



IIFL WEALTH MANAGEMENT LIMITED  
CIN: L74140MH2008PLC177884  
Registered Office: IIFL Centre, Kamala City,  
Senapati Bapat Marg, Lower Parel, Mumbai,  
MH 400013 | PH: 91-(22) 4876 5600  
Website: [www.iiflwealth.com](http://www.iiflwealth.com)  
Email: [secretarial@iiflw.com](mailto:secretarial@iiflw.com)

## NOTICE OF POSTAL BALLOT / E VOTING

Dear Shareholder(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), read together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), and SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations that the resolutions appended below are proposed to the Members of the Company to be passed as Special Resolution(s) by way of Postal Ballot only through remote e-Voting.

In view of the current extraordinary circumstances due to COVID-19 pandemic and in compliance with the aforementioned MCA/SEBI Circulars, the Company will send Postal Ballot Notice by email to all its Members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the Members will only take place through the e-Voting system. Members are required to communicate their assent or dissent through the remote e-voting system only.

The Company is desirous of seeking your consent for the proposal as contained in the Resolution given hereinafter. The Explanatory Statement pursuant to Sections 102 and 110 of the Act pertaining to the Special Resolutions setting out the material facts concerning the same and the reasons thereof are annexed hereto for your consideration.

You are requested to peruse the proposed resolution along with the Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company not later than 5:00 p.m. IST on Sunday, April 18, 2021 failing which it will be strictly considered that no reply has been received from the member. Members desiring to exercise their votes are requested to carefully read the instructions in the Notes under the section "Instructions for voting through e-voting".

The results of voting by means of Postal Ballot through E- voting shall be declared on or before 48 hours from the conclusion of e-voting process and will be displayed along with the Scrutinizer's Report at the Registered Office of the Company, communicated to the Stock Exchanges and would also be uploaded on the Company's website: [www.iiflwealth.com](http://www.iiflwealth.com) and on the website of CDSL.

## **SPECIAL BUSINESS:**

### **Item No.1: To approve IIFL Wealth Employee Stock Option Scheme 2021 (“IIFLW ESOP 2021”) and grant of Employee Stock Options to the Employees of the Company under the Scheme**

To consider and to give assent/dissent for passing the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with the rules framed thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), the circulars/guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Articles of Association of the Company and all other applicable regulations, rules and circulars/guidelines in force, from time to time (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be necessary and such condition(s) and modification(s) as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) and modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee constituted by the Board or any other Committee constituted by the Board, to exercise its powers, including the powers conferred by this resolution) consent of the Members of the Company be and is hereby accorded to the IIFL Wealth Employee Stock Option Scheme 2021 (“IIFLW ESOP 2021”) and to authorise the Board to create, offer, grant and issue from time to time, in one or more tranches, not exceeding 24,50,000 (Twenty Four Lakhs Fifty Thousand) employee stock options under IIFLW ESOP 2021 for the benefit of such person(s) who are the permanent employees or Directors of the Company, whether Whole-time or not, whether working in India or outside India (herein referred to as “Eligible Employees”) exercisable into not more than 24,50,000 (Twenty Four Lakhs Fifty Thousand) shares of face value of Rs. 2/- (Rupees Two) each fully paid-up, in such manner and on such terms and conditions including the price as the Board may decide in accordance with the provisions of the applicable laws as may be prevailing at the relevant time.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorised to issue and allot equity shares upon exercise of the options from time to time in accordance with IIFLW ESOP 2021 and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division, change in capital structure and others, if any additional equity shares are issued by the Company for the purpose of making a fair and reasonable adjustment to the options granted earlier, the ceiling on the number of options mentioned in the resolution above, shall be deemed to be increased.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the exercise price payable by the option grantees under the IIFLW ESOP 2021 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs.2/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised :

- (i) To administer, implement and supervise the IIFLW ESOP 2021;

- (ii) To formulate, approve, evolve, modify, change, vary, alter, amend suspend or terminate the ESOP 2021 and determine and bring into effect such terms and conditions and procedures for grant or vesting of shares/options under IIFLW ESOP 2021;
- (iii) To grant, issue, re-issue, recall, surrender, cancel and withdraw stock options from time to time and to determine the terms and conditions therefore;
- (iv) To take necessary steps for listing of the equity shares as allotted under IIFLW ESOP 2021 on the Stock Exchanges;
- (v) To delegate all or any of the powers conferred by this resolution to any Committee of Directors, Director, Officer, or Authorised Representative of the Company;
- (vi) To do all such acts, deeds, things and matters as may be considered necessary or expedient and settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

