Novartis India Limited

POLICY FOR PRESERVATION OF DOCUMENTS

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Novartis India Limited

1. Preamble

Pursuant to Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), every listed entity is required to formulate a Policy for Preservation of Documents, approved by its Board of Directors, classifying documents into at least two categories — documents to be preserved permanently and documents to be preserved for a minimum period of not less than eight (8) years after completion of the relevant transactions.

In line with the above regulatory mandate and to ensure proper management, retention, and disposal of documents, Novartis India Limited ("the Company") has framed this Policy for Preservation of Documents ("Policy").

2. Objective

The objective of this Policy is to:

- Ensure compliance with applicable statutory and regulatory requirements relating to the preservation of documents.
- Lay down a structured framework for identification, classification, retention, retrieval, and destruction of documents and records.
- Safeguard the integrity, authenticity, and confidentiality of records of the Company.
- Establish a uniform procedure across all departments, plants, and offices of the Company for handling documents.

3. Scope & Applicability

This Policy applies to all documents and records (whether in physical or electronic form) which the Company is required to preserve under:

- The Companies Act, 2013 and Rules made thereunder;
- SEBI (LODR) Regulations, 2015;
- SEBI (Prohibition of Insider Trading) Regulations, 2015;
- The Income Tax Act, 1961;
- The Goods and Services Tax Act, 2017;
- The Drugs and Cosmetics Act, 1940 and Rules thereunder;
- Schedule M – Good Manufacturing Practices (GMP) requirements;
- The Factories Act, 1948; and
- Any other applicable laws, regulations, or guidelines.

This Policy shall apply to all directors, officers, employees, contractors, and agents of the Company.

4. Definitions

- **"Documents"** include summons, papers, notes, agreements, notices, advertisements, requisitions, orders, declarations, forms, minutes, indices, correspondence, registers, disclosures and/or any other record required to be issued, sent, received or maintained by the Company in physical form or in Electronic Form.
- **"Preservation"** means to maintain documents in their original or reproduced form in a manner that ensures their availability, authenticity, integrity, and readability throughout the prescribed retention period.
- **"Permanent Documents"** are documents required to be preserved for the entire lifetime of the Company.

"**Electronic Form**" means, with reference to information, any information generated, sent, received or stored in media, magnetic, optical, computer memory, micro-film, computer generated micro fiche or similar device.

5. Classification of Documents

In accordance with Regulation 9 of the SEBI LODR Regulations, the documents of the Company shall be classified into the following two categories:

5.1 Category A – Documents to be Preserved Permanently

These documents are of enduring value and shall be preserved permanently, subject to the requirements of applicable law. Such documents include, but are not limited to:

Sr. No.	Type of Document
1	Memorandum and Articles of Association
2	Certificate of Incorporation
3	Certificate of Commencement of Business
4	Common Seal of the Company (if any)
5	Statutory Registers under the Companies Act, 2013 (such as Register of Members, Register of Directors and Key Managerial Personnel, Register of Charges, etc.)
6	Minutes Books of Board Meetings, General Meetings, and Committee Meetings
7	Annual Reports of the Company
8	Title Deeds of Immovable Properties

Sr. No.	Type of Document
9	Intellectual Property Records – patents, trademarks, copyrights, drug master files
10	Product Approvals, ANDAs, DMFs, and regulatory filings
11	Scheme of Arrangement, Mergers, Amalgamations, Demergers, and related Court/NCLT Orders
12	Policies approved by the Board of Directors
13	All books and documents relating to the issue of share certificates, including the blank forms of share certificates
14	Any other document that may be designated as a Permanent Document by the Board of Directors

5.2 Category B – Documents to be Preserved for a Minimum of Eight (8) Years

The following documents shall be preserved for a minimum period of eight (8) years after completion of the relevant transactions / events, unless any other law mandates a longer period:

Sr. No.	Type of Document
1	Notices, agendas, and supporting documents for Board / Committee / General Meetings
2	Disclosures made under SEBI Regulations
3	Documents/correspondence with Stock Exchanges, SEBI, RoC, and other regulators
4	Financial Statements and supporting schedules
5	Books of Accounts and supporting vouchers (subject to Section 6 below)

Sr. No.	Type of Document
6	Contracts, agreements, MOUs, and related correspondence
7	Annual filings, returns, and forms filed with statutory authorities
8	Tax records, assessment orders, and related correspondence
9	Insider trading disclosures and related records
10	Schedule of analysts or institutional investors meet (i.e., group meetings or group conference calls conducted physically or through digital means)
11	Presentations prepared by the Company for analysts or institutional investors meet, post earnings or quarterly calls
12	Audio recordings, video recordings and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means

6. Books of Accounts & Record Retention Policy

6.1 Statutory Basis

In accordance with **Section 128(5) of the Companies Act, 2013**, the books of account of the Company, together with vouchers relevant to any entry therein, shall be preserved in good order for a period of **not less than eight (8) financial years** immediately preceding the relevant financial year.

