

**Wealth First Portfolio Managers
Limited
Employee Stock Option Scheme 2024**



[As approved vide Shareholders' Resolution dated 27th August 2024]

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1. Name, Objectives and Term of the Scheme

- 1.1 This Employee Stock Option Scheme has been formulated for and on behalf of **Wealth First Portfolio Managers Limited** (CIN: L67120GJ2002PLC040636, incorporated in India) and shall be called the '**Wealth First Employee Stock Option Scheme 2024**' (hereinafter referred to as "**WF ESOS, 2024**") which expression shall include any alterations, amendments or modifications hereto from time to time, for the benefit of Employees of the Company. The WF ESOS, 2024 has been approved by the Board on 11th July, 2024 and by the Shareholders of the Company pursuant to the special resolution passed at the annual general meeting of the Shareholders, held on 27th August, 2024.
- 1.2 The objectives of the WF ESOS, 2024 are as follows:
- i. To enable the Employees of the Company and its Subsidiaries (as defined in Section 2.1) and its Associates, to get a share in the value that they help to create for the Company over a period of time;
 - ii. To attract and retain talented people, who add to the strength of the Company; and
 - iii. To reward Employees for good performance in the past and to motivate similar performance in the future.
- 1.3 WF ESOS, 2024 is established with effect from 27th August, 2024 i.e., the date of approval by the shareholders and shall continue to be in force until the earlier of the following two events:
- i. its termination by the Compensation Committee, or
 - ii. the date on which all of the Stock Options available for issuance under the WF ESOS, 2024 have been issued and exercised (i.e., until the last Option is valid and subsisting).
- 1.4 WF ESOS, 2024 has been framed in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, each as amended and other applicable rules, regulations and provisions of law for the time being in force and shall be subject to any modifications or amendments or re-enactments thereof. The Compensation Committee may subject to compliance with Applicable Laws, at any time alter, amend, vary, suspend or terminate WF ESOS, 2024.

2. Definitions and Interpretations

2.1 The following definitions shall apply to the WF ESOS, 2024, unless otherwise stated:

| Word / Expression used | Meaning assigned |
|---------------------------------------|--|
| Abandonment | means the termination of employment by the Company without notice, due to unauthorized absence of an Employee from work beyond 15 consecutive working days. |
| Acceptance and Nomination form | means a form through which an Employee communicates their acceptance of the Letter of Grant and provides the details of the nominee who will receive the benefits in case of his / her death. |
| Applicable Laws | means any law, bye-law, legislation, subordinate or delegated, statute, regulation, rule or order, in India and the applicable laws of any other country or jurisdiction where the Employee Stock Options are granted under the WF ESOS, 2024, as amended, modified, consolidated or replaced, from time to time, relating to Stock Options and applicable to the Company and all relevant tax, securities, corporate laws or amendments thereof including any circular, guidelines or notifications issued thereunder, of India or of |



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| Word / Expression used | Meaning assigned |
|---|--|
| | <p>any relevant jurisdiction out of India to the extent applicable.</p> <p>This includes, without limitation, the Companies Act, 2013, Companies (Share Capital and Debenture) Rules, 2014, all relevant tax laws, Securities and Exchange Board of India Act, 1992, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, securities, exchange control or any other applicable laws of any Stock Exchange on which the Shares are listed or quoted.</p> |
| Associate Company or Associates | means a company as defined under Section 2(6) of the Companies Act, as amended from time to time and includes any future Associate Company of Wealth First Portfolio Managers Limited, whether incorporated in India or outside. |
| Articles | means the constitution or the articles of association of the Company as amended from time to time. |
| Board | means the Board of Directors of the Company. |
| Committee / Compensation Committee | means the Nomination and Remuneration Committee or any other committee of the Board, as constituted or reconstituted from time to time under the provisions of the Companies Act and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with a view to administer and supervise the Employee Stock Option Scheme of the Company including the WF ESOS, 2024. The Committee shall have the functions of, inter alia formulating, implementation, administration and superintendence of the WF ESOS, 2024. |
| Company | means Wealth First Portfolio Managers Limited , incorporated in India (CIN: L67120GJ2002PLC040636, having registered office at Capitol House, 10 Paras-II, Near Campus Cornor, Prahaladnagar, Anand Nagar, Ahmedabad, Gujarat, India - 380051. |
| Company Policies / Terms of Employment | mean the Company's policies for its Employees, including Employees of its Subsidiaries and Associates (if any), and the terms of Employment contained in the employment letter and any other rules / bye-laws issued from time to time. |
| Director(s) | means a Director on the Board of the Company. |
| Eligibility Criteria | means the criteria (including but not limited to performance, merit, grade, conduct, length of service of the Employee) as may be determined from time to time by the Compensation Committee for granting the Options to the Employees. |
| Employee | <p>means</p> <ol style="list-style-type: none"> i. an Employee as designated by the Company, who is exclusively working in India or outside India; or ii. a Director of the Company, whether a whole time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter group, but excluding an independent director; or |



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| Word / Expression used | Meaning assigned |
|-----------------------------|---|
| | <p>iii. an employee as defined in sub-clauses (i) or (ii), of a group company including Subsidiary or its Associate Company, in India or outside India, or of a holding company of the Company,</p> <p>but does not include—</p> <p>a) an Employee who is a Promoter or a person belonging to the Promoter Group; or</p> <p>b) a Director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity Shares of the Company;</p> |
| Exercise | means making of an application by an Employee to the Compensation Committee to subscribe / purchase the Shares underlying the Options Vested in him / her accompanied by payment of Exercise Price of such Options, in pursuance to the WF ESOS, 2024 and in accordance with the procedure laid down by the Company for Exercise of such Options. |
| Exercise Period | means such time period after Vesting within which the Employee should Exercise the Options vested in him / her in pursuance to the WF ESOS, 2024. |
| Exercise Price | means the price determined by the Compensation Committee from time to time, as per the provisions of the WF ESOS, 2024 and the subject to the SEBI SBEB Regulations and specified in the Letter of Grant, being payable by an Employee in order to Exercise the Options Vested to him / her in pursuance of the WF ESOS, 2024. |
| Exercise Window | <p>means such time period (referred to as 'Exercise Window') during each financial year within which the Compensation Committee shall allow Exercise of Vested Options of Option Grantee in pursuance of the WF ESOS, 2024 and in accordance with such rules and procedures as may be specified by the Compensation Committee at the start of each such Exercise Window. It is important to note that the Exercise Window shall not be opened during any black-out period as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.</p> <p>For the avoidance of doubt, note that Exercise Window will be opened 2 (two) times within a financial year subject to Applicable Laws and the rules for each such Exercise Window shall be prescribed by the Compensation Committee.</p> |
| Grant | means the process by which the Company issues Options to the Employees under the WF ESOS, 2024. |
| Independent Director | shall have the same meaning assigned to it under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act. |
| Letter of Grant | means the letter issued to the Option Holder by which Grant of Option(s) is communicated for acquiring a specified number of Equity Shares at the stated Exercise Price subject to the rules of the |



