PRIORITY JEWELS LIMITED – EMPLOYEES STOCK OPTIONS PLAN 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 Options.
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

History:

1. **History and Present Business of the Company:**

Incorporated in 2007, our Company has over 15 years of experience in the jewellery manufacturing industry. Our journey began with a focus on manufacturing fashion jewellery and gradually evolved into producing specialized diamond-studded gold and platinum jewellery to meet the growing demands of our clients. We are engaged in designing, manufacturing and sale of a wide range of light-weight, affordable diamond-studded gold and platinum jewellery. We sell directly to independent jewellers and jewellery chains in India as well as select international markets. We supply our products to leading jewellery chains.

Our portfolio primarily comprises of day to daywear jewellery, including rings, earrings, pendants, neckwear, bracelets additionally we have an exclusive line of occasion couture jewellery, all of which are developed using contemporary design approaches and modern manufacturing techniques. Our product portfolio is centred on affordable, daily-wear pieces that are meticulously crafted to appeal to a mass market, ensuring broad acceptance across the country.

2. **Main objects:**

The main objects contained in our Memorandum of Association are as follows:

1. To set up, implement, purchase, establish and run unit for manufacturing, cleaving, sawing, cutting, polishing, processing, indenting, assorting, model making, cashing, polishing, preparing, studding, furnishing, refining, enameling and of buying, selling, importing, exporting, supplying, distributing of studded jewellery in gold, platinum, silver, copper, brass their alloys and other metal and studded with diamonds, peart, synthetic gems, precious and semi-precious stones in any other Export processing Zone whether in India or abroad and to implement such project whether it is approved to the company or to any other Concern by Export Processing Zone or any other Authority.

2. To do business as recognized export house/trading house and of buying and selling, importing, exporting, commission agents and/or distributors and/or job work contractors and/or indenters for or in respect of diamonds, pearls, corals, gems, rubies and all kind of precious and semi-precious

PRIORITY JEWELS LIMITED MUMBAI

emeralds, sapphires, synthetic stones, all kinds of jewellery and jewels and precious and semi-precious metals.

3. Abridged financial information: Abridged financial information, for the last five years in respect of the Company and its subsidiaries.

Financials for FY2022, FY2023, FY2024 in accordance with IND AS & FY2020, FY2021 in accordance with IND GAAP

Balance sheet					
for the year ended 31st March					
(Currency: Indian rupees) (in Million)					
Particulars	**31st March, 2024**	**31st March, 2023**	**31st March, 2022**	**31st March, 2021**	**31st March, 2020**
ASSETS					
Non-current assets					
Property, plant and equipment	145.63	140.56	151.98	151.47	160.72
Right of use assets	3.97	6.17	2.43		
Capital work-in-progress	-	0.05	-	0.42	0.13
Intangible assets	0.77	0.80	0.68	0.93	1.57
Financial assets:					
i) Investments	-	-	0.51	11.19	11.26
ii) Other financial assets	31.51	5.89	4.52	20.65	19.93
Other non-current assets	-	-	-	1.51	1.33
Total non- current assets	**181.88**	**153.47**	**160.12**	**186.18**	**194.94**
Current assets					
Inventories	1,359.09	1,018.17	690.00	806.52	886.83
Financial assets:					
i) Trade receivables	909.40	1,161.95	1,181.63	1,175.60	1,249.51
ii) Cash and cash equivalents	151.38	336.94	147.09	157.41	176.14
iii) Other financial assets					
Current tax assets (net)	6.30	13.75	5.33	-	-
Other current assets	76.27	115.07	129.03	78.81	71.19
Total current assets	**2,502.44**	**2,645.89**	**2,153.08**	**2,218.34**	**2,383.66**
Total Assets	**2,684.31**	**2,799.36**	**2,313.20**	**2,404.51**	**2,578.60**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	31.50	41.50	41.50	41.50	184.00
Equity shares pending issuance	-	-	-	-	-
Other equity	916.32	956.89	912.62	859.09	824.38
Total equity	**947.82**	**998.39**	**954.12**	**900.59**	**1,008.38**
LIABILITIES					

