

INDIA RESULTS

# DELIVERING GROWTH ON GOODYEAR

ANNUAL REPORT 2009



**GOODYEAR**  
*One Revolution Ahead*

Eagle F1 Asymmetric





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# It's been a Goodyear!

We entered the challenging year of 2009 with a lot of uncertainty, given the tough economic conditions. Despite all odds, we performed the best ever last year as we continued to rely on our proven strategic principles, adhered to our fundamentals and successfully came out of the grip of recession. The year 2009 resulted into the best ever year for Goodyear India.

We released new products in the market in both Farm & Consumer segments. We were able to turn around the new products and launch them in the Indian market due to our ability to design the products. This was mainly facilitated by the strong support from the technology and support teams and the technical centers in India and outside.

Another reason for this success was our ability to supply the right products in time to most of our customers, as per the timely requirements. These processes were well managed by our efficient supply chain system.

The Farm Development Centre, which was started in Ballabgarh in 2008, proved to be a very valued investment. We were able to release different variants of Farm tyres quickly and were able to meet the performance standards as desired by our valued customers, especially in the southern and western markets. We would continue to leverage our Farm Development Centre in the future.

Our company has always demonstrated very strong ethics and values. We believe that sticking to the fundamentals is always the right approach and would continue to work like this in the future too.

It's because of these reasons that The Goodyear Tire & Rubber Company was honoured as one of the most admired companies globally.

I would like to very strongly recognise and thank all my colleagues and associates who worked with full sincerity towards making Goodyear

India attain the performance levels that it did, in 2009.

With all the positive things that happened in 2009, we also shifted our corporate office to New Delhi. This should help our company to leverage and attract talent in the organisation and also improve the overall efficiency.

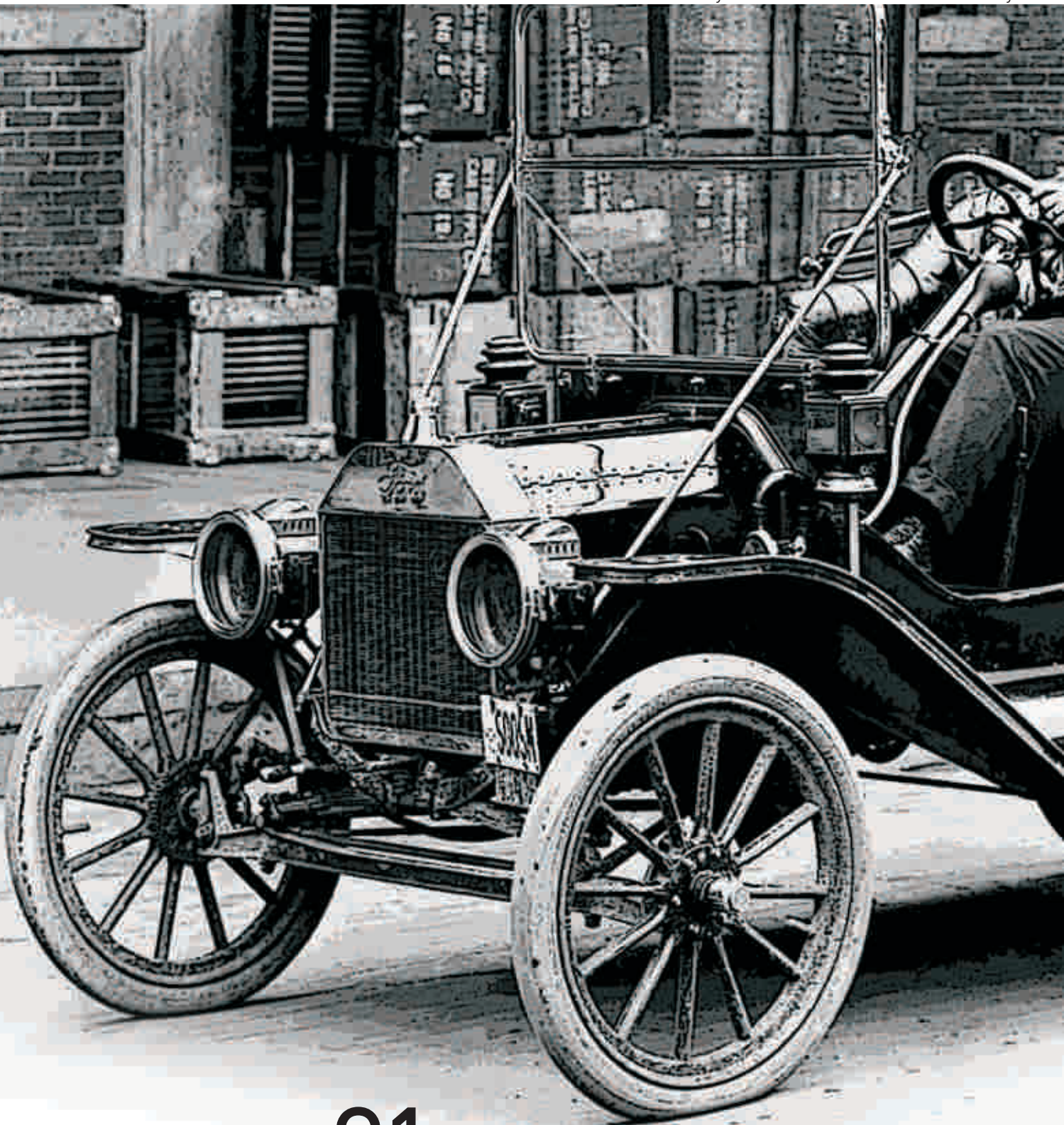
Looking forward to an even more successful 2010, we would continue to consolidate & build even higher standards of performance through innovation & being creative.

