

DISCLOSURES AS REQUIRED UNDER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021
("SEBI (SBEB) Regulations 2021")

As on 31st March 2026, the Company has implemented TVSSCS Management Incentive Plan I, 2018 ("**MIP I**"), TVS SCS Management Incentive Plan II, 2018 ("**MIP II**") and TVS Supply Chain Solutions Employee Stock Option Plan, 2021 ("**ESOP 21**"). The Disclosure as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are summarized below;

a) The position of the existing scheme: -

S.No	Particulars	Details of each ESOPs Implemented by the company		
		MIP I	MIP II	ESOP 21
1.	Brief Description	Pursuant to the terms of the MIP I Scheme, up to a maximum of 1,26,85,450 options can be granted to eligible employees of the Company. The exercise price is INR 95 per option conforming to the accounting policies specified in Regulation 15 of (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.	Pursuant to the terms of the MIP II Scheme, up to a maximum of 51,45,000 options can be granted to eligible employees of the Company. The exercise price is INR 95 per option conforming to the accounting policies specified in Regulation 15 of (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.	Pursuant to the terms of the MIP I Scheme, up to a maximum of 36,00,000 options can be granted to eligible employees of the Company. The exercise price is INR 95 per option conforming to the accounting policies specified in Regulation 15 of (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

2.	Date of Shareholders' Approval	March 1, 2018, November 19, 2018, March 24, 2021, January 31, 2022, April 12, 2023 and November 24, 2023 (Ratification through postal ballot post IPO).	March 1, 2018, November 19, 2018, March 24, 2021, January 31, 2022, August 12, 2022, December 6, 2022, January 17, 2023, April 12, 2023 and November 24, 2023 (Ratification through postal ballot post IPO).	March 25, 2022, April 12, 2023 and and November 24, 2023 (Ratification through postal ballot post IPO)
3.	Total Number of Shares approved	1,26,85,450	51,45,000	36,00,000
4.	Vesting requirement	The options shall vest not less than one year from the date of grant or such other period as	The vesting of the Options shall be subject to such conditions as may be prescribed under MIP II.	The vesting of the Options shall be subject to such conditions as may be prescribed under ESOP 21.

		may be decided by the Nomination and Remuneration Committee from time to time. The vesting of the options shall be subject to such conditions as may be prescribed under MIP I.	The options shall vest not less than one year from the date of grant.	All the options granted on any date shall vest not earlier than the minimum vesting period of 1 (one) year and not later than 4 (four) years from the grant date or such other conditions as may be decided by the Nomination and Remuneration Committee from time to time.
5.	Exercise price or pricing formula	INR 95	INR 95	INR 1
6.	Maximum term of options granted	Valid till termination by the Nomination and Remuneration Committee (NRC) or options available under the Scheme are granted and has been exercised	Valid till termination by the Nomination and Remuneration Committee (NRC) or options available under the Scheme are granted and has been exercised	Ten years from the date of approval of shareholders.
7.	Source of shares	Primary	Primary	Primary
8.	Variation in terms of options	Extension of exercise period to March 31, 2028 by NRC based on authorisation of Shareholders.	Extension of exercise period to March 31, 2028 by NRC based on authorisation of Shareholders.	None
9.	Method used to account for ESOP	Fair value method	Fair value method	Fair value method

10.	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 recognized 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.	The Company has calculated the employee compensation cost using the fair value of the stock (not on intrinsic value). Hence no impact on the profits of the Company.	The Company has calculated the employee compensation cost using the fair value of the stock (not on intrinsic value). Hence no impact on the profits of the Company.	The Company has calculated the employee compensation cost using the fair value of the stock (not on intrinsic value). Hence no impact on the profits of the Company.
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a) Option movement during the year -

S. No	Particulars	Details of each ESOPs Implemented by the company		
		MIP I	MIP II	ESOP 21
1.	Number of options outstanding at the beginning of the year	3,128,231	2,041,034	175,000

2.	Number of options granted during the year	-	-	200,000
3.	Number options forfeited/lapsed during the year	977,490	321,430	-
4.	Number of options vested during the year	-	-	-
5.	Number of options exercised during the year	-	10,530	-
6.	Number of shares arising as a result of exercise of options	-	10,530	-
7.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	INR 1,000,350	-
8.	Loan repaid by the Trust during the year from exercise price received	-	-	-
9.	Number of options outstanding at the end of the year	2,150,741	1,709,074	375,000
10.	Number of options exercisable at the end of the year	2,150,741	1,709,074	43,750

b) Weighted-average exercise prices and weighted-average fair values of options

S. No	Particulars	Details of each ESOPs Implemented by the company		
		MIP I	MIP II	ESOP 21
1.	Weighted-average exercise prices	95.00	95.00	1.00
2.	Weighted-average fair values of options granted during the year	No Options granted during the year	No Options granted during the year	123.05

c) Employee wise details

S.NO	Name of the Employee	Designation	Number of options granted during the year	Exercise price
	None			

d) Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information

S.No	Particulars	MIP I	MIP II	ESOP 21 – Tranche 1	ESOP 21 – Tranche 2
1.	The weighted-average values of share price	There are no options granted during the year. The method and significant assumptions used for the options granted in the prior years are disclosed in the Financial Statements.		INR 121.75	INR 124.99
2.	Exercise price			INR 1.00	INR 1.00
3.	Expected volatility			29.75%	19.61%
4.	Expected option life			3.00 years	3.00 years
5.	Expected dividends			Nil	Nil
6.	The risk-free interest rate			6.40%	6.20%
7.	The method used and the assumptions made to incorporate the effects of expected early exercise			According to the “ESOP 2021 plan”, the vested ESOPs can be exercised until 1 year from the respective Vesting Date. Hence, the expected term for ESOPs under each tranche has been considered on the assumption that each ESOP will be exercised mid-period between the expected vesting date and the expiry date.	
8.	Determination of expected volatility, including an explanation of the extent to which expected volatility was based on historical volatility			The measure of volatility used is the annualized standard deviation of the continuous rates of return on the stock over a period. Since the company was listed in Aug’23, the volatility has been considered based on comparable companies as on Valuation Date for a period matching the expected term.	
9.	whether and how any other features of the options granted were incorporated			As on the date of grant of ESOPs, since the shares of the company were already listed on the stock exchanges with a market capitalization of beyond INR 8,500 Crores (Target market cap as per “ESOP 2021	

	into the measurement of fair value, such as a market condition		plan”), only the time-based vesting condition has been considered for the purpose of valuation. Accordingly, the Black Scholes Model has been used to fair value ESOPs.
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Disclosures in respect of grants made in three years prior to IPO under each ESOS

S. No	Details of Grants	MIP I	MIP II	ESOP 21
	2020-2021	9,60,010	0	0
	2021-2022	17,07,600	46,95,930	0
	2022-2023	0	0	0