

ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP – 2025')
SCHEME CUM DISCLOSURE DOCUMENT

PART A
STATEMENT OF RISKS

All investments in shares or options on shares are subject to risk as the value of shares may go down or up. In addition, employee stock options 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.
3. **Illiquidity**: The options cannot be transferred to anybody, and therefore the employees cannot mitigate their risks by selling the whole or part of their options/benefits 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 employment is terminated for gross misconduct.

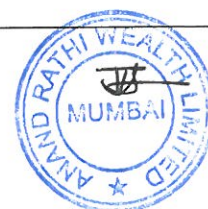


PART B
INFORMATION ABOUT THE COMPANY

1. Business of the company:

• **As per the Memorandum of Association of the Company, the Main Objects are:**

- 1) To carry on the activities of raising or acquiring funds for and managing venture capital funds, offshore funds, pension funds, provident funds, insurance funds, or any other funds and to act as managers, consultants, advisors, administrators, attorneys, agents, or representative of or for venture capital funds, offshore funds, pension funds, provident funds, insurance funds, or any other funds formed or established in India or abroad by the company or any other person or by any government, state, local authority, association, institution or any other agency or organization.
- 2) To act as Financial Advisors and Investment Advisors and to render such financial management, financial consultancy and advisory services to individuals, companies, corporations, trusts and other entities as supplemental activity of the company.
- 3) To undertake and carry on in India and/or in any part of the world whether singly and / or jointly the business as investment bankers, portfolio managers, wealth managers, financial consultants, management consultants, advisors and provide consultancy, advisory, financial services and facilities of every description and to mobilise and manage funds assets of/for various companies, mutual fund, individual investors, firms, association and other bodies corporate, private and institutional investors and carry on the activities of managing investment in equity and derivative instruments, structured products, commodities and commodity derivatives, currency and currency derivatives, debt instruments, mutual funds, government securities, saving instruments, insurance products, money market instruments and securities of all types and all financial products and to promote, support and to carry on the business of providing wealth management services to the individuals, firms, associations, institutions, corporate and body corporate and to pass on the benefits of such investments as interest, dividend, bonus, etc.
- 4) To carry on all kinds of agency/ franchise business and to act as advisors, consultants, agents, subagents, franchisor or franchisee, brokers, distributors, sellers of Deposits, loans, Mutual Funds, shares, stocks, debentures, Bonds, Government securities, insurance products, National Savings Certificates and such other financial, investment, personal loans, home loans products, securities and debt instruments and real estate including residential, commercial, agricultural land, plots, shops etc. and to acquire and hold one or more memberships/dealership with or without trading privileges of associations of bankers, associations of mutual funds, merchant bankers, insurance companies, fund managers, brokers, securities dealers or commodity dealers, clearing houses, stock exchanges, commodity exchanges in India or any part of the world which will or is likely in any way to facilitate the conduct of the company's business.
- 5) To carry on the business of asset management in India or abroad, for equity commodities, bullions, artworks or any other product and for that purpose to devise,



formulate, market and distribute schemes and plans for raising funds, devise various schemes for raising funds in any manner from individual, bodies corporate, trusts, societies, association of persons in India or abroad and to invest funds raised and to acquire, hold, manage, dispose of all or any property or assets and securities in India or abroad for the benefit of the contributory beneficiaries of the trust.

- 6) To act as trustee and to undertake and execute trusts of all kinds whether public or private including undertaking and carrying on the office or offices and duties of trustee, executor, administrator, attorney or nominee of or for funds of all kinds including mutual funds, offshore funds, pension funds, superannuation funds, provident fund, real estate funds, venture capital funds, debenture holders and to hold the property in trust for the benefit of the beneficiaries of the trust.
 - 7) To carry on activities of depository participant by obtaining necessary membership with authorised depositories and to carry on all the permitted activities ancillary to depository participant services including depository clearing services, custodian clearing services and professional clearing services in India or abroad
- **Present business of the company:** Anand Rathi Wealth Limited is an NSE500-listed company that has been in the business of Private Wealth since 2002, catering to high-net-worth individuals (HNIs). Registered with AMFI as a Mutual Fund Distributor, we oversee assets under management (AUM) of over INR 77,103+ crores across 11,732+ families in India and abroad. Our team of 380 Relationship Managers operates from 18+ locations, ensuring seamless financial oversight.

2. Abridged financial information:

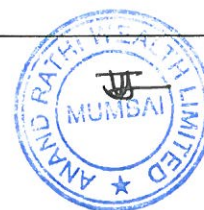
- Abridged financial information, for the last five years for which audited financial information is available, as specified by the SEBI from time to time:
- **Balance sheet - Standalone Basis:-**

Amount in lakhs

PARTICULARS		2024-25	2023-24	2022-23	2021-22	2020-21
I	ASSETS					
	Non-Current Assets					
	Property, Plant and Equipment	11,893.53	8,991.05	9,189.64	8,038.66	671.97
	Right-of-use Asset	5,303.44	4,150.68	1,823.75	1,278.40	1,292.06
	Capital Work in Progress	-	81.63	-	-	6,903.92
	Other Intangible Assets	-	-	5.04	11.89	39.43
	Financial Assets					
	- Investments	31,837.63	20,098.39	19,296.26	19,333.17	19,164.65
	- Loan	-	-	-	-	203.69
	- Other Financial Assets	616.12	514.98	356.51	417.51	223.20



	Deferred Tax Assets (Net)	-	-	-	170.96	177.36
	Other Non Current Assets	-	-	3,045.42	4,226.60	1,006.63
	Total Non-Current Assets	49,650.72	33,836.73	33,716.62	33,477.19	29,682.91
	Current Assets					
	Financial Assets					
	- Investments	122.10	114.25	-	-	267.84
	- Trade Receivables	3,423.68	2,706.54	1,631.54	1,419.10	1,000.94
	- Cash and cash equivalents	2,270.00	2,003.84	5,750.57	5,724.47	3,781.89
	- Other Financial Assets	40,366.12	50,086.38	22,667.57	8,808.80	1,344.43
	Other Current Assets	826.65	620.87	600.16	692.82	137.00
	Current Tax Assets	196.54	-	-	-	-
	Total Current Assets	47,205.09	55,531.88	30,649.84	16,645.19	6,532.10
	TOTAL ASSETS	96,855.81	89,368.61	64,366.46	50,122.38	36,215.01
II	EQUITY AND LIABILITIES					
	Equity					
	Equity Share Capital	4,151.03	2,091.41	2,084.41	2,080.81	1,375.68
	Other Equity	66,149.08	66,123.20	48,417.97	35,977.99	26,601.23
	Total Equity	70,300.11	68,214.61	50,502.38	38,058.80	27,976.91
	Liabilities					
	Non-Current Liabilities					
	Financial Liabilities					
	- Borrowings	1,795.63	-	831.53	1,660.70	2,496.37
	- Lease Liability	4,523.10	3,468.62	1,401.31	830.23	637.37
	Deferred Tax Liabilities (Net)	458.55	225.04	7.69	-	-
	Provisions	767.00	304.98	347.74	185.63	95.54
	Total Non-Current Liabilities	7,544.28	3,998.64	2,588.27	2,676.56	3,229.28
	Current Liabilities					