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| Word / Expression used | Meaning assigned |
|--|--|
| | WF ESOS, 2024. |
| Market Price | <p>means the latest available closing price on the recognized Stock Exchange on which the Shares of the Company are listed.</p> <p>In case Shares are listed on more than one recognized Stock Exchange, then the closing price on the recognized Stock Exchange having higher trading volume on the said date shall be considered.</p> |
| Misconduct | <p>means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the Company Policies / Terms of Employment amounting to violation or breach of Terms of Employment as determined by the Compensation Committee to the extent possible after giving the Employee an opportunity of being heard:</p> <ul style="list-style-type: none"> (i) dishonest statements or acts of an Employee, with respect to the Company; (ii) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud committed by the Employee; (iii) gross negligence, misconduct or insubordination of the Employee in connection with the performance of his duties and obligations towards the Company; (iv) breach by the Employee of any terms of his employment agreement or the Company's policies or other documents or directions of Company; (v) participating or abetting a strike in contravention of any law for the time being in force; and (vi) Misconduct as provided under the labor laws after following the principles of natural justice. <p>Note that the Compensation Committee shall evaluate and decide on Misconduct or otherwise of any employee in above cases. The decision of the Compensation Committee in this regard shall be final and binding on all parties.</p> |
| Nomination and Remuneration Committee | means the committee constituted by the Board in accordance with the provisions of Section 178 of the Companies Act, 2013. |
| Option Grantee | means an Employee who has been granted a Stock Option in pursuance of the WF ESOS, 2024 and shall deem to include nominee / legal heir of an Option Grantee in case of his / her death to the extent provisions of the WF ESOS, 2024 is applicable to such nominee / legal heir. |
| Permanent Incapacity | means any incapacity of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Employee from performing any specific job, work or task which the said Employee was capable of performing immediately before such disablement, as determined by the Compensation Committee based on a certificate of a medical expert identified by the Company. |



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| Word / Expression used | Meaning assigned |
|----------------------------------|--|
| Promoter | shall have the same meaning assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time-to-time. |
| Promoter Group | means the meaning assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time-to-time. |
| Retirement | means retirement as per the rules of the Company. |
| SEBI | means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992, as amended. |
| SEBI (SBEB) Regulations | means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and reenacted from time to time and includes any clarifications or circulars issued thereunder. |
| Shares | means equity Shares of the Company having face value of INR 10 each arising out of the Exercise of Stock Options granted under the WF ESOS, 2024. |
| Shareholder | means a person who is registered as a holder of Share(s) in the register of shareholders maintained by the Company. |
| Stock Exchange(s) | means the National Stock Exchange of India Ltd., BSE Ltd., or any other recognized Stock Exchange in India or any other country, on which the Company's Shares are listed or to be listed in future. |
| Stock Option or Option | means an Option granted to an Employee which gives such Employee a right, but not an obligation, to purchase or subscribe at a future date, the Shares underlying such Option at a pre-determined price in accordance with the rules of the WF ESOS, 2024. |
| Subsidiary / Subsidiaries | means any current and / or future Subsidiary of Wealth First Portfolio Managers Limited, whether incorporated in India or outside. |
| Unvested Option | means an Option in respect of which the relevant Vesting Conditions have not been satisfied and as such, the Option Grantee has not become eligible to Exercise the Option. |
| Vested Option | means an Option in respect of which the relevant Vesting Conditions have been satisfied and the Option Grantee has become eligible to Exercise the Option subject to rules of the WF ESOS, 2024. |
| Vesting | means earning by the Option Grantee, of the right to Exercise the Options granted to him / her in pursuance of the WF ESOS, 2024. The terms 'Vest' or 'Vested' should be construed accordingly. |
| Vesting Condition | means the condition prescribed subject to satisfaction of which the Options granted would Vest in an Option Grantee. |



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| Word / Expression used | Meaning assigned |
|------------------------|--|
| Vesting Period | means the period during which the Vesting of the Option granted to the Option Grantee, in pursuance of the WF ESOS, 2024 takes place. |
| WF ESOS,2024 | means the Wealth First Employee Stock Option Scheme 2024 (i.e., this document) under which the Company is authorized to Grant Stock Options to the Employees |

2.2 Interpretation: In the WF ESOS, 2024, unless the contrary intention appears:

- i. the clause headings are for ease of reference only and shall not be relevant to interpretation;
- ii. reference to a clause number includes reference to its sub-clauses;
- iii. words in singular number include the plural and vice versa;
- iv. words importing a gender include any other gender;
- v. reference to a schedule includes a reference to any part of that schedule which is incorporated by reference;
- vi. reference to any act, rules, statute or notification shall include any statutory modification, substitution or re-enactment thereof;
- vii. any reference to any statute or statutory provision or Applicable Law shall include:
 - (i) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
 - (ii) such statute or provision as may be amended, modified, re-enacted or consolidated
- viii. Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.

Words and expressions used and not defined here but defined in the SEBI SBEB Regulations, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 or the Companies Act, and under any Applicable Laws including any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislations, as the context requires.

