VAMA SUNDARI INVESTMENTS (DELHI) PRIVATE LIMITED
(An HCL Group Company)

Corporate Office: Plot No. A9, Sector 3, Noida - 201301
Registered Office: CP-3, Sector-8, IMT Manesar,
Gurgaon, Haryana-122051
Tel: +91 120 4306000 Fax: +91 120 4310288
CIN: U65923HR2008PTC046947

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VAMA SUNDARI INVESTMENTS (DELHI) PRIVATE LIMITED

OUTSOURCING POLICY

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Prepared By	Legal & Secretarial Department
Approved By	Board of Directors
Approved on	31.03.2026
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1. Preamble

Vama Sundari Investments (Delhi) Pvt. Ltd. (hereinafter referred as "Vama"/"the Company"), is a registered Non-Banking Financial Company – Core Investment Company ("CIC") under the applicable provisions of the Reserve Bank of India ("RBI") regulatory framework. The entire shareholding of the Company is held by the promoters.

As a CIC, the Company is primarily engaged in extending loans and making equity investments in entities forming part of the promoter group. In addition to its investments in group companies, the Company has also deployed surplus funds in permissible non-group avenues, including bonds, liquid mutual funds, and other instruments permitted under the CIC Directions.

This policy on Outsourcing ("Policy") ensures that outsourcing arrangements of the Company, comply with the *Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025 (RBI Direction),* maintain the highest standards of data confidentiality, security, and integrity, and that outsourcing does not impede effective oversight by the Board, Senior Management, or regulatory authorities.

While the Company may leverage external service providers to enhance operational efficiency, speed, and expertise, it remains ultimately responsible for all financial activities, customer service, and regulatory compliance.

The Company does not have any external borrowings. Further, the Company does not extend loans to entities outside the promoter group. Accordingly, this Policy should be interpreted within this limited context and no engagement of third-party vendors to whom key management functions have been outsourced. This Policy shall therefore be read in the context of intra-group outsourcing arrangements, such as manpower support, IT Support and administrative services.

2. Definition

Outsourcing- means use of a third party (either an affiliated entity within a corporate group or an entity that is external to the corporate group) by an NBFC to perform activities on a continuing basis that would normally be undertaken by the NBFC itself, now or in the future.

Continuing basis- will include agreements for a limited period.

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Group- will be as defined in the Reserve Bank of India (Commercial Banks- Concentration Risk Management) Directions, 2025, as amended from time to time, for the purpose of intragroup transactions and exposures;

Material Outsourcing- means arrangements, which if disrupted, have the potential to significantly impact the business operations, reputation or profitability or customer service.

3. Policy Objectives

- To ensure that all outsourcing arrangements entered by the company are in compliance with *Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025.*
- To establish a comprehensive framework and governance mechanism for identifying, approving, assessing, monitoring, and managing risks in outsourcing arrangements.

4. Applicability

The policy applies to all material outsourcing arrangements entered into by the company for financial & IT Support services, whether with an associated entity with the group/conglomerate, or with an unrelated party.

5. Scope/ Selection criteria of outsourcing Activities

Activities that can be outsourced;
- Application processing (loan origination)
- Document processing
- Research and marketing
- Back office related activities
- Supervision of Loans
- Data Processing
- IT Support Services

The above list is indicative only and not exhaustive. Additional activities within the definition of outsourcing can also be outsourced by the Company.

The Company is prohibited from outsourcing the following Core management functions including:

- Internal Audit
- Strategic and Compliance functions
- Decision-making functions like compliance of KYC, sanction for loans, management of investment portfolio.

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Note 1: While internal audit function itself is a management process, the internal auditors can be on contract.

Note 2: The company may enter into outsourcing arrangement for above services with a company within the group/conglomerate subject to compliance with RBI guidelines in this respect.

6. Roles & Responsibilities

6.1. Board of Directors

- **Overall Responsibility**: The Board holds the ultimate responsibility for outsourced activities and for ensuring effective governance and oversight of all outsourcing activities setting up suitable administrative framework of Senior Management.
- **Policy Approval**: The Board will approve the Outsourcing Policy and ensure its periodic review.
- **Approval of Risk and Materiality Framework:** The Board is responsible for approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing arrangements.
- **Approval Authority:** The Board will lay down appropriate approval authorities for outsourcing depending on risks and materiality.
- **Regular Review:** The Board will undertake review of outsourcing strategies and arrangements on Periodic basis.
- **Approval for Material Outsourcing:** Outsourcing arrangements for business activities of a material nature will be approved by the Board.

6.2. Audit Committee/Risk Management Committee

- **Review:** The Risk Management Committee will be responsible for reviewing records of all material outsourcing on half yearly basis.
- **Internal Audit Monitoring**: The Audit Committee will monitor the system of internal audit of all outsourced activities.

