

Demerger of consumer finance & related business undertaking from TVS Motor

On 28th October 2026, the Board of Directors of TVS Motor approved the composite scheme of arrangement involving, *inter-alia*:

- merger of TVS Motor Services Limited (*wholly owned subsidiary of TVS Motor*); and
- demerger of consumer finance and related business from TVS Motor into Harita ARC Limited (*wholly owned subsidiary of TVS Motor*) (“**TVSM WOS**”) on a going concern basis and issue of TVSM WOS shares to the shareholders of TVS Motor (“**Demerger**”); pursuant to provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder (“**Scheme**”).

The proposed Demerger will unlock the value for the shareholders of TVS Motor by creation of an independent company focusing exclusively on consumer finance and related business.

The approved Share Entitlement Ratio for the proposed Demerger is as follows:

For every 1 equity share of INR 1/- each held in TVS Motor, 1 equity share of INR 1/- each of TVSM WOS to be issued to the equity shareholders of TVS Motor

Pursuant to the Scheme, shareholders of TVS Motor will receive equal number of shares in the resulting company as in TVS Motor.

The Scheme does not have any detrimental economic impact on the interests of the existing non-convertible debenture (“**NCD**”) holders of TVS Motor.

The Scheme is subject to receipt of statutory, regulatory and other customary approvals.

JM Financial provided the Fairness Opinion to the Board of Directors of TVS Motor on the Share Entitlement Ratio and impact of Scheme to the existing NCD holders as recommended by the independent valuer.