

Annexure 4

DISCLOSURE WITH RESPECT TO EMPLOYEES STOCK OPTION PLAN (ESOP) OF THE COMPANY

(Pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules 2014 and SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015) and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021)

A. Description on the ESOP Scheme

- Date of Shareholders' approval – March 2, 2013 and December 22, 2018
- Total number of options approved under ESOP – 46,28,250
- Vesting requirements- Options granted shall not vest prior to expiry of 12 months from the date of grant. The details of vesting are provided in Note 41 of standalone financial statements.
- Exercise price or pricing formula – The exercise price shall be in the range of from Rs.10 to a maximum of 25% discount on the fair market value (Average of opening and closing price) on the latest trading day in NSE prior to Nomination & Remuneration Committee meeting at which grant is made.
- Maximum term of options granted - 14 years
- Source of shares –Secondary
- Variation in terms of options – There has been no variation in the terms of options during the period under review.
- Material changes in the scheme and whether the scheme(s) is/are in compliance with the regulations – There has been no change in the scheme during the period under review. The ESOP Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

B. Accounting of ESOP

- Method used to account for ESOP's – Fair value method is used for accounting of ESOPs.
- The impact on the profits and EPS of the Company – Refer Note 33 and 32 of standalone and consolidated financial statements respectively.
- Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time - Refer Note 41 of standalone financial statements.

C. Option movement during the year

Particulars	Milestone	Incentive	Performance	Loyalty	Total
Number of options outstanding at the beginning of the period	-	-	507,757	336,330	844,087
Number of options granted during the year	-	-	307,200	204,800	512,000
Number of options forfeited / lapsed during the year	-	-	93,020	76,240	169,260
Number of options vested during the year	-	-	98,388	92,790	174,825
Number of options exercised during the year	-	-	251,519	151,800	403,319
Number of shares arising as a result of exercise of options	-	-	251,519	151,800	403,319
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	-	-	--	--	--
Loan repaid by the Trust during the year from exercise price received	-	-	--	--	--
Number of options outstanding at the end of the year	-	-	470,418	313,090	783,508
Number of options exercisable at the end of the year	-	-	160,518	96,790	221,841
Weighted-average exercise prices of options outstanding at the end of year	Refer Note 41 of standalone financial statements				
Weighted-average fair values of options granted	Refer Note 41 of standalone financial statements				

D. Options granted to the employees of the Company during the year**(a) Options granted to Senior managerial personnel during the year:**

Name of the employee	Designation	Type of option	No. of options granted	Exercise Price (in INR)
Mr. Devanand K T	Regional CEO – Andhra Pradesh & Telangana Cluster	Loyalty	10,000	10
		Performance	15,000	234
Mr. Durga Prasanna Nayak	Head Human Resources - Aster India	Loyalty	10,000	10
		Performance	15,000	234
Mr. Farhan Yasin	Vice President - Kerala Tamil Nadu & Retail - Aster India	Loyalty	16,000	10
		Performance	24,000	185
Mr. Harsha Rajaram	Chief Executive Officer - Aster Digital Health India	Loyalty	10,000	10
		Performance	15,000	234
Mr. Hemakumar Nemali	Country Head – Supply Chain Management	Loyalty	7,200	10
		Performance	10,800	234
Mr. Hemish Purushottam	Company Secretary and Compliance Officer	Loyalty	4,800	10
		Performance	7,200	234
Dr. Nitish Shetty	Chief Executive Officer - Aster DM Healthcare India	Loyalty	28,000	10
		Performance	42,000	185
Mr. Hitesh Dhaddha	Chief of Investor Relations and Merger & Amalgamation	Loyalty	20,000	10
		Performance	30,000	196
Mr. Sunil Kumar M R	Joint Chief Financial Officer	Loyalty	16,000	10
		Performance	24,000	234
Mr. Srinath Metla	Country Head - Marketing	Loyalty	10,000	10
		Performance	15,000	234
Dr. Somashekhar S P	Chairman of Medical Advisory Council, Medical Administration	Loyalty	16,000	10
		Performance	24,000	234
Mr. Ramesh Kumar S	Chief Executive Officer -CMI Hospital & Oncology	Loyalty	10,000	10
		Performance	15,000	234

