VLCC HEALTH CARE LIMITED

Registered Office
M-14, Greater Kailash +II, commercial complex,
New Delhi-110148

# NOTICE

Notice is hereby given that an Extra-Ordinary General Meeting of shareholders of VLCC Health Care Limited will be held on Saturday, 1st April, 2023 at 3:00 pm (IST) at its Corporate Office at 64, HSIIDC Sector-18, Maruti Industrial Area, Gurgaon-122015, Haryana, to transact the following business:

## SPECIAL BUSINESS

(1) GRANT OF STOCK OPTIONS TO THE EMPLOYEES OF THE COMPANY UNDER 'VLCC HEALTH CARE LIMITED EMPLOYEES STOCK OPTION PLAN 2023'

To consider and, if thought fit, to pass with or without modification(s), the following as Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules thereunder including any statutory modification(s) or re-enactment thereof, to the extent applicable, the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions, as may be necessary, consent of the members of the Company be and is hereby accorded to the implementation of 'VLCC Health Care Limited Employees Stock Option Plan 2023' ("VLCC - ESOP 2023" or "Plan"), the salient features of which are detailed in the Explanatory Statement to this Notice, and authorise the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee to exercise its powers, including the powers, conferred by this resolution), to offer, grant and issue from time to time, in one or more tranches, up to 25,31,667 (Twenty Five Lacs Thirty One Thousand Six Hundred and Sixty Seven only ) employee stock options convertible into equity shares of the Company in the ratio of 1 equity share for every 1 stock option of the face value of Rs. 10/- each fully paid-up, ranking *pari passu* with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend, to or for the benefit of (i) such person(s) who are permanent employees of the Company, whether working in India or outside India, (ii) directors of the Company, whether whole-time or not but excluding independent director(s) (excluding (i) an employee who is a promoter or a person belonging to the promoter group and (ii) director(s) who either himself or through his relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company), under the Plan, at such price or prices, and on such terms and conditions as may be decided by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, split, change in capital structure of the Company and others, if any additional stock options of the Company are to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares and the price of acquisition payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten only) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot equity shares to the Employees upon exercise of stock options from time to time in accordance with the Plan and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** subject to the extent allowed under the Applicable Laws, the Board be and is hereby authorized to delegate such powers to the Nomination and Remuneration Committee of the Board to formulate, vary, modify, alter, revise or amend the necessary terms and conditions of the Plan to administer, implement and superintend the Plan, to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of the Company, with a power to further delegate to any executives / officers of the Company thereof, to do required acts, deeds, matters and things as may be deemed necessary or expedient in the regard."

2. APPROVAL FOR EXTENSION OF 'VLCC HEALTH CARE LIMITED EMPLOYEES STOCK OPTION PLAN 2023' TO EMPLOYEES OF HOLDING / SUBSIDIARY COMPANY(IES)

To consider, and if thought fit, to pass, with or without modifications, the following resolutions as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules thereunder including any statutory modification(s) or re-enactment thereof, to the extent applicable, the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions, as may be necessary, consent of the members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration Committee to exercise its powers, including the powers, conferred by this resolution) to extend the benefits of the 'VLCC Health Care Limited Employees Stock Option Plan 2023' ("VLCC - ESOP 2023" or "Plan") referred to in Resolution No. 1 above to offer, grant and issue, from time to time, in one or more tranches up to 25,31,667 (Twenty Five Lacs Thirty One Thousand Six Hundred and Sixty Seven only ) employee stock options convertible into equity shares of the Company in the ratio of 1 equity share for every

1 stock option of the face value of Rs. 10/- each fully paid-up ranking *pari passu* with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend, to or for the benefit of (i) such person(s) who are permanent employees of the Holding / Subsidiary Companies (whether incorporated in India or outside India) of the Company, whether working in India or outside India, (ii) directors of any Holding / Subsidiary Companies of the Company, whether whole-time or not but excluding independent director(s) (excluding (i) an employee who is a promoter or a person belonging to the promoter group and (ii) director(s) who either himself or through his relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company), under the Plan, at such price or prices, and on such terms and conditions as may be decided by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws.