**Item No. 2: To grant Stock Options to the employees of the Subsidiary Company(ies) (present and/or future) under the IIFL Wealth Employee Stock Option Scheme 2021**

To consider and to give assent/dissent for passing the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with the rules framed thereunder, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), the circulars/guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Articles of Association of the Company and all other applicable regulations, rules and circulars/guidelines in force, from time to time (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be necessary and such condition(s) and modification(s) as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), consent of the Members of the Company be and is hereby accorded to the Board to extend the benefits of the IIFL Wealth Employee Stock Option Scheme 2021 (“IIFLW ESOP 2021”) (referred to in resolution no. 1 of this Notice) to such person(s) who are the permanent employees or Directors of Subsidiary Company(ies) (present and/or future), if any, of the Company as may be permissible under the SEBI Regulations (hereinafter referred to as ‘Employees’), in such manner and on such terms and conditions including the price as the Board may decide in accordance with the SEBI Regulations or other provisions of the law as may be prevailing at the relevant time, within the overall ceiling of 24,50,000 (Twenty Four Lakhs Fifty Thousand) stock options exercisable into not more than 24,50,000 (Twenty Four Lakhs Fifty Thousand) equity shares of face value of Rs.2/- (Rupees Two) each fully paid-up, as mentioned in the aforesaid resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorised to issue and allot equity shares upon exercise of the options from time to time in accordance with IIFLW ESOP 2021 and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division, change in capital structure and others, if any additional equity shares are issued by the Company for the purpose of making a fair and reasonable adjustment to the options granted earlier, the ceiling on the number of options mentioned in the resolution above, shall be deemed to be increased.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the exercise price payable by the option grantees under the IIFLWESOP 2021 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs 2/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors, Director, officer, or Authorised Representative of the Company and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

By order of the Board  
For **IIFL Wealth Management Limited**

**Amit Bhandari**  
**Company Secretary & Compliance Officer**  
**Membership No. A25871**

**Registered Office:**

IIFL Centre, Kamala City Senapati Bapat Marg,  
Lower Parel Mumbai- 400 013

**Date :** March 12, 2021

**Place :** Mumbai

## NOTES:

1. The explanatory statement for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto and forms part of this Notice.

2. In view of the ongoing COVID-19 pandemic and the provisions of General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020, issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), that, the Company has sent this Postal Ballot Notice only through e-mail to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories as on Friday, March 12, 2021, (the cut-off date) and who have registered their e-mail address with the Company/Depository Participant (DP).

In accordance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and the Secretarial Standard on General Meetings, the Company is providing a facility to all its members to enable them to cast their vote on the matters listed in this Notice by electronic means (e-voting). The e-voting facility is provided by Central Depository Services Limited (CDSL).

The steps for e-voting are as under:

The voting period begins on 10.00 a.m. on Saturday, March 20, 2021 and ends on 5.00 p.m. on Sunday, April 18, 2021. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, March 12, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on “Shareholders” module.
- iii. Now Enter your User ID a. For CDSL: 16 digits beneficiary ID,  
b. For NSDL: 8 Character DP ID followed by 8-Digit Client ID,  
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next, enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first-time user, please follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<ul style="list-style-type: none"><li>• Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>

Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>
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After entering these details appropriately, click on “SUBMIT” tab.

vii. Shareholders holding shares in physical form will then directly reach the Company selection screen.

However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ix. Click on the Electronic Voting Sequence Number (**EVS210318002**) of IIFL Wealth Management Limited on which you choose to vote.

x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xv. If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

xvi. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Mathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cDSLindia.com or call on 022-23058542/43.

xviii. Note for Non-Individual Shareholders and Custodians



Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

After receiving the login details, a Compliance User should be created using the admin login and password.

The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

The Board of Directors of the Company has appointed CS Nilesh Shah or failing him CS Hetal Shah of M/s. Nilesh Shah & Associates, a Practicing Company Secretaries firm, Mumbai as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report of the votes cast to the Chairperson or any Director authorized by the Board or the Company Secretary.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT") SETTING OUT ALL MATERIAL FACTS**

### **Item No. 1 & 2 :**

Stock Options have long been recognized internationally as an effective instrument to align the interest of employees with those of the Company and its Shareholders, providing an opportunity to employees to share the growth of the Company, and to create long term wealth in the hands of the employees. It creates a sense of ownership between the Company and its employees, paving the way for a unified approach to the common objective of enhancing overall Shareholders value.