PRIORITY JEWELS LIMITED * MUMBAI *

Non-current liabilities					
Financial liabilities:					
i) Borrowings	35.03	72.17	108.40	119.33	0.11
ii) Lease liabilities	4.28	6.42	2.53	-	-
iii) Other financial liabilities					
Provisions	12.60	8.81	10.71	12.48	6.80
Deferred tax liabilities (net)	(5.57)	(5.44)	(5.80)	(6.41)	(6.41)
Other non-current liabilities					
Total non-current liabilities	**46.33**	**81.97**	**115.84**	**125.40**	**0.50**
Current liabilities	**994.15**	**1,080.35**	**1,069.97**	**1,025.99**	**1,008.88**
Financial liabilities:					
i) Borrowings	1,214.53	1,098.59	929.01	916.04	884.62
ii) Lease liabilities					
iii) Trade payables					
- total outstanding dues of micro and small enterprises	26.82	7.02	6.17	2.85	8.01
- total outstanding dues of creditors other than micro and small enterprises	423.95	515.37	286.10	427.86	641.71
iv) Other financial liabilities					
Other current liabilities	20.63	93.13	20.16	18.37	17.15
Provisions	4.24	4.90	1.79	13.40	18.23
Current tax liabilities (net)	-	-	-	-	-
Total current liabilities	**1,690.17**	**1,719.00**	**1,243.23**	**1,378.52**	**1,569.72**
Total Equity and Liabilities	**2,684.32**	**2,799.36**	**2,313.20**	**2,404.51**	**2,578.60**

Statement of Profit and loss					
for the year ended 31st March					
	31st March, 2024	**31st March, 2023**	**31st March, 2022**	**31st March, 2021**	**31st March, 2020**
Particulars					
INCOME					
Revenue from operations	4,105.05	4,708.52	4,030.82	2,621.28	3,850.71
Other income	1.09	5.71	4.88	19.91	58.84
Total Income (I)	**4,106.14**	**4,714.23**	**4,035.69**	**2,641.19**	**3,909.55**
EXPENSES					
Cost of materials consumed	3,463.14	4,335.92	3,593.53	2,325.44	3,467.73
Changes in inventories of finished goods and work-in-progress	65.01	(169.30)	(15.95)	2.09	8.53
Employee benefits expense	118.40	105.14	90.04	73.54	109.23

Finance costs	81.99	83.63	82.32	80.84	87.68
Depreciation and 4mortization expense	16.13	15.04	14.83	13.14	14.13
Other expenses	265.01	282.79	198.44	118.18	175.98
Total expenses (II)	4,009.70	**4,653.21**	**3,963.21**	**2,613.23**	**3,863.27**
Profit before tax (I-II)	96.45	**61.02**	**72.48**	**27.97**	**46.28**
Tax expense:					
Current tax	25.10	15.70	18.16	7.50	12.40
Taxation related to earlier years	-	-	-	-	-
Deferred tax charge/(credit)	(0.13)	0.36	0.60	0.01	3.17
Total tax expenses	**24.97**	**16.06**	**18.76**	**7.51**	**15.57**
Profit for the year	71.48	**44.95**	**53.72**	**20.46**	**30.71**
Other Comprehensive Income					
Items that will not be reclassified to profit or loss in subsequent period	1.08	0.69	0.44	-	-
Re-measurement gains /(losses) on defined benefit plans	-	-	0.07	-	-
Income tax effect on such items					
Total other comprehensive income for the year, net of tax	70.40	**44.26**	**53.35**	**20.46**	**30.71**
Total comprehensive income for the year, net of tax	70.40	**44.26**	**53.35**	**20.46**	**30.71**
Earnings per equity share (Nominal value per share Rs. 10)					
Basic (in Rs.)	22.69	10.83	12.94	4.93	1.67
Diluted (in Rs.)	22.69	10.83	12.94	4.93	1.67

The Company shall disclose the full set of abridged financial information for the last 5 years for which audited financial information is available, as prescribed under provision of Section 26(1) of the Companies Act, 2013 as amended or re-enacted from time to time, to the Option grantee/s at the time of each grant.

