

ANNEXURE II

Employee Stock Option Schemes (ESOSs)

Disclosure Pursuant to Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

1. GENERAL DISCLOSURES

- a. Relevant disclosure under 'Guidance note on Accounting for employee share based payments' issued by Institute of Chartered Accountants of India or any other relevant accounting standards as prescribed from time to time - For details please refer to notes to Standalone Financial Statements mentioned in the Annual Report 2020-21;
- b. Diluted Earnings Per Share in accordance with "AS-20-Earning Per Share" for the year ended March 31, 2021 stood at ₹ (4.28)

2. SCHEME SPECIFIC DISCLOSURES

i. General Disclosures

S. No.	Particulars	Disclosures																								
1	Date of Shareholder's Approval	The Scheme was approved at the General Meeting held on September 29, 2008. The Scheme was subsequently modified at the General Meeting held on August 21, 2009.																								
2	Total Number of options approved under ESOP Scheme 2008	929712																								
3	Vesting requirements	<ul style="list-style-type: none"> 25% on completion of first year from the date of grant. 25% on completion of second year from the date of grant. 25% on completion of third year from the date of grant. 25% on completion of fourth year from the date of grant. 																								
4	Exercise Price	The Grant Price is determined based on the Closing Price of the Equity Shares of the company, prior to the date of the meeting of the Nomination and Remuneration Committee (NRC) (formerly known as Remuneration Committee) in which Stock Options were granted on BSE Limited. Accordingly Exercise Price of the Options granted by NRC at its meeting held on August 21, 2009 was fixed at ₹ 26.20 per equity share having face value of ₹ 10 each.																								
5	Maximum term of Options Granted	Options granted shall vest within a period of four years from the date of grant.																								
6	Sources of Share (Primary, Secondary or Combination)	Primary																								
7	Variation in terms of Options	There has been no variation in the terms of Options during the year.																								
8	Method used for Accounting of ESOS (Intrinsic or Fair Value)	Intrinsic																								
9 (a)	Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of stock options	<p>The effect on the profit and earning per share had the fair value method been adopted, is presented below:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: right;">(Amount is ₹)</th> </tr> </thead> <tbody> <tr> <td style="width: 70%;">Profit/(Loss) after tax as reported</td> <td style="width: 15%; text-align: right;">(-)</td> <td style="width: 15%; text-align: right;">801.33 Lacs</td> </tr> <tr> <td>Add: Intrinsic Value Compensation Cost</td> <td style="text-align: right;">Nil</td> <td></td> </tr> <tr> <td>Less: Fair Value Compensation Cost</td> <td style="text-align: right;">Nil</td> <td></td> </tr> <tr> <td>Adjusted Profit</td> <td style="text-align: right;">(-)</td> <td style="text-align: right;">801.33 Lacs</td> </tr> <tr> <td>Earnings Per Share</td> <td></td> <td style="text-align: right;">Basic Diluted</td> </tr> <tr> <td>As reported</td> <td style="text-align: right;">(4.28)</td> <td style="text-align: right;">(4.28)</td> </tr> <tr> <td>As adjusted</td> <td style="text-align: right;">(4.28)</td> <td style="text-align: right;">(4.28)</td> </tr> </tbody> </table>	(Amount is ₹)			Profit/(Loss) after tax as reported	(-)	801.33 Lacs	Add: Intrinsic Value Compensation Cost	Nil		Less: Fair Value Compensation Cost	Nil		Adjusted Profit	(-)	801.33 Lacs	Earnings Per Share		Basic Diluted	As reported	(4.28)	(4.28)	As adjusted	(4.28)	(4.28)
(Amount is ₹)																										
Profit/(Loss) after tax as reported	(-)	801.33 Lacs																								
Add: Intrinsic Value Compensation Cost	Nil																									
Less: Fair Value Compensation Cost	Nil																									
Adjusted Profit	(-)	801.33 Lacs																								
Earnings Per Share		Basic Diluted																								
As reported	(4.28)	(4.28)																								
As adjusted	(4.28)	(4.28)																								

ANNEXURE II (Contd.)

S. No.	Particulars	Disclosures
9 (b)	Impact on the profits of the Company and on the earnings per share ("EPS") arising due to difference in the accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Nil
10	a) Weighted average exercise price, b) Weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock	₹ 26.20 Nil

ii. Options Movement during the FY 2020 – 21

S. No.	Particulars	Disclosures
1	Number of options outstanding at the beginning of the period	22,500
2	Number of options granted during the year	-
3	Number of options forfeited / lapsed during the year	11,250
4	Number of options vested during the year	-
5	Number of options exercised during the year	-
6	Number of shares arising as a result of exercise of options	-
7	Money realised by exercise of options (₹), if scheme is implemented directly by the company	-
8	Loan repaid by the Trust during the year from exercise price received	-
9	Number of options outstanding at the end of the year	11,250
10	Number of options exercisable at the end of the year	11,250

iii. Employees Details who were granted options during the year

S. No.	Particulars	Name of Employee	Designation	Number of options granted during the year	Exercise Price
1	Key Managerial Personnel and Senior Managerial Personnel				
2	Employee who received grant in any one year equal to or more than 5% of Options granted during the Year				
3	Identified Employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant			NIL	

ANNEXURE II (Contd.)

iv. Accounting Method and Assumptions

Method used for ESOPs	Intrinsic Value Method
Risk free interest rate	7.50%
Expected Life	5 Years
Expected Volatility	67.42%
Expected Dividends	0%
Price of underlying shares in market at the time of Option grant	26.20

By the Order of the Board
For **Fortis Malar Hospitals Limited**

Date: May 25, 2021
Place: Gurugram

Daljit Singh
Chairman