

EAST WEST HOLDINGS LIMITED

(Formerly Bullish Bonds & Holdings Ltd)

Criteria for making payment to Non-Executive Directors

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1. INTRODUCTION

Non-Executive Directors (NEDs) is expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective inputs in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance.

As a member of the Board the NEDs along with the other Directors are collectively responsible for meeting the objective of the Board.

Further Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.

This Criteria for making payment to NEDs has been framed and adopted by **East West Holdings Limited** in compliance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and the Companies Act, 2013 (hereinafter referred to as "Act").

2. PURPOSE OF THE POLICY:

Listing Regulations provides that all fees/ compensation, if any paid to NEDs, including Independent Directors, shall be fixed by the Board of Directors and shall require previous approval of the shareholders in general meeting. Provided that, requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to NEDs, if made within the limits prescribed under Companies Act, 2013 for payment of sitting fees without approval of the Central Government.

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

a. **Sitting Fees:**

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013 and Listing Regulations or other applicable law or for any other purpose whatsoever as may be decided by the Board. The Board has the flexibility to enhance the sitting fees within the parameters prescribed by law.

b. **Commission:**

Section 197(6) of the Companies Act, 2013, allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other.

e. **Professional Fees:**

Under the Companies Act, 2013, Section 197 allows a Company to pay remuneration to its NEDs for services rendered by any such Director if:

- The services rendered are of Professional nature.
- In the opinion of Nomination and Remuneration Committee the Director possess the requisite qualification for the practice of the profession.
- As per the provision of Section 188 of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company shall approve the Professional fees to be paid to NEDs, and with the approval of the Shareholders where ever required.

f. Reimbursement of actual expenses incurred:

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings or for Company's work. The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

g. Payment to independent directors:

An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission up to a certain percentage of net profits in such proportion, as may be permissible under the applicable law.

3. AMENDMENTS:

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
