



# **DOCUMENT PRESERVATION POLICY (BOOKS RETENTION POLICY)**

**Laxmi India Finance Limited**  
**(Formerly known as Laxmi India Finance Private Limited)**  
**(Formerly known as Laxmi India Finleasecap Private Limited)**

**(Sapne Dekho, Bade Dekho, Hamare Saath Unhe Pura Hote Dekho)**



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## 1. Introduction

Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) (Formerly known as Laxmi India Finleasecap Private Limited) (hereinafter referred as “the Company” or “LIFL”) “a Non-Banking Financial Company (‘NBFC’) holding a valid Certificate of Registration (“CoR”) with Reserve Bank of India (‘RBI’) vide registration no. B-10.00318 dated March 31, 2023 classified as NBFC - Investment and Credit Company (NBFC-ICC) under NBFCs-Middle Layer (NBFCs-ML) as per Master Direction-Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 with more than 20 years of experience in asset finance business.

It is focused on offering financing of MSME, Loan against property, Vehicle Loan, Loan for Vehicle Insurance, Personal and Business Loan.

## 2. About the Policy

The purpose of this Policy is to ensure that necessary records and documents of the company are adequately protected and maintained. This Policy contains guidelines for identifying documents that need to be maintained, the period of retention of such documents and the authorized person/department responsible to maintain documents. This Policy aims to provide efficient and systematic control on the periodicity of maintenance of documents. This Policy applies to all departments and business functions of the Company. It not only covers the various aspects on preservation of the documents, but also beneficial for the safe disposal/destruction of the documents and keeping a record of the same.

## 3. Definitions

- “**Act**” means the Companies Act, 2013, Rules framed thereunder and any amendments thereto.
- “**Applicable Law**” means any law, rules, circulars, guidelines or standards under which the preservation of the Documents has been prescribed.
- “**Board**” means the Board of directors of the Company or its Committee.
- “**Authorized Person**” means any person duly authorized by the Board.
- “**Books of Account**” as per Section 2(13) of the Companies Act 2013 includes records maintained in respect of—
  - (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
  - (ii) all sales and purchases of goods and services by the company;
  - (iii) the assets and liabilities of the company; and
  - (iv) the items of cost as may be prescribed under section 148 in the case of a company which belongs to any class of companies specified under that section;
- “**Document**” as per section 2(36) of the Companies Act 2013 includes papers, notes, agreements, notices, agenda, circulars, advertisements, declarations, forms, minutes, registers, correspondences, challan or any other record required under or in order to comply with the requirements of any applicable law, whether issued, sent, received or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
- “**Electronic Form**” means any contemporaneous electronic device such as computer, laptop, compact disc, floppy 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.



- “**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.

The words and phrases used in this Policy and not defined here shall derive their meaning from the Applicable Law.

#### **4. Roles and Responsibilities**

All records in physical form are to be maintained by the respective department(s) at centralized Locations i.e. registered office. Electronic version(s) of records are to be maintained within the company’s centralized electronic record software database, which is maintained by the IT Department.

The respective Functional/ Departmental heads of the Company shall be responsible for maintenance and retention of documents in respect of the areas of operations falling under the charge of each of them, in terms of this Policy.

#### **5. Authenticity**

Where a document is being maintained both in physical electronic form, the authenticity with reference to the physical form should be considered for every purpose.

#### **6. Document Preservation Schedule**

##### **Records under the Companies Act, 2013**

The Company shall maintain all records as per the Companies Act, 2013 for not less than the period prescribed under Companies Act and 3 (three) years for the other records whose period is not defined under the Act from the end of the relevant financial year which are not of permanent nature.

##### **Records under Direct Tax**

Tax records includes, but are not limited to Documents concerning tax assessment, tax filings, tax returns, proof of deductions, appeal preferred against any claim made by the relevant tax Authorities. Tax Records shall be maintained for a period of 8 years or for a period of 8 (Eight) Years after a final Order has been received with respect to any matter which was preferred for Appeal, as the case may be.