I would like to thank our associates and valued shareholders for their resolute support in continuing to enhance our shareholder value.

**RAJEEV ANAND**  
VICE CHAIRMAN & MANAGING DIRECTOR



1908 :: Henry Ford's Model T rides on Goodyear



01

BEHIND THE WHEEL  
BOARD OF DIRECTORS

## BEHIND THE WHEEL

**Mr. Pierre Eric Cohade****Mr. Pierre Eric Cohade**

CHAIRMAN

Mr. Pierre Eric Cohade is President of Goodyear Tire & Rubber Company's Asia Pacific region since October 2004. Prior to joining Goodyear, Mr. Cohade worked globally in 4 continents where he accumulated a proven track record in turning around businesses, building organisations and placing them on a growth trajectory. He demonstrated exemplary leadership as Chairman of Kodak's Europe, Africa, Middle East and Russia Region in 2001, and head of Groupe Danone's global Water and Beverage division in 2003. Mr. Cohade is Governor of the American Chamber of Commerce in Shanghai and Member of Women's Forum Global Advisory Council. In 2008, Mr. Cohade was awarded the "Magnolia Award" from the Shanghai Municipal Govt. for his civic leadership and business contributions to Shanghai's development. He was recently named Overseas Economic Advisor to the Mayor of Dalian. Mr. Cohade received a degree in business management from the CERAM School of Business in Sophia Antipolis, France, in 1984 and an MBA from the Penn State University in 1985.

**Mr. Rajeev Anand****Mr. Rajeev Anand**

VICE CHAIRMAN &amp; MANAGING DIRECTOR

Mr. Rajeev Anand, aged about 49 years, has been associated with the Company for over 27 years, in various executive capacities, including as Manufacturing Director - ASEAN & India and Director Manufacturing & Strategic Initiatives, India. Prior to his appointment as wholetime Managing Director of the Company, Mr. Anand was holding the position of Chief Operations Officer.

**Mr. Chandrashekhar Dasgupta****Mr. Chandrashekhar Dasgupta**

DIRECTOR

Mr. Chandrashekhar Dasgupta is an Independent Non-Executive Director of Goodyear India Limited. He retired from Indian Foreign Services and held several important positions including that of Ambassador of the European Union, the Kingdom of Belgium and China. Mr. Dasgupta possesses vast management experience and has held various positions at international committees of UN, UNICEF, and Climate Change.





**Shri. R V Gupta**



**Mr. Rajiv Jain**



**Mr. Hugo Oswald Dedekind**

**Mr. R V Gupta**  
DIRECTOR

Mr. R V Gupta, a 1962 batch IAS officer, has served the Govt. of India at the levels of Special Secretary (Ministry of Finance), Secretary (Ministry of Food) and Addl. Secretary (Ministry of Chemicals & Fertilizers). He has also acted as Principal Secretary to Govt. of MP. He is a former Dy. Governor of RBI and was closely involved in the economic reforms process. After retirement, he acted as Chairman of the RBI Committee on Agriculture Credit. He was also associated with Deutsche Bank as Chairman of local advisory board for India and holds various other board level positions in the industry.

**Mr. Rajiv Jain**  
DIRECTOR

Mr. Rajiv Jain was appointed the Managing Director and CEO - Paints in April 2003. He joined ICI Group in 1974 in the Finance function and was appointed to the Board in 1997. He has held a number of senior positions in Corporate Finance, Operations Research and headed Specialty Chemicals and Explosives businesses. Mr Jain, born in January 1951, did his B Tech (Hons.) in Chemical Engineering from IIT Kharagpur and Masters of Business Administration from the University of New Hampshire, Durham.

**Mr. Hugo Oswald Dedekind**  
FINANCE DIRECTOR

(Upto 31st March, 2010)

Mr. Hugo O Dedekind is a South African National and has over 30 years of worldwide experience at senior level positions, mainly with the subsidiaries of the parent Company, The Goodyear Tire & Rubber Company, Akron, Ohio, USA in the fields of finance, accounts / audit & information technology. Mr. Dedekind has also held the position of Information Technology Director of Asia Region of the parent Company.

## AUDITORS

**Price Waterhouse**  
CHARTERED ACCOUNTANTS



## The wingfoot comes to India

A swift messenger for the Gods of mythology, the wingfooted Mercury was regarded as a fleet herald of good news all around the world. But it is as a herald or carrier of good tidings to users of Goodyear products everywhere that the Wingfoot has come to stand for, in the minds of the people of India.



