Director's Report Disclosures

(in Rs)	Year Ended 31st March 2026	Year Ended 31st March 2025
Basic Earnings Per Share	25.98	20.10
Diluted Earnings Per Share	25.97	20.10

The following disclosures needs to be made in the Annexure to the Directors Report as per SEBI Regulations -

Details related to ESOS				
Requirements under the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021				
	Summary of Status of ESOPs Granted			
	The position of the existing schemes is summarized as under -			
Sr. No.	**Particulars**	**KVB_ESOS_2011***	**KVB_ESOS_2018***	**KVB_ESOS_2025**
I.	**Details of the ESOS that existed anytime during the year**			
1	Date of Shareholder's Approval	27th July 2011	24th April 2018	21st August 2025
2	Total Number of Options approved under ESOS	2,00,00,000 (outstanding pool has been adjusted with bonus issue 2025, post adj pool o/s 1,32,32,775)	72,00,000 (outstanding pool has been adjusted with bonus issue 2025, post adj pool o/s 47,36,690)	Instituted with 3,00,00,000 options and adjusted with bonus issue 2025 o/s 3,60,00,000 options
3	Vesting Requirements	The options have a graded vesting schedule. The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is three years from the date of Grant	The options have a graded vesting schedule. The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is three years from the date of Grant	The options have a graded vesting schedule. The first vesting of the stock options shall happen only on completion of one year from the date of grant. Maximum vesting period is three years from the date of Grant

4	ExercisePrice or Pricing formula (₹)	The options will be granted at an Exercise Price which shall not be less than the par value of the equity share of the Bank and shall not be more than Market Price.	The Exercise Price per Option shall be such price as may be determined by the Nomination and Remuneration Committee subject to a maximum of 10% (Ten Percentage) discount from the Market Price of a Share of the Bank as on date of Grant of such Option.	The Exercise Price per Option shall be such price as may be determined by the Nomination and Remuneration Committee based on the Market Price of a Share of the Bank as on date of Grant of such Option.
		"Market Price" means the latest available closing price of Shares on the recognized Stock Exchange on which the Shares of the Bank are listed on the date immediately prior to the meeting of Nomination and Remuneration Committee in which Grant is made.		
5	Maximum term of Options granted (years)	5 years from the date of Grant	5 years from the date of Grant	5 years from the date of Grant
6	Source of shares (Primary, Secondary or combination)	Primary	Primary	Primary
7	Variation in terms of options	Scheme was amended to align with new regulations of SEBI (Share Based Employee Benefits & Sweat equity) Regulations, 2021 as issued by SEBI and no material amendments were carried out		NA

*Under both the schemes total quantum of discount shall not to exceed 2% (Two Percentage) of the Profit Before Tax of Previous year.

**KVB-ESOS-2011 Scheme was approved for 40,00,000 options of face value Rs. 10/-, the Options pursuant to split of Shares to face value of Rs. 2/- each have become 2,00,00,000 options

II.	Method used to account for ESOS
	Effective from April 01, 2021, consequent to the RBI's clarification dated August 30, 2021 on Guidelines on compensation to Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff which advised the banks to fair value share-linked instruments on the date of grant using BlackScholes Model, the Bank has changed its accounting policy from intrinsic value method to fair value method for all employee stock options granted after March 31, 2021. The Fair Value of the stock-based compensation is estimated on the date of grant using BlackScholes model. Grant during November 2020 & outstanding as on date, was made at Market price resulting in nil intrinsic value. For the options granted thereafter the Bank has adopted fair value method, presently there is no requirement for disclosure in director's report.

III.	Option Movement during the year	KVB_ESOS_2011		KVB_ESOS_2018	
Sr. no	**Particulars**	Numbers	Wt. Avg Exercise Price	Numbers	Wt. Avg Exercise Price
1	Number of Options Outstanding at the beginning of the year	2,52,598	38.60	3,42,823	129.71
2	Number of Options Granted during the year	-	-	1,03,541	256.87
	Bonus 2025 Adjustment**	36,530	-	51,967	-
3	Number of Options Forfeited /Lapsed / Cancelled During the year	37,435	32.41	-	-
4	Number of Options Vested during the year	-	-	2,12,061	
5	Number of Options Exercised during the year	2,51,693	33.71	2,32,061	103.26
6	Total number of shares arising as a result of exercise of options	2,51,693	32.41	2,32,061	103.26
7	Money realised by exercise of options (Rs.)	82,32,878	-	2,22,83,067	-
8	Number of options Outstanding at the end of the year	-	-	2,66,270	185.60
9	Number of Options exercisable at the end of the year	-	-	2,66,270	185.60

*During the year under review no options were granted KVB ESOP 2025 scheme.

**Exercise price & outstanding options which are vested unexercised are adjusted in the ratio of bonus issue (i.e., added with 1 bonus share for every 5 shares) and the Exercise price is adjusted to the effect of bonus ratio (i.e., reduced into the effect of 1 bonus share) in line with SEBI (SBEB & SE) Regulations, 2021.

IV.	Weighted average exercise price of Options granted during the year whose	
(a)	Exercise price equals market price	233.62
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	NIL
	Weighted average fair value of options granted during the year whose	
(a)	Exercise price equals market price	55.04
(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 the financial year 2025-26 to:**

(i) **Senior managerial personnel :**

Name of Employees	Designation	Number of Options granted during the year	Exercise price
B Ramesh Babu #	MD & CEO	52,017	247.03
M S Chandrasekaran*	CGM & COO	16,336	205.66
Shekar Ramarajan*	General Manager	18,392	228.33
Nitin Rangasamy*	General Manager	27,097	228.33

#ESOPs are granted for performance period FY 2024-25 as a part of variable pay in terms of compensation structure as approved by Reserve Bank of India.

*ESOPs are granted for performance period FY 2024-25 as a part of variable pay in terms of their compensation structure.

ESOPs have been adjusted to effect the impact of Bonus issue 2025 carried out by the Bank

(ii) **Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year**

Name of Employees	Designation	Number of Options granted during the year	Exercise price
B Ramesh Babu #	MD & CEO	52,017	247.03
M S Chandrasekaran*	CGM & COO	16,336	205.66
Shekar Ramarajan*	General Manager	18,392	228.33
Nitin Rangasamy*	General Manager	27,097	228.33

#ESOPs are granted for performance period FY 2024-25 as a part of variable pay in terms of compensation structure as approved by Reserve Bank of India.

*ESOPs are granted for performance period FY 2024-25 as a part of variable pay in terms of their compensation structure.

ESOPs have been adjusted to effect the impact of Bonus issue 2025 carried out by the Bank

(iii) **Identified employees who were granted option, 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.**

Name of Employees	Designation	Number of Options granted during the year	Exercise price
Nil			

VII.	Method and Assumptions used to estimate the fair value of options granted during the year 2025-26:	
	Date of grant	**KVB_ESOS_2018**
	1. Risk Free Interest Rate	5.56% - 7.11%
	2. Expected Life	1-3 years
	3. Expected Volatility	31.31% - 43.69%
	4. Dividend Yield	1.16% - 1.52%
	5. Price of the underlying share in market at the time of the option grant (Rs.)	(Market price) Options are granted at different dates with market price