

Policy for Preservation of Documents

Introduction:

This policy is primarily framed based on Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and Companies Act, 2013. SEBI has mandated all the listed entities to have a policy on Preservation of Documents. Archival Policy as referred to in Regulation 30 (8) of the Listing Regulations forms part of this Policy. This policy is intended to ensure compliance particularly with the Listing Regulations and the applicable provisions of Companies Act, 2013.

Purpose:

The purpose of this documents to present a high level policy statement for **Encompass Design India Limited (“the Company”)** regarding preservation of its documents in accordance with the provisions of the Companies Act, 2013 (“**the Act**”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Regulation**”) and any other applicable laws to the Company.

Accordingly, the Policy named Policy for Preservation of Documents (“**the Policy**”) has been formulated and adopted by the Board of Directors (“**the Board**”) of the Company.

Objectives:

The Policy has been formulated and adopted by the Board for achieving the following objectives;

- ⇒ To provide guidance for preservation of Documents to the executives and staff working in the Company;
- ⇒ To create awareness amongst executives and staff working in the Company of importance of preservation of documents for making critical decisions and undertaking other activities that may have an impact on the operations of the Company;
- ⇒ To retain and preserve its documents as the basis for communication with a range of external stakeholders;
- ⇒ To have systematic identification, categorization, maintenance, review, retention and destruction of documents received or created in the course of business;
- ⇒ To ensure that significant documents are safeguarded and preserved to ensure its longevity of priority documents including its electronic resources.

Policy Statement:

The policy contain guidelines on how to identify documents that need to be maintained, how long certain documents should be retained, how and when those documents should be disposed of, if no longer needed and how the documents should be accessed and retrieved when they are needed

Classification of Documents:

Based on the recommendation of the management of the Company, the Board of Directors has identified following classes for Preservation of various documents;

⇒ **Type: 1**

Documents that need to be preserved / retained permanently.

⇒ **Type: 2**

Documents that may be preserved / retained for a period of 8 years as specified under the Companies Act, 2013 or LODR or any other applicable laws.

⇒ **Type: 3**

Documents to be preserved electronically and archived when necessary.

⇒ **Type: 4**

Emails of all employees for a period of 3 years.

⇒ **Type: 5**

Documents like budget papers, bank guarantees etc., which may be retained for less than 8 years.

Further Regulation 30 (8) of the Listing Regulations also refers to an archival policy as per which all events or information which has been disclosed to stock exchange(s) under regulation 30 shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the company, as disclosed on its website. Besides the above, as per applicable provisions of Companies Act, 2013 certain documents must be preserved permanently or up to a certain prescribed time. Accordingly this policy has been framed keeping in view particularly the requirements of Listing Regulations and the provisions of Companies Act, 2013.

Type of Record:

The Board of Directors has identified following major types of various documents which requires to be preserved under various statute.

- ⇒ Accounting and Finance records including Annual Financial statement
- ⇒ Tax records
- ⇒ Corporate Records including Certificate of Incorporation, Memorandum and Articles of Association of the Company, other statutory (mandatory and non-mandatory) & non-statutory Registers, Listing Agreement and approvals from other statutory authorities under the Companies Act, 2013, Listing Regulation and other statute
- ⇒ Legal Files and Records
- ⇒ Property Records
- ⇒ Insurance Records
- ⇒ Contracts entered into by the Company including Marketing Contracts
- ⇒ Payroll Records
- ⇒ Pension and retirement related Records
- ⇒ Personnel and HR Records
- ⇒ Programs & Service Records
- ⇒ Sponsorship Projects Records
- ⇒ Correspondence and Internal Memoranda
- ⇒ Electronic Documents including email retention and back up
- ⇒ Miscellaneous Records

Principle of Responsibility for Preservation of Documents:

All the Employees in the permanent rolls of the Company are responsible for taking into account the potential impacts on preservation of the documents in their work area and their decision to retain/preserve or destroy documents pertaining to their area. Such policy bestowing responsibility on the Company's employees would immensely help company's litigation preparedness tool helping the Company's and outside legal counsel to track down documents to handle the legal cases.

