



Record Retention and Archival Policy

TABLE OF CONTENTS

1. OBJECTIVE	4
2. BACKGROUND	4
3. SCOPE	4
4. POLICY	4
(a) Classification of Records	4
(b) Description and Retention	4
(c) Disposal	5
(d) Procedure for Disposal of Records	6
(e) Retention and Disposal of Records Subject to a Litigation Hold	6
(f) Responsibilities	7
(g) Retrieval and Archival of Records	8
(h) Certification	8
5. AMENDMENTS/MODIFICATIONS	8
6. DEFINED TERMS	9
7. RECORD RETENTION SCHEDULES	10

OBJECTIVE

Effective management of ICRA Lanka Limited (the “**Company**”) Records is a foundation for operational efficiency and compliance. The objective of the Record Retention and Archival Policy (“**Policy**”) is to provide guidance on retention, preservation, archival and disposal of the Records thereby reducing the cost of daily operations by achieving efficiencies and eliminating the storage of unnecessary and outdated Records.

The Policy shall also ensure that valuable Records are available when needed, protect against allegations of selective document destruction, preserve intellectual property, help in cost management and provide for the routine destruction of unnecessary and outdated Records.

SCOPE

The Policy applies to all Employees of the Company and covers all Company Records including Books and Paper, rating related documents, agreements, contracts and any other document maintained on paper or in electronic form. All Employees, who create, receive, use or manage Company Records, are required to comply with this Policy.

POLICY

1. Classification of Records

This Policy prescribes the following criteria for classification of all Records in the Company:

- a. Permanent Records;
- b. Records – *Preserved for eight years and above*;
- c. Records – *Preserved for less than eight years*; and
- d. Non Essential Records.

2. Description and Retention

a. Permanent Records;

Permanent records are records that must be created or received and retained forever either by virtue of the nature of the records or as per requirement under applicable law. Each of the Permanent Records is to be retained as directed in the Record Retention Schedules.

b. *Records – Preserved for eight years and above;*

Records that must be retained, pursuant to any statutory requirements, for a period ***not less*** than eight years after completion of the relevant transaction. Each of the Records (Preserved for eight years and above) is to be retained as directed in the Record Retention Schedules, subject to a longer Retention Period if such Record is subject to a Litigation Hold (as defined in Section 5), in which case, such Record shall be retained until the later of the expiration of the applicable Record Retention Period specified in the Record Retention Schedule or the release of the Record from the Litigation Hold under Section 5 of this Policy.

c. *Records – Preserved for less than eight years;*

Records that must be retained, pursuant to any statutory requirements, for a period ***less*** than eight years after completion of the relevant transaction. Each of the Records (Preserved for less than eight years) is to be retained as directed in the Record Retention Schedules, subject to a longer Retention Period if such Record is subject to a Litigation Hold, in which case, such Record shall be retained until the later of the expiration of the applicable Record Retention Period specified in the Record Retention Schedule or the release of the Record from the Litigation Hold under Section 5 of this Policy.

d. **Non Essential Records**

Records that are neither Permanent Records nor Records falling under Sub-sections 2 (b) or (c), are referred to as Non Essential Records. Non Essential Records are not required to be retained unless they are subject to a Litigation Hold, in which case, such Record shall be retained under Section 5 of this Policy.

Any questions as to the specific category as to which any particular Record would fall under should be directed to the CEO/Managing Director of ICRA Lanka in consultation with the Legal Function of ICRA Ltd.

3. Disposal

a. *Records – Covered under Sections 2(b) and 2(c) above*

Records are to be disposed of at the end of their Record Retention Period in accordance with the procedures for disposal of Records set out in Section 4, unless the relevant Record is subject to a Litigation Hold. Records that are subject to a Litigation Hold are to be disposed of when the Litigation Hold to which they are subject is released.

b. **Non Essential Records**

Non Essential Records, when they cease to be of business value, then subject to clearance from the Function Heads should be disposed of in accordance with the procedures for disposal of Records set out in Section 4 unless the relevant Record is subject to a Litigation Hold. Non Essential Records that are subject to a Litigation Hold are to be disposed of when the Litigation Hold to which they are subject is released. Further, in case of any confusion, Compliance or Legal Functions should be consulted.