	Financial liabilities					
	- Borrowings	376.22	831.53	829.18	834.44	839.62
	- Lease Liability	1,183.15	841.37	564.86	561.27	781.37
	- Trade Payables	-	-	-	-	-
	Total Outstanding dues of micro enterprises and small enterprises	-	-	-	-	8.15
	Total Outstanding dues of creditors other than micro enterprises and small enterprises	6.57	2.06	31.49	-	8.35
	- Other Financial Liabilities	740.58	3,288.89	966.26	2,051.92	517.83
	Other Current Liabilities	1,173.55	1,331.59	925.21	622.51	911.87
	Provisions	15,531.35	10,859.92	7,958.81	5,316.88	1,941.63
	Total Current Liabilities	19,011.42	17,155.36	11,275.82	9,387.02	5,008.82
	TOTAL EQUITY AND LIABILITIES	96,855.81	89,368.61	64,366.46	50,122.38	36,215.01

Profit & Loss - Standalone Basis: -

Amount in lakhs

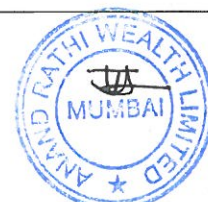
PARTICULARS		2024-25	2023-24	2022-23	2021-22	2020-21
I	Revenue From Operations	90,506.99	69,467.63	52,997.04	40,365.50	25,431.87
II	Other Income	3,831.21	2,556.93	767.12	529.36	793.41
	Total Income	94,338.20	72,024.56	53,764.15	40,894.86	26,225.27
III	Expenses:					
	Employee Benefit Expenses	41,099.19	31,379.20	23,533.03	18,700.18	14,451.82
	Finance Cost	1,149.07	643.54	389.86	200.98	274.77
	Depreciation and Amortization Expenses	2,032.36	1,426.94	1,155.18	1,073.10	1,239.13
	Other Expenses	10,304.83	8,607.67	6,059.77	4,325.15	4,025.04
	Total Expenses	54,585.45	42,057.35	31,137.84	24,299.40	19,990.77
IV	Profit Before Tax	39,752.75	29,967.21	22,626.31	16,595.46	6,234.50
V	Tax Expenses:					



	1. Current Tax	9,967.74	7,601.12	5,597.34	4,031.50	1,590.05
	2. Prior Year Taxes	9.30	5.02	31.97	12.72	192.74
	3. Deferred Tax	233.52	217.36	178.65	6.40	32.74
	Total Tax Expenses	10,210.56	7,823.50	5,807.96	4,050.61	1,815.53
VI	Profit for the year	29,542.19	22,143.71	16,818.35	12,544.85	4,418.98
	Total Other comprehensive Income/(Loss)	(326.43)	(2.84)	(74.89)	8.92	11.17
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	29,215.76	22,140.87	16,743.46	12,553.77	4,430.15
VIII	Earnings Per Equity Share of Face Value of Rs. 5 each					
	Basic	35.52	26.52	40.36	30.18	16.20
	Diluted	35.52	26.49	40.18	30.05	15.97

Balance sheet -Consolidated Basis:-

PARTICULARS		2024-25	2023-24	2022-23	2021-22	2020-21
I	ASSETS					
	Non-Current Assets					
	Property, Plant and Equipment	11,942.92	9,046.77	9,245.87	8,076.44	715.75
	Right-of-use Asset	5,342.42	4,158.32	1,846.67	1,316.60	1,292.06
	Goodwill	248.65	290.11	290.11	290.11	290.11
	Capital Work in Progress	-	81.63	-	-	6,903.92
	Other Intangible Assets	1,259.98	1,739.74	2,225.79	2,712.34	3,218.34
	Intangible Assets Under Development			-	-	-
	Financial Assets					
	- Investments	24,254.46	11,115.22	10,550.25	10,350.00	10,181.48
	- Loan	-	-	-	-	203.94
	- Other Financial Assets	669.04	518.35	356.51	417.51	223.20
	Deferred Tax Assets (Net)	-	-	47.56	380.70	415.20
	Other Non Current Assets	-	-	3,142.99	4,353.83	1,111.
	Total Non-Current Assets	43,717.47	26,950.14	27,705.75	27,897.53	24,555.80



	Current Assets					
	Financial Assets					
	- Investments	122.10	114.25	-	-	267.84
	- Trade Receivables	3,544.68	2,824.83	1,712.80	1,489.89	1,086.54
	- Cash and cash equivalents	4,406.51	3,311.34	6,476.17	8,710.90	6,531.82
	- Bank balances other than above	-	-	-	-	4.66
	- Loans	-	-	-	-	115.33
	- Other Financial Assets	43,202.84	54,011.33	25,859.46	9,200.01	1,254.10
	Other Current Assets	843.68	644.49	657.69	717.66	158.70
	Current Tax Assets	298.22	117.14	-	-	-
	Total Current Assets	52,418.03	61,023.38	34,706.12	20,118.46	9,418.99
	TOTAL ASSETS	96,135.50	87,973.52	62,411.87	48,015.98	33,974.79
II	EQUITY AND LIABILITIES					
	Equity					
	Equity Share Capital	4,151.03	2,091.41	2,084.41	2,080.81	1,375.68
	Other Equity	63,246.48	62,794.00	44,738.79	32,285.87	22,781.76
	Non-Controlling Interest	1,365.61	1,270.03	1,186.15	1,166.93	1,160.03
	Total Equity	68,763.12	66,155.44	48,009.35	35,533.61	25,317.46
	Liabilities					
	Non-Current Liabilities					
	Financial Liabilities					
	- Borrowings	1,803.73	12.74	848.53	1,660.70	2,496.37
	- Lease Liability	4,545.97	3,468.62	1,416.82	854.00	637.37
	Provisions	827.65	357.34	388.55	212.55	116.41
	Deferred Tax Liabilities	595.93	310.36	-	-	-
	Total Non-Current Liabilities	7,773.28	4,149.06	2,653.90	2,727.25	3,250.15
	Current Liabilities					
	Financial liabilities					
	- Borrowings	380.84	835.80	833.13	834.44	839.62



- Lease Liability	1,199.59	849.63	573.11	575.53	-
- Trade Payables	-	-	-	-	-
Total Outstanding dues of micro enterprises and small enterprises	-	-	-	-	8.15
Total Outstanding dues of creditors other than micro enterprises and small enterprises	6.70	2.06	31.49	-	12.08
- Other Financial Liabilities	867.79	3,407.60	1,078.47	2,117.59	1,347.18
Other Current Liabilities	1,518.63	1,660.13	1,203.82	865.43	1,223.36
Provisions	15,625.55	10,913.80	8,027.79	5,362.14	1,976.79
Total Current Liabilities	19,599.10	17,669.02	11,748.62	9,755.13	5,407.18
TOTAL EQUITY AND LIABILITIES	96,135.50	87,973.52	62,411.87	48,015.98	33,974.79

