

April 8, 2021

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Security Code: 500878

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051

Symbol: CEATLTD

NCD symbol: CL23, CL25

Sub: Disclosure under Regulation 30 – Further investment in Tyresnmore Online Private Limited (“Tyresnmore”)

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby inform you that the Company has entered into a Third Addendum Agreement to the existing Share Subscription and Shareholders’ Agreement with Tyresnmore Online Private Limited (associate of the Company) and other parties, for making a future investment of upto Rs. 2,40,00,000 (Rs.Two Crore Forty Lakhs only) in Tyresnmore, on such terms and conditions as prescribed therein to acquire additional 3.47% of the post issue total share capital of Tyresnmore.

Upon completion of the investment, the total holding of CEAT Limited in Tyresnmore on a fully diluted basis would be 44.17%

Details required as per SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are enclosed as an Annexure to this disclosure.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
For **CEAT Limited**


Vallari Gupte
Company Secretary

Encl. A/a

Annexure

<p>Name of the target entity, details in brief such as size, turnover etc</p>	<p>Tyresnmore Online Private Limited is a private company with turnover of Rs. 1135.27 Lakhs as on March 31, 2020.</p> <p>The Company proposes to make further investment of upto Rs. 2,40,00,000 (Indian Rupees Two Crore Forty Lakhs only) in Tyresnmore subject to terms and conditions as prescribed in Third Addendum Agreement to Share Subscription and Shareholders' Agreement (SSHA).</p>
<p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"</p>	<p>The proposed further investment falls under the purview of the transaction with related parties under Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the transaction is at arm's length.</p> <p>Promoter/ promoter group/ group companies of CEAT Limited do not have any interest in Tyresnmore.</p>
<p>Industry to which the entity being acquired belongs</p>	<p>Auto Ancillary (selling of automotive tyres and providing ancillary automotive services)</p>
<p>Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)</p>	<p>Further investment in compulsorily convertible preference shares</p>
<p>Brief details of any governmental or regulatory approvals required for the acquisition</p>	<p>NA</p>
<p>Indicative time period for completion of the acquisition</p>	<p>The proposed investment of upto Rs. 2,40,00,000 (Indian Rupees Two Crore Forty Lakhs only) is scheduled to be made in Q1FY22, as agreed in the above referred Third Addendum Agreement.</p>
<p>Nature of consideration -whether cash consideration or share swap and details of the same</p>	<p>Cash Consideration</p>
<p>Cost of acquisition or the price at which the shares are acquired</p>	<p>Upto Rs. 2,40,00,000 (Indian Rupees Two Crore Forty Lakhs only)</p>
<p>Percentage of shareholding/control acquired and / or number of shares acquired</p>	<p>The proposed investment is by way of subscribing to 12,895 Compulsorily Convertible Preference Shares (CCPS) having face value of Re. 1 each, to acquire additional 3.47% of the post issue total share capital of Tyresnmore on a fully diluted basis. Further, due to the down round, CEAT is entitled to 438 additional CCPS by way of invocation of Clause 21 (Anti-Dilution Rights) of the SSHA, and such additional CCPS will be issued and allotted to CEAT at the time of conversion of such additional CCPS into equity shares of the Company.</p>

<p>Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)</p>	<p>Tyresmore Online Private Limited is a private company incorporated on June 2, 2014 with it's registered office in New Delhi, India.</p> <p>Tyresmore in <i>interalia</i>, engaged in the business of selling automotive tyres, accessories and/or providing services of installing, fitting, wheel balancing and wheel alignment for automotive tyres.</p> <p>Turnover: FY 2017-18 – Rs. 82.88 Lacs FY 2018-19 – Rs. 534.97 Lacs FY 2019-20 – Rs. 1135.27 Lacs</p>
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