1961 :: Goodyear starts production in India at the Ballabgarh Plant

आप की सुरक्षा में ही आप के परिवार की खुशहाली है।

02

THE BIG PICTURE

ECONOMIC OVERVIEW



# THE BIG PICTURE

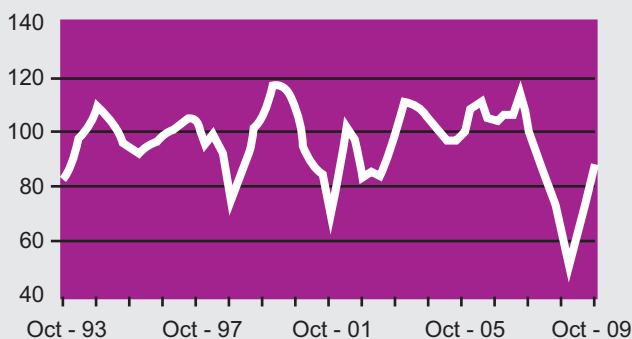
## GLOBAL OVERVIEW



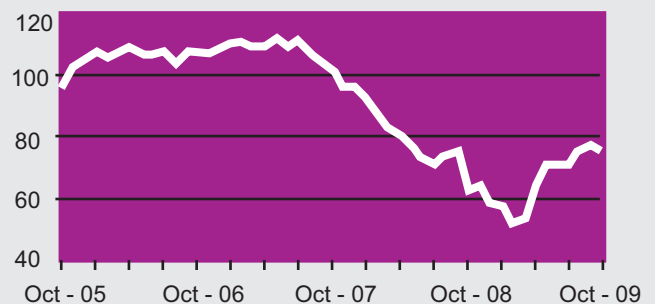
**The recent recession can now be viewed as a once-in-a-century disaster with more or less unique features that brought the global economy to the slowdown it witnessed.**

- The Global economy's rebound gathered considerable steam during the third quarter, during which the world GDP growth accelerated to well above 3.0%, from the 1.7% in the preceding quarter, on a seasonally-adjusted annualised basis.
- Thanks to aggressive reflationary policies in most developed economies and major emerging markets, financial markets have been relatively stable since the second quarter of 2009, which is when the world economy's downturn ended, after three consecutive quarters of GDP contraction.
- Recent retail sales and spending statistics indicate that consumer spending has been far more resilient than had been feared earlier this year, and they have bounced up impressively worldwide since the middle of 2009, thanks to government purchase incentives.
- High-frequency data releases clearly suggest that the world economy would remain in the midst of a robust, V-shaped recovery in manufacturing, and world trade is now rebounding strongly after the global crisis.
- To be sure, the world economy is still in a highly fragile state, with most investors staying away from risky assets, since credit conditions are still relatively tight.
- We expect the geographic distribution of the global recovery to be rather uneven: the economies of Greater China and United States are likely to lead the recovery among emerging markets and advanced economies, respectively, because of their economies' structural advantages as well as super-aggressive reflationary measures during the slowdown.
- The downturn hit its low-point well before the end of the second quarter of 2009 earlier than anticipated by most experts. The massive infusion of capital into the global banking system, along with multiple rate-cuts and fiscal stimuli since mid-2008, partially healed financial markets during the first quarter re-ignited economic activity during the second quarter.
- Although financial investors are still being careful, and are on their toes to flee the market on any bad news, the intense risk averseness that permeated markets in the wake of the Lehman Brothers' bankruptcy in September 2008 is now well past, and the likelihood of a similar event occurring in the near term is rather remote. Although, the world banking system and the world property markets will take a long time to heal.
- As a result, credit conditions will remain relatively tight for an extended period.
- In retrospect, the recent recession can now be viewed as a once-in-a-century disaster with more or less unique features that brought the global economy to the slowdown it witnessed.

### IFO World Business Climate Index



### Global Consumer Confidence Index (GDP weighted index\*)



\*Index includes Eurozone, Japan, United States, United Kingdom and Australia



# DOMESTIC OVERVIEW



## The rapid growth of the Indian economy is likely to make India the fifth largest consumer market in the world by 2025, from twelfth in 2005