Where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.

6.2 Records Covered

For the purpose of this policy, "Books of Accounts and Records" include:

- Books of original entry – cash book, journal, ledger, sales/purchase registers
- Trial balances and financial statements
- Cost records maintained under Section 148 of the Companies Act, 2013 (mandatory for pharmaceutical companies)
- Bank statements, vouchers, bills, and supporting documents
- Tax returns (Income Tax, GST, TDS, etc.) and related records
- Inventory records, including raw material, work-in-progress, and finished goods
- Records relating to fixed assets
- Payroll and employee benefit records
- Internal and statutory audit reports
- Transfer pricing documentation (to be retained for 8 years under the Income Tax Act)

6.3 Retention Periods under Other Laws

Law	**Minimum Retention Period**
Companies Act, 2013 (Sec. 128)	8 financial years
Income Tax Act, 1961	As required under the Income Tax Act, 1961, and subject to reassessment time limits as amended
GST Act, 2017	72 months from due date of furnishing annual return
Drugs and Cosmetics Rules (Batch Records)	1 year after expiry date or 5 years after manufacture, whichever is later
SEBI (PIT) Regulations, 2015	Minimum 5 years
Factories Act / Labour Laws	3 to 7 years (depending on register)

Where multiple laws prescribe different retention periods, the **longest applicable period shall prevail**.

6.4 Mode of Maintenance

Books of Account may be maintained in electronic mode in accordance with Rule 3 of the Companies (Accounts) Rules, 2014, provided the records remain accessible in India, are complete, unaltered, and capable of being displayed in legible form.

7. Archival Policy

7.1 Purpose

The Archival Policy lays down the framework for archiving documents that are no longer in active use but are required to be preserved as per statutory or business requirements.

7.2 Archival of Physical Documents

- Documents that are not required for day-to-day operations but must be retained shall be transferred to the designated archival storage facility of the Company.
- Each archived document shall be tagged with a unique reference number, department code, and date of archival.
- Archived documents shall be stored in a secure environment.
- A register of archived documents shall be maintained by each department.

7.3 Archival of Electronic Documents

- Electronic records shall be archived on the Company's secure servers, cloud storage, or document management system (DMS), with appropriate access controls.
- Periodic backups shall be taken and stored in geographically separate locations to ensure disaster recovery.
- Authenticity and integrity of electronic records shall be maintained through digital signatures, audit trails, encryption, and version control.

- The IT Department shall ensure that the format in which electronic records are archived remains accessible and readable throughout the retention period (data migration to be undertaken when technology becomes obsolete).

7.4 Archival of Website Disclosures

In accordance with Regulation 30(8) of the SEBI LODR Regulations, all events or information disclosed on the Company's website shall be hosted for a minimum period of **five (5) years** and thereafter archived as per this Policy.

7.5 Retrieval

A documented retrieval mechanism shall be established by each department to ensure that archived documents can be retrieved within a reasonable time when required for audit, litigation, regulatory inspection, or business purposes.

8. Destruction of Documents

- Documents which have outlived their retention period as specified in this Policy may be destroyed with the prior written approval of the **CEO / CFO / Company Secretary**, as applicable.
- Confidential and sensitive documents shall be destroyed by shredding, incineration, or secure electronic deletion.
- A register of documents destroyed, including details such as nature of document, period to which it relates, mode of destruction, date, and authorisation, shall be maintained by the Company Secretary.
- No document shall be destroyed if:
    - It is the subject matter of any pending litigation, investigation, audit, or regulatory inquiry;
    - There is a legal hold or directive from any regulatory or judicial authority;
    - It is otherwise required to be retained under any applicable law.

9. Roles and Responsibilities

- **Board of Directors:** Approval and periodic review of this Policy.
- **Company Secretary:** Overall custodian of secretarial records; nodal officer for implementation of this Policy.
- **Chief Financial Officer:** Custodian of accounting records, tax records, and financial documents.
- **Head – Regulatory Affairs:** Custodian of drug approvals, dossiers, batch records, and regulatory filings.
- **Head – Human Resources:** Custodian of employee records.
- **Head – IT:** Custodian of electronic records, backups, and infrastructure.
- **Department Heads:** Responsible for ensuring departmental compliance with this Policy.

10. Amendment and Review

This Policy shall be reviewed by the Board of Directors as and when required, and at minimum once every three (3) years, or earlier in case of any amendment to applicable laws or regulations. Any amendment to applicable laws shall be deemed to be incorporated into this Policy automatically from the effective date of such amendment.

In the event of any conflict between the terms of this Policy and applicable law, the provisions of applicable law shall prevail.

11. Disclosure

This Policy shall be hosted on the official website of the Company www.nilpharma.co.in in compliance with Regulation 46 of the SEBI LODR Regulations.