

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)

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 40 of standalone financial statements.
- Exercise price or pricing formula – The exercise price shall be in the range of from ₹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 change 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 SEBI (Share Based Employee Benefits) Regulations, 2014.

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 32 and 33 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 40 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	20,901	21,026	10,69,629	7,16,680	18,28,236
Number of options granted during the year	-	-	45,000	30,000	75,000
Number of options forfeited / lapsed during the year	7,686	7,936	1,85,380	61,100	2,62,102
Number of options vested during the year	12,282	12,157	2,52,386	2,61,700	5,38,525
Number of options exercised during the year	-	-	80,906	1,55,550	2,36,456
Number of shares arising as a result of exercise of options	-	-	80,906	1,55,550	2,36,456
Money realized by exercise of options (₹), 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	13,215	13,090	8,48,343	5,30,030	14,04,678
Number of options exercisable at the end of the year	13,215	13,090	1,63,271	2,45,275	4,34,851
Weighted-average exercise prices of options outstanding at the end of year	Refer Note 40 of standalone financial statements				
Weighted-average fair values of options granted	Refer Note 40 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 ₹)
Dr. Harish Pillai	CEO- Aster India	Performance	30,000	91.85
		Loyalty	20,000	10
Mr. Amitabh Johri	Chief Financial officer - GCC	Performance	15,000	115
		Loyalty	10,000	10

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

Name of the employee	Designation	Type of option	No. of options granted	Exercise Price (in ₹)
Dr. Harish Pillai	CEO- Aster India	Performance	30,000	91.85
		Loyalty	20,000	10
Mr. Amitabh Johri	Chief Financial officer - GCC	Performance	15,000	115
		Loyalty	10,000	10

(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

Sl no.	Particulars	Details
1	Name of the Trust	DM Healthcare Employees Welfare Trust
2	Details of the Trustee(s)	Mr. Sooraj P, Mr. Monu Kurian and Mr. Hariharan M P
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	₹ 12.41 Crores
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	28,72,616
Acquired during the year	Nil
Sold during the year	Nil
Transferred to the employees during the year	3,81,475
Held at the end of the year	24,91,141

F. A 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 40 of standalone financial statements
(b) the method used and the assumptions made to incorporate the effects of expected early exercise	Refer Note 40 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 40 of standalone financial statements
(d) Other features of the option grant incorporated into the measurement of fair value	Refer Note 40 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	20,901	21,026	1,83,829	1,36,480	3,62,236
Number of options granted during the period	NA	NA	NA	NA	NA
Number of options forfeited / lapsed during the period	7,686	7,936	31,363	-	46,985
Number of options vested during the period	12,282	12,157	60,549	23,600	84,988
Number of options exercised during the period	-	-	35,799	59,700	95,499
Number of shares arising as a result of exercise of options	-	-	35,799	59,700	95,499
Number of options outstanding at the end of the period	13,215	13,090	1,16,667	76,780	2,19,752

For and on behalf of the Board of Directors

Date : June 22, 2021
Place : Dubai

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403