4. **Risk Factors and Management Perception:**

a) Our business is subject to sectoral variations that could result in fluctuations in our results of operations and cash flows.
b) Inputs to our product manufacturing is dependent on commodity supply chains globally and our raw material costs are sensitive to commodity price variations on commodity exchanges globally.

PRIORITY JEWELS LIMITED * MUMBAI *

c) Our export price competitiveness can be affected by bilateral/multilateral trade policies & global geo-political situations.

d) We rely on the continued operations of our manufacturing facilities and any slowdown, shutdown or disruption in our manufacturing facilities may be caused by natural and other disasters causing unforeseen damages which may lead to disruptions in our business and operations could have an adverse effect on our business, results of operations, financial condition and cash flows.

e) Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.

The Company shall disclose the same to the option grantee/s at the time of each grant.

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.

PRIORITY JEWELS LIMITED
MUMBAI

PART C
SALIENT FEATURES OF THE SCHEME

Table of Contents

1. **NAME, OBJECTIVE AND TERM OF THE SCHEME**

1.1 This Scheme shall be called **'PRIORITY JEWELS LIMITED – Employees Stock Options Plan 2025 ("PJL ESOP - 2025")'**.

1.2 The objective of PJL ESOP – 2025 is to reward the eligible and potential Employees of the Company and its Holding Company and/or its Subsidiary Company(ies) and/or Group Company(ies)/Associate Company(ies) (as and when applicable) (whether now or hereafter existing, whether incorporated in India or overseas as may be from time to time be allowed under the prevailing laws, rules and regulations and / or any amendments thereto from time to time, whether working in India or out of India and to the directors of the Company and/or its Subsidiary Company(ies), Group Company(ies), Associate Company(ies) 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 PJL ESOP – 2025 has been adopted by the shareholders of the Company, by way of their Special resolution dated 22.04.2025 at the extra ordinary general meeting dated 22.04.2025, and shall continue to be in force until (i) its termination by the Board, or duly constituted compensation committee by whatever name called, in accordance with SEBI SBEB and Sweat Equity Regulations, (ii) the date on which all of the Employee Stock Options available for issuance under PJL ESOP – 2025 have been issued and exercised, whichever is earlier.

1.4 The Board of Directors or the Committee as authorized may subject to compliance with Applicable Law, at any time alter, amend, suspend or terminate PJL ESOP - 2025

2. **DEFINITIONS AND INTERPRETATION**

2.1 **Definitions**

I. "**Act**" means the Securities and Exchange Board of India Act, 1992 (15 of 1992), as amended;

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, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Companies (Share Capital and Debentures) Rules, 2014 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 as defined under section 2(6) of the Companies Act, 2013 (18 of 2013), as amended from time to time and includes any future Associate Company of Priority Jewels Limited;

PRIORITY JEWELS LIMITED * MUMBAI *

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 labor laws after following the principles of natural justice;

VI. "**Committee**" means Nomination and Remuneration Committee of the Board as constituted in accordance with Section 178 of the Companies Act, and also 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 as and when applicable and shall also constitute and act as the Compensation Committee for the purposes of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021,as amended;

VII. **Companies Act**" means the Companies Act, 2013 and rules made thereunder and include any statutory modifications or re-enactments thereof;

VIII. "**Company**" means 'PRIORITY JEWELS LIMITED', incorporated under the Companies Act, 2013 having its Registered Office at Plot No. 121, Street No.15/18 MIDC, Andheri (East), Mumbai City, Mumbai, Maharashtra, India, 400093; registered vide CIN: U52393MH2007PLC174977, which term shall include its successors and assigns.