Profit & Loss - Consolidated Basis:-

PARTICULARS		2024-25	2023-24	2022-23	2021-22	2020-21
I	Revenue From Operations	93,909.46	72,432.25	54,863.16	41,748.51	26,533.02
II	Other Income	4,155.63	2,764.39	1,027.74	773.40	1,391.83
	Total Income	98,065.09	75,196.64	55,890.90	42,521.91	27,924.85
III	Expenses:					
	Employee Benefit Expenses	41,987.98	32,221.92	24,182.44	19,204.36	15,075.48
	Finance Cost	1,154.23	646.70	393.42	201.86	288.98
	Depreciation and Amortisation Expenses	2,545.04	1,935.75	1,661.22	1,565.07	1,772.90
	Other Expenses	11,896.85	9,831.29	6,815.15	4,815.58	4,499.22
	Total Expenses	57,584.10	44,635.66	33,052.24	25,786.86	21,636.58
IV	Profit Before Tax	40,480.99	30,560.98	22,838.66	16,735.05	6,288.27
V	Tax Expenses:					
	1. Current Tax	10,098.70	7,610.72	5,610.19	4,031.50	1,594.81
	2. Prior Year Taxes	12.91	8.52	31.97	12.72	191.53
	3. Deferred Tax	290.47	359.51	336.39	34.75	46.98
	Total Tax Expenses	10,402.08	7,978.75	5,978.55	4,078.97	1,833.31
VI	Profit for the year	30,078.91	22,582.23	16,860.11	12,656.08	4,454.96



	Total Other comprehensive Income/(Loss)	(340.96)	(7.52)	(84.50)	31.92	29.76
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	29,737.95	22,574.71	16,775.63	12,688.01	4,484.72
VIII	Earnings Per Equity Share of Face Value of Rs. 5 each					
	Basic	36.17	27.05	40.46	30.50	16.33
	Diluted	36.17	27.02	40.28	30.38	16.10

- The last audited accounts of the company shall also be provided unless this has already been provided to the employee in connection with a previous option.

3. Risk Factors:

- Market risk : Any adverse movement in equity capital market and volatility may affect the value of our AUM and may impact our trail revenue
- Interest rate risk: Any rise in inflation rates may adversely affect saving or investment patterns of clients, potentially affecting growth in the Indian economy and our results of operations.
- Competition: Any rise in inflation rates may adversely affect saving or investment patterns of clients, potentially affecting growth in the Indian economy and our results of operations.
- Internal Risk Factors: 1) Our business and the implementation of our strategy are dependent upon our management team, who oversee our day-to-day operations, strategy and growth of our business and also on our Relationship Managers, who are integral for our Company to manage existing client relationships as well as establish new client relationships. If one or more members of our management team are unable or unwilling to continue in their present positions, such persons would be difficult to replace and our business, prospects and results of operations could have a material adverse effect. Competition also in our industry for skilled management and efficient employees is high.

4. Continuing disclosure requirement:

- The option grantee shall be provided 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 meetings and the accompanying explanatory statements.



PART C
SALIENT FEATURES OF THE SCHEME

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1. NAME, OBJECTIVE AND TERM OF THE SCHEME

This Scheme shall be called '**ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP – 2025')**

- 1.1 ARWL ESOP – 2025 has been formulated and approved on April 10, 2025 by Board of Directors ("Board") on the recommendation of Nomination & Remuneration Committee and ("NRC") further approved by the shareholders of Anand Rath Wealth Limited ("ARWL") in their annual general meeting dated May 23, 2025.
- 1.2 The objective of ARWL ESOP – 2025 is to reward the eligible and potential Employees of the Company and - its Subsidiary Company(ies) in India and/ or outside India for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to attract and retain talents in the organization. The Company views Employee Stock Options as a means that would enable the Employees to get a share in the value they create for the Company in future.
- 1.3 ARWL ESOP – 2025 will be effective on approval by the shareholders by the way of Special Resolution passed in the Annual General Meeting (AGM) held on May 23, 2025 and shall continue to be in force until (i) its termination by the Board, or(ii) the date on which all of the Employee Stock Options available for issuance under the ARWL ESOP – 2025 have been issued and exercised, whichever is earlier.
- 1.4 The Company is authorized to grant **12,45,309 (Twelve Lakhs Forty Five Thousand Three Hundred and Nine)** stock options to eligible employees of the Company by way of resolution passed by the board on April 10, 2025 and a special resolution passed by shareholders on May 23, 2025, subject to the Articles of Association of the Company ("Articles").
- 1.5 The Board of Directors or the Committee as authorized may subject to compliance with Applicable Laws, at any time amend, suspend or terminate the ARWL ESOP – 2025.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

- I. "**Act**" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- II. "**Applicable Law**" means every law relating to Employee Stock Options, to the extent applicable, including and without limitation to the Companies Act, Securities and Exchange Board of India Act, 1992, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all relevant tax, securities, exchange control or corporate laws of India, or amendments thereof or of any relevant jurisdiction or of any recognized Stock Exchange on which the Shares are listed or quoted;
- III. "**Associate Company**" means a company (present or future) which shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013);
- IV. "**Board**" means the Board of Directors of the Company;



- V. **"Cause"** means any of the following acts or omissions by an Employee in addition to any provisions prescribed in the offer or terms of employment amounting to misconduct or breach of terms of employment as determined by the Board after giving the Employee an opportunity of being heard:
- (i) dishonest statements or acts of an Employee, with respect to the Company;
 - (ii) a felony or 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 including the reasons of non-performance;
 - (v) participating or abetting a strike in contravention of any law for the time being in force;
 - (vi) Misconduct as provided under the labour laws after following the principles of natural justice;
 - (vii) any other act detrimental to the interest of the Company
- VI. **"Committee"** means Nomination and Remuneration Committee / Compensation Committee of the Board as constituted in accordance with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and shall also constitute and acts as the Compensation Committee for the purposes of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- VII. **"Companies Act"** means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or re-enactments thereof;
- VIII. **"Company"** means Anand Rathi Wealth Limited;
- IX. **"Control"** shall have the same meaning as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- X. **"Director"** shall have the same meaning as defined under section 2(34) of the Companies Act, 2013 (18 of 2013);
- XI. **"Emergency"** means a situation wherein the Company is in need of funds to meet the commitment(s) arising out of the objective(s) of the scheme;
- XII. **"Employee"** means —



(i) a permanent employee as designated by the company, who is exclusively working in India or outside India; or

(ii) a director of the company, whether a Managing Director or 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

(iii) an employee as defined in sub-clauses (i) or (ii), of a including subsidiary or its, in India or outside India, but does not include—

(a) an employee who is a promoter or a person belonging to the promoter group;
or

(b) a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company;

(C) An Independent Director within the meaning of Companies Act.

- XIII. **"Employee Stock Option" or "Option"** means the option given to an Employee which gives such an employee a right to purchase or subscribe at a future date, the shares offered by the Company, directly or indirectly, at a pre-determined price;
- XIV. **"Employee Stock Option Scheme or ESOS"** means a scheme under which a company grants employee stock options to employees directly;
- XV. **"Eligibility Criteria"** means the criteria as may be determined from time to time by the Committee for granting the Employee Stock Options to the Employees;
- XVI. **"ARWL ESOP – 2025"** means Employees Stock Option Plan/Scheme under which the Company is authorized to grant Employee Stock Options to the Employees.
- XVII. **"Equity Shares"** means fully paid-up Equity Shares of the Company of face value of Rs. 5/- (Rupees Five) each;
- XVIII. **"Exercise"** means in relation to options means, the tendering by an employee, of an application for the issue of shares, pursuant to the options vested in him under the Grant and the plan accompanied by the Exercise price payable for the shares. ;
- XIX. **"Exercise Period"** means the time period after vesting within which an employee can exercise his/her right to apply for shares against the vested options in pursuance of the Scheme;
- XX. **"Exercise Price"** means the price at which the Option Grantee is entitled to acquire the equity share pursuant to the options granted and vested in him/her under the Scheme;
- XXI. **"Fair Value of the Option"** means the value computed in respect of the Options granted based on the date of grant by use of mathematical/ statistical model such as Black Scholes;