3. Authority

- 3.1 The Shareholders of the Company by way of a special resolution in their meeting on 27th August, 2024 resolved to issue to Option Grantee under the WF ESOS, 2024 a maximum of **3,50,000 (Three lakh fifty thousand only)** Options. These may be granted in one or more tranches, from time to time under the WF ESOS, 2024, being exercisable into fully paid-up equity Shares of a face value of INR 10/- each fully paid-up, with each such Option conferring a right upon the Option Grantee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.
- 3.2 The number of Options that can be granted to an Employee under the WF ESOS, 2024 shall not, at any time, be equal to or exceed one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Option, without prior approval of the Shareholders by way of a special resolution in a general meeting and shall be subject to the adjustments for any sub-division or consolidation of the Shares, as set out below. Further, prior approval of the Shareholders shall be obtained in the form of a special resolution, as per provisions of the Applicable Laws in case of Grant of Option to the identified Employees of holding or its Subsidiary or its Associate Company (present or future) as determined by the Compensation Committee at its own discretion.
- 3.3 The maximum number of Stock Options that may be granted to each Employee shall vary depending upon



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the designation and the appraisal / assessment process and shall not exceed **1% of the paid-up equity Share capital** of the Company at the time of grant per eligible Employee. However, the Compensation Committee reserves the right to decide the number of Stock Options to be granted and the maximum number of Stock Options that can be granted to each Employee in any tranche.

- 3.4 If a Stock Option gets lapsed, cancelled, expires or becomes un-exercisable due to any other reason(s), it shall become available for future Grants, subject to compliance with all Applicable Laws.
- 3.5 In case of a Share split or consolidation, if the face value of the Shares is less or more than the current face value as prevailing at the time of coming into force of the WF ESOS, 2024, the maximum number of Stock Options available for being granted under the WF ESOS, 2024 shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares x Face value per share) of the total Shares prior to such Share split or consolidation remains unchanged after such Share split or consolidation.

4. Administration

- 4.1 WF ESOS, 2024 shall be administered by the Compensation Committee.
- 4.2 All functions relating to the superintendence of the WF ESOS, 2024 shall be discharged by the Compensation Committee. All questions of interpretation of the WF ESOS, 2024 shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in the WF ESOS, 2024, in line with Applicable Laws. Neither the Company nor the members of the Compensation Committee shall be liable for any action or determination made in good faith with respect to the WF ESOS, 2024 or any Stock Options granted thereunder.
- 4.3 The administration of the WF ESOS, 2024 shall include, but not be limited to determination of the following as per provisions of the WF ESOS, 2024 and Applicable Laws:
- a) The procedure for Option allocation and the specific quantum of Options to be granted under the WF ESOS, 2024 to the Employees, both per Employee and in aggregate;
 - b) The Eligibility Criteria for Grant of Options to the Employees;
 - c) The Exercise Price applicable to each Option Grantee;
 - d) Vesting Period of Options Granted;
 - e) Vesting Condition(s) of Options Granted;
 - f) Determining the conditions under which Vesting of the Options shall be accelerated for all or selected Employees at the discretion of the Compensation Committee subject to minimum 1 year period;
 - g) To decide the specified time period within which the Employee shall Exercise the Vested Options in the event of termination or resignation of an Employee;
 - h) To decide on the Grant, Vesting and Exercise of Options in case of Employees who are on long leave;
 - i) To modify the Vesting Period on a case-to-case basis, as the Compensation Committee deems fit, subject to completion of minimum 1 year from the date of Grant of Options;
- Making fair and reasonable adjustment (if any) in case of corporate actions such as merger, de-merger, sale of division, stock split / consolidation, rights issues, bonus issues and others, by way of revision in the number of Stock Options, Exercise Price, Vesting Conditions, Exercise conditions, any Vesting acceleration or waiver of forfeiture restrictions as the case may be in accordance with Applicable Laws (if any), to ensure that such corporate action does not result in diminution of value of such Options and the Vesting Period and the life of the Options shall be left unaltered as far as



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possible to protect the rights of the Eligible Employee(s) who is Granted such Options. In this regard, the following shall, inter alia, be taken into consideration by the Committee:

- (i) the number and price of Options shall be adjusted in a manner such that total value to the Employee of the options remains the same after the corporate action;
- (ii) the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Option Grantees who are granted such Options.

For this purpose, the Company shall follow the best industrial practices in this area wherever applicable;

- k) The procedure for buy-back of specified securities issued under the SEBI SBEB Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
 - (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
 - (iii) limits upon quantum of specified securities that the Company may buy-back in a financial year
- l) Determining the restrictions (if any) on the Shares issued under the WF ESOS, 2024 including any mandatory buyback or repurchase of such Shares and the procedure for same;
- m) Re-pricing of the Options which are not exercised, whether or not they have been Vested if the Options are rendered unattractive due to fall in the price of the Shares in the market;
- n) Decide the lock-in on the Shares issued/ transferred pursuant to Exercise of Options;
- o) The procedure and terms for the Grant, Vesting and Exercise of Stock Option in case of Employees who are on long leave or sabbatical;
- p) The conditions under which the Stock Options granted to Option Grantees may lapse in case of Misconduct, whether resulting in termination of employment or not, or commission of act on part of Option Grantee resulting in adverse impact on the Company;
- q) Decide all other matters that must be determined in connection with an Option under the WF ESOS, 2024 in accordance with SEBI (SBEB) Regulations;
- r) Mode of payment of the Exercise Price (cheque, demand draft, deduction from salary, or any other mode);
- s) The procedure for Cashless Exercise of Stock Options, if required;
- t) Forms, writings and/or agreements for use in pursuance of the WF ESOS, 2024;
- u) The Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;
- v) Subject to compliance with Applicable Law, laying down the procedure for formation of a trust, in line with Applicable Laws and implementation of the WF ESOS, 2024 through a trust, and where required, making necessary changes to the WF ESOS, 2024 for such implementation if required; and
- w) Any other point categorically mentioned in the WF ESOS, 2024 as being a Compensation Committee decision.