IX. "**Company Policies/Terms of Employment**" means the Company's policies for the Employees and the terms of employment as contained in the employment letter issued to the Employee at time of joining the employment and the Company's employee handbook, which includes provisions requiring a desired level of performance, securing confidentiality, non-compete and non-poaching of other Employees and customers;

X. "**Control**" shall have the same meaning as defined under the Companies Act, 2013 or Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as and when applicable;

XI. "**Director**" shall have the same meaning as defined under section 2(34) of the Companies Act, 2013 (18 of 2013);

PRIORITY JEWELS LIMITED MUMBAI

XII. "**Employee**" or "**Employees**" means —

A. Prior to the listing of the Company's equity shares on the Stock Exchange/s:-

(a) a permanent employee of the Company who has been working in India or outside India; or

(b) a director of the Company, whether a whole time director or not but excluding an independent director; or

(c) an employee as defined in clauses (a) or (b) of a subsidiary, in India or outside India or of a holding company of the company, as and when applicable,

but does not include-

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

(ii) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

B. Post listing of the Company's equity shares on the Stock Exchange/s:-

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or

(iii) an employee as defined in sub-clauses (i) or (ii), of a group Company including subsidiary or its associate Company, in India or outside India, or of a holding company of the company,

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 any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company;

XIII. "**Employee Stock Options" or "Options"** means the options granted 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 Options Plan**" or "**Employee Stock Options Scheme**" or "**ESOP**" or "**ESOS**" means a Scheme or Plan 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 (in accordance with Applicable Law) for granting the Employee Stock Options to the employees;

XVI. "**PJL ESOP - 2025**" means this PRIORITY JEWELS LIMITED – EMPLOYEES STOCK OPTIONS PLAN 2025, 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. 10/- (Rupees Ten only) each;

PRIORITY JEWELS LIMITED * MUMBAI *

XVIII. **"Exercise"** means making of an application by an employee to the Company for issue of shares or appreciation in form of cash, as the case may be, against vested Options in pursuance of the schemes;

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, if any, payable by an Employee for exercising the Options granted to such an employee in pursuance of PJL ESOP - 2025.

XXI. **"Fair Value of the Options"** 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 PJL ESOP - 2025;

XXIV. **"Grant Date"** means the date on which the Board/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 Board/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, as amended;

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, as amended as and when applicable;

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;

PRIORITY JEWELS LIMITED * MUMBAI *

XXXIII. "**Market Price**" means the latest available closing price, immediately prior to the date of grant of Options by the Board/Committee, on the recognized Stock Exchange on which the Shares of the Company are listed. In case Shares are listed on more than one Stock Exchange, then the closing price on the Stock Exchange where the highest trading volume on the said date shall be considered. Further until the time the shares of the Company are not listed, the Market Price will mean the fair market value as calculated by a Registered Valuer or a Chartered Accountant or a Merchant banker or any other Valuer as the case may be as required under relevant Regulations.

XXXIV. "**Option Grantee**" means an employee having a right but not an obligation to exercise an option in pursuance of PJL ESOP - 2025;

XXXV. "**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;

XXXVI. "**Pre-IPO scheme**" means any scheme formulated prior to the initial public offer of the Company and prior to the listing of its equity shares on a recognized stock exchange;

XXXVII. "**Promoter**" shall have the same meaning as assigned to the term under regulation 2(1)(oo) of 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 regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;

XXXIX. "**Recognized Stock Exchange or Stock Exchange**" means a stock exchange which has been granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), as amended;

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 Board/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 by the employee;

XLII. "**Retirement**" means retirement as per the rules of the Company.

XLIII. "**Scheme/ Plan**" means 'PRIORITY JEWELS LIMITED – EMPLOYEES STOCK OPTIONS PLAN 2025';

XLIV. "**Securities**" means securities as defined in section 2(h) of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), as amended;

PRIORITY JEWELS LIMITED * MUMBAI *

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, as amended, as and when applicable;

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 re-enacted 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 Options;

LI. **"Vesting"** means the process by which the employee becomes entitled to receive the benefit of a grant made to him/her under any of the schemes;

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 Options or benefit 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 Options.

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, Group Company, Associate Company or its Subsidiary Company where the contexts so requires, in case Options are granted to the employees of Holding Company, Group Companies, Associate Companies or its Subsidiary Companies in future.