- XXII. **"General Meeting"** means an annual general meeting or an extraordinary general meeting held by the Company in compliance with the Companies Act, 2013;
- XXIII. **"Grant"** means the process by which the company issues options, shares or any other benefits under the ARWL ESOP - 2025;
- XXIV. **"Grant Date"** means the date on which the compensation committee approves the grant. For accounting purposes, the grant date will be determined in accordance with applicable accounting standards;
- XXV. **"Grantee"** means an Employee who receives an offer of Options from the Company or the Committee under the Scheme.
- XXVI. **"Group"** means two or more companies (present or future) which, directly or indirectly, are in a position to—
- (i) exercise twenty-six per cent. or more of the voting rights in the other company; or
 - (ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or
 - (iii) control the management or affairs of the other company;
- XXVII. **"Holding Company"** means a holding company (present or future) as defined in sub-section (46) of section 2 of the Companies Act, 2013.
- XXVIII. **"ICAI"** means the Institute of Chartered Accountants of India;
- XXIX. **"Insider"** shall have the same meaning assigned to it under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- XXX. **"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;
- XXXI. **"Key Managerial Personnel"** shall have the same meaning as defined under section 2(51) of the Companies Act, 2013 (18 of 2013);
- XXXII. **"Long Leave"** means a sanctioned leave in excess of 60 days without break;
- XXXIII. **"Market Price"** means the latest available closing price on a recognized stock exchange on which the shares of the company are listed on the date immediately prior to the relevant date. If such shares are listed on more than one recognized stock exchange, then the closing price on the recognized stock exchange having higher trading volume shall be considered as the market price;
- XXXIV. **"Option"** means Employee Stock Option within the meaning of this Scheme;



- XXXV. **"Option Grantee"** means an employee having a right but not an obligation to exercise an option in pursuance of an ESOS;
- XXXVI. **"Permanent Disability or 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 Board/ Committee based on a certificate of a medical expert identified by the Company;
- XXXVII. **"Promoter"** shall have the same meaning as assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- XXXVIII. **"Promoter Group"** shall have the same meaning assigned to the term under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;
- XXXIX. **"Recognized Stock Exchange"** means a stock exchange which has been granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- XL. **"Relative"** shall have the same meaning as defined under section 2(77) of the Companies Act, 2013 (18 of 2013);
- XLI. **"Relevant Date"** means -
- a. in the case of grant, the date of the meeting of the compensation committee on which the grant is made; or
- b. in the case of exercise, the date on which the notice of exercise is given to the company or to the by the employee;
- XLII. **"Retirement"** means retirement as per the rules of the Company.
- XLIII. **"Scheme"** means ARWL – Employee Stock Options Scheme ('ARWL ESOP – 2025');
- XLIV. **"Securities"** means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- XLV. **"Secretarial Auditor"** means a company secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- XLVI. **"SEBI"** means the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992;



- XLVII. **"SEBI (SBEB and Sweat Equity) Regulations"** means 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;
- XLVIII. **"Shares"** means Equity Shares of the Company within the meaning of this Scheme;
- XLIX. **"Subsidiary"** means a subsidiary of the Company (present or future) as per the definition under Section 2 (87) of the Companies Act, 2013;
- L. **"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;
- LI. **"Vesting"** means the process by which the employee becomes entitled to receive the benefit of a grant made to him/her and is given the right to apply for the shares of the Company against the options granted to him/ her in pursuance of the scheme. ;
- LII. **"Vesting Condition"** means any condition subject to which the Options granted would vest in an Option Grantee;
- LIII. **"Vesting Period"** means the period during which the vesting of option granted under any of the schemes takes place;
- LIV. **"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.

2.2 Interpretation

In this Scheme, unless the contrary intention appears:

- a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- b) a reference to a clause number is a reference to its sub-clauses;
- c) words in singular number include the plural and vice versa;
- d) words importing a gender include any other gender; and
- e) reference to Company shall refer to the Company and / or Holding Company, or its Subsidiary Company where the contexts so requires, in case Options are granted to the employees of Holding Company or its subsidiary Company in future.

Words and expressions used and not defined in these regulations but defined in the Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, 2013 (18 of 2013) or SEBI (Share Based Employee Benefits and Sweat Equity Regulations, 2021) and any statutory modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislations.



3. AUTHORITY

- 3.1 On passing the special resolution in the Annual General Meeting dated May 23, 2025, the Company shall be authorized by the shareholders to issue to the Employees under ARWL ESOP - 2025, not exceeding **12,45,309 (Twelve Lakhs Forty-Five Thousand Three Hundred and Nine)** Employee Stock Options convertible into not more than **12,45,309 (Twelve Lakhs Forty-Five Thousand Three Hundred and Nine)** Shares of face value of Rs. 5/- (Rupees Five) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue. Further the maximum number of options to be granted per employee per grant and in aggregate shall not exceed **12,45,309 (Twelve Lakhs Forty-Five Thousand Three Hundred and Nine)**.
- 3.2 The maximum number of Options that shall be granted to any specific identified Employee(s) of the Company or its Subsidiary Company under ARWL ESOP - 2025, in any financial year and in aggregate under the ARWL ESOP 2025 shall not be equal to or exceeding 1% of the issued Capital (excluding outstanding warrants and conversions) of the Company and in aggregate if the prior specific approval from members of the Company through a special resolution to this effect is not obtained. The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time.
- 3.3 If an Employee Stock Option expires, lapsed, cancelled, surrendered or becomes un-exercisable due to any reason/s, it shall be brought back to the Employee Stock Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.
- 3.4 Where Shares are allotted consequent upon Exercise of an Employee Stock Option under the ARWL ESOP - 2025, the maximum number of Shares that can be allotted under ARWL ESOP - 2025 as referred to in Sub-clause 3.1 above shall stand reduced to the extent of such Shares allotted.
- 3.5 In case of a Share split, merger, demerger, scheme of arrangement, amalgamation, sale of division, consolidation, rights issues, bonus issues and other corporate actions, if the revised face value of an Equity Share is less or more, as the case may be, than the current face value as prevailing on the date of coming into force of this Scheme, the maximum number of Shares available under ARWL ESOP – 2025 as specified above shall stand modified accordingly, so as to ensure that the cumulative face value (number of Shares x face value per Share) prior to such split or consolidation remains unchanged after such split or consolidation.
- 3.6 The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options

4. ADMINISTRATION

- 4.1 The ARWL ESOP – 2025 will be operated and administered under superintendence of the Company's Committee, which is a Committee of the Board of Directors i.e Nomination and Remuneration Committee be designated as the Compensation Committee (hereinafter collectively referred to as "Committee"). The majority of Committee members are Independent



Directors. All questions of interpretation of the ARWL ESOP – 2025 shall be determined by the Board/ Committee and such determination shall be final and binding upon all persons having an interest in the ARWL ESOP - 2025.