- 4.4 The Compensation Committee shall, from time to time, frame suitable policies and / or systems to ensure that there is no violation of any of the Applicable Laws by the Company and the Employees, including (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI Insider Trading Regulations**"), (b) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, each as amended and (c) provisions of Companies Act and all applicable rules made thereunder; and (d) any other regulation as may be notified by the Securities and Exchange Board of India or any other authority from time to time by the Company and its Employees, as may be applicable, in accordance with Applicable Laws and regulatory requirements.
- 4.5 The Company shall appoint a registered merchant banker for the implementation of the WF ESOS, 2024 covered by the SEBI SBEB Regulations until the stage of obtaining in-principle approval from the Stock Exchanges in accordance with the SEBI SBEB Regulations

5. Eligibility and Applicability

- 5.1 Options may be Granted to Employees, as defined in Section 2 of the WF ESOS, 2024. The Compensation Committee, shall formulate the Eligibility Criteria and the details of the specific Employees to whom the Options would be granted.
- 5.2 Note that Grant of Stock Options (if any) to a Non-Executive Non-Independent Director or to a Director nominated by an institution as its representative on the Board of the Company shall be done in compliance with SEBI SBEB Regulations.
- 5.3 WF ESOS, 2024 shall be applicable to the Company, its Subsidiaries and Associates.
- 5.4 The Stock Options granted to an Option Grantee shall be subject to the terms and conditions set forth in the WF ESOS, 2024 and Letter of Grant.

6. Grant and Acceptance of Grant

6.1 *Grant of Stock Options:*

Each Grant of Stock Option under the WF ESOS, 2024 shall be made in writing by the Company to the eligible Employees fulfilling the Eligibility Criteria in a Letter of Grant as may be approved under the WF ESOS, 2024 from time to time.

6.2 *Acceptance of the Grant:*

- a) Any Employee who wishes to accept the Grant made under the WF ESOS, 2024 must deliver to the Company a duly signed Acceptance and Nomination Form on or before the date ("Closing Date") which shall not be more than 30 days from the date of the Grant, as specified in the Letter of Grant. On receipt of the signed Acceptance and Nomination Form by the Company, the Employee as applicable, will become an Option Grantee.
- b) Any Employee who fails to deliver the signed Acceptance and Nomination Form on or before the Closing Date stated above shall be deemed to have rejected the Grant, unless the Compensation Committee determines otherwise.
- c) Upon acceptance of the Grant in the manner described above, the Employee henceforth referred to as an Option Grantee, shall be bound by the terms, conditions and restrictions of the WF ESOS, 2024 and the Letter of Grant. The Option Grantee's acceptance of the Grant of Options under the WF ESOS, 2024, within the time period provided, shall constitute an agreement between the Option Grantee and the Company, to the terms of the WF ESOS, 2024 and the Letter of Grant.

7. Vesting Conditions



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- 7.1 Stock Options Granted under the WF ESOS, 2024 shall vest within a specified time period or on achievement of certain performance milestones or both subject to a minimum Vesting Period of 1 (one) year and maximum Vesting Period of 5 (five) years from the date of Grant or such other period as determined by the Compensation Committee and as specified in the Letter of Grant issued to the Option Grantee.

Provided that in case where Options are granted by the Company under the WF ESOS, 2024 in lieu of Options held by a person under a similar plan in another company (Transferor Company) which has merged, demerged, arranged or amalgamated with the Company, the period during which the Options granted by the Transferor Company were held by him/her may be adjusted against the minimum Vesting Period required under this clause.

Provided further that in the event of death or Permanent Incapacity of an Option Grantee, the minimum Vesting Period of one year shall not be applicable and in such instances, the Options shall vest in terms of sub-regulation (4) of regulation 9 of the SEBI SBEB Regulations, on the date of the death or Permanent Incapacity.

- 7.2 Vesting of Options would be subject to continued employment with the Company, its Subsidiary or Associates (as may be applicable). In addition to this, the Compensation Committee may also specify certain performance criteria for Employees, subject to satisfaction of which the Stock Options would vest.
- 7.3 The specific Vesting Period and Vesting Conditions subject to which Vesting would take place would be outlined in the Letter of Grant given to the Option Grantee at the time of Grant of Options.
- 7.4 Notwithstanding any of the above points, Vesting of the Options shall stop immediately in case the Option Grantee is placed on a Performance Improvement Plan (PIP) by the Company (as may be applicable). Any Unvested Options in such a case shall be put on hold with immediate effect, unless otherwise decided by the Compensation Committee till the time the Option Grantee is removed from the PIP. The Option Grantee shall be allowed to continue holding his/her Vested Options subject to the terms and conditions of the WF ESOS, 2024.
- 7.5 Furthermore, Vesting of the Options shall stop immediately in case any disciplinary action is initiated by the Company or its Subsidiary (as may be applicable) against the Option Grantee in response to Misconduct of the Option Grantee and communicated to him / her in writing. Any Vested and Unvested Options in such a case shall be cancelled with immediate effect, unless otherwise decided by the Compensation Committee.
- 7.6 Vesting of Options in case of Employees on long leave: The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical or extended maternity or paternity leave, as per the Company's Policies / Terms of Employment, unless otherwise decided by the Compensation Committee.
- 7.7 In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Compensation Committee to the extent possible.
- 7.8 Acceleration of Vesting: Subject to elapse of minimum Vesting Period of 1 (one) year from the date of Grant, the Compensation Committee has the right to accelerate the Vesting of some or all of the Unvested Options of selected or all employees as per Section 4.3(f).

8. Exercise

8.1 Exercise Price:

- a) The Exercise Price shall be such price, as determined by the Compensation Committee from time to time, in accordance with the Applicable Laws and as evidenced in the Letter of Grant unless



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subsequently modified by the Compensation Committee. The Exercise Price shall be adjusted for any split, bonus issuance, consolidation, reclassification or sub-division of Shares, as may be determined by the Compensation Committee. For the avoidance of doubt, note that the Exercise Price may be different for different set of Employees for Options granted on same / different dates.

