



VAIBHAV GEMS LIMITED

Ref – VGL/CS/2012/139

Date – 23rd July, 2012

The Manager
Bombay Stock Exchange Limited
Corporate Relationship Department
1st Floor, PJ Tower
Dalal Street, Fort
Mumbai – 400 001

The Manager
National Stock Exchange Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra- Kurla Complex
Bandra (E), Mumbai-400 051

Code No. 532156

Code No. VAIBHAVGEM

Sub: Outcome of Compensation Committee Meeting

Dear Sir/Madam,

With reference to captioned subject, please be informed that pursuant to VGL ESOP (As Amended) - 2006, Compensation Committee of the Company at its meeting held on 23rd July, 2012 has granted 4,77,000 Stock Options, convertible into 4,77,000 Equity Shares of Rs. 10 each to the eligible employees of the Company and Subsidiaries, on the following terms and conditions :

- 1) The exercise price of Stock Option is Rs. 45.30 per option, which shall be paid by the employees at the time of exercise of options.
- 2) There shall be a minimum period of one year between the grant of options and vesting of options.
- 3) The option granted under VGL ESOP (As Amended) – 2006 will vest as per the following table:

Year	% of Options Granted
On completion of One year from the date of grant of option	20%
On completion of Two year from the date of grant of option	30%
On completion of Three year from the date of grant of option	50%
Total	100%

- 4) "Exercise Period" means the period of One year from the date of Vesting of the Options. The Options shall not be permitted to be exercised after the expiry of the above mentioned Exercise Period. After this date, all the Options vested but remaining unexercised under the Plan will lapse, and such options which were subject thereto, shall become available for future grant under the Plan (unless the Plan has been terminated).

This is for information and record.

Thanking You,

Yours truly,

For Vaibhav Gems Limited

Company Secretary



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