

The Waterbase Limited - Policy on Preservation & Archival of Documents

1) BACKGROUND:

The Securities and Exchange Board of India ("SEBI"), vide its Notification dated September 2, 2015, issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Listing Regulations come into force from December 1, 2015. The Listing Regulations mandate listed entities to formulate a Policy for preservation and archiving of documents. It is in this context that the Document Retention and Archival Policy ("Policy") is being framed and implemented.

2) OBJECTIVE:

The objectives of this Policy are:

- a) To classify the documents into categories requiring different tenure of retention/preservation
- b) Specify the time period of preservation for each class of documents
- c) Outline the policy for archival and destruction of physical/ electronic documents.

3) EFFECTIVE DATE:

This Policy is effective from 1st December, 2015.

4) DEFINITIONS:

- a) "Act" means the Companies Act, 2013 including any amendment or modification thereof.
- b) "Board" means Board of Directors of the Company
- c) "Company" means The Waterbase Limited.
- d) "Compliance Officer" means the Company Secretary of the Company who is responsible to perform duties as required under section 205 of the Companies Act 2013 and Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- e) "Director" means a person as defined in Section 2(34) of the Companies Act, 2013 and presently appointed as a Director in the Company.
- f) "Document" means all business records of the Company in written, printed and recorded matter and electronic forms of records and includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of the Companies Act 2013, SEBI Act 1992 or under any other law for the time being in force or otherwise, maintained on paper or in electronic form;

- g) "Employees" shall mean the employees and office-bearers of the Company, including but not limited to Whole Time Directors.
- h) "Key Managerial Personnel" shall mean the officers of the Company as defined in Section 2(51) of the Companies Act, 2013 and rules prescribed there under.
- i) "Regulations" shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
- j) "Secretarial Standards" means standards issued by the Institute of Company Secretaries of India under section 118 (10) of the Companies Act 2013.
- k) "Stock Exchange or Exchanges" shall mean BSE Limited and other Stock Exchanges where the Company's shares are for the time being listed.
- l) Any other term not defined herein shall have the same meaning as defined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Companies Act, 2013, Securities Contract Regulation Act or any other applicable law or regulations.

5) GOVERNING LAWS

This policy shall be governed by the Companies Act 2013, SEBI Act, Rules and Regulations, Secretarial Standards, Labour Laws, Tax Laws and all other applicable laws for the time being in force.

6) POLICY

Documents can be broadly classified into two types:

- 1) Temporary Documents
- 2) Retained Documents

➤ **Temporary Documents** include all business records that are intended to be superseded by final or permanent records, or which are intended to be used only for a limited period of time, including, but not limited to written memoranda and dictation to be typed in the future, reminders, to-do lists, reports, drafts, and interoffice correspondence regarding a client or business transaction.

Temporary Documents can be destroyed or permanently deleted if in electronic form when a project or matter closes.

Upon closing of such temporary files, the respective departments shall gather and review all such temporary records. Before destroying or deleting these documents make sure to have duplicates of all the final records pertaining to the project or matter. Upon destruction or deletion, organize the final records (and duplicates) in a file marked "Final" and store them appropriately.

- **Retained Documents** include all business documents that are not superseded by modification or addition, including but are not limited to documents given (or sent via electronic form) to any third party not employed by the Company, or to any government agency; final memoranda and reports; correspondence; handwritten telephone memoranda not further transcribed; minutes; specifications; journal entries; cost estimates; etc.

This Policy deals with Retained Documents and their preservation, archival and destruction.

7) CLASSIFICATION OF RETAINED DOCUMENTS

Retained Documents shall be classified in the following categories

- a) Mandatory under governing laws
- b) Non-Mandatory

The law requires the Company to maintain certain types of corporate records either permanently or for a specified period of time. Failure to retain the records could subject the employees and the Company to penalties and fines, cause the loss of rights, obstruct justice, adversely impact potential evidence in a lawsuit, place the Company in contempt of court, or seriously disadvantage the Company in litigation.

Documents in respect of which no minimum maintenance timeline is stipulated under any of the laws shall be preserved in accordance with this policy. All records and documents as provided herein shall be preserved for such time and period as may be provided herein. Any change in the governing laws affecting the change in period of preservation of documents shall prevail over this policy.