For more information on Litigation Holds, please see Section 5 below.

4. Procedure for Disposal of Records

- a. Upon the expiration of the relevant Records Retention Period or the Non Essential Records ceasing to be of business value, the Records shall be prepared for destruction post sign off from the responsible party as per the attached schedule, unless subject to a Litigation Hold that has been placed on such Records in accordance with Section 5. Responsible party as per the attached schedule should maintain the log of Records disposed and share the same with the Compliance Function.
- b. All paper documents destroyed pursuant to this Policy shall be cut by mechanical shredder. Electronic data contained on servers and hard drives shall be deleted and overwritten. Electronic data contained on all other media shall be destroyed by the physical destruction of that media.

5. Retention and Disposal of Records Subject to a Litigation Hold

- a. The Company is legally obligated to preserve, and not destroy, discard, alter or make inaccessible, any and all Records potentially relevant to any pending or reasonably anticipated litigation, governmental investigation, administrative proceeding, or court or agency order. From time to time, the Legal Function may provide Employees with notice of litigation, government investigation or other such matter, and direct Employees to retain Records and suspend the ordinary or scheduled destruction of Records (a “**Litigation Hold**”). A Litigation Hold requires that all Records that are in Company’s possession or control and that are potentially relevant to the pending or reasonably anticipated litigation, governmental investigation or administrative proceeding, or subject to a court or agency order, be preserved until further notice from the Legal Function.
- b. Records in Company’s “possession or control” include all Records maintained by each Employee in the course of his or her work wherever those Records are located, including Records located at his or her home, in function files, on a laptop, hard drive, personal device or elsewhere. Employees may not discard, destroy, alter, mutilate, conceal, cover up, falsify, delete, remove or otherwise dispose off any Record, original or copy, that is covered by a Litigation Hold. A Litigation Hold remains in effect unless and until the Legal Function provides written notice that it has been released. Employees are required to take necessary and appropriate steps to ensure that all Records subject to a Litigation Hold are retained and not destroyed. Failure to abide by a Litigation Hold could result in severe consequences to both Company and individual Employees.

Any questions as to whether a particular Record is subject to a Litigation Hold should be directed to the CEO/Managing Director of ICRA Lanka in consultation with the Legal Function of ICRA Ltd.

6. Responsibilities

a. Compliance Function

The Compliance function is responsible for the following:

- i. Develop and maintain the Policy and Schedules in compliance with applicable laws and regulations.
- ii. Providing advice to all business units concerning the regulatory aspects of corporate recordkeeping.
- iii. Create awareness to all Employees regarding the Policy, its requirements of maintaining Records in a form that accurately reflects the information and allows it to be accurately reproduced throughout the Record Retention Period as specified under this Policy and Schedules thereto.

b. Legal Function

The Legal function is responsible for the following:

- i. Determination as to specific category as to which any particular Record would fall under for purposes of this Policy.
- ii. Determination whether a particular Record is subject to a Litigation Hold, and when any particular Record is to be released from a Litigation Hold.

c. All Functions and Business Units

All functions and business units are directly responsible for the day-to-day management of all Records, pertaining to the business of the Company in accordance with the Policy and Schedules. All functions and business units are responsible for notifying the Compliance Function of any new law including any regulation, rule, notification or circular etc. that may impact the Schedules.

d. Employees

All Employees who create or use Company Records and information are responsible for the following:

- i. Create, maintain and dispose official Records and duplicate Records in their control in accordance with this Policy and Schedules.
- ii. Comply with all applicable Litigation Hold notices.

e. Management

Management at all levels is responsible for the following:

- i. Enforce the Policy and Schedules to ensure that business Records in their area are created, captured, maintained and processed for final disposition in accordance with the Policy and Schedules.