Words and expressions used and not defined herein but defined in the Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, 2013 (18 of 2013) and any statutory

PRIORITY JEWELS LIMITED * MUMBAI *

modification or re-enactment thereto, shall have the meanings respectively assigned to them in those legislations.

3. AUTHORITY

3.1 The Board of the Company through resolution dated 22.04.2025; and the Shareholders of the Company through Special resolution dated 22.04.2025 , has authorized the Company to issue to the Employees under PJL ESOP - 2025, not exceeding 10,00,000 (Ten Lakhs only) Employee Stock Options convertible into not more than 10,00,000 (Ten Lakhs only) Shares of face value of Re. 10/- (Rupee Ten only) each fully paid-up, in the Company in aggregate (the "Ceiling limit"), to be issued by the Company in one or more tranches directly to the eligible Employees, at such Exercise Price, in one or more tranches and on such terms and conditions, as may be determined by the Board/Committee in accordance with the provisions of this Scheme, Companies Act, SEBI (SBEB and Sweat Equity) Regulations and in due compliance with other Applicable Law and regulations, with each such Options conferring a right upon the employee to be issued one share of the Company. Further the maximum number of Options to be granted per employee per grant and in aggregate shall not exceed 10,00,000 (Ten Lakhs only) Employee Stock Options. However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee in any tranche.

3.2 The maximum number of Options that shall be granted to any specific identified Employee(s) of the Company or of its Holding, or its Subsidiary Company (pre and / or post listing of equity shares on Stock exchange/s) and to Employees of Associate Company or Group Company (post listing of equity shares on Stock exchange/s), under PJL ESOP - 2025, in any one year and in aggregate under PJL 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 Board/ Committee from time to time.

3.3 If an Employee Stock Options expires, lapses, 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 Law.

3.4 Where Shares are allotted consequent upon Exercise of an Employee Stock Options under PJL ESOP - 2025, the maximum number of Shares that can be allotted under PJL 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 PJL 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.

4. ADMINISTRATION

4.1 PJL ESOP - 2025 shall be administered by the Board/Committee as may be authorized by the Board. All questions of interpretation of PJL ESOP - 2025 shall be determined by the Board/Committee and such determination shall be final and binding upon all persons having an interest in PJL ESOP - 2025, in compliance with Applicable Law.

PRIORITY JEWELS LIMITED * MUMBAI *

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

a) the quantum of Options, Shares or benefits as the case may be, per Employee and in aggregate under a Scheme;

b) the kind of benefits to be granted under this Scheme;

c) 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;

d) the schedule for Vesting of the Options granted to Employees;

e) the price at which the Options are to be granted from time to time (which will be the Exercise Price for the Options at a future date).

f) 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;

g) the specified time period within which the Employee shall exercise the vested Options or in the event of termination or resignation;

h) 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;

i) 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 and others. In this regard, the following shall, inter alia, be taken into consideration by the Board/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;

j) the grant, vesting and exercise of Shares, Options or in case of Employees who are on long leave;

k) eligibility to avail benefits under this Scheme in case of Employees who are on long leave;

l) the procedure for funding the exercise of Options;

m) procedure for buy-back of specified securities issued under SEBI (SBEB and Sweat Equity) Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

   i. permissible sources of financing for buy-back;

   ii. any minimum financial thresholds to be maintained by the Company as per its last financial statements; and

PRIORITY JEWELS LIMITED * MUMBAI *

iii. limits upon quantum of specified securities that the Company may buy-back in financial year.

For the purpose of this Clause 4.2, specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

n) Amend any terms and conditions of any Options granted under the Scheme to the extent it is not inconsistent with the terms of the Scheme and not prejudicial to the interest of the Option Grantee.

4.3 Post grant of Options to the employees and before the exercise of such Options (whether vested or unvested), if in the opinion of Board/Committee any of the Option Grantee/s act against the business interest of the Company, then the Board/Committee shall have exclusive power to cancel the Options granted to such Option Grantee/s.