**RESOLVED FURTHER THAT** subject to the extent allowed under the Applicable Laws, the Board be and is hereby authorized to delegate such powers to the Nomination and Remuneration Committee of the Board to formulate, vary, modify, alter, revise or amend the necessary terms and conditions of the Plan to administer, implement and superintend the Plan, to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of the Company, with a power to further delegate to any executives / officers of the Company thereof, to do required acts, deeds, matters and things as may be deemed necessary or expedient in the regard."

3 APPROVAL FOR GRANT OF 7,53,085 (SEVEN LACS FIFTY-THREE THOUSAND EIGHTY-FIVE ONLY) OPTIONS TO MR. VIKAS GUPTAUNDER VLCC ESOP 2023

To consider, and if thought fit, to pass, with or without modifications, the following resolutions as **Special Resolution**:

"RESOLVED THAT in partial modification of resolution passed in this regard, pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 12 of The Companies (Share Capital and Debentures) Rules, 2014 (including any other statutory modification(s) or re-enactment(s) thereof for time being in force), and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of Shareholders by way of special resolution be and is hereby accorded to grant 7,63,085 (Seven Lacs Sixty-Three Thousand Eighty-Five) Options to Mr. Vikas Gupta under "VLCC ESOP PLAN 2023" during financial year 2023-24 ."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient, to give effect to this resolution"

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

   A person can act as a Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting right may appoint a single person as proxy and such person shall not act as proxy for any other person or a member.

2. Explanatory statements pursuant to Section 102 (1) of the Companies Act, 2013, (Act) with respect to Special Business as stated under Item No. 1 to be transacted at the meeting is annexed hereto.

3. All the relevant document(s), registers required under the Act referred to in the proposed resolution are available for inspection at the registered office / corporate office of the company during the working hours except on holidays, upto the date of the EGM.

4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the EGM

5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf in the Meeting.

By Order of the Board
For VLCC Health Care Limited

Krishan Kumar
Company Secretary
Membership No. ACS18018
Address: 64, HSIIDC, Sector - 18,
Maruti Industrial Area, Gurgaon, Haryana

Date: 01.04.2023
Place: Gurgaon

EXPLANATORY STATEMENT

Item No. 1 and 2

Your Company believes that equity based compensation plans are an effective tool to reward the talents working with your Company and its Holding / Subsidiary Company(ies) (Present and Future, if any) in India or outside India. It provides an opportunity to employees to share the growth of the Company and its Holding / Subsidiary Company(ies) (Present and Future, if any) in India or outside India and to create long-term wealth in the hands of the employees. With a view to motivate employees seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth, to reward for loyalty, to link interests of employees with shareholders, your Company intends to implement an employee stock option plan namely 'VLCC Health Care Limited Employees Stock Option Plan 2023' ("VLCC - ESOP 2023"/ "Plan") for the employees of the Company and its Holding / Subsidiary Company(ies) (Present and Future, if any) in India or outside India.

Accordingly, the Nomination and Remuneration Committee ("Committee") of the Board vide its Circular Resolution dated 1st April, 2023 and the Board of Directors of the Company at its meeting held on 1st April, 2023 had approved the introduction of VLCC - ESOP 2023, subject to the approval of shareholders.

The Company intends to grant up to 25,31,667 (Twenty Five Lacs Thirty One Thousand Six Hundred and Sixty Seven only )stock options (hereinafter referred to as "Stock Options" or "Options") convertible into equity shares of the Company in the ratio of 1 equity share for every 1 stock option of the face value of Rs. 10/- each fully paid-up, on such terms and conditions as the Board may decide under the Plan in accordance with the Applicable Laws.

In terms of Section 62(1)(b) of the Companies Act, 2013, the Company seeks approval of the Shareholders by way of Special Resolution for implementation of the Plan and grant of stock options thereunder to the employees of the Company and its Holding / Subsidiary Company(ies) as the Board may decide under the Plan in accordance with the Applicable Laws.

