

Annexure II

EMPLOYEE STOCK OPTION SCHEMES (ESOS)

Disclosure Pursuant to Regulation 14 of Securities and Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021

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 2021-22;
- b. Diluted Earnings Per Share in accordance with "Ind-AS-33 Earning Per Share" for the year ended March 31, 2022 stood at ₹ (4.43)

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 |

Annexure II (Contd..)

| S. No. | Particulars | Disclosures | | |
|--------|---|--|-----------------|---------|
| 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 | The effect on the profit and earning per share had the fair value method been adopted, is presented below: | | |
| | | (Amount is ₹) | | |
| | | Profit/(Loss) after tax as reported | (-) 830.55 Lacs | |
| | | Add: Intrinsic Value Compensation Cost | Nil | |
| | | Less: Fair Value Compensation Cost | Nil | |
| | | Adjusted Profit | (-) 830.55 Lacs | |
| | | Earnings Per Share | Basic | Diluted |
| | | As reported | (4.43) | (4.43) |
| | | As adjusted | (4.43) | (4.43) |
| 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, | ₹ 26.20 | | |
| | b) Weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock | Nil | | |

ii. Options Movement during the FY 2021 – 22

| S. No. | Particulars | Disclosures |
|--------|---|-------------|
| 1 | Number of options outstanding at the beginning of the period | 11,250 |
| 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 | - |
| 10 | Number of options exercisable at the end of the year | - |

Annexure II (Contd..)

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 | |

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 24, 2022
Place: Gurugram

Daljit Singh
Chairman
DIN: 000135414