4.4 Post grant of Options to the employees and before the exercise of such Options (whether vested or unvested), if in the opinion of Board/Committee the performance of any of the Option Grantee/s is not satisfactory/acceptable, then the Board/Committee shall have exclusive power to cancel the Options granted to such Option Grantee/s.

4.5 Post grant of Options to the employees and before the exercise of such Options (whether vested or unvested), if in the opinion of Board/Committee the performance of any of the Option Grantee/s is not satisfactory/acceptable and that such Option Grantee is given notice to improve his/her performance within specific time period and in the interim in case of death or permanent in-capacitance of such Option Grantee/s, the provisions under point 5 and 6 of Clause 7.2 (b) of this Scheme shall not apply.

4.6 The Committee 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, the Company and its Employees, as may be applicable.

4.7 Approve forms, documents, deeds, writings and/or agreements for use in pursuance of PJL ESOP - 2025.

5. ELIGIBILITY AND APPLICABILITY

5.1 Only Employees within the meaning of this Scheme are eligible for being granted Stock Options under PJL 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 In case of any Grant of Options to the Employees of Holding or Subsidiary Company (pre and / or post listing of equity shares on Stock exchange/s) and to Employees of Associate Company or Group Company (whether now or hereafter existing, whether incorporated in India or overseas as may be from time to time be allowed under the prevailing laws, rules and regulations and / or any amendments thereto from time to time, whether working in India or out of India and to the directors of the Company and/or its Subsidiary Company(ies), Group Company(ies), Associate Company(ies) (post listing of equity shares on Stock exchange/s), prior approval of the Shareholders shall be obtained, by the way of passing a special resolution, as per provisions of the Applicable Law.

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

PRIORITY JEWELS LIMITED * MUMBAI *

i. the contract or agreement entered 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 favor 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.

6. VESTING SCHEDULE AND VESTING CONDITIONS

6.1 The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Holding Company, Associate Company, Group Company, or its Subsidiary Company as the case may be. The Board/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 from the Grant Date.

Provided further that in the event of Death or Permanent Incapacity of an Employee, the minimum Vesting Period shall not be applicable and in such instances, all the unvested Options shall vest in the legal heirs or nominees of the deceased Employee, with effect from date of the Death or Permanent Incapacity.

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 tranches or otherwise.

6.4 Options granted under PJL ESOP - 2025 would vest subject to a maximum period of 5 (Five) years from the date of respective grant of such Options.

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 The period of Long Leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Board/Committee.

PRIORITY JEWELS LIMITED * MUMBAI *

6.7 The Board/Committee, shall have, subject to the Applicable Law (and subject to a minimum vesting period of 1 year) the right, to vest all or part of the Unvested Options in an accelerated manner from out of the Options granted and outstanding to the employees.

7. EXERCISE

7.1 Exercise Price:

~~(a)~~ The Exercise Price shall be as may be decided by the Board/ Committee as is allowed under the Companies Act, 2013 and 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.

(b) Payment of the Exercise Price shall be made by a crossed cheque or demand draft drawn in favor of the Company, or by any other payment methods prevalent in Reserve Bank of India 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 and hence no amount is required to be forfeited even if an employee does not exercise the Options within the exercise period and accordingly no adjustment is required to be made for the same.

7.2 Exercise Period:

(a) **While in employment:**

(i) The Exercise period shall not be more than 5 (Five) 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 Board/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 on such format as may be prescribed by the Board/Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

(b) **Exercise Period in case of separations:**
Options can be exercised as per provisions outlined below*:

Sr. No.	Separations	Vested Options	Unvested Options
1	Resignation	Subject to the terms and conditions, all Vested Options as on date of submission of resignation may be exercised by the Option Grantee on or before his last working day or before the expiry of the Exercise period with the Company, whichever is earlier.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.

PRIORITY JEWELS LIMITED * MUMBAI *

Aakriti Bhusha

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 or before the expiry of the Exercise period, whichever is earlier.	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 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.	All Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir/s within 12 months from the date of Death.
6	**Permanent Disability**	All Vested Options, granted to him/her under a scheme as on the date of permanent incapacitation 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, 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 unable to exercise due to such incapacity, 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 stand cancelled.	All the Unvested Options shall stand cancelled.