Disclosure/main features of VLCC - ESOP 2023 as required under Companies Act 2013 read with Companies (Share Capital and Debentures) Rules 2014 are mentioned below:

a) Total number of Stock Options to be granted

The total number of stock options to be granted under the Plan shall not exceed 25,31,667 (Twenty Five Lacs Thirty One Thousand Six Hundred and Sixty Seven only ) equity shares. Each option when exercised would be converted into one equity share of Rs. 10/- (Rupees Ten Only) each fully paid-up.

In case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, split, change in capital structure of the Company and others, if any additional stock options of the Company are to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

In case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares and the price of acquisition payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten only) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

b) Identification of classes of employees entitled to participate in the Employees Stock Option Scheme

Following classes of employees are entitled to participate in the Plan:

(i) A permanent employee of the Company who has been working in India or outside India; or
(ii) a director of the Company, whether a whole-time director or not, but excluding an independent director; or
(iii) an employee as defined in sub-clauses (i) or (ii), of a subsidiary, in India or outside India, or of a holding company of the Company, but does not include—
    a) an employee who is a promoter or a person belonging to the promoter group; or
    b) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company;

The Employees to whom the Options would be granted and their Eligibility Criteria (including but not limited to performance, merit, grade, conduct and length of service of the Employee) would be determined by the Committee, in its absolute discretion from time to time.

c) The appraisal process for determining the eligibility of the Employees for the Plan

The Employees to whom the Options would be granted and their Eligibility Criteria (including but not limited to performance, merit, grade, conduct and length of service of the Employee) would be determined by the Committee, in its absolute discretion from time to time.

d) Requirements of vesting and period of vesting

The Options granted to any Employee shall vest in the manner as set forth in the Grant letter which shall be a period of 5 years from the date of grant or such other period or terms and conditions as determined by the Board / NRC and mentioned in the Grant Letter. There shall be a minimum period of one year between the Grant of Options and Vesting of Options.

The vesting of Options may be time linked and / or performance linked and / or conditional upon criteria / events determined by the Board / NRC which may include but shall not be limited to terms of Employment Agreement, Tenure of Employment, Individual Performance, Company Performance (Revenue, EBIDTA, Cash Flow, Valuations etc.), exit by existing investor / shareholders of the Company or any other specified events / parameters as may be prescribed in the Grant Letter. The specific Vesting schedule and conditions, if any, subject to which Vesting would take place would be outlined in the Letter of Grant given to the Grantee at the time of the Grant of Options.

e) Maximum period within which the Stock Options shall be vested

The Options granted to any Employee shall vest in the manner as set forth in the Grant letter which shall be a period of 5 years from the date of grant or such other period or terms and conditions as determined by the Board / NRC and mentioned in the Grant Letter.

f) Exercise price

The exercise price for the purpose of grant of Options shall be the price payable by an Employee in order to Exercise the Vested Options as may be stipulated by the Committee in the Grant Letter subject to price being not less than the face value of equity shares.

g) Exercise period and the process of exercise

The Options can be Exercised within a period of 5 years from the date of vesting or such other period as may be decided by the Board / Committee at its sole discretion from time to time and mentioned in the Grant Letter. The Vested Options can be exercised all at one time or at various points of time within the Exercise Period. The stock options can be exercised by the Employees by submitting an Exercise Letter as prescribed by the Committee, to the Company.

The Options will lapse if not exercised within the specified exercise period.

h) Period of lock-in

The Shares allotted upon exercise of stock options under the Plan are not subject to any lock in period.

i) Maximum number of stock options to be issued per Employee and in aggregate under the Plan

The maximum number of options granted per Employee will be determined by the Committee on a case to case basis and the aggregate number of Options that may be granted to an identified Employees under the Plan shall be less than 1% of the issued capital of the Company in any one year at the time of Grant, unless a separate specific approval from shareholders of the Company through Special Resolution is obtained.

