

2	Details related to SAR	Scheme X	Scheme XI	Scheme XII	Scheme XIII
	Description of each Stock Appreciation Right (SAR) scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including:				
	Date of shareholders' approval	Approved by NRC on December 1, 2019*	Approved by NRC on December 4, 2020*	Approved by NRC on December 8, 2021*	Approved by NRC on December 7, 2022*
		*The Merck Employee Stock Appreciation Rights Plan 2019 ("STAR Plan") was initially approved by the Board of Directors of the Company at its meeting held on January 23, 2019 and subsequently the modified STAR Plan was approved by the Board of Directors at its meeting held on June 21, 2019 and the same was recommended to the shareholders. The STAR Plan was then approved by the Shareholders at their meeting held on August 8, 2019, in order to align the STAR Plan with the requirements of Article 16.01 (Share Based Employee Benefits) Regulations, 2014. NRC has, from time to time, notified STAR schemes under the STAR Plan as authorized under the aforementioned resolutions.			
	Total number of shares approved under the SAR scheme	The secondary acquisitions by the Trust shall not be more than: (1) 5% of the paid up equity share capital of the Company as at the end of the financial year, immediately preceding the year in which approval of the shareholder was obtained for such secondary acquisitions; (2) 5% in financial year of the paid up equity share capital as at the end of the previous financial year; and (3) 0.5% of the paid up equity share capital of the Company for each participant, during a financial year.			
	Vesting requirements	As determined by NRC in the respective Schemes notified under the Plan.			
	SAR price or pricing formula	Average of Closing Market Price for a period of 30 Working Days (of the Stock Exchange) immediately preceding the Grant date.			
	Maximum term of SAR granted	Period not exceeding 5 years from the Grant Date.			
	Method of settlement (whether in cash or equity)	Method of settlement is Cash settlement.			
	Choice of settlement (with the company or the transferee or transferees)	Choice vests with the Company.			
	Source of shares (Primary, secondary or combination)	Source of acquisition is Secondary.			
	Variation in terms of scheme	None.			
	Method used to account for SAR - intrinsic or fair value	Fair Value.			
	Where the company opts for expensing of SAR using the intrinsic value of SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if that cost had fair value of SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable. As per IND AS requirement, the Company has to use fair value method.			

3	SAR movement during the year (For each SAR scheme)	STAR X			STAR XI			STAR XII			STAR XIII
	Particulars	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III	
	Number of SARs outstanding at the beginning of the year	1,84,350	39,740	6,530	4,35,810	66,952	49,395	5,93,344	3,400	-	-
	Number of SARs granted during the year	-	-	-	-	-	-	-	19,945	28,024	4,73,569
	Number of SARs forfeited / lapsed during the year	3,990	17,260	-	89,430	5,664	44,353	1,05,959	3,804	-	14,530
	Number of SARs vested during the year	2,05,400	24,480	6,530	-	-	-	-	-	-	-
	Number of SARs unexercised/forfeited during the year	2,05,400	24,480	6,530	-	-	-	-	-	-	-
	Number of SARs outstanding at the end of the year	-	-	-	3,49,210	61,688	9,112	4,99,375	19,241	28,024	3,08,999
	Number of SARs exercisable at the end of the year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Employee-wise details of employees (name of employee, number of SAR granted during the year, exercise price) of SAR granted to:	Details with respect to the grants made to the senior management personnel and employees (1. If any, who were granted SARs amounting to 5% or more of SARs granted during the year, shall be made available to the Members based on a request received by the Company or governance@merck.com . Employees of the Company who were granted SARs during the year equal to or exceeding 1% of Issued Capital of the Company.									
	(a) senior management personnel;										
	(b) any other employee who receives a grant in any one year of SAR amounting to 5% or more of SAR granted during that year end										
	(c) identified employees who were granted SARs during any one year, equal to or exceeding 0.5% of the issued capital (including outstanding warrants and conversions) of the company at the time of grant.										
	Disclosures in respect of grants made in three years prior to IPO under each SAR scheme and all SARs granted in the three years prior to the IPO have been exercised or have lapsed, disclosure of the information specified above in respect of each SARs shall also be made.	N/A.									

E		
Details related to Trust		
The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:		
Particulars		
Details - FY21		Details - FY22
I. General Information		
1	Name of the Trust	Wellfare of Merckians Trust
2	Details of the Trustee(s)	DBS Trusteeship Services Limited
3	Amount of loan disbursed by company / any company in the group, during the year	9,58,00,000
4	Amount of loan outstanding (payable to company / any company in the group) as at the end of the year	50,12,84,000
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
6	Any other contribution made to the Trust during the year	Nil
II. Brief details of transactions in the shares by the Trust		
1	Number of shares held at the beginning of the year	14,49,547
2	Number of shares acquired during the year:	1,79,952
	(i) through primary issuance	-
	(ii) through secondary acquisition	1,79,952
3	Acquisition as a percentage of paid up equity capital as at the end of the previous financial year.	0.41%
4	Weighted average cost of acquisition per share	505.68
5	Number of shares sold/vested to the employees	3,33,770
6	Purpose of shares sold	Vesting of STAR Scheme X
7	Number of shares held at the end of the year.	15,56,834
III. In case of secondary acquisition of shares by the Trust		
Number of shares		
1	Held at the beginning of the year	14,49,547
2	Acquired during the year	1,79,952
3	Sold during the year	3,33,770
4	Transferred to the employees during the year (Number of shares vested)	3,33,770
5	Held at the end of the year	15,56,834

Date: May 3, 2023