DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

SR. NO.	PARTICULARS	CEAT - Employees Stock Option Scheme 2025
1	The Board of Directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is / are in compliance with the regulations.	There has not been any such change in the ESOP plan(s) during the year. The scheme is in compliance with the regulations. Further details are set out in the Board's Report forming part of the Annual Report.
2	Further, the following details, *inter-alia*, shall be disclosed on the company's website and a web-link thereto shall be provided in the report of Board of Directors.	
A	Relevant 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 No. 46 of the Notes to Accounts of Standalone Financial Statement for FY2025-26
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with '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 No. 46 of the Notes to Accounts of Standalone Financial Statement for FY2025-26
3	Description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including -	

(i)	Date of Shareholders' approval	May 11, 2026
(ii)	Total number of options approved under ESOP	108,572
(iii)	Vesting requirements	Any Option granted under the Scheme shall vest not earlier than minimum vesting period of 1 (one) year and vesting shall be staggered over the period of 3 (Three) years from the date of Grant, as per terms and conditions determined by the Committee.
(iv)	Exercise price or pricing formula	The Exercise Price per Option shall be at a discount of 15% (fifteen percent) from the Market Price of the Shares as on the date of Grant. However, the Exercise Price shall not be less than the Face Value of the Shares of the Company. (Market price for this purpose shall mean the closing price of shares on the stock exchange having higher trading volume on the trading day immediately preceding the date of grant by the Committee.)
(v)	Maximum term of options granted	The Exercise Period for Vested Options shall be a maximum of 3 (three) years commencing from the relevant date of Vesting of Options, or such other shorter period as may be prescribed by the Committee at time of Grant. All the Vested Options can be exercised by the Option Grantee at one time or at various points of time within the Exercise Period.
(vi)	Source of shares (primary, secondary or combination)	Secondary
(vii)	Variation in terms of options	NIL
4	Method used to account for ESOP - Intrinsic or fair value	Fair Value
5	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.	Not Applicable
6	Option movement during the year (For each ESOP):	

(i)	Number of options outstanding at the beginning of the period	0
(ii)	Number of options granted during the year	108,572
(iii)	Number of options forfeited / lapsed during the year	11,633
(iv)	Number of options vested during the year	NIL
(v)	Number of options exercised during the year	NIL
(vi)	Number of shares arising as a result of exercise of options	NIL
(vii)	Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL
(viii)	Loan repaid by the Trust during the year from exercise price received	21,89,986.24
(ix)	Number of options outstanding at the end of the year	96,939
(x)	Number of options exercisable at the end of the year	Nil
5	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose	
A	Exercise price is equals to market price	NIL
B	Exercise price is greater than market price	NIL
C	Exercise price is lesser than market price	INR 2,705.38 Please refer Note No. 46 of the Notes to Accounts of Standalone Financial Statement for FY2025-26
6	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	NA All options carry exercise price of INR INR 2,705.38
(i)	Senior Managerial Personnel	

Name	Designation	No. of options granted
Amit Tolani	Chief Executive CEAT Specialty	7,193
Arnab Banerjee	Managing Director & CEO	32,247

Jayasankar Kuruppal	SVP Manufacturing	6,998
Kumar Subbiah	Executive Director – Finance	16,908
Renji Issac	SVP R&D and Technology	6,874
Vishal Pawar	SVP Global Sales	7,192
Lakshmi Narayanan B	Chief Marketing Officer	8,145
Somraj Roy*	Chief Human Resource Officer	11,633

** Options granted has been cancelled subsequent to resignation from the organisation effective 14-1-2026*

(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	NIL
(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
7	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
(i)	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	NIL Please refer Note No. 46 of the Notes to Accounts of Standalone Financial Statement for FY2025-26
(ii)	the method used, and the assumptions made to incorporate the effects of expected early exercise	Not applicable The method used for the Valuation is the Black and Scholes Method. The estimate of the expected life of the option (i.e., the period from the date of grant to the date on which the option is expected to be exercised) has been considered as an input to the pricing method. The estimate on the expected life of the option is based on the historical exercise behavior of the employees.
(iii)	how expected volatility was determined, including an explanation of the extent to which expected volatility	Not applicable Guidance note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India recommends including the historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the option being valued.

	was based on historical volatility	Accordingly, since each vest has been considered as a separate grant, we have considered the volatility for periods, corresponding to the respective expected lives of the different vests, prior to the grant date. We have considered the daily volatility of the Company's stock price on NSE over these years.
(iv)	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 No other feature was considered.
8	Disclosures in respect of grants made in three years prior to IPO under each ESOP	
(i)	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
9	**Details related to Trust**	
i.	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: General information on all schemes	
a.	Name of the Trust	CEAT Employees Welfare Trust
b.	Details of the Trustee(s)	Qapita EquityTech Limited (formerly known as KP Corporate Solutions Limited)
c.	Amount of loan disbursed by company / any company in the group, during the year Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Loan disbursed: INR 39,64,00,000.00 Loan outstanding at the end of the year: 39,42,10,013.76
d.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NA

e.	Any other contribution made to the Trust during the year	NA
ii.	Brief details of transactions in shares by the Trust	
a.	Number of shares held at the beginning of the year;	0
b.	Number of shares acquired during the year through ~~primary issuance~~ secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;	108,572 (0.03%) Weighted Avg cost per share: INR 3627.30
c.	Number of shares transferred to the employees / sold along with the purpose thereof;	0
d.	Number of shares held at the end of the year.	108,572
iii	In case of secondary acquisition of shares by the Trust	

Number of shares	**As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained**
Held at the beginning of the year	0
Acquired during the year	108,572 (0.03%)
Sold during the year	0
Transferred to the employees during the year	0
Held at the end of the year	108,572 (0.03%)

For and on behalf of the Board

H.V. Goenka
Chairman

Place: Mumbai
Dated: April 28, 2026