4.2 The Board/ Committee shall in accordance with this Scheme and Applicable Laws determine the following:

- a. the eligibility criteria for grant of ARWL ESOP – 2025 to employees;
- b. the quantum of options, shares or benefits as the case may be, per employee and in aggregate under a scheme;
- c. the kind of benefits to be granted under this scheme;
- d. the conditions under which options, shares or other benefits as the case may be, may vest in employees and may lapse in case of termination of employment for misconduct;
- e. the exercise period within which the employee can exercise the options and that options would lapse on failure to exercise the same within the exercise period;
- f. the specified time period within which the employee shall exercise the vested options or in the event of termination or resignation;
- g. the right of an employee to exercise all the options, as the case may be, vested in him at one time or at various points of time within the exercise period;
- h. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division, buy-back, scheme of arrangement and others. 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 employee(s) who is granted such options;
 - iii. the grant, vesting and exercise of shares, options or in case of employees who are on long leave;
 - iv. eligibility to avail benefits under this scheme in case of employees who are on long leave;
 - v. the procedure for funding the exercise of options; and
 - vi. the procedure for buy-back of specified securities issued under these regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
 - (a) permissible sources of financing for buy-back;
 - (b) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
 - (c) limits upon quantum of specified securities that the company may buy-back in financial year.
- i. shall frame suitable policies and procedures to ensure that there is no violation of securities laws including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended from time to time, by the, the company and its employees, as may be applicable



- 4.3 Approve forms, writings and/or agreements for use in pursuance of the ARWL ESOP - 2025. The Board/ Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 by the Company and its Employees, as applicable.

5. ELIGIBILITY AND APPLICABILITY

- 5.1 Only Employees within the meaning of this Scheme are eligible for being granted Stock Options under ARWL ESOP - 2025. The specific Employees to whom the Stock Options would be granted and their Eligibility Criteria would be determined by the Board/ Committee.
- 5.2 The appraisal process for determining the eligibility of the Employee will be specified by the Committee and will be based on criteria such as targets achieved (AUM, revenue etc.), the grade of Employee, length of service, performance record, merit of the Employee, future potential contribution by the Employee and/or by any such criteria that may be determined by the Committee.
- 5.2 The Scheme shall be applicable to the Company and any successor Company thereof, Subsidiary Companies and may be granted to the Employees and Directors of the Company, of its Subsidiary Company, as determined by the Board/ Committee at its own discretion.

Provided that in case of any Grant of Option to the Employees of its Subsidiary Company, prior approval of the Shareholders shall be obtained as per provisions of the Applicable Laws.

Further, where such employee is a director nominated by an institution as its representative on the Board of Directors of the company –

(i) the contract or agreement entered into between the institution nominating its employee as the director of a company and the director so appointed shall, *inter alia*, specify the following: -

- a. whether the grants by the company under its scheme(s) can be accepted by the said employee in his capacity as director of the company;
- b. that grant if made to the director, shall not be renounced in favour of the nominating institution; and
- c. the conditions subject to which fees, commissions, other incentives, etc. can be accepted by the director from the company.

(ii) the institution nominating its employee as a director of the company shall file a copy of the contract or agreement with the said company, which shall, in turn file the copy with all the recognized stock exchanges on which its shares are listed.

(iii) the director so appointed shall furnish a copy of the contract or agreement at the first board meeting of the company attended by him after his nomination.

- 5.3 The granting may occur in tranches or otherwise.
- 5.4 Grant Letter Format is attached as Annexure - A



6. VESTING SCHEDULE AND VESTING CONDITIONS

- 6.1 The options granted shall vest so long as an employee and Directors continues to be in the employment of the Company or its Subsidiary Company ,as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which options granted would vest subject to the minimum vesting period of 01 (one) year and not later than maximum period of 5 (Five) years from the date of individual grant.
- 6.2 The vesting dates in respect of the options granted under the Scheme may vary from employee to employee or any class thereof and/or in respect of the number or percentage of options granted to an employee.
- 6.3 Options shall vest essentially based on continuation of employment and apart from that the Board/Committee may prescribe other performance/other condition(s) for vesting. The vesting may occur in one or more tranches, subject to the terms and conditions of vesting as stipulated in ARWL ESOP -2025.
- 6.4 Options granted under ARWL ESOP – 2025 would vest subject to maximum period of 05 (Five) years from the date of respective grant of such options unless otherwise decided by the Committee.
- 6.5 The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options.
- 6.6 Format of acceptance letter is attached herewith as Annexure - B

7. EXERCISE OF OPTIONS

7.1 Exercise Price:

- (a) The Exercise Price shall be as may be decided by the Board/ Committee as is allowed under the SEBI (SBEB and Sweat Equity) Regulations which in any case will not be lower than the face value of the equity shares of the Company on the date of such grant. Further the Exercise Price can be different for different set of employees for options granted on same/different dates. The same shall be subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with applicable laws.
- (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 any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Board/ Committee may decide.
- (c) No amount shall be payable by the option grantee at the time of grant.
- (d) Notwithstanding anything contained hereinabove, amount paid/payable, if any, by the employee at the time of the grant, vesting or exercise of the options will be forfeited if the employee does not exercise the same within the exercise period.

7.2 Exercise Period:



(a) **While in employment:**

- (i) The Exercise period shall not be more than 10 (ten) years from the date of respective vesting of Options. The options granted may be exercised by the Grantee at one time or at various points of time within the exercise period as determined by the Committee from time to time.
- (ii) The Vested options shall be exercisable by the employees by a written application (or by electronic means through a software) to the Company expressing his/ her desire to exercise such options in such manner and in such format as may be prescribed by the Committee from time to time. The options shall lapse if not exercised within the specified exercise period.

(b) **Exercise Period in case of separations:**

Following table shall be applicable in case of various scenarios for vesting and exercising*:

Sr. No.	Separations	Vested Options	Unvested Options
1	Resignation	All Vested Options which were not exercised at the time of resignation shall stand cancelled with effect from the date of such resignation.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.
2	Termination (With cause like fraud, misconduct etc.)	All Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3	Termination (Without cause)	All Vested Options which were not exercised at the time of such termination may be exercised by the Option Grantee on or before his last working day with the Company.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
4	Retirement or early Retirement approved by Company	All vested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.	All Unvested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.
5	Death	All Vested options, granted under a scheme to him/her till his/her death shall vest, with effect from the date of his/her death, in the legal heirs or nominees of the deceased	All Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal



		employee, as the case may be and such options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 12 months from the date of Death.	heir/s within 12 months from the date of Death.
6	Permanent Disability	All Vested options, granted to him/her under this scheme as on the date of permanent disability shall vest in him/her on that day and such options may be exercised by the Option Grantee or, if the Option Grantee is himself/herself unable to exercise due to such disability, the nominee or legal heir, immediately after, but in no event later than 12 months from the date of such disability.	All Unvested Options as on the date of such Permanent Disability shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself/herself unable to exercise due to such disability, the nominee or legal heir immediately after, but in no event later than 12 months from the date of such disability.
7	Abandonment**	All the Vested Options shall be treated as cancelled.	All the Unvested Options shall be treated as cancelled.
8	Any other reason Not specified above	The 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 on the date of separation shall stand cancelled with effect from that date.

* In case of any regulatory changes warranting any change in vesting schedule/conditions/exercise period in any of the above separation conditions, the provision of such change shall apply.

** The Board/ Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned. Provided that, in accordance with applicable laws, notwithstanding anything to the contrary contained herein, the Company shall not vary the terms of the ARWL ESOP - 2025, in any manner which may be detrimental to the interests of the Employees.

(c) Process of Exercise

(i) An Option Grantee intending to exercise Vested Options shall make an application in writing to the Company in such form as prescribed, from time to time, for the issuance/ transfer of Shares against the Options exercised, subject to payment of Exercise Price, applicable taxes and compliance of other requisite conditions of Exercise. Format of exercise letter is attached herewith as Annexure – C.