- domestic demand has got triggered and India's performance in the last year remained quite strong.
- The government stimulus also fueled domestic demand. Farm loan waiver, expansion of National Rural Employment Guarantee Act (NREGA) and hike in public sector salaries had a huge role in fuelling the domestic demand.
- The government also reacted very quickly to the financial crisis in October 2008 and Reserve Bank of India (RBI) stepped in to ease the monetary conditions.
- Another reason for the economy to show robust performance is our demographics. India is much younger nation to its western counterparts. Moreover, savings rate in our country is far higher compared to international standards. India has a young population and one that saves a lot. The saving rate has moved up from 24% to 36% in the span of 5-6 years. Now, we can fund our investments through domestic sources.
- India's investments stand at nearly 38% GDP, which is in turn driving growth. It's an ideal kind of scenario. Unlike US, which funds its growth from borrowings, India's growth is a result of savings led investments.
- Around 45% of India's income is generated in the agriculture sector, which makes rural consumer very important. Over last ten years, marketers have adopted various strategies to tap the rural consumer. As long as marketers were selling shampoos and detergents in bottles or big packs, no one was buying it in rural India. The moment they started selling these Re 1 or even 50p sachets, the demand boomed. More and more global companies are discovering the need to become an insider, to recognise Indian sensibilities and learn to accommodate them.
- India is a domestic demand driven economy, unlike China, which is an export-oriented economy. The rural consumer and the Indian middle class consumer is going out and spending, due to which the
- India is a dynamic economy and the share of agriculture in national income is constantly falling. Companies will have to keep a vigil on the changing macroeconomic trends.
- While the Indian economy remained broadly insulated from the global financial crisis, experts feel that there are certain areas where policy reforms are required. The dollar rupee remained volatile. And nobody knows where it is headed. There is no consistency in policy as far as the managing of capital inflow is concerned; in fact, Bharti-MTN deal fell through because the government was not ready for full capital account convertibility. The crux of the problem is that India's current account deficit forms 2-3% of gross domestic product (GDP), while capital account surplus formed 10% of GDP in 2007.
- Apart from reforms in the financial sector, there are other reforms too, which can propel the economy to even a higher level of growth. For instance, reforms like goods and services tax and direct tax code can help in strengthening the pace of growth. As per rough estimates, real growth in GDP is anywhere between 20-100% more than the reported growth. Improvements in tax codes can help in getting the unorganised sector into the mainstream.
- Experts also stressed on the fact that most of the businesses in the unorganised sector in India are perfectly legal unlike in other countries where criminal or illegal activities form the majority of businesses in unorganised sector.
- In a nutshell, India has an advantage in the form of a young population, which is going to play a critical role in years going to come. The government has shown that it has the ability to act quickly in order to meet challenges. Few reforms on the policy front can help strengthening the economy even more.
- The Road Ahead: The rapid growth of the Indian economy is likely to make India the fifth largest consumer market in the world by 2025, from twelfth in 2005, according to a study by McKinsey Global Institute. Aggregate Indian consumer spending is likewise estimated to more than quadruple to approximately US\$ 1.5 trillion by 2025, on the back of a ten-fold increase in middle class population and a three-fold jump in household income.

## INDUSTRY OVERVIEW

**“Going forward in the year, the company strives to be more creative and innovative in its approach.”**

The year 2009 witnessed some very interesting times. The great economic depression largely affected the leaders worldwide and amidst such a shake up, the Indian economy showed resilience. Though, the growth declined from 9% to 6.7% last year, India's performance was remarkable given the global economic backdrop. In fact, many experts feel that the real performance of the economy was even better. The primary reason behind such a strong performance was that India is a market driven by domestic demands.

The Indian economy clocked a robust 7.9 percent growth in the second quarter (Q2) ended September 2009, catapulted by a stimulus packages-powered strong industrial growth. India's manufacturing sector is on an uptrend with the majority of sectors recording positive trends. The sector grew by 9.2 per cent in Q2 of 2009-10 against 4.9 per cent in Q2 of 2008-09.

With India being the second largest growing automotive market in the world, the automotive sector is one of the prime

drivers of Indian economy. Economic liberalisation policies adopted by government of India have primarily propelled India into the big league, with many global automotive players seeking to establish their operations in India. Off late, the progress achieved by the global automotive industry, that is international players foraying into the smaller car segment, gave a fresh impetus to the demand for rubber which continues to scale further highs.

The major demand comes from the replacement market, followed by the Original Equipment Manufacturers (OEM) and from the exports. In the recent past, the replacement demand and the increase in demand for the OEMs has been the major growth driver of the industry.

The performance of the tyre industry is linked to the automobile and infrastructure sectors, the growth of which is dependent on the performance of the economy. The continuous thrust being placed by the Government on the development of infrastructure, particularly roads, agriculture and manufacturing sectors, would lead to an impressive acceleration in the automotive sector, ultimately generating more demand for tyres.

**With India being the second largest growing automotive market, the automotive sector is one of the prime drivers of Indian economy.**

The sector grew by **9.2% in Q2 of 2009-10** against 4.9% in Q2 of 2008-09.



\*Source: [http://knowledge.nrega.net/311/2/Indian\\_economy\\_thwart\\_the\\_turbulence\\_of\\_global\\_recession.pdf](http://knowledge.nrega.net/311/2/Indian_economy_thwart_the_turbulence_of_global_recession.pdf)  
<http://www.ibef.org/economy/manufacturing.aspx>



03

# WHERE WE'RE COMING FROM

GOODYEAR AS A BRAND



1964 :: Goodyear on the first vehicle to achieve the 600mph land speed record



# WHERE WE'RE COMING FROM

## A BRAND, A LEGACY

When Frank Seiberling founded The Goodyear Tire & Rubber Company on August 29, 1898, he started a journey that would carry the fledgling bicycle tyre industry into the automotive future.

Today, Goodyear is one of the world's largest tyre companies. It employs nearly 69,000 employees and manufactures its products in more than 57 facilities in 23 countries around the world. Together with its U.S. and international subsidiaries and joint ventures, Goodyear develops, manufactures, distributes and sells tyres for most applications. This includes tyres for cars, trucks, buses, motorcycles, airplanes, earthmoving and mining equipment,

industrial and agricultural equipment, and more.

Famous throughout the world for the Goodyear blimp, the Company is also the most successful tyre supplier in Formula One history, with more starts, wins, and constructors' championships than any other tyre supplier. As one of the world's largest operators of commercial truck service and retreading centers, the company operates approximately 1,500 tyre and auto service center outlets, offering products for sale to consumers and providing automotive repair and other services. Goodyear products are also available to consumers around the world through an independent dealer

network.