- b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or by electronic mode through any banking channel such as National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS) or in such other manner as the Compensation Committee may decide from time to time.
- c) No amount shall be payable by the Option Grantee at the time of Grant and hence no amount is required to be forfeited even if an Option Grantee does not Exercise the Vested Options within Exercise Period and accordingly no adjustment is required to be made for the same.
- d) The Company may at its sole discretion and subject to Applicable Laws and Articles of the Company, extend financial assistance or facilitate such assistance through a third party to the extent as permitted under the Applicable Laws and in any mode or manner it deems fit, to enable the Option Grantee to Exercise the Options within the Exercise Period. The mode, manner and amount of the financial assistance, applicable rate of interest (if any) and recovery of principal and interest shall be communicated by the Company in due course.

8.2 Exercise Period and Conditions for Exercise:

a) **While in employment:**

The Vested Options with an Option Grantee while in employment with the Company may be Exercised anytime within the Exercise Window(s) in one or more tranches, provided it is within a period of 2 (two) years from the date of Vesting or such other period as may be determined by the Compensation Committee. Note that the Vested Options not Exercised during the Exercise Period shall automatically lapse, unless otherwise decided by the Compensation Committee.

b) **Exercise Rules in case of separation from employment:**

The events of separation along with respective conditions regarding treatment of Vested Options and Unvested Options are as follows:

| S. No. | Events of Separation | Vested Options* | Unvested Options |
|--------|---|--|--|
| 1 | Resignation / Termination <i>(On account of any reason whatsoever other than due to Misconduct, breach of Company Policies / Terms of Employment, Retirement, Abandonment, death or Permanent Incapacity)</i> | All the Vested Options as on date of resignation / termination shall be Exercised by the Option Grantee within the next available Exercise Window from the date of resignation / termination, failing which the Vested Options shall automatically lapse. | All the Unvested Options as on date of resignation / termination shall stand cancelled with effect from that date. |
| 2 | Termination due to Misconduct, breach of Company Policies/ Terms of Employment | All the Vested Options outstanding at the time of such termination shall immediately stand cancelled with effect from the date of such termination. | All the Unvested Options at the time of such termination shall immediately stand cancelled with effect from the date of such termination. |



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| S. No. | Events of Separation | Vested Options* | Unvested Options |
|--------|---|---|---|
| 3 | Retirement / Superannuation | All the Vested Options as on date of Retirement / superannuation shall be Exercised by the Option Grantee anytime in the next 3 (three) Exercise Windows available from the date of Retirement / superannuation, failing which the Vested Options shall automatically lapse. | All Unvested Options on the date of Retirement / superannuation shall continue to vest as per the original Vesting schedule and shall be Exercised by the Option Grantee in the next 3 (three) Exercise Windows available from the date of Vesting, failing which the Vested Options shall automatically lapse. |
| 4 | Death** | All the Vested Options as on date of death shall be Exercised anytime during the Exercise Window by the Option Grantee's nominee or legal heir within a period of 2 (two) years from the date of death, failing which the Vested Options shall automatically lapse. | All the Unvested Options as on date of death shall be deemed to have been Vested immediately and shall be Exercised anytime during the Exercise Window by the Option Grantee's nominee or legal heir within a period of 2 (two) years from the date of death, failing which the Vested Options shall automatically lapse. |
| 5 | Termination due to Permanent Incapacity** | All the Vested Options up to the date of such termination shall be Exercised anytime during the Exercise Window by the Option Grantee within a period of 2 (two) years from the date of such termination, failing which the Vested Options shall automatically lapse. | All the Unvested Options up to the date of such termination shall be deemed to have been Vested immediately and shall be Exercised anytime during the Exercise Window by the Option Grantee within a period of 2 (two) years from the date of such termination, failing which the Vested Options shall automatically lapse. |
| 6 | Abandonment | All the Vested Options shall stand cancelled . | All Unvested Options shall stand cancelled . |
| 7 | Any other reason not specified above | The Compensation Committee shall decide whether the Vested Options as on that date can be Exercised by the Option Grantee or not, and such decision shall be final. | All Unvested Options as on the date of separation shall stand cancelled with effect from that date. |

*Note that the Shares issued (if any) on Exercise shall be governed by the provisions of Section 8.3. Further, the Compensation Committee may extend the Exercise Period in its sole discretion and any such decision shall be final and binding on all, subject to compliance with the SEBI SBE Regulations and other Applicable Law.

**Note that in case of death the Option Grantee's nominee or legal heir can Exercise subject to providing all documents as may be required by the Company to prove the succession or inheritance of Options. In case of Permanent Incapacity, the Option Grantee can Exercise subject to providing any document required by the Company to prove such incapacity.

8.3 Issue of Shares upon Exercise:



- a) On Exercise (subject to payment of Exercise Price and tax as may be applicable, by the Option Grantee), the number of Shares corresponding to the number of Vested Options Exercised will be allotted in the name of the Option Grantee within a period of 30 (thirty) days from the date of Exercise. The Company shall, within 30 (thirty) days from the Exercise of the Option, issue or cause to be issued to the Option Grantee duly executed and stamped Share certificate(s), or appropriate instruments when such shares are in dematerialized form, in the name of the Option Grantee. The Option Grantee hereby acknowledges and agrees that the Company may hold such Share certificates or other instruments when such Shares are in dematerialized form, in its custody.
 - b) While exercising the Options, the Option Grantee shall abide by the Insider Trading Code of Conduct of the Company as applicable from time to time.
 - c) All stamp duty or other taxes imposed by Applicable Laws, payable on issue or transfer of the Shares, shall be borne by the Option Grantee.
 - d) No Option Grantee shall have any right or status of any kind as a Shareholder of the Company including the right to receive any dividend or to vote or in any manner enjoy benefits of a Shareholder in respect of any Options covered by the Grant unless the Option Grantee Exercises the Vested Options and becomes a registered holder of the Shares.
 - e) Upon becoming a registered holder of the Shares by the Exercise of the Options, the Option Grantee shall be entitled to all rights and obligations as a Shareholder of the Company from the date of issue and allotment of Shares, pursuant to the Exercise under the WF ESOS, 2024.
 - f) Shares allotted under the WF ESOS, 2024 shall be freely transferable subject to Lock-in period restriction (if any) and restrictions for such period as may be applicable under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time or for such other period as may be stipulated from time to time in terms of Company's Code of Conduct for Prevention of Insider Trading.
 - g) In case new issue of Shares is made under the WF ESOS, 2024, Shares so issued shall be Listed immediately on all the recognized Stock Exchange where the existing Shares are Listed, subject to requirements under Applicable Laws being fulfilled by the Company and where applicable by the Option Grantee.
- 8.4 The Options not Exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options.