##### **Records under Indirect Tax**

Books and records should be maintained for 6 (six) years from the last date of filing of the annual return (31st December) for that year.

##### **Records under The Prevention of Money Laundering (Amendment) Act, 2009 (PMLA, 2009)**

In terms of Sub-Section 2(a) of Section 12 of The Prevention of Money Laundering (Amendment) Act, 2009 (PMLA, 2009), the records referred to in clause (a) of Sub-Section (1) of Section 12 shall be maintained for a period of ten years from the date of transaction between the clients and the banking company, financial institution and intermediary and in terms of Sub-Section 2(b) of Section 12 of the Act *ibid*, the records referred to in clause (c) of Sub-Section (1) of Section 12 shall be maintained for a period of ten years from the date of cessation of transaction between the clients and the banking company, financial institution and intermediary.

##### **Records under RBI directions of DNBS(PD). CC 164/03.10.042/ 2009- 10 dated November 13, 2009**



Records pertaining to the identification of the customer and his address (e.g. copies of documents like passports, identity cards, driving licenses, PAN card, utility bills etc.) obtained while opening the account and during the course of business relationship, would continue to be preserved for at least ten years after the business relationship is ended.

**Documents whose preservation shall be permanent in nature or documents with preservation period of not less than eight years or any lesser or higher period as specified in applicable laws after completion of relevant transaction**

The documents of a permanent nature and documents which are preserved for a period of not less than eight years or any lesser or higher period as specified in applicable laws after completion of relevant transaction are listed in **Annexure-1** hereto.

These documents shall be maintained and preserved permanently or for a period of not less than eight years or any lesser or higher period as specified in applicable laws subject to the modifications, amendments, additions, deletions or any changes made therein from time to time.

Provided that all such modifications, amendments, additions, deletions in the documents shall also be preserved by the Company, permanently or for a period of not less than eight years or any lesser or higher period as specified in applicable laws.

**7. General exception to preservation schedule**

If there are reasons to believe, or the Company informs the employee concerned, that Company records are relevant for potential litigation (i.e., a dispute that could result in litigation), then the employee must preserve those records until the Legal or Respective Department determines that the records are no longer needed.

**8. Disposal of Documents**

Documents, which are not in the nature of permanent retention, shall be destroyed after the relevant or prescribed period by the Authorized Person in whose custody the Documents are stored after the prior approval of the Chief Financial Officer/Managing Director of the Company. Electronic documents shall be removed after the expiry of prescribed retention period from all identified electronic repositories.

A 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 Authorized Person.

**9. Interpretation**

Notwithstanding anything contained in this policy, the Company shall ensure compliance with any additional requirements as may be prescribed under any laws/regulations either existing or arising out of any amendment to such laws/regulations or otherwise and applicable to the Company from time to time.

**10. Review**

The Board shall review and amend this policy as and when required.

If at any point a conflict of interpretation / information between the policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities (“Regulatory Provisions”) arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions.