The Company with the objective of rewarding and motivating employees for their long association and in recognition of their dedicated service to the Company and also to attract and retain the best talent, has been granting stock options pursuant to the approval of its Members.

Since the date of the last Members approval in the year 2019, many new employees have joined the Company and in order to retain the existing employees of the Company and also to attract and retain the best talent, the Company proposes to grant stock options to its present and future permanent Employees and Directors of the Company and/or Subsidiary Company(ies) (present and/or future, if any) to the extent and in the manner as may be permissible under the relevant provisions of the Companies Act, 2013, rules made there under and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") as amended, whether in India or abroad ('Eligible Employees'). In accordance with the terms of this resolution and the IIFLW ESOP 2021, the options would be granted in one or more

tranches as may be decided by the Board, from time to time.

The Company seeks Members' approval in respect of the aforesaid scheme and grant of stock options to the eligible employees as decided in this behalf from time to time in due compliance of the Regulation 6 of the SEBI SBEB Regulations.

The following would inter alia be the broad terms and conditions of IIFLW ESOP2021:

**a) Brief description of the Scheme:**

The Scheme is intended to reward the eligible employees {as selected by the Nomination and Remuneration Committee (also referred to as "NRC/Committee")}, for their performance and to motivate them to contribute to the growth and profitability of the Company and also to retain them by way of issuing employee stock options. Subject to applicable law and terms and conditions of the Scheme, the eligible employees shall be entitled to subscribe to the equity shares within certain time period ("Exercise Period") upon fulfilment of such conditions ("Vesting") and payment of an exercise price ("Exercise Price") as is determined by the NRC.

**b) Total number of Options to be granted:**

The Options to be granted to the eligible employees under the Scheme, in one or more tranches, shall not result in the issue of equity shares in excess of 24,50,000 (2.73% of current paid-up share capital). Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation / termination of the employees or otherwise, would be available for being re-granted at a future date. Re-grant of such lapsed / cancelled options shall be as per the provisions of the Scheme. In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI (SBEB) Regulations

**c) Identification of classes of employees entitled to participate in IIFLW ESOP 2021:**

All the permanent employees (including a Director, whether whole-time or not but excluding Independent Directors) of the Company and Subsidiary Company(ies) (present and/or future), working in India or outside India shall be eligible to participate in the scheme. Provided however that the following persons shall not be eligible to participate in IIFLW ESOP 2021:

- a. an employee who is a Promoter or belongs to the Promoter Group as defined in the SEBI Regulations; or
- b. a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed equity shares of the Company; or
- c. Independent Directors.

**d) Transferability of Stock Options**

The stock options granted to an eligible employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an eligible employee/stock option holder while in employment, the right to exercise all the options granted to him/ her till such date shall be transferred to his/her legal heirs or nominees



**e) Requirements of vesting and period of vesting and maximum period within which the options shall be vested**

The vesting shall be determined by the Committee in its sole and absolute discretion. The minimum vesting period shall be 1 year from the date of grant of options and maximum vesting period shall be 5 years from the date of grant of options.

**f) Maximum period within which the options shall be vested:**

All the options granted on any date shall vest not later than a maximum of 5 (five) years from the date of grant of options as may be determined by the Committee.

**g) Exercise price or pricing formula:**

Exercise Price shall be a price, payable by the eligible employee for exercising the options granted in pursuance of the Scheme, which shall be decided by the Nomination and Remuneration Committee from time to time.

**h) Exercise period and the process of Exercise:**

The Exercise Period shall be decided by the Committee and will not be more than 7 (Seven) years from the date of grant. The Options will be exercisable by the eligible employees/ directors by a written or electronic notice to the Company and payment of Exercise Price to exercise the Options, in such manner, as may be prescribed by the Committee, in its discretion.

**i) Method of valuing the Options**

The Company shall use the Intrinsic Value method for valuation of the Options. The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein

**j) Appraisal process for determining the eligibility of employees for the Scheme:**

The Committee shall, based upon the performance and/or merit of the employees/directors, as per vesting criteria laid down by the Committee from time to time, if any, in its sole and exclusive discretion, considering the period of service/directorship put in/served by them, their designation and grade, their present and potential contribution to the success of the Company, its subsidiaries and other appropriate criteria, determine the eligibility of the employees/directors to the Scheme.