9. Right to prescribe for cashless Exercise of Options

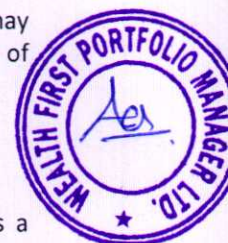
- 9.1 Notwithstanding anything contained in the foregoing provisions relating to Exercise of Options, the Compensation Committee is entitled to specify such procedures and mechanisms for the purpose of implementing the cashless Exercise of Options as may be necessary and the same shall be binding on all the Option Grantees.

10. Lock-in

- 10.1 The Option Grantee shall not transfer, sell, pledge, assign or otherwise alienate or hypothecate, in any manner, any of the Shares held by him/her under the WF ESOS, 2024 for a period of 2 (two) years from the date of Grant or until such other time (i.e., the lock-in period) that the Compensation Committee may determine, in its sole discretion at the time of issuance of Shares to the Option Grantee upon Exercise of Options under the WF ESOS, 2024.

11. Other Terms and Conditions

- 11.1 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a



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Shareholder of the Company or its Subsidiary or Associates (for example, bonus Shares, rights Shares, dividend, voting, etc.) in respect of any Shares covered by the Grant until the Option Grantee Exercises the Stock Option and becomes a registered holder of the Shares of the Company.

- 11.2 The Option shall not be transferred, pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 11.3 If the Company issues bonus or rights Shares, the Option Grantee will not be eligible for the bonus or rights Shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both may be made by the Compensation Committee in line with Applicable Laws. Only if the Stock Options are Vested and Exercised and the Option Grantee is a valid holder of the Shares of the Company, the Option Grantee would be entitled for bonus or rights Shares as shareholder of the Company.
- 11.4 If an Option Grantee breaches the terms and conditions of the WF ESOS, 2024 and the Letter of Grant, the Compensation Committee shall have the right to cancel any or all Options and to redeem any or all the Shares issued under the WF ESOS, 2024, without any consideration.
- 11.5 Options granted under the WF ESOS, 2024 are not transferrable except in case of death of an Option Grantee, in which case, clause 8.2 will be referred to for the purpose of Exercise. No person other than the Option Grantee to whom the Option is granted shall be entitled to Exercise the Option, except in the event of the death of the Option Grantee.

12. Deduction of Tax

- 12.1 The liability of paying taxes, if any, in respect of Stock Options granted pursuant to the WF ESOS, 2024 and the Shares issued pursuant to Exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of the applicable Income tax Laws read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees working abroad, if any.
- 12.2 The Company or its Subsidiary (as may be applicable) shall have the right to deduct from the Option Grantee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws.
- 12.3 In the event that any taxes are required to be withheld and/or paid by the Company as a result of or with respect to, any Grant, Vesting and/or Exercise of the Options, the Company shall have the right to withhold / deduct the amount of such taxes from any amounts otherwise payable to Option Grantee.
- 12.4 The Company shall have no obligation to deliver Shares until the Company's tax deduction obligations, if any, have been satisfied by the Option Grantee in full. The Option Grantee shall be required to indemnify the Company with respect to any tax claims arising out of the Grant, Vesting and/or Exercise of Options or sale of Shares by such Option Grantee.

13. Authority to vary terms

- 13.1 The Compensation Committee may, if it deems necessary, vary/modify/alter/add/amend the terms of the WF ESOS, 2024, subject to the Applicable Laws and the conditions of the Shareholders' approval in such manner which is not detrimental to the interest of Employee. However, the Company shall be entitled to vary the terms of the WF ESOS, 2024 to meet any regulatory requirements and obligations without seeking Shareholders' approval by special resolution.
- 13.2 The Company may reprice the Options which are not Exercised, whether or not they have been Vested if the WF ESOS, 2024 were rendered unattractive due to fall in the price of the Shares in the stock market, provided however that, repricing shall not be detrimental to the interest of the Option Grantee and approval of the Shareholders in general meeting has been obtained for such repricing.

14. Miscellaneous

- 14.1 WF ESOS, 2024 and any Shares issued thereunder shall be subject to the Articles. In the event of anything



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contrary contained in the WF ESOS, 2024, the provision of the Articles shall prevail.

- 14.2 For this purpose, the Option Grantees, on becoming Shareholders, shall be treated as holders of equity Shares of the Company.
- 14.3 WF ESOS, 2024 and all agreements thereunder shall be governed by and construed in accordance with the Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021, and other Applicable laws of India.
- 14.4 Government Regulations: The WF ESOS, 2024 shall be subject to all Applicable Laws, and approvals from governmental authorities. The Grant of Options and allotment of Shares to the Employees under the WF ESOS, 2024 shall be subject to the Company requiring the Employees to comply with all Applicable Laws.
- 14.5 Foreign Exchange Laws: In case any Options are granted to any Employee being resident outside India, belonging to the Company or its Subsidiaries or Associates, working outside India, the applicable foreign exchange management provisions and rules or regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest and Exercise of Options thereof.
- 14.6 Regulatory approval: The implementation of the WF ESOS, 2024, the granting of any Option under the Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Option Grantee of all approvals and permits required by any regulatory authorities having jurisdiction over the WF ESOS, 2024, the Options and the Shares issued pursuant thereto. The Option Grantee under the WF ESOS, 2024 will, if requested by the Committee, provide such assurances and representations to the Company, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.
- 14.7 Insider trading: The Option Grantee shall ensure that there is no violation of Insider Trading Regulations and prevention of Fraudulent and/or Unfair Trade Practices regulations as may be notified by SEBI and / or the Stock Exchange on which the Shares are listed. The Option Grantee shall keep the Company or the Board or such other Committees of the Board, fully indemnified in respect of any liability arising for violation of the above provisions
- 14.8 Inability to obtain authority: The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares pursuant to the provisions of the WF ESOS, 2024.
- 14.9 Unless otherwise intended, the Grant of an Option does not form part of the Option Grantee's entitlement to compensation or benefits pursuant to his / her contract of employment nor does the existence of a contract of employment between any person and the Company give such person any right or entitlement to have an Option granted to him / her in respect of any number of Shares or any expectation that an Option might be granted to him / her whether subject to any condition or at all.
- 14.10 Neither the existence of the WF ESOS, 2024 nor the fact that an individual has on any occasion been granted an Option shall give such individual any right, entitlement or expectation that he / she has or will in future have any such right, entitlement or expectation to participate in the WF ESOS, 2024 by being granted an Option on any other occasion.
- 14.11 The rights granted to an Option Grantee upon the Grant of an Option shall not give the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his / her office or employment, as applicable, with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).
- 14.12 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he / she may suffer by reason of being unable to Exercise an Option in whole or in part.



