc.

This policy extends to all locations of the Company. Particular departments, units or divisions may develop policies applicable to that specific departments, units or divisions, to meet regulatory requirements.

4. RESPONSIBILITY

It is the responsibility of respective Sector Presidents /the heads of all departments to assure the implementation of this Policy, in terms of managing the records and information of their respective Sector or department, as the case may be. This responsibility may be delegated to an assigned employee, not being below the Grade of 'Manager' who would be responsible for developing the listing of records and their respective preservation schedules along with its regular update.

It follows that the concerned responsible officer should, in line with this Policy and as per applicable law:

- destroy papers and electronic data for which there is no continuing business need and send papers that should not be destroyed to archive within as short a time as possible
- keep data secure while it remains in any office
- keep track of where information is stored
- continue to apply these good practices to avoid stockpiling of papers in the future.

A database of all archived materials should be stored at each department level. The records which are confidential in nature, should have selected access as may be determined by the Sector President/Head of Department.

5. POLICY

Retention Schedules:

All Sectors and corporate functions shall specify the manner of maintenance of records (physical/electronic), recommended minimum retention periods, safety safeguards and protocols for maintenance of inventory of records pertaining to them.

The retention periods will be determined by factors such as the information's useful life within the Company, requirements of applicable law and requirements of regulatory bodies.

The Companies Act, 2013 ("the Act") and Secretarial Standard - 1 provide a period upto which certain documents / registers are to be preserved. The Company shall

ensure that maintenance of these documents are in line with the period mentioned in the Companies Act, 2013 and Secretarial Standard - 1 as amended from time to time, except in so far as may be mandated for a longer period by any other law applicable for the time being in force. Given below in **Annexure A** are certain documents and their preservation period under the Act/Secretarial Standard-1.

In respect of documents for which no retention period is mandated by law, the retention periods will be approved by the respective Sector Presidents / Head of Department.

Retention schedules for each department will specify how long each type of record will be kept and when it will be destroyed.

Records shall be broadly classified as per following for retention:

Permanent Record: Permanent records are records which are of strategic importance and vital to the organization. These records shall be kept permanently, e.g. records and documents such as Memorandum and Articles of Association, Board and Committee Minutes, Registers which are required to be permanently maintained under the Companies Act or other applicable laws.

Other Records: Such records as are required to be maintained for minimum 8 years on account of statutory considerations and are important from the perspective of financial record keeping, e.g. books of accounts, vouchers, Financial Statements, invoices and all deeds / agreements which are the basis for the financial transactions should be preserved for minimum 8 years from the closure of the contract.

Temporary Records: Temporary records are the records which are required to be retained as long as it has a business purpose or are required to be retained as per relevant business regulations eg. Operational documents such as rating letters, research reports, working papers, etc.

Destruction of records:

The records which are no longer required after the statutory retention period should be reviewed and destroyed under instructions of the Head of the Department, in compliance with the applicable record. The instruction for the destruction of the record must be provided in writing by the Head of the Department.

Record Management Procedure:

Each business unit and corporate function shall assure that records maintained in its offices, or stored outside the office environment are appropriately identified and maintained to assure accurate and prompt retrieval.

6. SCOPE LIMITATION

In the event of any conflict between the provisions of this Policy and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Regulations/ Act or statutory enactments, rules shall prevail over this Policy.

Permanent Records :

| Sr No. | Section/Rules/Clause | Type of Document | Form Specified |
|---------------|--|--|-----------------------|
| 1. | Section 7(4) | Memorandum of Association and Articles of Association | |
| 2. | Section 186(9) and Rule 12(1) of the Companies (Meetings of Board and its Powers) Rules, 2014 | Register of loans, guarantee, security and acquisition of securities made by the company | Form No. MBP 2 |
| 3. | Section 187(3) and Rule 14(1) of the Companies (Meetings of Board and its Powers) Rules, 2014. | Register of investments not held in its own name by the company | Form No. MBP 3 |
| 4. | Section 189(1) and Rule 16(1) of the Companies (Meetings of Board and its Powers) Rules, 2014. | Register of contracts or arrangements in which directors are interested | Form No. MBP 4 |
| 5. | Section 85 and Rule 10(4) of Companies (Registration of Charges) Rules, 2014 | Register of charges | Form No. CHG 7 |
| 6. | Section 88 and Rule 15(1) of the Companies (Management and Administration) Rules, 2014. | Register of Members alongwith index of the names | Form No. MGT.1 |
| 7. | Section 88 and Rule 15(4) of the Companies (Management and Administration) Rules, 2014. | Foreign register of members | Form No. MGT.3 |
| 8. | Rule 25(1)(e) of the Companies (Management and Administration) Rules, 2014 and Clause 18.1 of Secretarial Standard 2 | Minutes of General Meeting including Minutes of all Meetings of the transferor company under a scheme of arrangement | |
| 9. | Rule 25(1)(f) of the Companies (Management and Administration) Rules, 2014 and Clause 8.1 of Secretarial Standard 1 | Minutes of Board or Committee Meetings including Minutes of all Meetings of the transferor company under a scheme of arrangement | |

