

## **POLICY ON PRESERVATION OF RECORDS**

### **PURPOSE**

Master Circular – 'Know Your Customer' (KYC) Guidelines – Anti Money Laundering Standards (AML) - 'Prevention of Money Laundering Act, 2002 - Obligations of NBFCs in terms of Rules notified thereunder' dated 1st July 2015,

NBFCs should take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities

- (i) In terms of PML Amendment Act 2012, NBFCs should maintain for at least five years from the date of transaction between the NBFC and the client, all necessary records of transactions.
- (ii) NBFCs should ensure that records pertaining to the identification of the customers and their address obtained while opening the account and during business relationship, are properly preserved for at least five years after the business relationship is ended.
- (iii) NBFCs may maintain records of the identity of their clients, and records in respect of transactions in hard or soft format.
- (iv) NBFCs are required to pay special attention to all complex, unusual large transactions and all unusual patterns of transactions, which have no apparent economic or visible lawful purpose. The background including all documents/office records/memorandums pertaining to such transactions and purpose thereof should, as far as possible, be examined and the findings at branch as well as Principal Officer level should be properly recorded. These records are required to be preserved for ten years as is required under PMLA, 2002.

The provisions of the Policy shall be applicable at the entity level.

### **DEFINITIONS**

#### **A. "Board of Directors" or "Board"**

Board of Directors or Board shall mean the Board of Directors of Growth Source Financial Technologies Private Limited, as constituted from time to time.

#### **B. "Company"**

Company shall mean "Growth Source Financial Technologies Private Limited".

#### **C. "Documents"**

Documents shall mean all papers, records, files, books, electronic storage devices etc., and the like as required to be maintained under any law or regulation for the time being in force.

## **OBJECTIVE**

This policy sets the standards for managing, storing and preservation of documents of the Company broadly classified in the following two categories:

- A. The documents of a permanent nature (as per **Annexure 1**) shall be maintained and preserved permanently by the Company 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 permanently by the Company.
- B. The documents to be maintained and preserved for a specified time period after completion of the relevant transactions (as per **Annexure 2**) shall be preserved by the Company for the term not less than five years after completion of the relevant transactions subject to the modifications, amendments, additions, deletions or any changes made therein from time to time.
- C. The documents of undisbursed or rejected cases will be preserved for the period of 2 years or as decided by the management from time to time on case-to-case basis.

Provided that all such modifications, amendments, additions or deletions in the documents shall also be preserved for a term not less than five years.

Provided further that the Company may keep the documents as specified above in an electronic mode.

## **ROLES & RESPONSIBILITIES**

The respective Departmental Heads of the Company shall be responsible for maintenance, preservation and destroying of documents in respect of the areas of operations falling under the charge of each of them, in terms of this policy as mentioned in PMLA Act'2002, Companies Act'2013 and Amendments thereto, Income Tax Act'1961 and RBI directives.

## **GENERAL**

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.

## **DESTRUCTION OF DOCUMENTS**

After the expiry of the statutory retention period, the preserved documents may be destroyed in such mode under any instructions approved by the department head(s). Destruction of documents as a normal administrative practice will also be followed for the records which are duplicate/unimportant/irrelevant. This applies to both Physical and Electronic Documents/ records. Destruction of documents can be undertaken periodically with the approval of HOD of the department concerned. A list of document and date of destruction of such destructed documents must be maintained in the department.

## **AMENDMENTS**

The Board or the Management Committee may, subject to the applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace this policy with a new policy. However, any such amendment or modification shall not be inconsistent with the applicable provisions of any law for the time being in force.

**\*Annexure 1\***

**Documents whose preservation shall be permanent in nature.**

| <b>S. No.</b> | <b>Nature of Document(s)</b>   |
|---------------|--|
| 01            | Registration Certificates  |
| 02            | Licenses & Statutory Approvals   |
| 03            | Statutory Registers required under applicable laws   |
| 04            | Audited financial statements/ Annual Reports   |
| 05            | Minutes of General Meeting   |
| 06            | Minutes of Board Meeting   |
| 07            | Minutes of various Committee Meetings  |
| 08            | Material Agreements/Contracts  |
| 09            | Orders issued by Courts/Statutory bodies   |
| 10            | Investment Documents/proofs including certificates etc.  |
| 11            | Share Certificates/Debentures Certificates/ CPs  |
| 12            | Tax records  |
| 13            | Any other document as may be required to maintain permanently in terms of applicable law(s), maintained and preserved from time to time. |

**Annexure 2\***

**Documents with preservation period of not less than five years after completion of the relevant transactions**

| <b>S. No.</b> | <b>Nature of Document(s)</b>   |
|---------------|--|
| 01            | Books of Accounts/ Records of transaction & ledger book  |
| 02            | Annual Return(s)   |
| 03            | Client's KYC documents   |
| 04            | PDC of the customers#  |
| 05            | Call recordings of calls made to the customers (Customer Service Team & Collections)   |
| 06            | Insurance Policies/ Claims under various policies  |
| 07            | Correspondences with the Regulators  |
| 08            | Non-Statutory Registers/Documents  |
| 09            | Any other document as may be required to maintain in terms of applicable law(s), maintained and preserved from time to time. |

# PDC of the customers will be returned or shredded in case of loan cancellation or closure or maturity as per customer request

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