6.3. Senior Management

- Implementation of this Policy and ensuring that appropriate operational controls are in place for all outsourced activities, and monitoring and review of such controls.
- Evaluating the risks and materiality of all existing and prospective outsourcing based on the framework approved by the Board.
- Reporting to Board material outsourcing risks in a timely manner.
- Ensuring that contingency plans for business continuity and exit strategies are in place.
- Ensuring that there are independent review and audit for compliance with set policies.
- Undertaking periodically review of outsourcing arrangements to identify new material outsourcing risks as they arise.

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7. Materiality Framework

While entering into any outsourcing arrangement, the Company will undertake a comprehensive assessment to determine its materiality. An outsourcing arrangement will be considered material if:

(i) its disruption has the potential to significantly impact the company's business operations, reputation, profitability or customer service.
(ii) It can potentially alter various parameters such as earnings, solvency, liquidity, funding, capital, and risk profile.
(iii) It involves the company's reputation and brand value, and ability to achieve its business objectives, strategy, and plans.
(iv) The outsourcing cost constitutes a significant portion of the company's total operating costs.
(v) The aggregate exposure to a particular service provider is significant.

8. Risk Assessment Framework

The Company will evaluate and take measures against the following risks when entering into outsourcing arrangement:

(i) **Strategic Risk**: risk of service provider conducting business in a manner detrimental to company's overall business strategy and goals.
(ii) **Reputation Risk:** risk arising from potential loss of stakeholder confidence, customer trust, market credibility, or regulatory goodwill arising from failures or incidents related to outsourced operations.
(iii) **Compliance Risk** – risk of the service provider not complying with applicable laws including regulatory guidelines and directions.
(iv) **Operational Risk** – risk arising due to technology failure, fraud, error, or inadequate financial capacity of the service provider to fulfil obligations or to provide remedies.
(v) **Legal Risk** – risk of company being subjected to, *inter alia,* fines, penalties, or punitive damages resulting from supervisory actions, or private settlements due to omissions and commissions by the service provider.
(vi) **Exit Strategy Risk** – risk of the company becoming over reliant on one service provider, losing relevant internal skills preventing it from bringing the activity back in-house, or entering into contracts that make speedy exits prohibitively expensive.
(vii) **Counterparty Risk -** risk arising from deficiencies or misconduct at the service provider's end, including instances where the provider undertakes inappropriate or inadequate underwriting or credit assessment processes.
(viii) **Country Risk** – where the political, social, or legal climate creates added risk in the outsourcing arrangement.
(ix) **Contractual Risk** – risk of the company not having the ability to enforce the contract with the service provider.

(x) **Concentration and Systemic Risk** – risk of lack of control over a service provider, more so when overall industry has considerable exposure to one service provider.

The risks outlined above are not exhaustive in nature. The Company may undertake its own assessment to determine the applicability and extent of outsourcing risks based on company's model of Business.

9. Criteria for evaluation of Service Provider:

The Company will conduct due diligence of service provider, considering qualitative, quantitative, financial, operational, legal, and reputational factors, at the time of initial engagement and continued engagement, including but not limited to the following:

(i) **Competency**: past experience, and demonstrated competence to implement and support the proposed activity over the contracted period;
(ii) **Concentration**: risks arising from concentration, if outsourcing to a single service provider, or a limited number of service providers;
(iii) **Financials:** financial soundness and ability to service commitments even under adverse conditions;
(iv) **Reputation:** business reputation and culture, compliance, complaints and outstanding or potential litigation;
(v) **Operational efficiency**: quality of due diligence exercised by the service provider of its employees and sub-contractors;
(vi) **Internal Controls**: security and internal control, audit coverage, reporting, and monitoring procedures, and business continuity management; and
(vii) **External factors**: political, economic, social, and legal environment of the jurisdiction in which the service provider operates and other events that may impact data security and service performance.
(viii) **Independent reviews and market feedback:** to supplement the findings of the company's own due diligence.
(ix) **Compatibility:** whether the systems of the service provider are compatible with those of the company, and the acceptability of their standards of performance, including customer service.

10. Outsourcing Agreement/Service Level Agreement (SLA)

The terms and conditions governing the outsourcing arrangement will be carefully defined in written agreements and will be vetted by the company's legal counsel on their legal effect and enforceability.

All material outsourcing agreements will contain the following key provisions:

1. Nature of Legal relationship between the parties i.e.; whether agent, principal or otherwise.
2. Details of activities being outsourced, including appropriate service and its performance standards;

