

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 as on 31 March 2025

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share - based payments' issued by Institute of Chartered Accountants of India ('ICAI') or any other relevant accounting standards as prescribed from time to time.

The disclosures are provided in Note no. 43 of the Notes to Financial Statements of the Company for the financial year ended 31 March 2025.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Indian Accounting Standard 33 - Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time: ₹ 291.50

C. Details related to Bajaj Auto Employees Stock Option Scheme 2019 (BAL - ESOS 2019)

The BAL - ESOS 2019 has been formulated by the Nomination and Remuneration Committee of the Board with an aim to provide competitive remuneration opportunities to employees of the Company and was approved by the Board at its Meeting held on 30 January 2019 and by the Members of the Company vide Special Resolution through Postal Ballot on 13 March 2019 in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended ('SEBI SBEB Regulations').

During the year under review, the Scheme was amended, *inter alia*, to expand the categories and base of employees who could be eligible for grant of options in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'). The Scheme was also amended to include enabling provisions for vesting & exercise of stock options in case of retirement, transfers/deputation, death/permanent incapacity. The same has been approved by way of the special resolution(s) passed by the shareholders at the Annual General Meeting held on 16 July 2024. The amended Scheme is in compliance with the ESOP Regulations.

I. Details related to BAL - ESOS 2019 are given below:

Sr. No.	Particulars	BAL - ESOS 2019
1.	Date of shareholders' approval	13 March 2019, and 16 July 2024 (amendment to the scheme)
2.	Total number of options approved	50,00,000 options convertible into 50,00,000 equity shares of ₹ 10 each
3.	Vesting Requirement	The vesting period shall commence on the expiry of one year from the date of grant of options or such period as may be decided by the Compensation Committee at the time of each grant of options. The options would vest not earlier than 1 year and up to 10 years from the date of grant of options or such a period as may be decided by the Compensation Committee at the time of each grant of options. The options granted shall vest as: In case of retirement of an employee, vested options to be exercised before the expiry as specified for each grant.

Sr. No.	Particulars	BAL - ESOS 2019
		<p>In case of death of an employee, vested options to be exercised by the nominee of the employee as per Company's records or legal heirs within 18 months from the date of death.</p> <p>In case of permanent incapacity, vested options to be exercised by the employee/nominee within 18 months from the date of disability.</p> <p>In case of transfer/deputation to the holding company or any of subsidiary/associate/group companies all vested options to be exercised before expiry of options.</p>
4.	Exercise price or pricing formula (₹)	The exercise price for the purpose of grant will be the closing market price one day prior to the date of grant, on the stock exchange where highest trading volume of the equity shares of the Company is registered, subject to the condition that the exercise price will not be less than the face value of the share (₹ 10/-) under any circumstances.
5.	Maximum term of options granted (years)	The Exercise period would commence from the date of vesting and will expire on completion of 8 years from the date of vesting of options, or such period as may be decided by the Compensation Committee at its sole discretion from time to time.
6.	Source of shares	Primary and/or Secondary issuance
7.	Variation in terms of ESOP	Nil
II.	Method used to account for ESOS: Fair Value Method	
III.	Where the company opts for expensing of the options using the intrinsic value of the options, difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options & the impact of this difference on profits and on EPS of the Company:	
	Not Applicable as fair value has been accounted	
IV.	Details of Options (Option Movement during the year):	
Sr. No.	Name	Details
i.	Number of options outstanding at the beginning of the period	1,153,489
ii.	Number of options granted during the year	312,128
iii.	Number of options cancelled during the year	25,783
iv.	Number of options forfeited/lapsed during the year	—
v.	Number of options vested during the year	174,453
vi.	Number of options exercised during the year	211,853
vii.	Number of shares arising as a result of exercise of options	211,853
viii.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	—
ix.	Loan by BAL to ESOP trust for acquiring shares from the primary market during the year	23.34 crore
x.	Loan repaid by the trust during the year from exercise price received	74.35 crore
xi.	Number of options outstanding at the end of the year	1,227,981
xii.	Number of options exercisable at the end of the year	321,501

V. Weighted-average exercise prices and weighted-average fair values of options whose exercise price equals or exceeds or is less than the market price of the stock:

1. Weighted average exercise price of options granted during the year whose	
(a) Exercise price equals market price	8,919.15
(b) Exercise price is greater than market price	Nil
(c) Exercise price is less than market price	Nil
2. Weighted average fair value of options granted during the year whose	
(a) Exercise price equals market price	3,029.51
(b) Exercise price is greater than market price	Nil
(c) Exercise price is less than market price	Nil

VI. Employee-wise details of options granted during FY2025:

(i) Senior managerial personnel			
Sr. No.	Name	No. of options granted	Grant Price (In ₹)
1	Pradeep Shrivastava	10,940	8,919.15
2	Rakesh Sharma	10,940	
3	Abraham Joseph	10,940	
4	S Ravikumar	4,780	
5	Dinesh Thapar	7,700	
6	Ravi Kyran Ramasamy	7,680	
(ii) Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year			
Sr. No.	Name	No. of options granted	Grant Price (In ₹)
—	—	—	—
(iii) Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.			
Sr. No.	Name	No. of options granted	Grant Price (In ₹)
—	—	—	—

VII. a) A description of the method and significant assumptions used during the year to estimate the fair value of options granted during FY2025:

The fair value has been calculated using the Black Scholes Option Pricing model.
 The assumptions used in the model are as follows:

Sr. No.	Date of grant (18 April 2024)	Particulars
1.	Risk Free Interest Rate	7.08%
2.	Expected Life	3.5 - 6.51 years
3.	Expected Volatility	26%
4.	Dividend Yield	0.90%
5.	Price of the underlying share in market at the time of the option grant (₹)	8,919.15

Assumptions:

Stock price: Closing price on National Stock Exchange on the date of grant has been considered.