7. Retrieval and Archival of Records

All Records required to be preserved pursuant to this Policy shall be preserved in a manner that such Records can be retrieved and made available in a readable format promptly upon request by the Legal or Compliance Functions.

Records published on the Company website shall be maintained on the Company's website for the period as prescribed under the aforesaid laws and regulations. Such Records shall thereafter be archived under the heading "Archives" and be retained on the Company's website for such period as may be decided by the Managing Director & Group CEO of the Company, from time to time, subject to the applicable laws and/or regulations.

8. Certification

All new hires must acknowledge this Policy within 45 days of being notified of the requirement to certify. Thereafter, all Employees as may from time to time be designated by management in consultation with the Compliance Function will be required to certify their compliance with this Policy on an annual basis.

AMENDMENTS/MODIFICATIONS

The Board of Directors of the Company may subject to applicable laws amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors in line with the broad intent of the Policy. The Board of Directors may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

DEFINED TERMS

Employee

An employee is any full-time or contractual employee of ICRA, wherever located.

Function Head

A Function Head is an Employee with personnel management responsibilities and for this policy is any of the following: Managing Director & Group CEO, Group Chief Financial Officer, Head Rating Operations, Commercial Head, Head Human Resource and/or General Counsel, as may be applicable to the Company.

Record(s)

The term Records refers to all information that has been memorialized in any written, electronic or other recorded format, including but not limited to: correspondence, presentation materials, handwritten notes, charts, notebooks, and other similar paper materials; information stored on a computer or other means of recording any form of information or communication, such as email messages and their attachments; and any of the foregoing wherever they are located, including files kept at an Employee's home or other premises. Notwithstanding the foregoing, unless otherwise specified in this Policy or Schedules, there is no requirement that the responsible party must maintain voice recordings, voicemail messages or recordings of video conferences.

Books and Paper

The term Books and Paper include books of accounts, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.

Record Retention Period

The Record Retention Period is the period of time for each of the following as specified in the applicable Record Retention Schedule:

- a. Permanent Records;
- b. Records – *Preserved for eight years and above;*
- c. Records – *Preserved for less than eight years;* and
- d. Non Essential Records.

Record Retention Schedules (or “Schedules”)

The Record Retention Schedules are the attached lists containing the following categories of Records as well as the relevant Record Retention Periods and the Responsible Parties for Retention and Disposal of those Records:

- a. Permanent Records;
- b. Records – *Preserved for eight years and above;*
- c. Records – *Preserved for less than eight years;* and
- d. Non Essential Records.

Any questions as to the specific category as to which any particular Record would fall under should be directed to the CEO/Managing Director of ICRA Lanka in consultation with the Legal Function of ICRA Ltd.

RECORD RETENTION SCHEDULES

PERMANENT RECORDS

Records that must be created or received and retained forever either by virtue of nature of the records or as per requirement under applicable law, including without limitation, the following:

Record Type	RETENTION	
	Responsible Party	Retention Period
Books of minutes of proceedings of general meetings, Board and any Committee meetings	Company Secretary (CS)	Forever
Minutes of Rating Committee meetings	Compliance Officer (CO)	Forever
Register of contracts and arrangements in which Directors are interested	CS	Forever
Register of Directors and key managerial personnel and their Shareholdings	N/A (refer records over 8 years)	Forever
Register of investments (or loans, guarantee given or security Provided)	Accountant	Forever
Register of investments (not held in its own name by the Company)	N/A	Forever
Register of renewed and duplicate share certificates	CS	Forever
Register of charges	N/A	Forever
Register of documents executed under Common Seal	CS	Forever
Register of transfer of Shares	CS	Forever
Register of transmission of Shares	CS	Forever
Register of shares and other securities bought back	N/A	Forever
Incorporation Documents	Admin Officer (AO)/CS	Forever
Memorandum of Association and Articles of Association	AO/CS	Forever
Rating Methodology(ies)	Head Rating Operations (HRO)/CO	Forever
Rating Policy(ies) & Procedure(s)	HRO	Forever
All policies other than Rating policies and procedure(s)	CO	Forever
Registers and Records of Salary payments, EPF and ETF	AO	Forever

