

**Fortis Healthcare Limited**

**Employee Stock Option Schemes (ESOs)**

**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 2018-19;
- b. Diluted Earnings Per Share in accordance with "Ind AS-33-Earning Per Share" for the year ended March 31, 2020 stood at Rs. 0.00 (as per Standalone Financials Statement)

**2. SCHEME SPECIFIC DISCLOSURES**

**i. General Disclosures**

S. No.	Particulars	Disclosures (ESOP 2007)	Disclosures (ESOP 2011)
1	Date of Shareholder's Approval	September 27, 2007	September 19, 2011 modified w.e.f. September 29, 2012
2	Total Number of options approved under ESOP Scheme 2008	22,66,665	12,154,825
3	Vesting requirements	<p>A five year vesting schedule would apply on all the options granted as given below:</p> <ul style="list-style-type: none"> <li>▪ 20% options shall vest on the completion of 12 months from grant date</li> <li>▪ 20% options shall vest on the completion of 24 months from grant date</li> <li>▪ 20% options shall vest on the completion of 36 months from grant date</li> <li>▪ 20% options shall vest on the</li> </ul>	100 % after lock in of three years from the grant date

S. No.	Particulars	Disclosures (ESOP 2007)	Disclosures (ESOP 2011)
		completion of 48 months from grant date ▪ 20% options shall vest on the completion of 60 months from the grant date	
4	<del>Exercise Price or Pricing Formula</del>	Closing price of the Equity Shares of the Company on the stock exchange on which the shares of the Company are listed, prior to the date of meeting of the Remuneration Committee in which stock options are granted. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volumes on the said date shall be considered.	The Exercise Price can be higher but shall not be less than the closing market price of the Company's Shares on the Stock Exchange showing highest volume of trading, on the day prior to the date of grant, as determined by the Committee. In case where there is no trading on any recognized stock exchange, the exercise price will be (a) the closing price of the shares on any recognized stock exchange on a date closest to the date of grant of the options and immediately preceding such date; or the closing price of the share on a recognized stock exchange, which records the highest volume in such share, if the closing price, as on the date closest to the date of grant of option and immediately preceding such date, is recorded on more than one recognized stock exchange
5	Maximum term of Options Granted	10 years from the date of grant of the Options	4 years from the date of Vesting
6	Sources of Share (Primary, Secondary or Combination)	Primary	Primary
7	Variation in terms of Options	No	The Employee Stock Option Plan, 2011 (ESOP Scheme) was modified to provide for facilitating the offer, issuance and allotment, in tranche(s), such number of Stock Options / Equity Shares through the 'Fortis Healthcare Limited Employees Welfare Trust' to the eligible employees and Directors,

S. No.	Particulars	Disclosures (ESOP 2007)	Disclosures (ESOP 2011)
			upon the instructions of the Board of Directors or HR & Remuneration Committee thereof.
8	Method used for Accounting of ESOS (Intrinsic or Fair Value)	Fair Value	Fair Value
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	N/A	N/A
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)	N/A, Impact on EPS:- (0.00)	N/A, Impact on EPS:- (0.00)
10	a) Weighted average exercise price, b) weighted average fair value of options whose exercise price either equals or exceeds or is less	N/A	

S. No.	Particulars	Disclosures (ESOP 2007)	Disclosures (ESOP 2011)
	than market price of the stock		

**ii. Options Movement during the FY 2019 – 20**

S.No.	Particulars	Disclosures (ESOP 2007)	Disclosures (ESOP 2011)
1	Number of options outstanding at the beginning of the period	194,550	2,562,000
2	Number of options granted during the year	-	-
3	Number of options forfeited / lapsed during the year	44,400	2,550,000
4	Number of options vested during the year	-	-
5	Number of options exercised during the year	3,200	-
6	Number of shares arising as a result of exercise of options	3,200	-
7	Money realized by exercise of options (INR), if scheme is implemented directly by the company	246,400	-
8	Loan repaid by the Trust during the year from exercise price received	-	-
9	Number of options outstanding at the end of the year	146,950	12,000
10	Number of options exercisable at the end of the year	146,950	12,000

**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	<b>NIL</b>			
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
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**iv. Accounting Method and Assumptions**

<b>Method used for ESOPs</b>	<b>Disclosures (ESOP 2007)</b>	<b>Disclosures (ESOP 2011)</b>
Risk free interest rate	7.65%- 8.70%	7.37%-8.24%
Expected Life	10 Years	5 Years - 7 Years
Expected Volatility	6.42% - 66.24%	22.91%- 31.93%
Expected Dividends	0%	0%
Price of underlying shares in market at the time of Option grant	49.05 – 158	90.35 – 194.55

For & on behalf of Board of Directors  
of **Fortis Healthcare Limited**

**Date: June 17, 2020**  
**Place: Gurgaon**

Sd/-  
**Ashutosh Raghuvanshi**  
**MD&CEO**