(b) Any other employee who received a grant during the year, options amounting to 5% or more of option granted during the year - Nil

(c) Identified employees who were granted options during the year, equal to or exceeding 1% of the issued capital excluding outstanding warrants and conversions of the Company at the time of grant – Nil

E. Disclosures in respect of transactions made by Trust under ESOP Scheme**(a) General information on the scheme**

S. No	Particulars	Details
1	Name of the Trust	DM Healthcare Employees Welfare Trust
2	Details of the Trustee(s)	Mr. Sooraj P and Mr. Monu Kurian
3	Amount of loan disbursed by Company/any Company in the group, during the year	Nil
4	Amount of loan outstanding (repayable to Company/ any Company in the group) as at the end of the year	INR 8.7 crore
5	Amount of loan, if any, taken from any other source for which Company/any Company in the group has provided any security or guarantee	Nil
6	Any other contribution made to the Trust during the year	Nil

(b) Brief details of transactions in shares by the Trust

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	21,43,386 (0.43%)
Acquired during the year	Nil
Sold during the year	Nil
Transferred to the employees during the year	4,03,319 (0.08%)
Held at the end of the year	17,40,067 (0.35%)

F. Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options. The fair value of the option is calculated using the Black-Scholes Option Pricing model.

(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Refer Note 41 of standalone financial statements
(b) the method used and the assumptions made to incorporate the effects of expected early exercise	Refer Note 41 of standalone financial statements
(c) Determination of expected volatility, including an explanation of the extent to which expected volatility was based on historical volatility	Refer Note 41 of standalone financial statements
(d) Other features of the option grant incorporated into the measurement of fair value	Refer Note 41 of standalone financial statements

G. Grants made in three years prior to IPO

Disclosures in respect of grants made in three years prior to IPO under DM Healthcare Employees Stock Option Plan:

Particulars	Milestone	Incentive	Performance	Loyalty	Total
Number of options outstanding at the beginning of the period	-	-	-	24,030	24,030
Number of options granted during the period	-	-	-	-	-
Number of options forfeited / lapsed during the period	-	-	-	-	-
Number of options vested during the period	-	-	-	4,800	4,800
Number of options exercised during the period	-	-	-	10,450	10,450
Number of shares arising as a result of exercise of options	-	-	-	10,450	10,450
Number of options outstanding at the end of the period	-	-	-	8,790	8,790

H. Disclosure for acceleration of vesting of ESOP granted to GCC Employees

Pursuant to Article 12.8 of the Aster DM Healthcare Limited Employees Stock Option Plan, 2013, Nomination and Remuneration Committee at their meeting held on February 20, 2024 approved acceleration of vesting of 50% of the 150,480 unvested options granted to GCC employees (both Indians and Non-Indians) i.e., 75,240 held by the employees of GCC Subsidiaries taking into account the loss of value of ESOP due to the sale of said business and considering market practice for ESOP treatment in case of change in control as under:

- A. No. of Accelerated Options: 75,240
- B. Date of Vesting: on the date of completion of the segregation of GCC business as agreed pursuant to the Share purchase agreement dated November 28, 2023.
- C. Accelerated options Exercise Period:
 - i. For Non- Indians GCC employees: Accelerated option shall be exercised within 180 days from the date of vesting, failing which, the unexercised options shall lapse.
 - ii. For Indians GCC employees: Accelerated option shall be exercised within 30 days from the date of vesting, failing which, the unexercised options shall lapse.
- D. Exercise Price: INR 335.65 (Based on average closing price of the Company on NSE and BSE) as on February 20, 2024.

For and on behalf of the Board of Directors

Date : May 28, 2024
Place: Dubai

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403