(ii) Options vested in one or more tranches may be exercised in full or in part or in tranches. However, no fraction of a Vested Option shall be exercisable in its fractional form.



(iii) The implementation of option / transfer of shares to Option Grantee shall take minimum 2 working days from the date of communication of exercise of option by Option Grantee complete in all respect and communicated prior to 12 noon.

(iv) The Company / Management shall not be in anyway responsible for any loss suffered by option grantee from the date of communication of exercise of option to actual implementation of option / transfer of shares to Option Grantee. The delay, in case any, could be for any reasons including but not limited to delay by broker, delay in submission of required documents, non-availability of authorised signatory for signature etc

- 7.3 In the event that an employee, who has been granted benefits under a scheme, is transferred or deputed to an associate company prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed employee even after the transfer or deputation.
- 7.4 In the event that an employee who has been granted benefits under a scheme, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the vesting or exercise, the treatment of options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the employee.
- 7.5 The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options.

8. NON-TRANSFERABILITY OF OPTIONS

- 8.1 Employee Stock Options shall not be transferable to any person except in the event of death of the Option Grantee, in which case provisions in table under Sub-clause 7.2(b) would apply. No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to exercise the Employee Stock Option except in the event of the death of the Option Grantee. Format of Nomination form is attached herewith as Annexure - D
- 8.2 The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner.

9. LOCK-IN

- 9.1 The Shares issued upon exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise. However, the Board or the Committee as may be authorized by the Board, may, in some cases, provide for lock-in of shares issued upon the exercise of Options.

Provided that the transferability of the Shares shall be subject to the restriction for such period in terms of the Securities 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.



10. VARIATION OF TERMS OF THE SCHEMES

- 10.1 A company may by special resolution of its shareholders vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employees, if such variation is not prejudicial to the interests of the employees

Notwithstanding the provisions of Clause (6.1), a company shall be entitled to vary the terms of the scheme to meet any regulatory requirement without seeking shareholders' approval by special resolution.

- 10.2 The notice for passing a special resolution for variation of terms of the scheme shall disclose full details of the variation, the rationale therefor, and the details of the employees who are beneficiaries of such variation.

- 10.3 A company may reprice the options, or shares, as the case may be, which are not exercised, whether or not they have been vested, if the schemes were rendered unattractive due to fall in the price of the shares in the stock market:

Provided that the company ensures that such repricing is not detrimental to the interests of the employees and approval of the shareholders by a special resolution has been obtained for such repricing.

11. SURRENDER OF OPTIONS

- 11.1 An employee may surrender his/her vested /unvested options at any time during / post his employment with the company. Any employee willing to surrender his/her options shall communicate the same to the Board or Committee in writing. Thereafter the surrendered options shall be brought back to the Employee Stock Options pool and shall become available for future grants.

12. EXIT ROUTE IN CASE OF DE-LISTING

- 12.1 If the Company gets de-listed from all the recognized Stock Exchanges, then the Board shall have the powers to set out terms and conditions for the treatment of Vested Options and Unvested Options in due compliance of the Applicable Laws.

13. METHOD OF VALUATION

The Company will follow fair value method for computing the compensation cost, if any, for the options granted. The company will follow IFRS/ IND AS/ any other requirements for accounting of the Stock options as are applicable to the Company for the same.

Since the company opts for expensing of share based employee benefits using the fair value method, the following statement will not be applicable viz.

In case the company opts for expensing of share based employee benefits using the intrinsic value intrinsic value, the difference between the employee compensation cost so computed and the



employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'

14. OTHER TERMS AND CONDITIONS

- 14.1 The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of Employee Stock Options granted, till Shares underlying such Employee Stock Options are allotted by the Company on exercise of such Employee Stock Option.
- 14.2 Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee Exercises the Employee Stock Option and becomes a registered holder of the Shares of the Company.
- 14.3 The Employee Stock Option shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.
- 14.4 If the Company issues bonus shares or rights shares, the Option Grantee shall 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 would be made in accordance with clause 4.2 of ARWL ESOP – 2025.
- 14.5 No person other than the Employee to whom the Employee Stock Option is granted shall be entitled to Exercise the Employee Stock Option except in the event of the death of the Option Grantee, in which provisions in table under Sub-clause 7.2 (b) would apply.

Provided that, subject to applicable laws, the company may fund or permit the empaneled stockbrokers to make suitable arrangements to fund the employee for payment of exercise price, the amount necessary to meet his/her tax obligations and other related expenses pursuant to exercise of options granted under the ARWL ESOP - 2025 and such amount shall be adjusted against the sale proceeds of some or all the shares of such employee.

Subject to the provisions of applicable law, including the Companies Act, 2013, the Company may at its sole discretion provide financial assistance to the Employees of such amounts and on such terms as may be deemed fit, to enable them to Exercise the Options.

- 14.6 Due to any reason, an Unvested Option that does not vest in an eligible Employee, shall be discretion of Board/ Committee granted to other eligible employee within period of 5 (five) years. These options lapse irrevocably, without any further action by the Company, Board, or the Employee and without any liability to the Company, the Board and all rights of the Eligible Employee there under shall stand extinguished if not granted within period of 5 (five) years;
- 14.7 Vested Option that is not exercised by Employee, within the applicable Exercise Period, shall be discretion of Board/ Committee vested to other eligible employee within period of 5 (five) years.



These options lapse irrevocably, without any further action by the Company, Board, or the Employee and without any liability to the Company, the Board and all rights of the Eligible Employee there under shall stand extinguished if not vested within period of 5 (five) years.

14.8 The rights of the Employee, shall always be subject to articles of association of the Company and all and any restrictions, including but not limited to those relating to transfer of Shares, right of first refusal, drag along rights, of a shareholder under the articles of association shall also be applicable to the Eligible Employee;

14.9 The Eligible Employee, to whom such Shares have been allotted, shall execute and provide such documents, and render such assistance as may be necessary to enable compliance with the provisions of this ESOP, as determined by the Board.

15. Grant of Options and Acceptance / Rejection of Grant

15.1 The Board/ Committee shall have the discretion to Grant Options to an Eligible Employee as it may deem fit and shall, in its discretion, decide upon the number of Options that may be Granted to an Employee, the Exercise Price of such Options, the terms per which such Option will vest in the Employee, number of options in tranches and the Shares to be offered to such person in connection with such Options. The Board / Compensation Committee has the discretion, but no obligation, to Grant Options to an Employee.

15.2 The Grant of the Options to the Employee shall be made by way of a Letter of Grant, which shall inter alia state the number of Options Granted to the Employee, the Vesting Period in respect of such Options, the Exercise Price of such Options, the Exercise Period of such Options and the Equity Shares that the Eligible Employee will be entitled to upon exercise of such Options. The terms of this ARWL ESOP 2025 shall be deemed to constitute a part of each Letter of Grant and all Options Granted to an Eligible Employee vide a Letter of Grant shall be subject to the terms of this ESOP 2025.

15.3 Each Option will entitle the Employee to equal number of Equity Shares of the Company.

15.4 An Employee who wishes to accept the Grant must deliver an executed Agreement, duly signed and completed, as required therein to the Board on or before the Closing Date stated in the Letter of Grant.

15.5 Any Employee who fails to enter into the Agreement on or before the Closing Date shall, unless the Board determines otherwise, be deemed to have rejected the Grant.