## ANNEXURE I (Indicative Schedule)

### Responsibility: Compliance Department

| Document Category   | Document Type   | Retention Period          |
|---------------------|---|---------------------------|
| Secretarial Records | Memorandum Association and Articles of the Company                              | Permanent                 |
| Secretarial Records | Certificate of Incorporation  | Permanent                 |
| Secretarial Records | Minute Books, Shareholder's, Board & Committee Minutes                          | Permanent                 |
| Secretarial Records | Register and Index of Members   | Permanent                 |
| Secretarial Records | Corporate Filings with Ministry of Corporate Affairs & Other Regulators         | Permanent                 |
| Secretarial Records | Resolutions passed by circulation   | 8 Years                   |
| Secretarial Records | Attendance Register Committee Meetings Board Meeting and General Meeting        | 8 Years                   |
| Secretarial Records | Register of investments in securities not held in the name of the Company       | Permanent                 |
| Secretarial Records | Register duplicate of certificates renewed and duplicate certificate            | Permanent                 |
| Secretarial Records | Register of contracts in which Directors are interested                         | Permanent                 |
| Secretarial Records | Register of Directors, Managing Director, Manager and Secretary                 | Permanent                 |
| Secretarial Records | Register of Directors' Shareholding   | Permanent                 |
| Secretarial Records | Register of Inter-corporate loans and investments                               | Permanent                 |
| Secretarial Records | Register of transfer/transmission of shares                                     | Permanent                 |
| Secretarial Records | Register of Charges   | Permanent                 |
| Secretarial Records | Notices pertaining to disclosure of Interest by the Directors                   | 5 Years                   |
| Secretarial Records | Notice and Agenda of the Board and Committee Meetings                           | 3 Years                   |
| Secretarial Records | Register Holders and Index of Debenture   | 15 Years                  |
| Secretarial Records | Engagement letters from Auditors  | 8 Years                   |
| Secretarial Records | RBI Returns and communications  | 8 Years                   |
| (Miscellaneous)     | Executed copies of contracts/ agreements entered by the Company                 | 5 years termination after |
| (Miscellaneous)     | Protected Disclosures as mentioned in Whistle Blower and Vigil Mechanism Policy | 7 Years                   |
| (Miscellaneous)     | All Documents containing Intellectual Property Rights                           | Permanent                 |
| (Miscellaneous)     | Register of the Documents disposed/destroyed                                    | Permanent                 |

### Responsibility: Accounts Department

|                    |   |                                     |
|--------------------|---|-------------------------------------|
| Accounting Records | Interim/Annual Financial Statements and Audit Report      | Permanent                           |
| Accounting Records | Bank Statements, Reconciliations & Deposit Slips          | 8 Years                             |
| Accounting Records | Books of accounts along with vouchers, records and papers | 8 Years                             |
| Accounting Records | General Ledger  | Permanent                           |
| Accounting Records | Investment Records  | 8 Years from the Date of Redemption |



**Responsibility: Operation Department**

|                  |                                  |          |
|------------------|----------------------------------|----------|
| Customer Records | Loan Files and related documents | 10 Years |
| Customer Records | KYC of customers                 | 10 years |

**Responsibility: HR Department**

|            |   |  |
|------------|---|--|
| HR Records | Employee Personnel Records  | 5 years after employment ends                      |
| HR Records | Payroll Registers   | 3 years after termination of service of employment |
| HR Records | Attendance records, application forms, jobor promotion records, performance evaluations, termination papers, enquiry related papers | 3 years after termination of                       |
| HR Records | Group Insurance Employees Plans Active  | 8 years  |
| HR Records | Retirement and pension records  | Permanent  |

**Responsibility: Insurance Department**

|                   |   |           |
|-------------------|---|-----------|
| Insurance Records | Property, D&O, Workers' Compensation and General Liability Insurance Policies | Permanent |
| Insurance Records | Insurance Policies for the Company  | Permanent |
| Insurance Records | Insurance Claims Records  | Permanent |

**Responsibility: Legal department**

|       |  |           |
|-------|--|-----------|
| Legal | Case file of all legal actions against clients and Company | Permanent |
|-------|--|-----------|

**Responsibility: Legal department**

|            |  |           |
|------------|--|-----------|
| Management | Strategic Plans  | 5 Years   |
| Management | Disaster Recovery Plan   | 5 Years   |
| Management | Policies, Charters, Procedures, Manual, Budgets & Vision Documents | Permanent |
| Properties | Property deeds and purchase/sale agreements                        | Permanent |
| Properties | Property Tax Receipts  | Permanent |
| Properties | Trademarks, Copyrights and Patents                                 | Permanent |

**Responsibility: Accounts department**

|          |   |           |
|----------|---|-----------|
| Taxation | Tax exemption documents & communications  | Permanent |
| Taxation | IT Ruling/ Case Laws  | Permanent |
| Taxation | Excise Returns, Income Tax Returns, SalesTax/ VAT Returns, Service Tax Return, GST Return                       | 8 Years   |
| Taxation | Documents, Challans and other details/correspondence related to Excise, Income Tax, Sales Tax/ VAT, Service tax | 8 Years   |