

PDS/SE/2025-26/123

March 13, 2026

Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400 051 Scrip Symbol: PDSL	Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 538730
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Re: ISIN - INE111Q01021
Sub: Clarification to shareholders regarding resolutions stated in the Notice of Postal Ballot dated February 10, 2026

Dear Sir/ Madam,

With reference to our letter No PDS/SE/2025-26/116 dated February 12, 2026 submitted to the Stock Exchanges under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to the Postal Ballot Notice dated February 10, 2026 (“Postal Ballot Notice”), and pursuant to feedback received from Proxy Advisor(s), the Company wishes to provide the following clarification to its Shareholders regarding the proposed amendments to the Employee Stock Option Plan (“ESOP”) framework:

Background:

1. PDS Limited - Employees Stock Option Plan B (“PDS ESOP (B) 2021/ Scheme”) was approved by Shareholders of the Company at the 10th Annual General Meeting held on July 30, 2021. These were approved given the industry dynamics and rewarding and retaining the key employees with a view of long-term value creation for all the stakeholders.
2. The ESOP Pools Size of the Scheme today stands at 5,06,740 options. with ~84.08% utilization.
3. Historically, ESOPs were granted following the process stated below:

Particulars	Remarks
Eligible Employees	Company and its Subsidiary Management proposes the ESOP to be granted to Eligible Employees based on performance, role criticality, long term contribution to the Company. After intensive evaluation they are placed before the Nomination and Remuneration Committee (“NRC”) for the review and approval. The NRC approves the grant of ESOPs only after a thorough review and discussion. Upon completion of the vesting period, an employee intending to exercise the vested options is required to obtain confirmation from the reporting manager and HR function that the prescribed KPIs and eligibility conditions have been duly fulfilled.



	Thereafter, the employee submits an exercise request through the Company Secretary for placement before the NRC for its final approval, following which the options may be exercised in accordance with the terms of the applicable ESOP scheme.
Exercise Price	The exercise price of the ESOPs is generally determined at an average discount of ~ 25% to 30% to the prevailing market price at the time of grant, with the objective of ensuring meaningful incentive value for Employees.
Vesting Conditions	Performance and Time Based The vesting period is generally 3-4 years. In addition to the time-based criteria the respective managers and HR function provide a confirmation on meeting all the KPIs based on roles of the Employees. The Employee is eligible to exercise only when he meets both time-based and performance-based conditions, a report of which is placed before the NRC before allotment of equity shares.

4. Given the above, the Company wishes to continue the similar practices for future ESOP grants.

Postal Ballot Proposal

- a. Since the Pools size is near to exhaustion, the Board has through the Postal Ballot Notice proposed to increase the Pool Size by 2,99,000 (Two Lakh Ninety-Nine Thousand) Options which will increase the existing Pool under the Scheme to 8,05,740 (Eight Lakh Five Thousand Seven Hundred and Forty) Options, which represent ~0.57% of the paid-up share capital of the Company as on December 31, 2025.
- b. The shareholders had earlier approved financial assistance of ~Rs. 9 cr for implementation of the Scheme through the Trust. It is now proposed to enhance this limit by ~Rs.22 cr, in line with the limits prescribed under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

It is iterated that the Company wishes to continue granting options to Key Employees of the Company following the past practice of granting ESOPs including the exercise price, time and performance-based vesting.



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The above clarification is being issued to provide additional transparency and to address queries raised by Proxy Advisor(s) and shareholders.

Thanking you,

Yours faithfully,
for **PDS Limited**

Abhishekh Kanoi
Group Legal Head & Company Secretary
ICSI Membership No.: F-9530

PDS Limited

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