RECORDS (Preserved for eight years and above)

Records that must be retained, pursuant to any statutory requirements, for a period not less than eight years after completion of the relevant transaction, including without limitation, the following:

Record Type	Retention Period	RETENTION		DISPOSAL
		Responsible Party	Instructions	Responsible Party
Books of accounts, vouchers, invoices including balance sheets, P&L statements, general ledger, etc	8 years	Accountant		CEO
Transfer Pricing documents and Information specified under Rule 10 D.	10 years	N/A		CEO
Notices, agenda, notes on agenda, scrutiniser's report and other related papers	8 years	CS		CS with prior approval of the Board of Directors (BOD)
Disclosures by Director/employees of their interest (shareholdings)	8 years	CO		CO with approval from CEO
Register of Allotment	8 years	CS		CS with approval from BOD
Dividend Register	8 years	CS		CS with prior approval of the BOD
Dividend cheques or warrants returned by the Bank, after payment thereof	8 years	N/A		Where the company has given an undertaking to the bank for preservation or safe keeping of paid Dividend cheques or warrants for a specified period, the said instruments shall be preserved for such specified period

Record Type	Retention Period	RETENTION		DISPOSAL
		Responsible Party	Instructions	Responsible Party
				or eight years from the date of the instrument, whichever is longer. The Dividend cheques or warrants so preserved shall be destroyed only with the approval of the Board or in accordance with the policy approved by the Board for this purpose.
Register of Directors' attendance at meetings	8 years	CS		CS with prior approval of the BOD
Register of postal ballot	10 years	N/A		N/A
Register of proxies	8 years	CS		CS with approval of the BOD
Register of inspection	8 years	CS		CS with approval of the BOD
Register of investors' complaints	8 years	N/A		N/A
Register of Employee Stock Options	15 years	N/A		N/A
Register of Sweat Equity Share	8 years	N/A		N/A
Copies of annual returns together with copies of certificates and documents annexed thereto	8 years	CS		CS with approval from CEO
Share Certificate Forms and Related Books and Documents	30 years	CS		CS with approval of the BOD

RECORDS *(Preserved for less than eight years)*

Records that must be retained, pursuant to any statutory requirements, for a period less than eight years after completion of the relevant transaction, including without limitation, the following:

Record Type	Retention Period	RETENTION		DISPOSAL
		Responsible Party	Instructions	Responsible Party
Copy of the agreement entered into, with each client; Particulars of fees charged for rating and such other related Records as the SEC may specify from time to time.	6 years (commencing from the date of termination of relationship with ICRA Lanka that may include withdrawal or suspension of rating)	Head of Business Development (HBD)		HBD with Approval from CEO
Information supplied by each of the clients related to rating activity; Correspondence with each client related to rating activity; Records relating to ratings assigned including upgradation and down gradation (if any) of the ratings so assigned. Rating notes considered by the rating committee; Record of decisions or minutes of the rating committee; Communication assigning rating;	6 years (will commence from the date of termination of relationship with ICRA that may include withdrawal or suspension of rating)	HRO/Analyst		HRO/Analyst with approval from CEO

Record Type	Retention Period	RETENTION		DISPOSAL
		Responsible Party	Instructions	Responsible Party
Correspondence with each client related to any other activity/issue	6 years	HBD/HRO		HBD/HRO with approval from CEO
Disclosures made under SEC	6 years	CO		CO with approval from CEO

NON ESSENTIAL RECORDS

Records that are neither Permanent Records, Records (Preserved for eight years and above) or Records (Preserved for less than eight years)

Non Essential Records are not required to be maintained for any specific Retention Period, and may be disposed when they cease to be of any business value, post sign off from respective Function Head, unless they are subject to a Litigation Hold.

Non Essential Records that are subject to a Litigation Hold must be maintained in accordance with the provisions of Section 5 of this Policy until they are released from such Litigation Hold. Upon release from any Litigation Hold, Non Essential Records may be disposed of as provided in the foregoing paragraph.