15.6 Upon receipt of a duly completed and signed Agreement from the Eligible Employee in respect of the Grant, the Board may then issue to the Eligible Employee a statement, in such form as it deems appropriate, showing the number of Options to which the Employee is entitled pursuant to the acceptance of such Grant and the number of Equity Shares for which the Employee will be entitled to subscribe pursuant to such Grant.



- 15.7 Subject to the terms contained herein, the acceptance of a Grant made to an Employee, shall conclude a contract between the Employee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.

16. TAXATION

- 16.1 The liability of paying taxes, if any, in respect of Employee Stock Options granted pursuant to this Scheme and the Shares issued pursuant to exercise thereof shall be entirely on Option Grantee and shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued there under and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.
- 16.2 The Company shall have the right to deduct from the Employee's salary or recover any tax that is required to be deducted or recovered under the Applicable Laws. In case of non-continuance of employment, the outstanding amount of the tax shall be recovered fully on or before full and final settlement.
- 16.3 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.

17. AUTHORITY TO VARY TERMS

- 17.1 The Board/ Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the ARWL ESOP - 2025, subject to compliance with the Applicable Laws and Regulations.
- 17.2 The Board or Committee shall have the absolute authority to vary, modify or alter the terms of the Scheme in accordance with the regulations and guidelines as prescribed by the Securities and Exchange Board of India or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the Option Grantees.
- 17.3 The Board or Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the ARWL ESOP - 2025, subject to compliance with the applicable laws and regulations. The shares may be allotted directly to the Option Grantees in accordance with the Scheme and such Scheme may also contain provisions for providing financial assistance to the Employees to enable the Employees to acquire or subscribe to the shares.
- 17.4 A company may by special resolution of its shareholders vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employees, if such variation is not prejudicial to the interests of the employees.
- 17.5 Notwithstanding the provisions of Regulation 7 sub-regulation (1) of SBEBSE Regulations and proviso to clause (1), a company shall be entitled to vary the terms of the schemes to meet any regulatory requirement without seeking shareholders' approval by special resolution.



- 17.6 Subject to the proviso to clause (1), the company may by special resolution in a general meeting vary the terms of the schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the employee provided such variation is not prejudicial to the interests of the Option Grantees.
- 17.7 The notice for passing special resolution for variation of terms of the schemes shall disclose full details of the variation, the rationale therefore, and the details of the Option Grantees who are beneficiaries of such variation.
- 17.8 The Company may re-price the options as the case may be which are not exercised, whether or not they have been vested if the terms of the grants were rendered unattractive due to fall in the price of the shares in the stock market; Provided that the company ensures that such re-pricing shall not be detrimental to the interest of the Option Grantees and approval of the shareholders in general meeting has been obtained for such re-pricing.

18. MISCELLANEOUS

18.1 Government Regulations

The ARWL ESOP – 2025 shall be subject to all Applicable Laws to the extent applicable. The Grant of Options and allotment of Shares to the Employees under this ARWL ESOP – 2025 shall be subject to the Company requiring the Employees to comply with all Applicable Laws. Further, company will comply with all the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (referred to as "SEBI LODR") Regulations, 2015 and amendment made thereof.

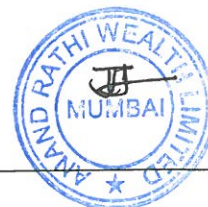
18.2 Inability to obtain authority

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 allotment and issuance of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of such inability.

18.3 Neither the existence of this Scheme nor the fact that an individual has on any occasion been granted an Employee Stock Option shall give such individual any right, entitlement or expectation that he has or shall in future have any such right, entitlement or expectation to participate in this Scheme by being granted an Employee Stock Option on any other occasion.

18.4 The rights granted to an Option Grantee upon the grant of an Employee Stock Option shall not afford the Option Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

18.5 The Option Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Employee Stock Option in whole or in part.



- 18.6 Participation in ARWL ESOP – 2025 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 Employee alone.
- 18.7 All unexercised options shall lapse if not exercised on or before the exercised period ends. 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 employee does not exercise the options within exercise period and accordingly no adjustment is required to be made for the same.
- 18.8 The Board of Directors / Committee shall, subject to the applicable provisions of any of the SEBI Regulations and Companies Act, 2013 and other applicable provisions, have right to specify the procedure for buy-back of the Employee Stock Options issued under this Scheme, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
- (a) Permissible sources of financing for buy-back
 - (b) Any minimal financial threshold to be maintained by the Company as per its last financial statements and ;
 - (c) Limits upon quantum of the Employee stock options that the Company may buy-back in financial year

19. INSIDER TRADING ETC.

The Employee shall ensure that there is no violation of:

- a. SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time; and
 - b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and
 - c. Any other regulations to prevent fraudulent or harmful practices relating to the Securities Market.
- The Employee shall keep the Company, the Board, the Committee fully indemnified in respect of any liability arising for violation of the above provisions.

20. ACCOUNTING AND DISCLOSURES

- 20.1 The Company shall follow the laws/regulations applicable to accounting and disclosure related to Employee Stock Options, including but not limited to SEBI (SBEB and Sweat Equity) Regulations as well as section 133 of the Companies Act, 2013 (18 of 2013) , the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Regulatory authorities from time to time, including the disclosure requirements prescribed therein.
- 20.2 Further the Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under SBEBSE Regulations or any other Applicable Laws as in force. Further the Company shall follow the laws/ regulations applicable to accounting and disclosure related to Employee Stock Options, including but not limited to SBEBSE Regulations, section 133 of the Companies Act, 2013 as well as the Guidance Note on Accounting for Employee Share based payments and/or any relevant Accounting



Standards as may be prescribed by the regulatory authorities from time to time , including the disclosure requirements prescribed therein.

- 20.3 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features/Scheme document of the ARWL ESOP – 2025 in a format as prescribed under SEBI (SBEB and Sweat Equity) Regulations.
- 20.4 The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under SEBI (SBEB and Sweat Equity) Regulations or any other Applicable Laws as in force.

21. CERTIFICATE FROM SECRETARIAL AUDITORS

The Board of Directors shall at each annual general meeting place before the shareholders a certificate from the secretarial auditors of the company that the scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the company in the general meeting.

22. GOVERNING LAWS

- 22.1 The terms and conditions of the ARWL ESOP – 2025 shall be governed by and construed in accordance with the Applicable Laws including the Foreign Exchange Laws mentioned below.

22.2 Foreign Exchange Laws

In case any Employee Stock Options are granted to any Employee being resident outside India belonging to the Company working outside India, the provisions of the Foreign Exchange Management Act, 1999 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 Employee Stock Options and allotment of Equity Shares thereof.

23. NOTICES

- 23.1 All notices of communication required to be given by the Company to an Option Grantee by virtue of this ARWL ESOP – 2025 shall be in writing or electronic mode. The communications shall be made by the Company in any one or more of the following ways:

- (i) Sending communication(s) to the address of the Option Grantee available in the records of the Company; or
- (ii) Delivering the communication(s) to the Option Grantee in person with acknowledgement of receipt thereof; or
- (iii) Emailing the communication(s) to the Option Grantee at the official email address provided, if any, by the Company to the prospective /existing Option Grantee during the continuance of employment or at the email address provided by the Option Grantee after cessation of employment.