Record Retention Schedule:

The Record Retention Schedule approved by the Board of Directors for initial maintenance, retention and disposal schedule for physical records is as given in the **Annexure I**.

Suspension of Disposal of Record:

In case the Company is served with any notice for request of documents or any employee becomes aware of a governmental investigation or audit concerning the Company or commencement of any litigation against the Company, such employee shall inform the Company Secretary and any further disposal of documents shall be suspended until such time as the Company Secretary, after consulting the Managing Director of the Company, with the due advice from the legal counsel, determine otherwise.

The Company Secretary in such case shall inform all employees by mail of the need to retain the documents and suspension of disposal of the same.

Back up of data:

Encompass Design India Limited ensures safety of staff as well as members of the general public, safeguard the documents and records and to enable a return to normal operating with minimal disruption.

In the event of major incident, the first priority is the safety of the people, followed by immediate action to rescue or prevent further damage to the records. Depending on the immediate threat, emergency response and recovery actions will take precedence over all other Company activities.

The Company has made appropriate provision for the backup of its digital collections, including the provision of offsite security copies. The backup copies are actively maintained to ensure their continued viability. The Company ensures that the digital collections and technical infrastructure required to manage and access them can be restored in the event of an emergency.

Destruction of Documents:

- ⇒ Destruction as a normal administrative practice usually occurs because the records are duplicated, unimportant or for short - term use only.
- ⇒ The temporary Documents, excluding the Current Document(s) shall be destroyed after the relevant prescribed period as provided in the Annexure I, by the Authorised Person in whose custody the Documents are stored, after the prior approval of the Board or any other authority as required under the Applicable Law pursuant to which the Documents have been preserved.
- ⇒ Register of the Documents disposed/destroyed shall also be maintained. It shall state the brief particulars of the Documents destroyed, date of disposal/destruction and the mode of destruction. The entries in the register shall be authenticated by the Authorised Person.
- ⇒ The format of the register has to be in accordance with **Annexure II**.

Conversion into Electronic Form:

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.

Periodical Review:

The Policy should be flexible and easy to understand and comply with by all levels of employees. The policy should be reviewed periodically by the Board as and when practical difficulties are encountered. The Top management may also review the policy on document retention to comply with any local, state, central legislations that may be promulgated from time to time.

Approved in the Board Meeting held on 09th June, 2025.

Annexure I**Record Retention Schedule****1. Accounting and Finance records including Annual Financial statement****Responsibility: Finance Department**

Sr. No.	Record type	Retention period	Document Type
1.	Accounts Payable ledgers and schedules	8 Years	Type 2
2.	Accounts Receivable ledgers and schedules	8 Years	Type 2
3.	Annual Audit Reports and Financial Statements, Tax and Vat Audit	Permanent	Type 1
4.	Annual Audit Records, including work papers and other documents that related to the audit	8 Years after completion of Audit	Type 2
5.	Annual Plans and Budgets	5 Years after the budget year is closed	Type 5
6.	Bank Statement and Cancelled Cheques	8 Years	Type 2
7.	Employee Expense Reports	8 Years	Type 2
8.	General Ledger	Permanent	Type 1
9.	Interim Financial Statements	8 Years	Type 2
10.	Notes Receivable ledgers and schedules	8 Years	Type 2
11.	Investment Records	Permanent	Type 1
12.	Security deposit receipt copies	8 Years after termination of contract	Type 2
13.	Fixed Asset Register with supporting Purchase Orders and Bills for fixed assets addition	Permanent	Type 1
14.	Cost records	8 Years	Type 2
15.	Payroll extract, salary advice and payroll JVs	8 Years	Type 2
16.	Payroll TDS, PF, ESI return and challan applicable on payroll	Permanent	Type 1
17.	Treasury documents - Credit approvals from bank	Permanent	Type 1
18.	Bank Account passbook or statement, Bank Reconciliation Statement and LC Documents	8 Years	Type 2
19.	Bank Guarantees	Till the expiry of Claim period	Type 5
20.	Tax Litigation documents	Permanent	Type 1
21.	Bill of entries	Permanent	Type 1

