

Thermax Limited - Record Retention Policy

1 Purpose:

This Policy has been adopted for systematic identification, maintenance, review, retention and disposal of records/ documents generated by Thermax Limited during the course of business to ensure accuracy and security of important records.

The purpose of this Policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records that are no longer needed by TL/Company (defined below) or are of no value are discarded at the proper time. This Policy is also for the purpose of aiding employees of TL/Company in understanding their obligations in retaining electronic documents – including e-mail, Web files, text files, sound and movie files, PDF documents, and all Microsoft Office or other formatted files.

2 Scope:

- 2.1 This Policy applies to Thermax Limited (TL/ Company).
- 2.2 This Policy applies to records maintained in any media generated during the course of business.
- 2.3 Records include any paperwork, document, report, form, register and correspondence generated for business, product, people/human resource, legal/regulatory and customer needs and requirements.
- 2.4 Records can be maintained in hardcopy and or electronic media, including microfilm, magnetic tape or other electronic data processing storage media. This policy covers the following types of electronic and physical records:
 - Email conversations
 - Meeting minutes
 - Spreadsheets
 - Documents
 - Presentations
 - Any scanned documents submitted by employees or external sources

3 Policy Statement:

- 3.1 All records should be maintained in a file / folder-wise with adequate marking and indexing for identification. A consolidated list of all the records to be maintained by each department for quick and easy reference.
- 3.2 All records will be retained for a minimum period shown in Appendix 1, unless they are required to be retained by law or for legal purpose for a longer period of time due to any pending litigation, pending assessments and order by a competent authority, etc. The records shall be destroyed/ disposed of within six months after the period set in Appendix 1. If any record is to be retained for a longer period (except due to pending litigation/ order from a competent authority), the Legal department must be notified regarding the reason for the request, and the Legal department (in consultation with respective department / division / business / function to whom such records related to) shall determine as to whether the record(s) shall be retained further.
- 3.3 All records not necessary for legal or business reasons shall be destroyed as per this Policy to effectively manage the cost of storing & handling and to ensure timely disposal of unwanted record.
- 3.4 All original documents like permits, licenses, property title documents, Joint Venture Agreements etc. shall be retained in a fireproof cabinet with proper indexing.
- 3.5 A back up of all important and critical documents shall be retained at a remote and secure location with limited access with proper identification and indexing.
- 3.6 Disposal of records shall take place as per the procedure laid down in clause 5 below.
- 3.7 Records that are not otherwise subject to retention for business reasons may need to be retained due to factors like pending litigation or for audit purpose or for any government investigation / assessment purpose, etc. The Legal department shall be immediately notified in such circumstances. In case of litigations, the Legal department shall notify the appropriate department(s) and direct it to retain relevant records until disposal of the same is approved by the Legal department.
- 3.8 The Company shall implement digital recordkeeping in a secure portal.
- 3.9 All records subject to this Policy shall be properly identified, indexed and listed appropriately while handing over for digital recordkeeping or while disposing.
- 3.10 Records maintained at the site shall be sent to the nearest regional office with proper covering letter enclosing list and details of the records for preservation/ disposal as per this Policy.
- 3.11 Only authorized persons, nominated by Department Head, shall have access to the record room where the records are maintained.
- 3.12 In case of any conflict between this Policy and any law for the time being in force, this policy shall be deemed to be amended to the extent for the compliance of such law and the provisions of the relevant law regarding preservation, disposal of records shall be implemented accordingly.

4 Implementation

Each department shall designate one or more 'Custodian' for managing its records as per this Policy who will be responsible for identification, indexing, filing, storage, retrieval and disposal of records.

5 Disposal Procedure

- 5.1 The Company will initiate the disposal process on an annual basis.
- 5.2 Joint disposal memo, containing the details of records on disposal, to be signed between the 'Custodian', Department Head and Legal Head to be maintained by each Department.
- 5.3 The Company shall strive to dispose the records through pulping/ recycling to ensure eco-friendly disposal. While disposal of the records, the confidentiality of any proprietary content in such records shall be strictly maintained.

6 Revision / Amendment to Policy:

Any revision / amendment to the Policy shall be approved by the Board of Directors of the Company. However, any change in the retention period as mentioned in Annexure 1 due to changes in Act / Government Policy or for any other reason, can be approved by the Group CFO of the Company.

