

# ISHANIKA SECURITIES PVT. LTD.

Member : National Stock Exchange of India Ltd.  
SEBI Registration No. CM : INB 231049330 / F&O : INF 231049330



## POLICY ON OUTSOURCING OF ACTIVITIES BY INTERMEDIARIES

### 1. PRINCIPLES FOR OUTSOURCING FOR INTERMEDIARIES

- No core activity of the company will be outsourced.
- Only directors and or authorized signatories will have power to outsource.
- Outsourcing of activity to be done with due diligence wrt risk etc. due care, skill, and diligence in the selection of the third party to ensure that the third party has the ability and capacity to undertake the provision of the service effectively.

The due diligence undertaken shall include assessment of

- a) third party's resources and capabilities, including financial soundness, to perform the outsourcing work within the timelines fixed;
- b) compatibility of the practices and systems of the third party with the intermediary's requirements and objectives;
- c) market feedback of the prospective third party's business reputation and track record of their services rendered in the past;
- d) level of concentration of the outsourced arrangements with a single third party; and
- e) the environment of the foreign country where the third party is located

### 2. Comprehensive outsourcing risk management programme to be in place:

- a) The impact of failure of a third party to adequately perform the activity on the financial, reputational and operational performance of the intermediary and on the investors / clients;
- b) Ability of the intermediary to cope up with the work, in case of non performance or failure by a third party by having suitable back-up arrangements;
- c) Regulatory status of the third party, including its fitness and probity status;
- d) Situations involving conflict of interest between the intermediary and the third party and the measures put in place by the intermediary to address such potential conflicts, etc.

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- No Common infrastructure or ownership pattern to be there with outsourced company.
  - Records to be maintained
  - Regular periodic review to be done by Board and internal auditors
3. Outsourcing relationships shall be governed by written contracts / agreements / terms and conditions (as deemed appropriate) {hereinafter referred to as "contract"} that clearly describe all material aspects of the outsourcing arrangement, including the rights, responsibilities and expectations of the parties to the contract, client confidentiality issues, termination procedures, etc.
4. All outsourced persons to maintain confidentiality.
5. Establish and maintain contingency plan in case of business disruptions or problems at third party level and Periodic testing of Backup facilities.

ISHANIKA SECURITIES PVT. LTD.

Hari Prasad Khatom

Director