Goodyear's presence in India is over 80 years old, with two plants, one each in Ballabgarh and Aurangabad. In the passenger car segment, Goodyear supplies tyres to many of the leading Original Equipment Manufacturers in India. The company has been a pioneer in introducing tubeless radial tyres in this passenger car segment.

In the farm segment, Goodyear tyres are supplied to all the major tractor companies. Similarly, for buses and trucks, vehicles rolling out of the assembly line of the leading OEMs are often seen with Goodyear tyres.



## CORE VALUES

Since its inception, Goodyear has strived to develop state of the art products and services that set technology and performance standards for the industry. Over the years, the company has expanded and diversified its business portfolio by following a fourfold commitment to our associates, our communities, our environment, and our consumers around the world.



### CONSUMER FOCUSED

Whether it's commuting to work, travelling to a favourite vacation spot or delivering a load of goods, tyres help people get where they need to be. By developing new features from the latest advances in materials and technologies, Goodyear offers tyres that help meet the needs of drivers for performance and value in many different places and applications around the world. The company's quality and supplier programs are created to build its products to the highest standards in all the facilities. The extensive dealer network brings Goodyear's family of tyres and related services to consumers.

In 2009, Goodyear successfully introduced 62 new products for global consumers, of which some were exclusively produced for the Indian consumers. These included tyres for nearly every type of personal or commercial vehicle. The new, high-quality

products were developed to offer consumers a multitude of options for fuel efficiency and performance. Goodyear's retail and dealer networks also continued expanding, offering professional tyre and automotive services, and providing job opportunities in new areas. In addition to providing quality tyres and services, we are working with regional automotive and transportation agencies to educate consumers about the importance of proper tyre maintenance and to promote road safety programs.

### Innovation

Throughout its 111 - year history, Goodyear has built its foundation on a commitment to forward-thinking innovation. Goodyear's focus on innovation helps it respond to the needs of the market, showcase the talent of associates and build trusted relationships with customers and consumers. The company established a major research

facility in 1943, which has since received thousands of patents. Major inventions by Goodyear's scientists and technicians have been used not only in tyres and automotive products, but also in artificial hearts and joints, adhesives, artificial turf for playgrounds and food packaging, to name only a few.

### Cutting Edge Research

Research is the key to innovation, and innovation, the driver of all growth and prosperity. Goodyear Research scientists and engineers today, come from all over the world and work at the cutting edge of rubber and polymer science. They have also branched out into diverse fields such as computer science, physics, mathematics, engineering mechanics, metallurgy and others to create a myriad of unique materials and processes.



## ASSOCIATE CENTERED

Goodyear is committed to providing a welcoming, rewarding environment that values the diversity and talent of its workforce. There is a strong emphasis on health and safety in the facilities as the motto is to ensure that "No One Gets Hurt."

To maintain a workplace based on mutual respect and openness, Goodyear also provides ethical guidance and reporting procedures. In support of the employee engagement programs and in response to the global economic climate in 2009, Goodyear's leadership team placed a high priority on communicating with associates,

helping provide ongoing guidance about the company's progress and every associate's role in responding to challenges.

As another safety initiative, Goodyear conducted the Basic Life Support training during Health and Wellness week at the Ballabgarh, India plant in 2009.

## ENVIRONMENTAL COMPLIANCE

Goodyear has a comprehensive, well-defined environmental management program that continues to evolve as the global team works with all manufacturing facilities to meet or exceed the company's standards. Goodyear's environmental initiatives are focused on the continuing strategy to reduce the environmental impact of its operations. This includes programs developed to meet all applicable global regulations, advance efficiencies in manufacturing, continually improve environmental management best practices, promote recycling and conservation in all facilities, raise awareness of environmental issues around the world, produce raw materials and products with improved environmental benefits, and participate in industry-wide initiatives on the responsible use of products across their life cycle. As a result of these initiatives, Goodyear products and facilities were again recognised in 2009 for their environmental achievements.