This Policy was last amended by the Audit Committee at their meeting held on February 7, 2023

Appendix 1**RECORD RETENTION SCHEDULE****ACCOUNTING & FINANCIAL RECORDS**

Document	Minimum Retention Period*	Responsibility
Financial statements including Balance Sheet, Profit & Loss account and notes thereto	Permanent	Finance
Bank Reconciliations	Current Year + 8 Preceding Years	Finance
Payment Vouchers & Bank Statements	Current Year + 8 Preceding Years	Finance
Pay Roll records	Current Year + 8 Preceding Years	Finance
Books of original entry (Other Than General Journal & Sales Register)	Current Year + 8 Preceding Years	Finance
Cost Records & significant supporting data	Current Year + 8 Preceding Years	Finance
Credit/debit memos, sales invoices, warranty claims/ discounts given	Current Year + 8 Preceding Years	Finance
General Ledgers	Permanent	Finance
Expense reports	Current Year + 8 Preceding Years	Finance
Inventory & inventory tags	Current Year + 8 Preceding Years	Finance
Purchase/ Sales registers	Current Year + 8 Preceding Years	Finance
Trial Balances (General, Expense & Receivable Ledgers)	Current Year + 8 Preceding Years	Finance
Royalty payment records	Permanent	Finance

SECRETARIAL

Document	Minimum Retention Period*	Responsibility
Annual Reports	Permanent	Secretarial
Audit Reports	Permanent	Secretarial
Minutes – Board of Directors Meetings and all Committee Meetings, AGM, EGM	Permanent	Secretarial
Records, Returns, Forms filed with ROC	8 years	Secretarial
Records, Returns, Forms filed with Stock Exchanges pursuant to Listing Regulations.	8 years	Secretarial
Documents filed with SEBI along with Certificates	8 years	Secretarial
Register of Members	Permanent	Secretarial
Memorandum & Articles of Association	Permanent	Secretarial
Copy of order confirming change of Regd. Office	Permanent	Secretarial
Approval for change in Memorandum and Articles of Association	Permanent	Secretarial
Prospectus	Permanent	Secretarial
Consolidation or division of share capital and conversion into stock	Permanent	Secretarial
Notice of increase in share capital	Permanent	Secretarial
Court order for reduction in share capital	Permanent	Secretarial
Court order regarding cancellation or variation of shareholders' rights.	Permanent	Secretarial

Notice of situation of registered office and any change therein	Permanent	Secretarial
List/ statement of unclaimed dividend.	7 years after transfer to IEPF	Secretarial
Address at which books of accounts are maintained	Permanent	Secretarial
Court/ tribunal order regarding compromise and arrangements with creditors / members, amalgamation, mergers	Permanent	Secretarial
Transfer forms	Permanent	Secretarial
Demat request forms and status report	Permanent	Secretarial
General correspondence.	Current + 5 preceding years	Secretarial
Return of deposit filed under the Companies Act	5 years	Secretarial
Return of allotment of shares	8 years	Secretarial
Register of directors & KMPs	Permanent	Secretarial
Return of appointment of managerial personnel	5 years after cessation	Secretarial
Register of Investment	Permanent	Secretarial
Register of Buy Back of Securities	Permanent	Secretarial
Register of charges	Permanent	Secretarial
Register of renewed and duplicate share certificates issued.	Permanent	Secretarial
Register of Inter Corporate Loans / Advances	Permanent	Secretarial
Register of dividends	8 years	Secretarial
Register of directors attendance	8 years	Secretarial
Postal Ballot records	10 years	Secretarial
Register of Inspection	Permanent	Secretarial
Notices and Agenda of Meetings	5 years	Secretarial
Disclosures received under SEBI (Substantial Acquisition of shares and Takeovers) Regulations	8 years	Secretarial
Announcements uploaded on company website as per Listing Regulations requirements	8 years	Secretarial
Any other document not specified above	5 years.	Secretarial

LEGAL

Document	Minimum Retention Period*	
Licenses, Application for License	Permanent	Respective function
Immoveable Property related Title documents, deeds, agreements for the same	Permanent	Legal
Collaboration Agreements	Permanent	Legal
Agreements with Government	30 years	Respective function
Returns filed with RBI for technology transfer/ license agreements	8 years after expiry of Technology Transfer Agreement	Legal
Leave & License Agreements in respect of residence for employees and premises for company's operations.	5 years after expiry of agreement	HR
Contractual Agreements – Canteen, Maintenance, Security Services, Transport etc.	3 years after expiry of agreement.	Respective function
Supply Agreements	Term + 5 Years	Respective function
Lease Agreements	Term + 5 Years	Legal
Purchase/Sale of Land, building Agreements	Permanent	Legal

Non-Disclosure Agreements	Term + 3 Years	Respective function
Non-compete Agreements	Term + 3 Years	Respective function
Distribution Agreement	Term + 3 Years	Respective function
Guarantee Agreement	Term + 3 Years	Respective function
Consulting Agreement	Term + 3 Years	Respective function
Warranty Agreement	Term + 3 Years	Respective function
Joint Venture Agreement	Permanent	Legal
Cash Credit Agreement / Loan Agreement	Term + 8 Years	Treasury
Bank Loan Agreement	Loan payoff + 8 Years	Treasury
Particulars of Mortgages	Permanent	Legal
Particulars of charge, modification of charge and satisfaction of charge	Disposal of asset subjected to charge + 5 years	Secretarial
Records, files, Agreements, correspondence, record of payment of taxes etc. related to land & building.	Permanent	Legal
Bank Guarantees received against advances given and Bank Guarantees given to subsidiaries / JVs	Term + 3 years.	Finance

