

PERIOD OF PRESERVATION OF ACCOUNTS

Requirement under Different Laws

❖ Companies Act, 1956

- A company is required to maintain its books of account and vouchers for a period of 8 years immediately preceding the current year.
- Licenced Companies u/s 25 of The Companies Act, 1956 is required to maintain its books of account and vouchers for a period of not less than 4 years.
- The books and papers of the Amalgamated/Transferor Company must be not be disposed of without the prior permission of the Central Government.
- The books and papers of a company which has been wound-up and of its liquidator shall not be destroyed for a period of 5 years from the date of its dissolution. They may be destroyed earlier with prior Central Government permission.
- Every company (not being an NBFC) accepting public deposits must maintain a Register of Deposits for 8 calendar years from the financial year in which the latest entry is made in the Register.
- The Register and Index of Members must be maintained permanently.
- The Register and Index of Debenture-Holders must be maintained for 15 years after the redemption of debentures.
- The copies of all Annual Returns and Certificates annexed thereto must be maintained for 8 years from date of filing with the ROC.

❖ NBFC Directions

- Every NBFC accepting public deposits must maintain a Register of Deposits for each branch and a consolidated Register for 8 calendar years following the financial year in which the latest repayment /renewal entry is made in the Register.

❖ Income-tax Act, 1961

- Assesseees are required to preserve the specific books of account for a period of 6 years from the end of the relevant assessment year, i.e., for a total period of 8 previous years. Thus, accounts must

be maintained for PY 2002-03 and onwards and accounts up to 31st March, 2002 (PY 2001-02) need not be maintained for Income-tax purposes.

- Transfer Pricing documents and Information specified under Rule 10 D must be maintained for a period of 8 years from the end of the relevant assessment year , i.e., for a total period of 10 previous years.

❖ **Central Excise**

- Daily stock Account of goods produced must be maintained for 5 years immediately after the financial year to which such records pertain.

❖ **Service Tax**

- Records maintained under various other laws in force from time to time would be acceptable.

❖ **SEBI Regulations**

- Under the SEBI Regulations for Stock Brokers, Merchant Bankers, Portfolio Managers, Underwriters, Debentures Trustees, FIIs, Custodian of Securities and Depository Participants the Records prescribed by SEBI under relevant Regulations must be maintained for a minimum period of 5 years.
- Under the SEBI Regulations for Venture Capital Funds and Mutual Funds the records prescribed by SEBI under relevant Regulations must be maintained for a minimum period of 8 years.
- SEBI regulations for Registrar & Transfer Agents and Bankers to an Issue the records prescribed by SEBI under relevant Regulations must be maintained for a minimum period of 3 years.

❖ **ICAI- Council's decision of 1957**

- CAs should preserve records relating to audit and other work done by them, routine correspondence and other papers for a minimum period of 10 years.

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