

TVS MOTOR COMPANY LIMITED

Disclosures pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ("SEBI SBEB Regulations") as on 31st March 2025

DISCLOSURES ON EMPLOYEE STOCK OPTION SCHEME FOR THE YEAR ENDED MARCH 31, 2025:

Name of the Scheme: TVS Motor Company Employee Stock Option Plan ("TVSM ESOP Plan or ESOP Plan").

Pursuant to the decision of the shareholders, by way of Postal Ballot on May 10, 2024, the Company has established an TVS Motor Company Employee Stock Option Plan ("TVSM ESOP Plan or ESOP Plan") to be administered by the Nomination and Remuneration Committee of the Board of Directors.

The ESOP Plan involves only secondary acquisitions of shares of the Company from the recognised stock exchange for cash consideration by TVSM Employees Stock Option Trust ("Trust"). No fresh shares shall be issued by the Company either to the Trust or to the grantee under the ESOP Plan. The Trust may acquire for the purpose of implementation of the Scheme, in one or more tranches, such number of shares of the Company from the secondary market, not exceeding 0.25% (zero point two-five percent) of the paid-up equity share capital of the Company as at 31st December 2023.

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021

- A.** For disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time, please refer note 24 of the notes to standalone financial statements and note 28 of the notes to consolidated financial statements of the Company for the financial year ended 31st March 2025.
- B.** For disclosures in terms of 'Indian Accounting Standard (IND AS) 33 – Earning per share' (Erstwhile 'Accounting Standard 20 - Earnings Per Share') issued by Central Government or any other relevant accounting standards as issued from time to time, please refer note 36 of the notes to standalone financial statements and note 42 of the notes to consolidated financial statements of the Company for the financial year ended 31st March 2025..

C. Details related to TVSM ESOP Plan:

S.No	Nature of Disclosure	Particulars
i.	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including	TVS Motor Employee Stock Option Plan
a)	Date of shareholders' approval	10 th May 2024

S.No	Nature of Disclosure	Particulars
b)	Total number of options approved under ESOS	The total number of options approved under the ESOP Plan is 11,87,717 (eleven lakh eighty seven thousand seven hundred and seventeen only) options may be offered and granted under the Plan, which on exercise would entitle not more than 11,87,717 (eleven lakh eighty seven thousand seven hundred and seventeen only) equity shares of Re 1 (rupee one only) each of the Company (approximately 0.25% (zero point two five percent) of the paid-up equity share capital as on 31 st December 2023), which may be adjusted for any corporate action(s) in terms of the Plan.
c)	Vesting requirements	The options granted under the TVSM ESOP Plan shall have minimum vesting period of one year or such other time period as the Nomination and Remuneration Committee (" NRC ") may in its sole discretion determine from time to time.
d)	Exercise price or pricing formula	The exercise price for stock options is Rs. 1,183 (Rupees one thousand one hundred and eighty three only) per option, i.e. 50% of the closing price (Rs. 2,366/-) on 4 th July 2024.
e)	Maximum term of options granted	The Plan shall continue to be in force until (i) all the Options available for issuance under the Plan have been Granted and Exercised, or have lapsed or otherwise cancelled, and the NRC does not intend to re-issue the lapsed Options; or (ii) the NRC in its absolute discretion decides to terminate the Plan, whichever is earlier ("Closing Date"). Options under the Plan can be Granted till the Closing Date and all Options Granted till this date shall remain live till they are Vested, lapsed, Exercised or otherwise cancelled in accordance with the provisions of the ESOP Plan.
f)	Source of shares (primary, secondary or combination)	Secondary
g)	Variation in terms of options	Not Applicable
ii.	Method used to account for ESOS - Intrinsic or fair value	The Company uses Fair Value Method of accounting for the stock options granted, in

S.No	Nature of Disclosure	Particulars
		accordance with the accounting standard on share-based payments including any changes that may be prescribed from time to time.
iii.	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Not Applicable
iv.	Option movement during the year (For each ESOS)	
	Number of options outstanding at the beginning of the period	Nil
	Number of options granted during the year	3,51,000
	Number of options forfeited/lapsed during the year	Nil
	Number of options vested during the year	Nil
	Number of options exercised during the year	Nil
	Number of shares arising as a result of exercise of options	Nil
	Money realized by exercise of options, if scheme is implemented directly by the Company	Nil
	Loan repaid by the Trust during the year from exercise price received	Nil
	Number of options outstanding at the end of the year	3,51,000
	Number of options exercisable at the end of the year	Nil
v.	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Rs. 1,263.66
vi.	Employee wise details (name of employee, designation, number of	

S.No	Nature of Disclosure	Particulars
	options granted during the year, exercise price) of options granted to:	
	Name, Designation and No of options granted:	
(i)	Senior Management Personnel: Mr K N Radhakrishnan, Director & CEO – 2,04,000 options, Mr K Gopala Desikan, Group CFO – 57,000 options, Mr Sharad Mohan Mishra, President – Group Strategy – 41,000 options, Mr R Anandakrishnan, Group Head - ERM, HR & IT – 24,500 options, Mr Manu Saxena, Global Head –Product Planning & Design – 24,500 options.	
(ii)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	All the above employees are receiving grants more than 5% of options granted during the year.
(iii)	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
vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information	
a)	Significant assumptions:	
	Weighted average Share price	Rs. 1,263.66
	Exercise price -	Rs. 1,183
	Expected volatility -	24.66%
	Expected option life -	1.12
	Dividend yield -	0.39%
	Risk free interest rate % -	7.04%
b)	The method used and the assumptions made to incorporate the effects of expected early exercise:	Black-Scholes-Merton formula. There is no early exercise of option available in the Plan.
c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility: and	The expected volatility has been calculated based on historical Company share price.
d)	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition:	Not applicable.
4.	Disclosures in respect of grants made in three years prior to IPO under each ESOS (Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made)	Not Applicable

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:

i. General information on schemes

S.No	Particulars	Details
1.	Name of the Trust	TVSM Employees Stock Option Trust
2.	Details of the Trustee(s)	Mr V Sathyanarayanan Mr Sameer Sah
3.	Amount of loan disbursed by company/any company in the group, during the year	Rs. 95.35 crores
4.	Amount of loan outstanding (repayable to company/any company in the group) as at the end of the year	Rs. 95.35 crores
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 shares by the Trust

S.No	Particulars	Details
a.	Number of shares held at the beginning of the year	-
b.	Number of shares transferred to the employees/ sold along with the purpose thereof	-
c.	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.	3,51,000 shares acquired from secondary market
d.	Number of shares held at the end of the year = (a-b+c)	3,51,000

iii. In case of secondary acquisition of shares by the Trust

Number of Shares	As a percentage of paid-up equity share capital at the end of the year (i.e. 31st March 2025) immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	-
Acquired during the year	3,51,000 (0.07%)
Sold during the year	-
Transferred to the employees during the year	-
Held at the end of the year	3,51,000 (0.07%)