LITIGATION & DISPUTES

Document	Minimum Retention Period*	Responsibility
General Court Litigation (e.g., Civil / Criminal matters)	Final Resolution/ Settlement + 12 Years	Legal
Litigations relating to employees.	Current Employee: Term of employment or Resolution (whichever is later) + 12 Years; Former employee: Resolution + 3 Years	HR
Records relating to show cause notices, replies, adjudication orders, appeals, appellate orders etc. pertaining to different legislations viz. Income-tax, Sales tax, Central Excise, Customs Act etc.	Final resolution / settlement + 12 years	Respective department
Legal opinions	3 Years if no litigation else till the disposal of litigation	Legal + respective department
All records pertaining to Land	Permanent	Legal

HUMAN RESOURCES

Document	Minimum Retention Period*	Responsibility
Registers to be maintained under various Labour & Employment laws (except Provident Fund related records)	As prescribed by respective Act + 3 years	Human Resources
Returns filed under various Labour Laws	10 years from the date of filing	
Employee Provident Fund/ Pension related records including contribution details, nomination, payment of administrative charges etc.	Permanent	Human Resources
Employee personal file (containing all employee related communication issued to employee/ internal, forms, appraisals, promotions. recognitions, rewards, warnings, investigations etc.)	5 years after retirement.	Human Resources
Wage agreements	Permanent	Human Resources

ENVIRONMENTAL

Document	Minimum Retention Period*	Responsibility
Environmental Incident reports and corrective action	Corrective action completion + 5 years	HSE
Test Reports of Water, Air, Effluents etc.	Current year + 5 years	HSE
Consent Applications and Consents from Pollution Control Boards	Permanent	HSE
Material Safety data sheets	Permanent	HSE
Environmental Assessment Reports	Permanent	HSE
Regulated waste manifests and associated documentation (e.g., analytical data)	Current year + 5 Years	HSE
Health & Safety Incident reports and corrective action (First aid, Medical treatment case, Restricted work case, Lost time injury)	Corrective action completion + 5 years	HSE
Health & Safety Fatality, permanent total disability	Corrective action completion + 10 years	HSE
Correspondence with Pollution Control Board / CPCB, returns filed	Current year + 10 years	HSE

INSURANCE

Document	Minimum Retention Period*	Responsibility
Insurance Claims	5 Years After Settlement	Finance
Insurance Policies	Current + 8 years	Finance
Public Liability Insurance policy	15 years	Finance
Correspondence	5 Years	Finance

EXPORTS

Document	Minimum Retention Period*	Responsibility
Correspondence with EEPC	Current year + 10 years	EXIM cell
Correspondence with ICD / Ports	Permanent	EXIM cell
Purchase Orders and correspondence with overseas customers, service providers.	Current year + 5 years	EXIM cell
Shipping Instructions	Current year + 3 years	EXIM cell
Non-negotiable Export documents	Current year + 3 years	EXIM cell
Shipping Bills	Current year + 3 years	EXIM cell
Delivery Notes	Current year + 3 years	EXIM cell
Advance Authorization Documents	Current Year + 15 Years	EXIM Cell
RoDTEP Utilization Data	Current Year + 5 Years	EXIM Cell
Import Clearance Documents	Current Year + 5 Years	EXIM Cell
EPCG License Documents	Current Year + 8 Years	EXIM Cell

TAX RECORDS

Document	Minimum Retention Period*	Responsibility
Tax-Exemption documents	Permanent	Direct Tax
GST Records	Assessment completion + 8 years	Indirect Tax
Tax returns – income tax	10 years	Direct Tax
Sales tax/ VAT records (returns, audit reports, assessment orders, appeal orders etc.)	Assessment completion + 10 years	Indirect Tax
CST/ VAT Forms (C, I, E1,E2, H, F etc.)	Current year + 10 years	Indirect Tax
Cash Ledger	Current year + 8 years	Indirect Tax
Export Documents	Current year + 8 years	Indirect Tax
Bonds, Undertakings	Current year + 5 years	Indirect Tax
Correspondence with GST authorities	Current year + 8 years	Indirect Tax
ITC invoices and data	Current year + 8 years	Indirect Tax
ITC Input Accounts & Capital Goods Account and services	Current year + 8 years	Indirect Tax
Tax cases/ Litigation related documents and data	Till the final order received by the highest court.	Indirect Tax

All Businesses

Document	Minimum Retention Period*	Responsibility
Material communication with Customer (Correspondences including Emails, Documents, letters etc.)	7 years from the date of end of the transaction or settlement of final payment date.	Respective Division Head

*Maximum Retention period will be the above minimum retention period +3 years