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- 14.13 An Option Grantee has to nominate a person as his / her nominee. The nominee in case of death of the Option Grantee shall be the legal representative recognized by the Company as the inheritor of the Option Grantee in respect of all rights and liabilities for the purposes of the WF ESOS, 2024.
- 14.14 Participation in the WF ESOS, 2024 shall not be construed as any guarantee of return on equity investment. Any loss due to fluctuations in the Market Price of the Shares and the risks associated with the investments are that of the Option Grantee alone.

15. Accounting and Disclosures

- 15.1 The Company and its Subsidiaries shall follow the laws / regulations applicable to accounting and disclosure related to Options, as prescribed under Regulations 14 and 15 of the SEBI SBEBS Regulations, and as prescribed therein under Applicable Laws.
- 15.2 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features / the scheme document (i.e., the WF ESOS, 2024) in the formats prescribed by SEBI from time to time. Further, the Board shall at each annual general meeting place before the Shareholders a certificate from the secretarial auditors of the Company that the WF ESOS, 2024 has been implemented in accordance with the Applicable Laws and in accordance with the resolution of the Company in the general meeting.
- 15.3 The Board shall, inter alia, disclose either in the Directors report or in the annexure to the Director's report, the details of the WF ESOS, 2024, or as amended from time to time under Applicable Laws

16. Governing Laws and jurisdiction

- 16.1 The terms and conditions of the WF ESOS, 2024 shall be governed by and construed in accordance with the Applicable Laws.
- 16.2 In case of any dispute arising out of or relating to the WF ESOS, 2024 or associated Letter of Grant, or to the interpretation, breach, termination or validity of the WF ESOS, 2024, the parties to the dispute must use their best effort to resolve the dispute through consultation or mediation. The consultation or mediation between the Disputing Parties must begin as soon as practicable after one Disputing Party has delivered to the other Disputing Party or Parties a written notice setting out the matter of the Dispute (Dispute Notice).
- 16.3 If a Dispute is not settled through consultation and mediation within 30 days after the date of the relevant Dispute Notice, the High Court at Gujarat and courts subordinate to it shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of the WF ESOS, 2024.
- 16.4 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with the WF ESOS, 2024: in any other court of competent jurisdiction; or concurrently in more than one jurisdiction.
- 16.5 In case any Options are granted to any Employee being resident outside India belonging to the Company or its Subsidiaries or Associates, working outside India, the provisions of the Foreign Exchange Management Act, 1999, as amended and rules or regulations made thereunder as amended and enacted from time to time shall be applicable and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest, Exercise of Options, and issue of Shares thereof.

17. Notices

- 17.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of the WF ESOS, 2024 shall be in writing and shall be sent to the address of the Option Grantee available in the records of the Company; or delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or emailing the communication(s) to the Option Grantee at the



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official email address provided, if any, during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.

- 17.2 Any communication to be given by an Option Grantee to the Company in respect of the WF ESOS, 2024 shall be sent at the address mentioned below or e - mailed at:

Payalshah@wealthfirst.biz

18. Severability

- 18.1 In the event any one or more of the provisions contained in the WF ESOS, 2024 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of the WF ESOS, 2024 in which case the WF ESOS, 2024 shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the WF ESOS, 2024 shall be carried out as nearly as possible according to its original intent and terms.

19. Confidentiality

- 19.1 An Option Grantee must keep the details of the WF ESOS, 2024 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his / her peer, colleagues, co-Employees or with any Employee of the Company or that of its affiliates or any form of social media. In case Option Grantee is found in breach of this clause, the Company shall have undisputed right to terminate any agreement / Grant and all unexercised Options shall stand cancelled immediately. The decision and judgment of the Board or the Compensation Committee regarding breach of this clause on confidentiality shall be final, binding and cannot be questioned by Option Grantee. In case of non-adherence to the provisions of this clause, the Board or the Compensation Committee shall have the authority to deal with such cases as it may deem fit.
- 19.2 On acceptance of the Grant of Option offered by the Company, it shall be deemed that as if the Option Grantee has authorized the Company to disclose information relating to the Option Grantee during the process of implementation of the WF ESOS, 2024 or while availing any consulting or advisory services thereof or any other incidental services to its officers, professional advisors, agents and consultants on a need-to-know basis.



**Note that no benefit under Part D and Part E of Chapter III of the SEBI (SBE) Regulation is being envisaged under WF ESOS, 2024, Hence, the same is not applicable for the purpose of WF ESOS, 2024.*

Appendix A: STATEMENT OF RISKS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in the WF ESOS, 2024, including the risks and uncertainties described below, before making an investment in the Equity Shares. If our business, profitability and financial condition gets affected, the price of our Equity Shares could decline, and you may lose all or part of your investment in the Equity Shares. Unless specified or quantified in the WF ESOS, 2024, we are not in a position to quantify the financial or other implication of any of the risks. Employee Stock Option Scheme are subject to the following additional risks:

1. Concentration: The risk arising out of any fall in value of Shares is aggravated if the Employee's holding is concentrated in the Shares of a single Company
2. Leverage: Any change in the value of the Share can lead to a significantly larger change in the value of the Option as an Option amounts to a leveraged position in the Share.
3. Illiquidity: The Options cannot be transferred to anybody, and therefore Employees cannot mitigate their risks by selling the whole or part of their Options before they are exercised.
4. Vesting: The Options will lapse if the employment is terminated prior to vesting. Even after the Options are vested, the unexercised Options may be forfeited if the Employee is terminated for gross misconduct
5. Market Risk: The Employee can experience losses due to factors that affect the overall performance of the financial markets, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers, political turmoil, recessions, changes in interest rates and terrorist attacks.