PRIORITY JEWELS LIMITED
MUMBAI

8	**Any other reason not specified above**	The Board/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 Options and such decision shall be binding on all concerned. Provided that, in accordance with Applicable Law, notwithstanding anything to the contrary contained herein, the Company shall not vary the terms of PJL ESOP - 2025, in any manner which may be detrimental to the interests of the Employees.

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. The amount paid by the employee, if any, at the time of grant, vesting or exercise of Options -

(a) may be forfeited by the Company if the Options are not exercised by the employee within the exercise period; or

(b) may be refunded to the employee if the Options are not vested due to non-fulfilment of conditions relating to vesting of Options as per PJL ESOP - 2025.

8. SCHEMES IMPLEMENTED BY UNLISTED COMPANIES

The shares arising after the IPO of an unlisted company, out of Options granted under any scheme prior to its IPO to the employees, shall be listed immediately upon exercise on all the recognized stock exchanges where the shares of the Company are listed subject to compliance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and wherever applicable, regulation 11 and 12 of SEBI SBEB and Sweat Equity Regulations.

9. COMPLIANCES AND CONDITIONS

9.1 The Company shall not make any fresh grant which involves allotment or transfer of shares to its employees under PJL ESOP - 2025 formulated prior to its IPO and prior to the listing of its equity shares unless:

PRIORITY JEWELS LIMITED * MUMBAI *

(i) Such Pre-IPO Scheme is in conformity with SEBI SBEB and Sweat Equity Regulations; and
(ii) Such Pre-IPO Scheme is ratified by its shareholders subsequent to the IPO:

Provided that the ratification under clause (ii) may be done any time prior to grant of new options or shares under such Pre-IPO Scheme.

9.2 No change shall be made in the terms of Options or shares issued under such Pre-IPO Schemes, whether by repricing, change in vesting period or maturity or otherwise unless prior approval of the shareholders, by way of special resolutions, is taken for such a change, except for any adjustments for corporate actions made in accordance with SEBI SBEB and Sweat Equity Regulations.

9.3 For listing of shares issued pursuant to PJL ESOP - 2025, the Company shall obtain the in-principle approval of the recognized stock exchanges where it proposes to list the said shares prior to the grant of Options.

10. LOCK-IN

The Shares issued upon exercise of Options shall be freely transferable subject to the provisions of the Article of Association of the Company, if any and shall not be subject to any lock-in period restriction after such exercise, except such restrictions as prescribed under the Applicable Law. However, the Board/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, as and when applicable 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.

11. VARIATION OF TERMS OF THE SCHEMES

11.1 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 this Clause (11.1), a company shall be entitled to vary the terms of the scheme to meet any regulatory requirement without seeking shareholder's approval by special resolution.

11.2 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.

11.3 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.

Any such variation of terms shall also be subject to Regulation 6 and 12(2) of the SEBI (SBEB&SE) Regulations.

PRIORITY JEWELS LIMITED * MUMBAI *

12. SURRENDER OF OPTIONS

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/Committee in writing. Thereafter, the surrendered Options shall be brought back to the Employee Stock Options pool and shall become available for future grants.

13. EXIT ROUTE

13.1 Prior to listing of its shares on the recognized Stock Exchange/s by the Company, the Board/Committee may, at its sole discretion, provide exit route to the employees who have been issued shares pursuant to this Scheme by one or more of following methods, subject to compliance with Applicable Law: -

- Purchase by Promoters;
- Purchase by any other Investor;
- Buy-back by the Company; or
- Any other method as allowed by the Companies Act, 2013 or any other applicable Rules / Regulations.

13.3 If the Company gets its shares listed on recognized Stock exchange/s and then eventually gets de-listed from all the recognized Stock Exchange/s, 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 Law.

14. METHOD OF VALUATION

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.

15. OTHER TERMS AND CONDITIONS

15.1 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 Options.