The Nomination and Remuneration Committee shall determine the eligibility criteria which should be fulfilled in order to become eligible to participate in the Scheme, in order to be granted options under the Scheme. The Nomination and Remuneration Committee will take into consideration potential of employee to contribute to Company's performance, position held, extent of contribution made by employee towards business results, achievement of medium and long-term performance, difficulty in replacement and any other appraisal or evaluation process for determining the eligibility criteria as may be taken into consideration by the Nomination and Remuneration Committee

**k) Maximum number of Options to be issued per employee and in aggregate:**

The maximum number of Options that can be granted to any eligible employee as defined under the Scheme during any one-year shall be less than 1% of the issued capital of the Company at the time of grant of options.

The aggregate number of the Options that may be granted under the Scheme shall not exceed 24,50,000 options.

**l) The specified time period within which the eligible employee shall exercise the vested options**

## **in the event of a proposed termination of employment or resignation of such employee**

In the event of termination of the employment of an eligible employee holding options due to Cause as defined under the provisions of the Scheme including breach of policies or the terms of employment of the Company, all options granted to such employee, including the Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.

In the event of "Resignation", all Unvested Options, on the date of exit, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose determination will be final and binding. However, all Vested Options as on that date shall be exercisable by the eligible employee within such number of days as determined by the Nomination & Remuneration Committee, however not exceeding one year from the date of tendering the resignation. The vested options not so exercised shall lapse irrevocably and the rights there under shall be extinguished.

### **m) Maximum quantum of benefits to be provided per employee under the Scheme:**

The maximum quantum of benefits underlying the Options granted to an eligible employee shall be equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Options, on the basis of difference between the Option Exercise Price and the Market Price of the equity shares on the exercise date.

### **n) Whether the Scheme is to be implemented and administered directly by the Company or through a Trust**

The Scheme will be implemented directly by the Company.

### **o) Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the Trust or both**

Implementation of the Scheme would involve new issue of equity shares to the eligible employees.

### **p) The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.**

Grant of loan is not contemplated under the Scheme.

### **q) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme**

This is not relevant under the present Scheme

### **r) Maximum percentage of Secondary Acquisition that can be made by the Trust for the purpose of the Scheme**

This is not relevant under the present Scheme.

### **s) Accounting and Disclosure Policies**

The Company shall comply with all the applicable disclosure and Accounting Policies in respect of options granted as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations 2014 and under other Applicable Laws and follow the accounting policies prescribed as per SEBI Regulations and Guidelines and the Guidance Note issued by the Institute of Chartered Accountants of India.

### **t) Lock-in period**

The shares allotted to the employees, subsequent to exercise of vested options will not be subject to lock-in, unless determined by the Nomination and Remuneration Committee.

**u) Statement with regard to Disclosure in Directors' Report:**

As the Company has opted for expensing of share based employee benefits using the 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.

In terms of Section 62 of the Companies Act, 2013 and Regulation 6 of ("SEBI SBEB Regulations") the approval of the Members is sought by way of Special Resolution for the approval of the IIFLW ESOP 2021.

Further pursuant to the provisions of the SEBI SBEB Regulations, a separate resolution is required to be passed if grant of options is extended to the Employees of the Subsidiaries. Accordingly, a separate resolution under item no. 2 is proposed, to extend the benefits of ESOP 2021 to the Employees of Subsidiary Company(ies) as may be decided by the Board from time to time under applicable laws.

A copy of the scheme & other related documents are available for inspection at the Company's Registered Office between 11.00 A.M. and 1.00 P.M. on all working days of the Company, except holiday, up to the date of the closure of the Postal Ballot.

The Board recommends the resolutions set out at Item No. 1 and 2 of this Notice to the Members for their consideration and approval by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in any way concerned or interested in the resolutions except to the extent of equity shares held by them in the Company or the Stock Options to be granted under the Scheme.

By order of the Board  
For **IIFL Wealth Management Limited**

**Registered Office:**

IIFL Centre, Kamala City Senapati Bapat Marg,  
Lower Parel Mumbai- 400 013

**Date :** March 12, 2021

**Place :** Mumbai

Amit Bhandari  
**Company Secretary & Compliance Officer**  
**Membership No. A25871**