Appendix B: INFORMATION ABOUT THE COMPANY

1. Business Profile of the Company:

Wealth First Portfolio Managers Ltd was established on April 16, 2002, originally as "DSFS Securities and Broking Private Limited" in Ahmedabad. On May 14, 2003, the company was renamed Wealth First Portfolio Managers Private Limited and later converted into a Public Limited company on September 30, 2015.

Wealth First serves as a one-stop financial services provider, offering a comprehensive range of financial products tailored to suit both short- and long-term financial goals. The company's portfolio includes Government Bonds & Securities, Direct Equity, Cash Management Services, Derivative products, Mutual Funds, Insurance, Commodities, REITs, and Market Making Services. Wealth First is also recognized as one of the top 100 AMFI distributors of Mutual Funds in India.

The company emphasizes in-depth research to deliver strong performance while ensuring investment security over time, despite inherent market risks. Wealth First is driven by a commitment to building long-term client relationships, equipping clients to address large, fast-growing market opportunities, and maintaining ongoing involvement in their financial success.

2. Abridged Financial Information:

The financial information of the Company for the last 5 (five) years will be provided along with the Letters of Grant to be given to the Employees at the time of grant of options to the Employee.

3. Risk Factors for the Company:

The Management of the Company has a perception that the following risks or uncertainties might also occur during the course of business such as:

i. The Company may not be successful in implementing the business strategies:

The success of the business depends substantially on the Company's ability to effectively implement its business strategies. Although the Company has successfully executed its strategies in the past, there is no assurance that it will continue to do so on time or within the estimated budget in the future, nor that it will meet the expectations of its targeted customers. Additionally, changes in applicable regulations may pose challenges to the implementation of these strategies. Failure to execute the business strategies could have a material adverse effect on the Company's operations and overall business performance.

ii. Downturns or disruptions in the financial markets could lead to reduced transaction volumes, potentially resulting in a decline in business activity and negatively impacting profitability:

The Company's business is closely tied to the financial markets and is materially affected by conditions in both domestic and global financial markets, as well as the overall economic environment in India and worldwide. Revenues are primarily generated from fees associated with mutual fund distribution, stockbroking, debt markets, bonds, and other financial services. The level of operations and, consequently, profitability are largely dependent on favorable market conditions, the political environment, investor sentiment, price levels of shares and securities, and various factors that influence trading volumes in India.

Capital markets are exposed to additional risks, including liquidity, interest rate, and foreign exchange risks. Any downturn or disruption in the markets could have a material adverse effect on the Company's operational results.

Furthermore, even without a market downturn, there is a significant risk of loss due to market volatility. A downturn is likely to result in decreased transaction volumes executed on behalf of customers and a decline in prices. This reduction in transaction activity would directly lead to a decrease in revenue from fees and interest.

iii. The Company operates in a highly regulated environment, subject to extensive regulatory requirements. Any failure to comply with these regulations could lead to penalties or sanctions.



The business is regulated by the Securities and Exchange Board of India (SEBI), various governmental regulatory authorities, and industry self-regulatory organizations, including stock exchanges. The regulatory landscape is subject to change, and the Company may be adversely affected by new or revised legislation imposed by SEBI or other regulatory bodies. Additionally, the Company is subjected to periodic reviews, requests for information submissions, audits, and inspections by various regulatory agencies. Non-compliance with any regulations or adverse findings could expose the Company to actions from these authorities, negatively impacting business operations and financial health.

Furthermore, changes in Indian law, as well as in regulations and accounting principles, pose additional risks. There is no assurance that laws governing the Indian financial services sector will remain stable or that any future changes will not adversely affect the Company's operations and financial performance.

The Company faces the risk of significant intervention by regulatory authorities in all jurisdictions where it operates. Potential consequences include fines, prohibitions on specific business activities, or limitations and conditions on ongoing operations. Compliance with regulations incurs substantial costs, and any violation could result in administrative or judicial proceedings. This may lead to censure, fines, trading bans, deregistration, or the suspension of business licenses. Officers or employees may also face suspension or disqualification.

Moreover, the Company may experience constraints on its ability to operate, incurring fines, receiving regulatory cautions, or being barred from engaging in certain business activities. The imposition of such penalties or restrictions could have a material adverse effect on the Company's business, reputation, financial condition, and overall results of operations.

iv. The Company is required to obtain and renew specific licenses and permits from government and regulatory authorities to operate effectively. Failure to obtain or renew these licenses in a timely manner may adversely affect business operations:

To conduct its activities, the Company must secure various approvals, licenses, registrations, and permissions in accordance with multiple regulations, guidelines, circulars, and statutes regulated by authorities such as the Securities and Exchange Board of India (SEBI), stock exchanges, and other governmental entities. Notably, obtaining a certificate of registration from SEBI and relevant regulatory authorities is essential for carrying out specific business activities, which come with numerous conditions and compliance requirements.

If the Company fails to maintain such registrations and licenses or comply with the applicable conditions, it risks having its certificate of registration suspended or canceled, thereby preventing it from continuing those activities. Such a situation could materially and adversely impact the Company's business, financial condition, and overall results of operations.

Furthermore, there is no assurance that the Company will be able to obtain the necessary approvals for current or future applications, which adds another layer of risk to its operational framework.

4. Continuing Disclosure Requirement:

The Option Grantee would be entitled to receive copies of all documents that are sent to the members of the Company. This shall include the annual accounts of the Company as well as notices of the meetings and the accompanying explanatory statements. However, the Option Grantee will not be entitled to attend and vote in the meeting or receive any dividend in respect of unexercised Options.

For, Wealth First Portfolio Managers Ltd.

Aayush Shukla
Company Secretary