| Sr No. | Section/Rules/Clause | Type of Document | Form Specified |
|--------|--|--|----------------|
| 10. | Rule 6(3) of the Companies (Share Capital and Debentures) Rules, 2014. | Register of Renewed and Duplicate Share Certificates | Form No. SH.2 |

Other Records :

| Sr No. | Section/Rules/Clause | Type of Document | Preservation Period | Form Specified |
|--------|---|--|--|----------------|
| 1. | Section 128(5) | Books of Account including vouchers relevant to any entry in such books of account | 8 financial years preceding current FY. | |
| 2. | Rule 9 of Companies (Meetings of Board and its Powers) Rules, 2014. | Disclosures/ Notices by a director of his interest | For a period of 8 years from the end of the financial year to which it relates | Form No. MBP 1 |
| 3. | Rule 14(3) of Companies (Acceptance of Deposits) Rules, 2014 | Registers of deposits | For a period of not less than 8 years from the financial year in which the latest entry is made in the register | |
| 4. | Section 85 and Rule 10(4) of the Companies (Registration of Charges) Rules, 2014 | The instrument creating a charge or modification | For a period of 8 years from the date of satisfaction of charge by the company | |
| 5. | Section 88 and Rule 15(2) of Companies (Management and Administration) Rules, 2014. | Register of debenture-holders or any other security holder, alongwith index of the names | For a period of 8 years from the date of redemption of debentures or securities. | Form No. MGT.2 |
| 6. | Section 88 and Rule 15(4) of the Companies (Management and Administration) Rules, 2014. | Foreign register of debenture-holders or any other security holder | For a period of 8 years from the date of redemption of such debentures or securities | |

| Sr No. | Section/Rules/Clause | Type of Document | Preservation Period | Form Specified |
|--------|---|--|---|----------------|
| 7. | Section 88 and Rule 15(3) of Companies (Management and Administration) Rules, 2014. | Annual return and copies of all certificates and documents required to be annexed thereto | For a period of 8 years from the date of filing with the Registrar | |
| 8. | Rule 7(3) of the Companies (Share Capital and Debentures) Rules, 2014. | All books and documents relating to the issue of share certificates, including the blank forms of share certificates | Not less than 30 years and in case of disputed cases shall be preserved permanently | |
| 9. | Rule 7(3) of the Companies (Share Capital and Debentures) Rules, 2014. | All certificates surrendered to a company shall immediately be defaced by stamping or printing the word "cancelled" in bold letters | May be destroyed after the expiry of 3 years from the date on which they are surrendered, under the authority of a resolution of the Board and in the presence of a person duly appointed by the Board in this behalf. | |
| 10. | Rule 3(2)(d) of the Companies (Meetings of Board and its Powers) Rules, 2014 | Tape recording(s) or other electronic recording mechanism used for Board meetings held through video-conferencing or audio-visual means | At least upto the time of completion of audit of that particular year | |
| 11. | Clause 4.1.7 of Secretarial Standard 1 | Attendance register of Board and Committee Meeting | For a period of at least 8 financial years and may be destroyed thereafter with the approval of the Board. | |
| 12. | Clause 8.2 of Secretarial Standard 1 | Office copies of Notices, Agenda, Notes on Agenda and other related papers of Board and Committee Meeting including copies of the above documents received from the transferor company under the Scheme of Arrangement | To be preserved in good order in physical or in electronic form for as long as they remain current or for 8 financial years , whichever is later and may be destroyed thereafter with the approval of the Board. | |

| Sr No. | Section/Rules/Clause | Type of Document | Preservation Period | Form Specified |
|--------|---------------------------------------|--|---|----------------|
| 13. | Clause 18.2 of Secretarial Standard 2 | Office copies of Notices, scrutiniser's report, and related papers of the General Meeting including those received from the transferor company under the Scheme of Arrangement | To be preserved in good order in physical or in electronic form for as long as they remain current or for 8 financial years , whichever is later and may be destroyed thereafter with the approval of the Board. | |