

EAST WEST HOLDINGS LIMITED

(Formerly Bullish Bonds & Holdings Ltd)

INTERNAL FINANCIAL CONTROL POLICY

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1. INTRODUCTION

This policy for internal financial control has been framed and adopted by “East West Holdings Limited” (The Company) in compliance with the requirements of Section 134 (5) (e) of the Companies Act, 2013.

Pursuant to the aforementioned Section and the Rules made there under the Company has formulated a policy on Internal Financial Control for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

2. OBJECTIVE OF THE POLICY

Internal Financial Control is a means by which an organization's resources are directed, monitored, and measured. It plays an important role in detecting and preventing fraud and protecting the organization's resources, both physical (e.g., machinery and property) and intangible (e.g., reputation or intellectual property such as trademarks).

Internal Financial Controls include the following:

- i. Policies and Procedures for ensuring the orderly and efficient conduct of its business including adherence to Company’s policies.
- ii. Safeguarding of its assets.
- iii. Prevention and detection of frauds and errors.
- iv. Accuracy and completeness of the accounting records and,
- v. Timely preparation of reliable financial information.

3. DEFINITIONS:

- a. “**Act**” means the Companies Act, 2013 and the rules framed thereunder, including any modification or re-enactment thereof.
- b. “**SEBI Listing Regulations**” means SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- c. “**Board**” or “**Board of Directors**” shall mean the Board of Directors of the Company.
- d. “**Company**” means EAST WEST HOLDINGS LIMITED.
- e. “**Audit Committee**” means a Committee of the Board of Directors of the Company, constituted as per the provisions of Section 177 of the Companies Act, 2013.

4. FRAMEWORK FOR INTERNAL CONTROL:

The framework of a good Internal Control System includes

Control Environment:

A sound control environment is created by management through communication, attitude and example. This includes a focus on integrity, a commitment to investigating discrepancies, diligence in designing systems and assigning responsibilities.

Risk Assessment:

This involves identifying the areas in which the greatest threat or risk of inaccuracies or loss exist. To be most efficient, the greatest risks should receive the greatest amount of effort and level of control.

Monitoring and Reviewing:

The system of internal control should be periodically reviewed by management. By performing a periodic assessment, management assures that internal control activities have not become obsolete or lost due to turnover or other factors. They should also be enhanced to remain sufficient for the current state of risks.

Information and Communication:

The availability of information and a clear and evident plan for communicating responsibilities and expectations is paramount to a good internal control system.

Control Activities:

These are the activities that occur within an internal control system.

5. INTERNAL FINANCIAL CONTROLS INCLUDE REVIEWS OF THE FOLLOWING AREAS:

Audit Committee to evaluate the Internal Financial Controls of the Company through regular internal control & check assessment process.

The Audit Committee may:

- Actively participate in the risk assessment process;
- Understand major risks faced by the company and key controls;
- Define the role of internal audit and actively participate in the annual internal audit planning;
- Meet with the internal audit head on a regular basis;
- Seek test results and other relevant information on Internal Financial Control on a real time basis;
- Understand how management addresses the risks highlighted by test of internal controls.
- For the Audit Committee to demonstrate that it has taken necessary steps to evaluate the Internal Financial Control systems, it may call for the comments of the Internal Auditors and the Statutory Auditors about the Company's Internal Control Systems, scope of audit, etc, as this would give them additional insights on the assessment of such controls.

The Committee may, if required, also seek external help or expert advice and guidance for the evaluation of Internal Financial Controls.

6. AMENDMENT/REVIEW OF THE POLICY

The Board of Directors reserves the power to review and amend this policy from time to time as may be deemed necessary as per any regulatory amendments. In the event of any conflict between the provisions of this Policy and of the Act or Regulations or any other statutory enactments, rules, the provisions of such Act or Regulations or statutory enactments, rules shall prevail over this Policy.