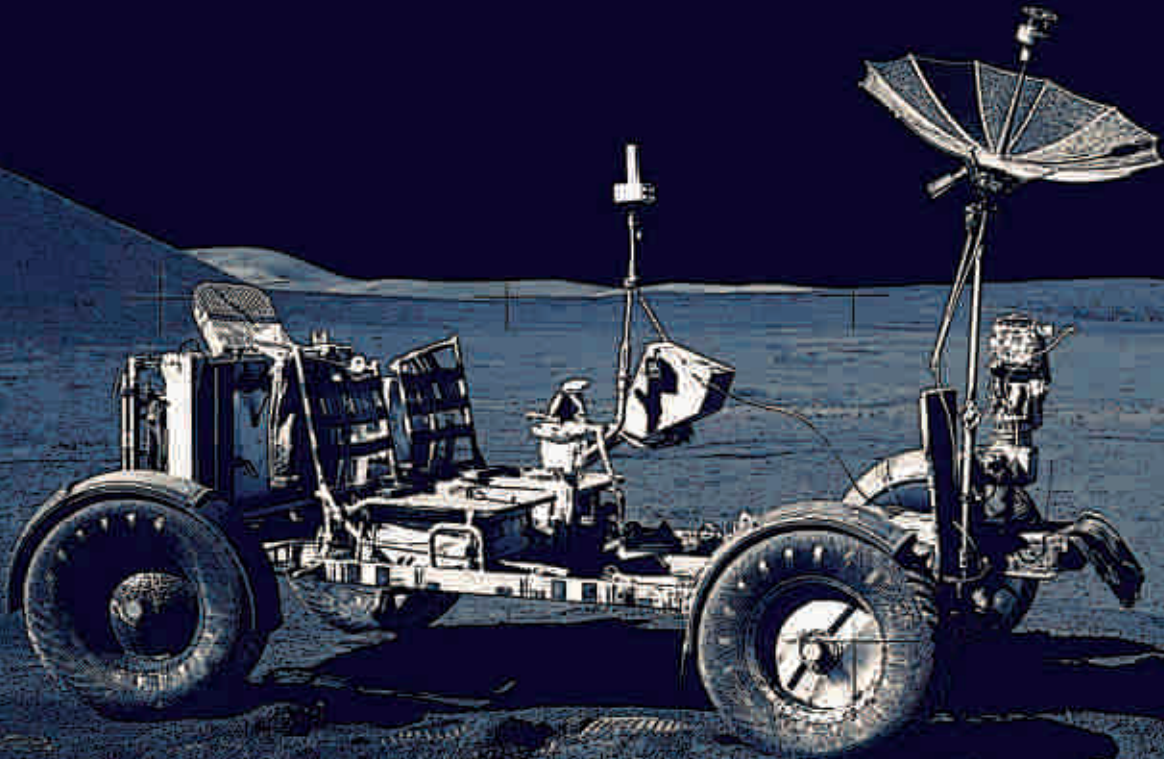
## COMMUNITY CARE

Volunteering and outreach are vital elements of Goodyear's community involvement efforts, and the company has a longstanding tradition of philanthropic initiatives for the communities it operates in. As a corporate citizen, Goodyear participates in organisations that seek to provide opportunities for civic, economic

and educational growth, and social and physical health. Participation takes various forms and includes philanthropic initiatives, such as gifts, grants, sponsorships, in-kind donations, and volunteerism. Individually, Goodyear associates fill key roles in civic, educational, governmental and community organisations. Volunteer efforts are growing to meet the increasing need for community support in the locations where we work around the world.

The company has also been extremely responsive in contributing towards relief work at the time of natural disasters across the globe. The commitment of the company and its associates to help when they see a need, is a major reason why Goodyear is consistently recognised by organisations around the world as a trusted and highly admired company.

1971 :: Goodyear tyre makes tracks on moon



04

## RE-INVENTING THE WHEEL

NEW LAUNCHES



# RE-INVENTING THE WHEEL

## VAJRA SUPER



## VAJRA SUPER

Goodyear's state of the art farm tyre

### India's Growing Farm Industry

The farm industry in India has seen a steady growth over the years and is predicted to see the light of a bright future in the coming years too. With 17% of GDP & 56% of population dependency on agro sector, the farm business is one of the strongest sectors in the Indian market. India has the second largest arable land and largest irrigated land in the world. The country also has a manufacturing capacity of tractors (29%) making it a manufacturing hub for small tractors.

Higher disposable incomes driven by increasing minimum support prices of Govt. has also facilitated this growth pattern. West & Southern India are now undergoing rapid mechanisation and the current park size of over 3.6mn will drive the replacement demand in the years to come.



**Mr. Rajeev Anand,  
Managing Director, Goodyear India**

“Goodyear has always believed in providing the best to its customers. Based on our understanding of the Indian agricultural market, tractor manufacturers and end consumers i.e. farmers, we have engineered the 'Vajra Super', which possesses all the qualities that makes it perform great on the field and meets their long term expectations. We are positive that the growing agricultural sector in India and Vajra Super will complement each other very well.”





Receiving a phenomenal response in these markets, Vajra Super will in the words of Mr. J.S. Gujral, **“become the most preferred choice of consumers' and tractor manufacturers'.”**

### Powering the Growth with Vajra Super

To cope with the changing requirements of the farm sector, Vajra Super was launched in November 2009. 'Vajra-Super', as the name suggests incorporates a very special tread compound that reduces the risk of cuts in hard soil based southern and western markets. The hard compound used in the tyre promises to give better life and longer mileage without sacrificing any of the performance objectives that are at the core of all Goodyear tyres.

It has an additional layer of special fabric, coated with rubber compound to resist penetration. These special treads used in Vajra reduce the risk of tyre cuts and punctures in hard soil giving a longer life and more mileage.

### Engineered Rugged

Goodyear's Testing Division tested Vajra Super in severe off the road conditions. It tested positive for properties like Circle Durability (to evaluate durability), Stubble resistance (comparative study of puncture resistance), Load deflection test, Ink Footprint (Load distribution on lug in footprint area) and dimensional comparisons. Validation of its field performance is done by bench marking with competitor tyres in the same category.

The tread area of the tyre is re-inforced with thicker wear pads to provide higher penetration resistance to thorns and stems of cotton plantation. The tyre has an additional layer of special fabric coated with rubber compound to resist penetration. It also has PRY NOTCH which makes mounting and de-mounting easier for customers. With exceptional results from the testing division, these tyres counter customer concerns of fast wear and punctures in the field.

