

25 July 2023



Regulations on Retention and Disposal of Company Documents Promulgated

- Mandatory requirement to retain company documents enhanced
- Periods of documents retention stipulated
- Procedure for disposal of documents provided
- Circumstances for prolonged retention of documents articulated
- Offences and penalty enunciated

In implementing the requirement of keeping original copies of the company's filed documents under section 455A of the Companies Act, the Minister for Investment, Industry and Trade, on 21 July 2023, issued the Companies (Retention and Disposal of Company Documents) Regulations, 2023 (the Regulations).

The Regulations oblige companies to ensure maintenance and availability of all original documents for the periods as specified in the First Schedule to the Regulations, which provide of a period of up to 10 years. Also, companies are allowed by the Regulations to adopt documents retention policies that provide for a longer retention periods than the ones stipulated in the Schedule. Further, it should be noted that the retention periods begin to run from the date the document is no longer in use.

As far as disposal of documents is concerned, companies are allowed to dispose documents upon expiry of retention periods as prescribed under the Regulations. It should be noted that the Regulations require the disposal of company documents to be done under the authority of the Board of Directors, administrator, administrative receiver, receiver or liquidator of the company. Upon completion of disposal of documents, the company secretary, director, administrator, administrative receiver, receiver or liquidator of the company who were present during the disposal will be obligated to sign the Disposal Form as provided for under the Second Schedule to the Regulations. Subsequent to the signing of the Disposal Form, the same should be delivered to the Registrar within 28 days from the date of the disposal.

Moreover, notwithstanding the document retention periods provided under the law, the Regulations empower the Registrar, by giving reasons in a written notification, to direct any company to retain any documents beyond the prescribed period. Further, the Regulations demand that, in case documents are required for investigation or pending legal proceedings or claims, the same should not be disposed until such investigation, proceedings or claims, as the case may be, are completed. Besides, the Regulations expressly deem any disposal of documents determined as required for investigation, proceedings or claim to be done deliberately.

Lastly, the Regulations make it an offence for any person to contravene the provisions of the Regulations, and such an offence is punishable by payment of fine not exceeding TZS 10M.

To read the Companies (Retention and Disposal of Company Documents) Regulations, 2023 [click here](#)

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