The Company expects all employees to fully comply with this Policy.

8) PRESERVATION OF DOCUMENTS / RECORDS

Following shall be the guidelines for preservation of different documents:

- a. Records as per the Act, Regulations and other Rules/ Regulations of SEBI:**
The Company shall maintain all records as per the Act, Regulations and other Rules/ Regulations of SEBI for not less than 8 (Eight) Years. Those records that are to be retained on permanent basis, shall be retained by the Company permanently. Documents that are to be made available on the Company's website in Compliance with the Regulations will be made available on the website for a period of 5 years and thereafter will be archived for a period of 3 years.
- b. Tax & Accounting 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:** The Company is required to keep certain documents relating to recruitment, employment and personnel information, performance review, action taken by or against any employee, complaints by or against any employee, disclosures/ declarations by employees etc. These Documents relating to Employment or Personnel information shall be retained for a period of at least 8 (Eight) years.
- d. 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 for a period of 8 (Eight) years.
- e. Legal Files / documents:** Legal Documents shall include, but shall not be limited to contracts, legal opinions, pleadings, Orders passed by any court or tribunal, Judgments, Interim Orders, Documents relating to cases pending in any Court or Tribunal or any other Authority empowered to give a decision on any matter , Awards, Documents relating to property matters.

A contract shall be retained for a period of 8 (Eight) Years or for 8 (Eight) Years after the expiry of the term of the contract, whichever is higher.

Documents relating to any property owned by the Company shall be retained perpetually.

Other property Documents shall be retained for a period of 8 (Eight) Years or for a period of 8 (Eight) Years after the rights in such property ceases to exist, whichever is higher.

Orders passed by any Court or Tribunal or any Authority or Judgment which are final in nature and cannot be superseded shall be retained permanently. Interim Orders shall be retained till a Final Order is received or for a period of 8 (Eight) Years whichever is higher. Pleadings shall be retained for a period of 8 (Eight) Years or till the matter has been disposed off, whichever is higher.

- f. Intellectual Property documents:** Intellectual Property Documents shall include, but shall not be limited to Copyrights, Trademarks, Patents, and Industrial Designs. Intellectual Property Rights Documents that are owned by the Company shall be retained by the Company permanently.

Licenses shall be retained till the time the validity of the License and for a period of 8 (Eight) Years thereafter or for a period of at least 8 (Eight) Years, whichever is higher.

- g. Marketing and Sales Documents:** The Company shall retain relevant marketing and sales Documents for a period of at least 8(Eight) Years.

h. 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 so as to ensure its timely retrieval.

All electronic communication systems as well as all communications and stored information transmitted, received, or contained on the Company's information systems are the property of the Company. Employees using this equipment for personal purposes do so at their own risk. Employees have no expectation of privacy in connection with the use of Company equipment or with the transmission, receipt, or storage of information using the Company's equipment. Authorized Company personnel may access communications and stored information at any time without notice or consent.

Employees should avoid using Company e-mail for personal purposes. Personal e-mails should be deleted as soon as possible.

E-mails relating to audit work papers and financial controls should be retained for at least 8 years.

All emails to the Company's Officers or Audit Committee relating to complaints on auditing, accounting, frauds or internal controls should be retained permanently.

Any messages exchanged between the Company and third parties (such as consultants and auditors) should be archived, regardless of their content. Instant messages have the same status as e-mails and should be treated identically.

9) RECORD MAINTENANCE AND STORAGE

All records in physical form are to be maintained by the Records/Respective Department(s) at the respective locations.

Electronic version(s) of all of records are to be maintained within the Company's centralized electronic record software database.

10) DISPOSAL OF RECORDS

Physical records disposed of pursuant to the retention periods specified in the Document Retention Schedule shall be disposed of using a cross-cut shredder. The respective departments shall adopt appropriate procedures to permanently dispose of any non-paper physical records, such as photographs or audio/video recordings.

In the event that it is necessary to manually dispose of an electronic record, the IT Department shall use the "permanent delete" function to permanently dispose of electronic records.

11) AMENDMENTS TO THE POLICY

The Board of Directors can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.