POLICY ON PRESERVATION AND ARCHIVAL OF DOCUMENTS

Background:

The Securities and Exchange Board of India vide its notification dated 2nd September 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**SEBI LODR Regulations**"). The SEBI LODR Regulations *inter alia* mandate the listed entities to frame policy (s) for preservation and archiving of documents.

Purpose:

The purpose of this document is to formulate a policy for preservation and archiving of documents in accordance with Regulation 9 of the SEBI LODR Regulations so as to provide a framework for their adequate protection and preservation as per applicable laws.

Definitions:

"Applicable laws" means securities laws defined under Regulation 2(1)(zf) of the SEBI LODR Regulations and other laws and statutes applicable to the Company mandating preservation of documents.

"Board" means Board of Directors of the Company as constituted from time to time.

"Company" means "Carborundum Universal Limited".

"Document/s" includes all papers, documents, agreements, filings, forms, memos, correspondences, records, files, books, etc., of the Company in physical or electronic forms.

"Policy" means this Policy on Preservation and Archival of Documents formulated by the Company.

"SEBI LODR Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments made thereto.

Scope:

All documents of the Company shall be maintained in compliance with the requirements of the applicable laws, including the SEBI LODR Regulations. The preservation of the documents shall be as per the periodicity stated in the guidance manual to the Policy. The Policy also covers the archival policy of the Company with respect to disclosures made in the Company's website pursuant to the SEBI LODR Regulations.

Classification of documents:

For the purpose of the Policy, the documents of the Company are classified as follows:

1. Documents which need to be preserved permanently by the Company (listed in Guidance Manual) subject to the modifications, amendments, additions, deletions or any changes made therein from time to time.
   Provided that all such modifications, amendments, additions or deletions in the documents shall also be preserved permanently by the Company.
2. Documents with a preservation period of not less than the time period stipulated in the SEBI LODR Regulations and other laws and statutes applicable to the Company from time to time after completion of the relevant transactions subject to the modifications, amendments, additions, deletions or any changes made therein from time to time.
   Provided that all such modifications, amendments, additions or deletions in the documents shall also be preserved for the said period. This is currently 8 years.

Modes of preservation:

- The Documents may be preserved either in physical form or electronic form.

- The officer(s) of the Company who is/are generally expected to observe the compliance of requirements of applicable law shall be the person(s) responsible to preserve the Documents (authorized person). This is more particularly as set out in the guidance manual.
- The preservation of Documents should be in such a manner to ensure that there is no tampering, alteration, destruction or anything which endangers the content, authenticity, utility or accessibility of the Documents.
- The preserved Documents must be accessible at all reasonable times. Access may be controlled by the authorized person for preservation, so as to ensure integrity and confidentiality of the Documents and prohibit unauthorised access.
- The Company shall make appropriate provisions for backup of all Documents preserved both physically and electronically.

Destruction of Documents:

After the expiry of the retention period, the preserved Documents may be destroyed in such mode as may be recommended by the authorized person and approved by the Managing Director of the Company. The details of Documents destroyed by the Company shall be recorded in the Register of Disposal of Records to be kept by authorized persons who are disposing of the documents in the format prescribed in the guidance manual. This applies to both physical and electronic Documents.

Review:

The Policy shall be subject to review of the Board, and the Board will be authorized to amend it suitably, as may be deemed necessary or in case the Company faces any practical difficulties in implementing the Policy.

Compliance:

All employees of the Company are required to comply with the provisions of the Policy and the guidance manual. Failure to comply by ant employee of the Company

with this Policy and the guidance may result in disciplinary action by the Company, including suspension or termination of employement.

Interpretation:

In any circumstance where the terms of this Policy is inconsistent with any existing or newly enacted law, rule, regulation or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Policy and procedures.

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Archival Procedure

All disclosures / filings made to stock exchanges pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations") shall be hosted on the website for a minimum period of five years and thereafter the disclosures shall be archived and stored under the archival folder for a further period of 2 years. Disclosures shall be moved / transferred to archival folder under the respective heads / sub-folders in a way so that these documents can be retrieved easily as and when required by any person. Post the archival period stated herein, the disclosures may be removed from the website of the Company. This shall be applicable to all documents hosted in the website of the Company with effect from 1st December 2015.

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