

**Statement pursuant to Regulation 14 'Disclosure by the Board of Directors'
of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**

- A. Relevant disclosures have been made 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.
- Please refer to Note No. **45** contained in the Notes to Accounts forming part of Annual Financial Statements for the Financial Year ended on March 31, 2022
- B. Diluted Earnings per Share (EPS) on issue of Ordinary Shares on Exercise of Options calculated in accordance with Indian Accounting Standard (Ind-AS) 33 'Earning Per Share' is **Rs. 41.48**

C. Details related to ESOP

S No.	Description	ESOP 2010	RSU 2016
		Financial Year 2021-22	Financial Year 2021-22
i.	Date of Shareholders approval	August 31, 2010	July 28, 2016
	Total number of options approved under the Scheme	3,808,960	1,244,155
	Vesting Requirements	Monthly Vesting over a period of 5 Years	Options would vest not before one year and not later than four years from the date of grant of such options
	Exercise Price or Pricing Formula	Fair Market Value on the date of Grant	Exercise Price per Option shall be at the face value of Rs. 10/- per Share as on date of grant of Option
	Source of shares (primary, secondary or combination)	Combination	Secondary
	Variation in terms of options	-	-
ii	Method used to account for ESOP	Fair Value Method	Fair Value Method
iii	Difference between the employee compensation cost so computed at (ii) above and the employee compensation cost that shall have been recognized if it had used the fair value / intrinsic value of the Options.	Nil	Nil
	The impact of this difference on Profits and on EPS of the Company	Nil	Nil
iv	Options movement during the year		
	Number of options outstanding at the beginning of the period	141,983	554,812
	Number of options granted during the year	-	131,594
	Number of options forfeited/lapsed during the year	-	12,193
	Number of options vested during the year	-	195,091
	No. of options exercised during the year	-	138,072

	No. of shares arising as a result of exercise of options	-	138,072																
	Money realized by exercise of options (INR) if scheme is implemented directly by the Company	-	1,380,720																
	Loan repaid by the Trust during the year from exercise price received (in INR)	Nil	Nil																
	No. of options outstanding at the end of the year	141,983	536,141																
	No. of options exercisable at the end of the year	141,983	102,350																
v	Weighted average exercise price and weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	141,983 @ 311.30	102,350 @ INR 10/-																
vi	Details of Options granted to Senior Managerial Personnel	-	<table border="1"> <thead> <tr> <th>Name & Designation</th> <th>No. of RSU</th> </tr> </thead> <tbody> <tr> <td>Dr. Om Prakash Manchanda (Managing Director)</td> <td>41,344</td> </tr> <tr> <td>Mr. Bharath U (Chief Executive Officer)</td> <td>12,000</td> </tr> <tr> <td>Mr. Ved Prakash Goel (Group Chief Financial Officer)</td> <td>6,000</td> </tr> <tr> <td>Mr. Shankha Banerjee (CEO-Group/ Associate Companies)</td> <td>5,000</td> </tr> <tr> <td>Mr. Manoj Garg (Chief Human Resource Officer)</td> <td>5,000</td> </tr> <tr> <td>Mr. Munender Soperna (Chief Information Officer)</td> <td>4,500</td> </tr> <tr> <td>Mr. Rajat Kalra (Company Secretary and Legal Head)</td> <td>3,000</td> </tr> </tbody> </table>	Name & Designation	No. of RSU	Dr. Om Prakash Manchanda (Managing Director)	41,344	Mr. Bharath U (Chief Executive Officer)	12,000	Mr. Ved Prakash Goel (Group Chief Financial Officer)	6,000	Mr. Shankha Banerjee (CEO-Group/ Associate Companies)	5,000	Mr. Manoj Garg (Chief Human Resource Officer)	5,000	Mr. Munender Soperna (Chief Information Officer)	4,500	Mr. Rajat Kalra (Company Secretary and Legal Head)	3,000
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Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year	None	None																	
Identified employees who were granted Options 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.	None	None																	

vii	A description of the method	#	The Black-Scholes model- is a formula used to assign prices to option contracts. Black-Scholes is a pricing model used to determine the fair price or theoretical value for a call or a put option based on six variables such as volatility, type of option, underlying stock price, time, strike price, and risk-free rate.
	Significant assumption used during the year to estimate the fair value of options	N.A	<ul style="list-style-type: none"> • Stock Price- considered the NSE Closing price of previous trading day • Annual Volatility- Considered the volatility of traded share price for last one year • Risk Free Rate-Considered Zero Coupon Yield for respective time to maturity • Exercise Price- considered as mentioned in RSU plan • Time to Option Maturity- Calculated basis vesting & exercise period mentioned in plan • Dividend Yield- Considered the same basis historical pattern of company

The valuation cannot proceed solely on the basis of what is known as historical profits or profits of past years. The present valuation exercise would have to proceed on a going concern basis and hence has to lay emphasis on cash generation capacity of the company.

DISCOUNTED CASH FLOWS

In the ultimate analysis, valuation will have to be finalized/arrived at by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield or securities and market sentiment etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. Moreover, this valuation is based on the going concern assumption and thus lends more weightage to projected values.

In the light of the aforesaid, we have used weighted average value derived from DCF and Transaction Multiple methods, as detailed below to derive the Fair Value of shares.

The same has been encapsulated below:

Particulars	Weightage
Book Value Method	0
Discounted Cash Flows	50%
Transaction Multiple Method	50%
Total	100%

D. Details related to Trust**(i) General Information:**

S No.	Particulars	Details
1	Name of the Trust	Dr. Lal PathLabs Employee Welfare Trust
2	Details of the Trustee(s)	Mr. Munender Soperna Dr. Reena Nakra Ms. Shalini Kumar
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	Nil
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 (excluding the Trust Corpus Money of INR 100,000)
6	Any other contribution made to the Trust during the year	Nil

(ii) Brief Particulars of transactions in shares by the Trust:

S No.	Particulars	Details
1	Number of shares held at the beginning of the year	721,036
2	Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	Nil
3	Number of shares transferred to the employees / sold along with the purpose thereof*	138,072
4	Number of shares held at the end of the year	582,964

(* The said shares were transferred, during the year, to eligible employees in compliance of the Restricted Stock Options Scheme 2016 of the Company except 200 shares from this has been transferred from DMAT in next financial year.

iii. There was no Secondary Acquisition of shares by the Trust during the Financial Year 2021-22.