2. Tax records

Responsibility: Finance Department

Sr. No.	Record type	Retention period	Document Type
1.	Tax-Exemption Documents and related correspondence	Permanent	Type 1
2.	Excise Tax records	Permanent	Type 1
3.	Payroll Tax records	8 years	Type 2
4.	Tax Bills, Receipts, Statements	8 years	Type 2
5.	Tax Returns - Income, Franchise, Property	Permanent	Type 1
6.	Tax work paper packages – Originals	8 years	Type 2
7.	Sales Tax Records	8 years	Type 2
8.	Annual Information Returns - State and Central	Permanent	Type 1
9.	Service Tax Records	8 years	Type 2

3. Corporate Records including Certificate of Incorporation, Listing Agreement and other approvals from other statutory authorities.

Responsibility: Secretarial Department

Sr. No.	Record type	Retention period	Document Type
1.	Corporate Records (certificate of incorporation, commencement of business, listing agreement, common seal, minutes book of board and committees thereof, annual reports originals, Memorandum and Articles of Association etc.)	Permanent	Type 1
2.	Licence and Permits, Industrial entrepreneurial Memorandum, and other statutory approvals	Permanent	Type 1
3.	ROC Filings, other statutory (mandatory and non-mandatory) & non-statutory Registers, documents and Stock Exchange filings in physical and Electronic form	8 Years	Type 2
4.	Agreements made by the Company with Stock Exchanges, Depositories, etc.	Permanent	Type 1

4. Legal Files and Records

Responsibility: Secretarial cum Legal Department

Sr. No.	Record type	Retention period	Document Type
1.	Legal Memoranda and Opinions	5 years after the closure of the matter	Type 5
2.	Litigation files	3 year after expiration of disposal of the case	Type 5
3.	Court Orders	Permanent	Type 1

5. Property Records

Responsibility: Secretarial cum Legal Department

Sr. No.	Record type	Retention period	Document Type
1.	Correspondence, Property Deeds, Assessments, Licenses, Rights of Way	Permanent	Type 1
2.	Original Purchase / Sale Deeds	Permanent	Type 1
3.	Original Lease Agreements	5 years after expiration of the lease	Type 5

6. Insurance Records

Responsibility: Finance cum Insurance Department

Sr. No.	Record type	Retention period	Document Type
1.	Annual Loss Summaries	8 Years	Type 2
2.	Audits and Adjustments	8 Years	Type 2
3.	Claim Files (Including correspondence, medical records, injury documentation, etc.)	Permanent	Type 1
4.	Group Insurance Plans - Active Employees	8 Years	Type 2
5.	Group Insurance Plans – Retirees	Permanent	Type 1
6.	Insurance Policies for the Company	Permanent	Type 1
7.	Journal Entry Support Data	8 Years	Type 2
8.	Releases and Settlements	Permanent	Type 1

7. Contracts entered into by the Company including Marketing Records

Responsibility: Secretarial Department

Sr. No.	Record type	Retention period	Document Type
1.	Contracts and Related Correspondence (including any proposal that resulted in the	8 Years	Type 2

	contract and all other supportive documents		
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8. Payroll Records

Responsibility: Human Resource Department

Sr. No.	Record type	Retention period	Document Type
1.	Employee Deduction Authorization	3 years after termination of service of employment	Type 5
2.	Payroll Deductions	3 years after termination of service of employment	Type 5
3.	Labour Distribution Cost Records including details regarding gratuity and retiral disbursements	3 years after termination of service of employment	Type 5
4.	Payroll Registers (Gross and Net)	3 years after termination of service of employment	Type 5
5.	Time Cards / Sheets	2 years	Type 5
6.	Unclaimed Wage Records	3 years	Type 5
7.	Leave Records	3 years after the relevant period	Type 5