- 23.2 Any communication to be given by an Option Grantee to the Company in respect of ARWL ESOP – 2025 shall be sent to the persons at the address mentioned below or e - mailed at:

Name: Rajesh Bhutara

Designation: Chief Financial Officer

Address: Express Zone, 10th Floor, Western Express Highway, Goregaon E, Mumbai 400063

Email: csarwsl@rathi.com

Name: Jaee Sarwankar

Designation: Company Secretary and Compliance Officer

Address : Express Zone, 10th Floor, Western Express Highway, Goregaon E, Mumbai 400063

Email: csarwsl@rathi.com

24. JURISDICTION

- 24.1 The Courts/National Company Law Tribunal, as the case may be, in Mumbai, India shall have jurisdiction in respect of any and all matters, disputes or differences arising in relation to or out of this ARWL ESOP - 2025.
- 24.2 Nothing in this Clause shall however limit the right of the Company to bring proceedings against any Employee in connection with this ARWL ESOP - 2025:
- (i) in any other court of competent jurisdiction; or
 - (ii) Concurrently in more than one jurisdiction.

25. SEVERABILITY

In the event any one or more of the provisions contained in this Scheme 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 this Scheme in which case the Scheme shall be construed as if such invalid, illegal, or unenforceable provisions had never been set forth herein, and the Scheme shall be carried out as nearly as possible according to its original intent and terms.

26. CONFIDENTIALITY

- 26.1 An Option Grantee must keep the details of the ARWL ESOP- 2025 and all other documents in connection thereto strictly confidential and must not disclose the details with any of his peer, colleagues, co-employees or with any employee and/ or associate of the Company or that of its affiliates. In case Option Grantee is found in breach of this Clause on confidentiality, all unexercised Options shall stand cancelled immediately. The decision and judgment of the Company 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 shall have the authority to deal with such cases as it may deem fit.

- 26.2 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 Scheme 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.

FOR ANAND RATHI WEALTH LIMITED



Jaee Sarwankar

Designation: Company Secretary and Compliance Officer



Place: Mumbai

Date: May 23, 2025

GRANT LETTER

Date:

From

Anand Rath Wealth Limited
The Nomination & Remuneration Committee,

To

Name of the Employee: Employee Grade/Code:

Dear Mr./Ms.

Anand Rath Wealth Limited ("**Company**") would like to extend a token of appreciation and gratitude for your valued present/future contribution in building the Company and is happy to inform that you have been selected to be covered under the **ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP - 2025')**. A copy of the Scheme is enclosed herewith. You are requested to study the same carefully and familiarize yourself with its terms and conditions.

Accordingly, by this Grant Letter, we are pleased to offer you [*insert number of options*] Options by virtue of which you will be eligible to purchase equivalent number of Shares of the Company, subject to the terms and conditions of the Scheme and Acceptance of Grant. The details of the Grant of Options are as follows:

Number of Options Granted	
Grant Date	
Vesting Date(s) and Percentages	
Vesting Conditions	As may be communicated by the Committee from time to time
Exercise Price per Option	
Exercise Period	

This Grant Letter is as per the terms and conditions given in ESOP 2025 and is strictly confidential.

The offer is valid till [•] ("**Closing Date**") and shall lapse if the **Acceptance Letter** is not received by the Company on or before the close of business on the Closing Date. If the offer is acceptable to you, kindly sign the **Acceptance Letter** as a token of your acceptance. The Acceptance Letter is annexed as Annexure B to the Scheme. Kindly note that you will be required to have an operational dematerialized account at the time of Exercise of your Options and in the event you do not have an existing dematerialized account, we request you to kindly open and maintain the same as on the Exercise Date.

We look forward to working with you under a long term partnership to build a stronger and more profitable Company in future.

All capitalized terms used herein shall have the same meaning as provided in ESOP 2025.

Yours sincerely,

For **Anand Rathi Wealth Limited**

Jaee Sarwankar
Company Secretary & Compliance Officer

ACCEPTANCE LETTER

Date:

From

Anand Rathi Wealth Limited

The Nomination & Remuneration Committee,

Kind attention: Mr./Ms. [Company to insert name of the person to whom the communication should be sent]

Ref: ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP - 2025')

Dear Sir/ Ma'am,

This is in reference to the Grant Letter dated [•] offering me [•] Options under the **ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP - 2025')**. I hereby accept the Grant of [•] made to me by the Grant Letter under the ESOP 2025.

I have received a copy of ESOP 2025 and have had an opportunity to review and understand the content thereof. I undertake to be bound by the terms and conditions of ESOP 2025 and understand that acceptance of the Grant results in a mutual agreement to comply with the provisions of the ESOP 2025 with a view to obtain any benefit thereunder.

I undertake that at the time of Exercise, I will have an operational dematerialized account, details of which will be forwarded to the Committee along with the Exercise Letter. I further agree to submit to all decisions of the Committee as may be taken from time to time and confirm that all such decisions pertaining to my Options shall be binding on me.

Yours faithfully

Signature

(Name of Employee)

(Designation of the Employee)

(Employee Code: [•])

EXERCISE LETTER

To,
Anand Rath Wealth Limited
The Nomination & Remuneration Committee

Ref : ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP - 2025')

Dear Sir(s),

This is with reference to the Grant Letter dated [•] offering me [•] Options under the ESOP 2025 and my Acceptance Letter dated [•].

[Insert the number] Options have Vested in me on [insert date of Vesting] in accordance with the ESOP 2025. Effective [Insert date] of [Insert month], [Insert year], I hereby Exercise my right to purchase the Shares of the Company against the Vested Options.

I understand and acknowledge that until the allotment of the Shares (as evidenced by the appropriate entry on the books of the Company), no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Options, notwithstanding the Exercise of the Option.

I understand that I may suffer tax consequences as a result of purchase or disposition of the Shares. I represent that I have consulted / will consult any tax consultants of my choice in connection with the purchase or disposition of the Shares and that I am not relying on the Company for any tax advice.

I am enclosing herewith a cheque in favour of the Company with no. [•] dated [•] for INR [•], towards the payment of Exercise Price.

Requisite details for the said allotment/ transfer of Shares are provided in Annexure to this Exercise Letter.

Yours sincerely,

Signature

(Name of Employee)

ANNEXURE TO LETTER OF EXERCISE (ESOP 2025)

Name of Employee	
Employee ID	
PAN NO	
Address	
Demat Account Details	
DP ID	Client ID (Account No.)
Name:	Depository Participant (DP)'s :-
Address:	

Dated:

Instructions: Please write the names exactly in the same manner as provided in the Demat Account.

NOMINATION FORM

To
 Anand Rathi Wealth Limited
 The Nomination & Remuneration Committee,

Kind attention: Mr./Ms. [Company to insert name of the person to whom the communication should be sent]

Ref: ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP - 2025')

Dear Sir/ Ma'am,

I hereby, nominate the following person(s) as my beneficiary (ies) for claiming the benefits under the terms and conditions of **ARWL – EMPLOYEE STOCK OPTION SCHEME ('ARWL ESOP - 2025')**.

Name of Employee in Full
NOMINEE DETAILS
Name in Full Relationship with the Employee Address Age Guardian (in case nominee is a minor)
GUARDIAN DETAILS
Name in Full Relationship with Nominee Address

This nomination form shall be valid unless replaced by me with a new nomination form of a later date. Kindly acknowledge receipt and confirm the recording of the nomination.

Yours sincerely,

Signature

(Name of Employee)/ (Designation of the Employee)

Note: If more than one person is nominated as beneficiary, the proportion of the benefits to be claimed by each nominee to be provided by the employee.