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3. Company's access to all books, records and information relevant to the outsourced activity available with the Service Provider;
4. The company will review, monitor and assess the security practices and other control processes of its service providers on a regular basis for continuous management of the risks holistically, and require the service provider to disclose security breaches immediately;
5. The Service Provider will put strong safeguards in place so that there is no comingling or combining of information, documents, records, and assets with its own or any other entity;
6. The Service Provider must be able to isolate and clearly identify the company's data, documents, records and assets. Contingency plans to ensure business continuity;
7. Termination clause and minimum period for executing termination (Notice Period);
8. Limited access of data to the employees of the Service Provider only on "need to know" basis and availability of adequate checks and balances at Service Provider's end to ensure the same;
9. The service provider will obtain prior approval/ consent from the Company for use of sub-contractors for all or part of an outsourced activity and the SLA will include where necessary, conditions of sub-contracting by the Service Provider in order to maintain similar controls by the Company;
10. Right to conduct audits on the Service Provider whether by internal or external auditors, and to obtain copies of any audit or review reports and findings made on the Service Provider in relation with the services performed for the Company;
11. Agreement to provide for the RBI or persons authorized by it to access the Company's documents, records of transactions, and other necessary information given to, stored or processed by the Service Provider within a reasonable time;
12. Agreement to provide for right of the RBI to cause an inspection to be made of a Service Provider of the Company and its books and accounts by one or more of its officers or employees or other authorised persons;
13. The Service Provider will preserve documents as required by law and take suitable steps to ensure that the Company's interests are protected in this regard even post termination of the services.
14. The SLA will provide that in the event of unexpected termination of the outsourcing agreement or insolvency or liquidation of the service provider, the company will have a right to intervene with appropriate measures to continue its business operations without incurring prohibitive expenses and disruption in its operations and its services to the customers.

11. Monitoring and Control of Outsourced Activities

1. The Company will have a management structure to monitor and control its outsourced activities and shall ensure that outsourcing agreements with its service provider contain provisions to address the same.
2. The Company will maintain a central record of all material outsourcing of financial services & IT Support Services for review by its Board and Senior Management. The records will be

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updated promptly, and half yearly reviews will be placed before the Risk Management Committee.

3. The Company will ensure regular audits are conducted, either by internal auditors or external auditors to assess the adequacy of the risk management practices adopted in overseeing and managing the outsourcing arrangement, the company's compliance with its risk management framework, and the requirements of the RBI Directions, and the system of internal audit will be monitored by the Audit Committee.
4. The Company will conduct an annual review of the financial and operational condition of the service provider to assess its ability to continue to meet its outsourcing obligations.

12. Business Continuity and Management of Disaster Recovery Plan

1. The company will ensure that its service provider has sound and tested business continuity and disaster recovery plans, and will review the same on a periodic basis.
2. The company will also ensure that the service provider periodically tests the Business Continuity and Recovery Plan and where appropriate will join in the testing and recovery exercises with its service provider.
3. The company will have its own contingency plans for the availability of alternative service providers or the possibility of bringing the outsourced activity back in-house.
4. The company will ensure that its service providers are able to isolate the company's information, documents, and records, and other assets in adverse situation.
5. The company will set clear procedures for removal/deletion/destruction of all documents, records of transactions, information and assets from the possession of the service provider (in order to continue its business operations), on termination of the agreement or in adverse situation.
6. In order to mitigate the risk of unexpected termination of the outsourcing agreement or insolvency or liquidation of its service provider, the SLA will provide for the company's right to intervene with appropriate measures to continue its business operations without incurring prohibitive expenses and disruption in its operations and its services to the customers.

13. Outsourcing within a Group / Conglomerate

1. The Outsourcing arrangements with group entities will be appropriately documented in written agreements with details like scope of services, charges for the services and maintaining confidentiality.
2. While entering into back-office and service arrangements or agreements with group entities, outsourcing certain financial services & IT Support services to other group entities, such agreements should define the scope of shared resources and ensure logical segregation through appropriate controls such as role-based access, activity logs and audit trails.
3. Arm's length distance will be maintained in such outsourcing for avoidance of potential conflict of interests between the Company and such Service Provider.
4. The outsourcing arrangement will not compromise the ability of the Company to identify and manage risk on a stand-alone basis.

5. The outsourcing arrangement will not prevent RBI from being able to obtain information required for the supervision of the company or pertaining to the group as a whole;
6. The outsourcing agreement will contain a clause that there is a clear obligation for the service provider to comply with directions given by RBI in relation to the activities of the company.
7. The Company shall apply the same risk management practices for outsourcing arrangements with related parties (i.e., entities within the group or conglomerate) as it would for outsourcing to non-related parties. Such practices shall, however, be commensurate with the size, nature, scale and complexity of the Company's business model.

14. Grievances Redressal

1. The ultimate responsibility for redressing customer/respective stakeholder grievances for outsourced activities will rest with the Company.
2. The Company has constituted a Grievance Redressal Machinery in accordance with the provisions of the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025.

   It is hereby clarified that the Company's Grievance Redressal Machinery shall also address complaints relating to services provided by outsourced agencies, ensuring that customer grievances are handled seamlessly.

Customers may lodge their complaints through the following channels:

Name of Grievance Redressal Officer of the Company	Mr. Sunil K Srivastava
Contact No.	9650555215
Email Address	Sunilsri@hclgroup.in

15. Policy Review and Amendment

The policy will be reviewed and updated by the board annually or as and when necessary amendments are required to align it with the evolving regulatory landscape.

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