9. Pension and retiral related Records

Responsibility: Human Resource Department

Sr. No.	Record type	Retention period	Document Type
1.	Retirement and Pension Records	Permanent	Type 1

10. Personnel and HR Records

Responsibility: Human Resource Department

Sr. No.	Record type	Retention period	Document Type
1.	Personnel Files of individual employees	Permanent	Type 1
	Commission / Bonuses / Incentives / Awards	8 years	Type 2
	Employee Earnings Records	3 years after termination of service of employment	Type 5
	Employee Handbook & Induction Manual	Permanent	Type 1
	Employee Medical Records	3 years after termination of service of employment	Type 5

	Attendance records, application forms, job or promotion records, performance evaluations, termination papers, test results, training and qualification records, enquiry related papers	3 years after termination of service of employment	Type 5
	Employment Contracts – Individual	3 years after termination of service of employment	Type 5
	Correspondence with Employment Agencies and Advertisements for job openings	3 years	Type 5
	Job Description	3 years after superseding the earlier document	Type 5

11. Programs & Service Records

Responsibility: Respective Department

Sr. No.	Record type	Retention period	Document Type
1.	Attendance Records	3 years	Type 5
2.	Program statistics, etc.	3 years	Type 5
3.	Research & Publications	Permanent	Type 1

12. Sponsorship Projects Records

Responsibility: Human Resource Department

Sr. No.	Record type	Retention period	Document Type
1.	Sponsorship agreements	Permanent	Type 1

13. Correspondence and Internal Memoranda

Responsibility: Respective Department

General Principle:

Most correspondence and internal memorandum should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained as long as the contract

1. Those pertaining to routine matters and having no significant, lasting consequences should be discarded within two years
2. Those pertaining to non-routine matters or having significant lasting consequences should generally be retained permanently

14. Electronic Documents including email retention and back up

Responsibility: Informational Technology Department

A. **Electronic Mail:** Not all email needs to be retained, depending on the subject matters;

⇒ All e-mail from internal and external sources to be deleted after 24 months

- ⇒ Staff will strive to keep all but an insignificant minority of their email related to business issues
- ⇒ Central IT team would archive email for six months after the staff has deleted it after which time the email will be permanently deleted
- ⇒ Staff will not store or transfer the Company related emails on non-work related computers except as necessary or appropriate with due approvals from the Central IT team and the respective Managers
- ⇒ Staff will take care not to send confidential / proprietary information to outside sources
- ⇒ Any e-mail that the staff deemed vital to the performance of their job should be copied to the staff's specific folder and/or printed and stored in the employee's workplace

B. Electronic Documents including PDF files

- ⇒ PDF documents can be a maximum period of 8 years. But the said document may be destroyed depending upon the completion of the job or its use coming to an end
- ⇒ Text/ Formatted files : All word / excel / Power point files may be deleted once every year depending on the importance or lack of it

C. Web page files

- ⇒ May be retained for a period of 5 years as specified in SEBI's LODR Regulations, 2015
- ⇒ May be archived by the I.T. department with the support of the service provider for a period of 3 years after the initial period of five years of live page

15. Miscellaneous Records

Responsibility: Respective Department

Sr. No.	Record type	Retention period	Document Type
1.	Consultant Reports	8years	Type 2
2.	Policy and procedures manuals Original	Current version with revision history	Type 5
3.	Policies and procedures manuals – Copies	Retain current version only	Type 5
4.	Dealership agreements	Current version with revision history	Type 5
5.	Annual Reports	Permanent	Type 1
6.	Export Documentation FIRC details	Permanent	Type 1
7.	Import Documentation	Permanent	Type 1
8.	Register of Documents disposed/destroyed	Permanent	Type 1

Annexure II

The format of the register of Documents disposed/destroyed

(Refer Point No. 10 of the Policy)

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