The maximum number of stock options, in aggregate, that may be granted pursuant to this Plan shall not exceed 25,31,667 (Twenty-Five Lacs Thirty-One Thousand Six Hundred and Sixty-Seven only) Equity Shares.

j) Method of valuation of stock option by the Company

The Company shall use the Fair Value Method or such Valuation Method for valuation of the stock options as per applicable Accounting Policies and Accounting Standard subject to the applicable laws.

k) The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct

(i) If an Employee's employment with the Company terminates due to any willful, gross negligent, misconduct or fraud or Cause as per the terms of the Plan, then the Options, to the extent not previously exercised (whether vested or otherwise), will lapse on the date of such termination of employment.

(ii) In all other cases, vested stock options shall lapse if not exercised within the Exercise Period subject to the terms of Grant Letter and the Plan.

l) **The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee**

(i) If an Employee's employment with the Company terminates due to voluntary resignation on the part of the Employee, then the Options not vested as on the date of termination shall lapse forthwith. The vested Options shall be exercised within a period 6 months from date of resignation unless otherwise mentioned in the terms of Grant Letter or such vested Options can be exercised by an Employee at the discretion of Board / NRC within such period as determined by the Board / NRC. If an Employee's employment with the Company terminates due to completion of his contract or retirement or superannuation as per the policy of the Company, then Vested Options shall be exercised within 6 months of completion of his contract or retirement or superannuation and unvested Options will lapse forthwith or will vest either partially or fully at the discretion of Board / NRC which shall be exercised within such period as determined by the Board / NRC.

(ii) In the event of termination of employment for any other reason / event other than those mentioned above, the vested Options, if any, will lapse forthwith unless otherwise mentioned in the terms of Grant Letter or such vested Options can be exercised by an Employee at the discretion of Board / NRC within such period as determined by the Board / NRC. All unvested Options will lapse forthwith; or will vest either fully or partially as per the terms mentioned in Grant Letter or at the discretion of Board / NRC, which can be exercised within such period as mentioned in the Grant Letter or determined by the Board / NRC.

m) **A statement to the effect that the Company shall conform to the accounting policies**

The Company shall comply with the requirements including the disclosure requirements of the Accounting Standards as prescribed under Section 133 of the Companies Act 2013 including 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Indian Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time or under the Applicable Laws.

Pursuant to the provisions of Sections 62(1)(b) of the Companies Act, the implementation of the Plan, the grant of stock options to Employees of the Company and its Holding / Subsidiary Company(ies) require Special Resolution of the Members, which are proposed at Item Nos.1 and 2 of this Notice respectively.

Draft copy of the Plan is available for inspection at the Company's Registered Office during official hours on all working days.

None of the Directors, key managerial personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in these resolutions, except to the extent of their respective shareholding, if any, in the Company and number of options which may be granted to them, if any, pursuant to implementation of the Plan.

The Board recommends the Special Resolutions set out in item Nos. 1 and 2 of this Notice for approval of shareholders.

Item No. 3

In terms of Employment Agreement dated 1st April, 2023 executed between the Company and Mr. Vikas Gupta for his appointment as Group Chief Executive Officer with effect from 3rd April, 2023, Mr. Vikas Gupta is entitled to employee's stock options in accordance with employee stock option plan adopted by the Board from time to time.

Pursuant to above, on the recommendation of Nomination and Remuneration Committee, Board of Directors of the Company in its meeting held on 1st April, 2023 has recommended the granting of 7,63,085 (Seven Lacs Sixty-Three Thousand Eighty-Five) Options to Mr. Vikas Gupta on the basis of parameters covered under VLCC ESOP-2023, subject to the approval of shareholders.

None of the Directors, key managerial personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in these resolutions, except to the extent of their respective shareholding, if any, in the Company and number of options which may be granted to them, if any, pursuant to implementation of the Plan.

The Board recommends the Special Resolution set out in item Nos. 3 of this Notice for approval of shareholders.