

# NVS Brokerage Private Limited

## OUTSOURCING POLICY

### MEANING

Outsourcing may be defined as the use of one or more than one third party – either within or outside the group - by a registered intermediary to perform the activities associated with services which the intermediary offers. It has been observed that often the intermediaries resort to outsourcing with a view to reduce costs, and at times, for strategic reasons.

### PRINCIPLES FOR OUTSOURCING FOR INTERMEDIARIES

1. Assessment of activities to be outsourced.
2. Comprehensive outsourcing risk management programme.
3. Due – diligence.
4. Outlining Outsourcing relationship.
5. Confidentiality of the information outsourced.
6. Concentration of outsourced services in the hands of a select few third parties.

### RISKS INVOLVED IN OUTSOURCING OF ACTIVITIES

1. Operational risk.
2. Reputational risk.
3. Legal risk.

### APPLICABILITY AND CONCLUSION

The board has decided not to outsource any core functional/ operational activities of the company. Hence guidelines as discussed above are not applicable for us.