Volatility: Volatility is the measure of the amount by which price has fluctuated or is expected to fluctuate during the period. The measure of volatility used, in Black Scholes Option Pricing models the annualised standard deviation of the continuously compounded rates of return on the stock over period of time. For calculating volatility, the daily volatility of stock prices on NSE, over a period prior to the grant date, corresponding with the expected life of the options has been considered.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise price: Exercise price of each specific grant has been considered.

Time to maturity: The Company has estimated the expected life of the options on the basis of average of minimum and maximum life of the options. Historical data is not considered in expected life calculations.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

b) The method used and the assumptions made to incorporate the effects of expected early exercise: NA

c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility: The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on expected life of the options.

d) Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition: NA

VIII. Significant assumptions used to estimate the fair value of options:

Grant date	Risk free interest rate (%)	Expected life	Expected volatility (%)	Dividend yield (%)	Price of the underlying share in market at the time of the option grant (₹)
17 May 2019	6.88 - 7.26	3.51 - 6.51 years	22.18 - 23.79	2.04	2,942.65
29 April 2021	5.18 - 6.08	3.51 - 6.51 years	29.35 - 26.65	2.06	3,889.75
27 April 2022	6.15 - 6.82	3.51 - 6.51 years	26.03 - 28.79	3.60	3,892.10
25 April 2023	6.87 - 7.00	3.51 - 6.51 years	25.93 - 28.37	3.22	4,332.10
18 April 2024	7.06 - 7.08	3.50 - 6.51 years	23.79 - 26.42	0.90	8,919.15

IX. Movement of stock options during the year:

Particulars	No. of Options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	1,153,489	2,942.65 - 4,332.10	3,556.55	5.65
Granted during the year	312,128	2,942.65 - 4,332.10	8,919.15	6.55
Cancelled during the year	25,783	2,942.65 - 4,332.10	5,438.11	NA
Expired during the year	0	NA	NA	NA
Number of options vested during the year	174,453	0	0	NA
Exercised during the year	211,853	2,942.65 - 3,892.10	3,771.27	NA
Outstanding at the end of the year	1,227,981	2,942.65 - 4,332.10	4,042.06	4.96
Exercisable at the end of the year	321,501	2,942.65 - 3,892.10	3,556.55	3.48

X. Employee stock option plan (Cumulative Position):

Grant Date	Exercise price (₹)	Options granted	Options vested and pending exercise	Options unvested	Options exercised	Options cancelled/lapsed	Options outstanding
17 May 2019	2,942.65	287,636	46,462	—	2,21,535	19,639	46,462
29 April 2021	3,889.75	277,116	90,100*	60,942	97,344	28,648	1,51,124
27 April 2022	3,892.10	447,692	1,05,316	204,868	1,05,874	31,634	3,10,184
25 April 2023	4,332.10	475,268	79,623*	336,114	37,006	22,395	4,15,867
18 April 2024	8,919.15	312,128	—	304,344	—	7,784	3,04,344
Total		1,799,840	321,501	906,268	461,759	110,100	1,227,981

*Excludes 212 options exercised but pending allotment as detailed below:

- 82 options from the grant date 29 April 2021 and
- 130 options from grant date 25 April 2023

D. Details related to Trust

Details in connection with transactions made by the Trust meant for the purpose of administering the Scheme under the regulations are as follows:

i. General information:

Sr. No.	Particulars	Details
A	Name of the Trust	Bajaj Auto ESOP Trust
B	Details of the Trustee(s)	1. Ravi Kyran Ramasamy 2. Madhavadas Kini 3. Jayesh Shah 4. Pradip Palwe
C	Amount of loan disbursed by Company/any company in the group, during the year	₹ 23.34 crore
D	Amount of loan outstanding (repayable to Company/any company in the group) as at the end of the year	₹ 38.48 crore
E	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
F	Any other contribution made to the Trust during the year	Nil

ii. Brief details of transactions in shares by the Trust:

Sr. No.	Particulars	No. of equity shares
a.	Number of shares held at the beginning of the year	253,242
b.	Number of shares acquired during the year through	–
	i. Primary issuance	77,852
	ii. Secondary acquisition	Nil
c.	Number of shares transferred to the employees along with the purpose thereof – equity shares were transferred to the employees upon exercise of options	211,853
d.	Number of shares held at the end of the year	119,241

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

Number of Shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which the shareholders' approval was obtained
Held at the beginning of the year	–
Acquired during the year	–
Sold during the year	–
Transferred to the employees during the year	–
Held at the end of the year	–