The future endeavours for this product involve bringing down the release time by new tests and developments, consistent competitor performance tracking and setting even higher benchmarks for Vajra in comparison to other tyres.

### Reaching Out to our Customers

These benefits were communicated to the customers and the farmers were suitably educated about the benefits of Vajra Super through extensive coverage in print and online mediums. Made for the hard soil based southern and western market, all the benefits were mainly highlighted through newspaper articles in Jaipur, Ahmedabad, Bangalore and Hyderabad. Receiving a phenomenal response in these markets, Vajra Super will, in the words of Mr. J.S. Gujral, “become the most preferred choice of consumers and tractor manufacturers.”

### PRESS RELEASES

# RE-INVENTING THE WHEEL

## DURAPLUS

### Goodyear DuraPlus : Designed to go the distance

As the need for smaller, more fuel efficient passenger vehicles is on the rise, consumers in the Asia Pacific regions are looking for tyres with exceptional value and higher mileage.

Recognising this need for more mileage than any other passenger tyre in the market can ever travel, 'DuraPlus' tyres were launched in the Indian market. Designed to provide outstanding mileage on Indian roads, the new tyre was proven to last upto 100,000 km or more\*. Built with TredLife Technology™, the tyre delivers longer mileage without sacrificing any of the safety and performance objectives that are at the core of all Goodyear tyres.

### Innovated for Longer Mileage

More than 100 engineers, physicists, chemical experts and tyre evaluation specialists worked extensively to develop DuraPlus, providing substantial mileage increase without sacrificing the tyre's safety qualities at a cost adaptable to the targeted passenger value market segment.

Goodyear's Testing Division tested DuraPlus on various company tracks against leading competitors in the same category. The result - Goodyear DuraPlus lasted up to 80% longer than the competition. In addition, performance testing based on handling, comfort, grip and rolling resistance proved the advantages of the new DuraPlus.

### TredLife Technology™

Behind TredLife Technology™ are a number of tyre design innovations that were made to deliver longer lasting treads. Having great tread wear performance means having as much wearable rubber as possible on the tyre. Taking this into account, Goodyear innovated a new generation wide face cavity that leads to increased footprint and more wearable rubber in contact with the road.

Furthermore, Goodyear DuraPlus features an advanced carbon-based tread compound so the tyre has a higher resistance to frictional wear, further contributing to the tyre's long tread life and increased mileage.



The tyre that truly goes the extra mile

\*The mileage projection as tested by Goodyear Testing Division on size 185/65R14 in Thailand and may vary depending on driving/road conditions.





## OTHER GREAT FEATURES

- Improved fuel efficiency, precise handling and increased comfort are additional benefits of the DuraPlus design.
- DuraPlus features a new carcass design incorporating a stronger fabric that provides less resistance to tyre rotation, leading to improved fuel efficiency. Its asymmetric tread design also places more rubber on the outside shoulder of the tyre, resulting in increased grip during cornering and precise handling.
- DuraPlus has also been designed to incorporate the latest features that support a more quiet and comfortable ride, such as the closed outside shoulder of its asymmetric tread and latest design in pitching arrangements.
- The DuraPlus tyres are available in different sizes for popular vehicles on the Indian roads like Santro Xing, i10, i20, Accent, Aveo U-VA, Spark, Wagon R VXI, Estilo VXI, Esteem, Swift, SX4, Fiesta, Figo, Ikon, Civic, Octavia, Corolla, Altis, Beetle etc.

D. P. Singh, Vice President, Sales and Marketing, Goodyear India puts it, "Our market research with consumers in the value segment clearly shows that longer tread life is the key benefit they are looking for, plus of course tyres that can withstand the everyday rigors of Indian roads. The new Duraplus tyre is designed to meet exactly these needs."

## Unique Promotional Activities

To commemorate the launch of the tyre, Goodyear rolled out the DuraPlus Long Drive Rally. Two cars fitted with DuraPlus tyres travelled across India, testing the performance of the tyre on Indian roads. Wherever the car went, it attracted a lot of attention from people who also enthusiastically participated in the games organised at the venue.



The cars stopped in each city and the people connected well to the events built around the launch including jingle contests, surprise gifts, performances and photo opportunities.

**"Goodyear has always believed in providing the best to its customers. Based on our understanding of the Indian market and the consumers, we have been successful in coming up with the best technology that can meet consumer expectations."**

Mr. Rajeev Anand, Managing Director, Goodyear India.



# RE-INVENTING THE WHEEL

## Ducaro Hi - MILER

### Tyres for the Fleet & Value Conscious Small Car Owner

The traditional taxicabs in India are either Premier Padmini or Hindustan Ambassador cars. In recent years however, cars such as Maruti Esteem, Maruti Omni, Mahindra Logan, Tata Indica and Tata Indigo have become fairly popular among taxi operators. The usage conditions of the taxis in India vary from state-to-state. The taxi operators or fleet owners want a very low running cost; hence they want a car which gives them better mileage. One of the important factors in improving the mileage is the tyre. If a tyre has excellent performance and durability it can contribute in improving the mileage.

Goodyear, one of the world's largest tyre companies, launched its first specialised product for Indian fleets and value conscious small car owners - 'Ducaro Hi Miler'. Ducaro Hi Miler tyres come with tredlife technology that delivers greater mileage and hence exceptional value on Indian roads.