15.2 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 Options and becomes a registered holder of the Shares of the Company.

15.3 The Employee Stock Options shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

15.4 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 3.5 of PJL ESOP - 2025.

15.5 Employee Stock Options shall not be transferable to any person except in the event of death and permanent disability of the Option Grantee, in which case provisions in table under Sub-clause 7.2(b) would apply.

PRIORITY JEWELS LIMITED
MUMBAI

15.6 No person other than the Employee to whom the Employee Stock Options are granted shall be entitled to Exercise the Employee Stock Options 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 Law, the company may fund or permit the empaneled stock brokers 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 PJL 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.

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 outside India, 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 Law. 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

The Board/Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate PJL ESOP - 2025, subject to compliance with the Applicable Law and Regulations.

The Company may by special resolution of its shareholders vary the terms of PJL ESOP – 2025 offered pursuant to an earlier resolution of the shareholder(s) but not yet exercised by the employees, if such variation is not prejudicial to the interests of the employees

Further, Nomination and Remuneration Committee shall be entitled to vary the terms of PJL ESOP – 2025 to meet any regulatory requirement without seeking Shareholder's approval by special resolution in terms of regulation 7 of SEBI SBEB and Sweat Equity Regulations.

18. MISCELLANEOUS

18.1 Government Regulations

PJL ESOP – 2025 shall be subject to all Applicable Law to the extent applicable. The Grant of Options and allotment of Shares to the Employees under this PJL ESOP – 2025 shall be subject to the Company requiring the Employees to comply with all Applicable Law. 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.

PRIORITY JEWELS LIMITED * MUMBAI *

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 Law, for the lawful allotment and issuance of any Shares hereunder shall relieve and wholly discharge the Company of 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 Options 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 Options on any other occasion.

18.4 The rights granted to an Option Grantee upon the grant of an Employee Stock Options 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 Options in whole or in part.

18.6 Participation in PJL 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.

19. INSIDER TRADING

The Employee shall ensure that there is no violation of:

a. SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time as and when applicable; and

b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as and when applicable; and

c. Any other regulations to prevent fraudulent or harmful practices relating to the Securities Market, as and when applicable.

The Employee shall keep the Company, the Board/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 The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features/Scheme document of PJL ESOP – 2025 in a format as prescribed under SEBI (SBEB and Sweat Equity) Regulations.

20.3 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 Law as in force.

PRIORITY JEWELS LIMITED * MUMBAI *

21. CERTIFICATE FROM SECRETARIAL AUDITORS

Post listing of the equity shares of the Company on the Stock Exchange/s, 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 SEBI (SBEB and Sweat Equity) Regulations and in accordance with the resolution of the company in the general meeting.

22. GOVERNING LAWS

22.1 The terms and conditions of PJL ESOP – 2025 shall be governed by and construed in accordance with the Applicable Law 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 PJL 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 PJL ESOP – 2025 shall be sent to the person at the address mentioned below or e - mailed at:

Name	: **Aakriti Bhushan**
Designation	: Company Secretary
Address	: Plot No. 121, Street No.15/18 MIDC, Andheri (East), Mumbai City, Mumbai, Maharashtra, India, 400093
Email	: Aakriti.bhushan@priorityindia.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 PJL 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 PJL ESOP - 2025

(i) in any other court of competent jurisdiction; or

(ii) Concurrently in more than one jurisdiction.

PRIORITY JEWELS LIMITED * MUMBAI *

Aakriti Bhushan

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 PJL 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. However, if any such details are required to be shared under any applicable laws, then the Option Grantee shall give a prior written intimation about the same to the Company

26.2 On acceptance of the grant of Options 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 PRIORITY JEWELS LIMITED

Aakriti Bhushan

Aakriti Bhushan
Company Secretary & Compliance Officer
Membership No.: ACS 67952

PRIORITY JEWELS LIMITED MUMBAI

Place: Mumbai
Date: 22.04.2024

PRIORITY JEWELS LIMITED MUMBAI
Aakriti Bhushan