Its USP lies in lower cost per km which provides 28% more mileage than other tyres.

### One for the Road- TredLife Technology™

Behind TredLife Technology™ are a number of tyre design innovations that were made to deliver longer lasting treads. Having great tread wear performance means having as much wearable rubber as possible on the tyre. Taking this into account, Goodyear innovated for a new generation wide face cavity that leads to increased footprint and more wearable rubber in contact with the road.

Maximised rubber volume also enables larger tyre contact with the road, and a higher land to sea ratio tread depth allows for more wearable rubber.

Furthermore, Goodyear Ducaro Hi Miler has maximised rubber volume through design and compound combination so the tyre has a higher resistance to frictional wear, further contributing to the tyre's long tread life and increased mileage.



### Targeted Roll Out

With the launch of Ducaro Hi Miler, Goodyear India plans to target big chunk of Indian market that comprises of value conscious small car owners and major fleets running on Indian roads. These cars include Maruti 800, Zen/Estilo, Wagon R, Omni, Indica etc. Ducaro Hi Miler has been specifically designed to withstand all terrains and climatic conditions with special characteristics including outstanding traction, greater tear and chunk resistance, better distribution of pressure and higher heat control efficiency. All these in-built traits guarantee a product that is bound to serve the fleet owners and value conscious small car owners across India with impeccable and best in class performance.



1984 :: India's largest tyre, over 8 feet tall, rolls out of the factory



05

HISTORY IN THE MAKING

MANUFACTURING AND BRANDED RETAIL





# HISTORY IN THE MAKING

## AURANGABAD PLANT

The year 2009 was a great success for Aurangabad facility which witnessed a complete face lift of the plant.

Key achievements were:

- The plant took safety to whole new level and achieved a safety milestone by completing 2000 days without LTI.
- Meeting enhanced product quality parameters and improving upon productivity efficiency led to greater OE customer satisfaction.
- The CIS & HR team initiated effective associate engagement & communication programs that made a real difference in processes, products & people and resulted in successfully retaining the key talent.
- The best employee honour was bestowed upon one of our associates by State Government Productive & Peaceful Industrial Relations at the plant.
- Successful launch of new products during 2009 has also added another feather in Aurangabad plant's success for the year.

To sum it up, the committed and untiring contribution of all associates coupled with strong leadership became the key factor for a successful year at the Aurangabad Plant.



## BALLABGARH PLANT

With an urge to perform and excel in every job and role that was assigned, the momentum of Ballabgarh facility for the year 2009 was to create a strong foundation for long-term sustainable competitive advantage.

Key milestones in the path to success in 2009 were:

- Being recognised as a leader in Energy (BTU/lb) in Region & GY World.
- Conducting successful TS 16949/ISO 14001 Surveillance audits.
- Obtaining the highest score for Global PPQ Audit with 98.36% in the A Pacific region.
- Peacefully signing CBA with the Union for the period of 2008-2011
- Setting up the first Farm Care Center validated by US Proving Grounds.
- Achieving highest score for Employee Engagement in Asia Pacific region as a result of the committed contribution of all our associates coupled with a strong leadership.







# BRANDED RETAIL OUTLETS

## **GOODYEAR WHEELCARE**

The retail environment in India is changing swiftly thanks to changing consumer needs and preferences, with rapid increase in income levels and exposure to media. After carefully evaluating the market dynamics, a new branded retail strategy was formulated with clear vision of positioning Goodyear as experts in wheel-care and know-how. The branded retail outlets were given a new identity as **“Goodyear Wheelcare”**.

Depending upon the retail space, competition and commitment of the channel partner, the Wheelcare outlets are categorised into two tiers and accordingly the investment is committed on the desired returns.

We have charted an aggressive plan to expand our network of branded retail outlets in the year 2010. The contribution of the total replacement business from these outlets will go up by 6% points in the year 2010.



2002 :: Goodyear becomes first company to launch tubeless tyres in India



06

FULL CIRCLE

EMPLOYEES, PARTNERS & SOCIETY



# FULL CIRCLE

## PUTTING PEOPLE FIRST

Goodyear has always enjoyed long-term commitment with its employees. People come to Goodyear not just for a job, but for a career in an organisation whose employee bonding is rooted in dialogue and mutual respect.

Employee pride in their Company is reflected in their loyalty (significant drop in employee turnover and improved Engagement Scores) as well as in their active participation in employee programs. Moreover, the dedication and community spirit they demonstrated, attest to the strength of Goodyear's core values.

At Goodyear, employee relations focus on three key areas: helping team members to more effectively carry out their duties; ensuring health and safety in the workplace; and promoting social welfare, which Goodyear considers a source of mutual benefit.

With regard to outside partners, Goodyear is committed to establishing fair and lasting relations with suppliers, supporting the development of local communities by acting as a good corporate citizen, and maintaining constructive dialogue with public authorities so that all stakeholders can move forward together to meet the challenges of sustainable mobility.

### DEVELOPING PEOPLE: Driving Performance by Helping People to Grow

Developing people stands for working with employees to chart career paths that are aligned with an individual's abilities and aptitudes and supported by skill enhancement programs and result-based compensation systems.

In 2009, the importance of personal growth was reaffirmed with the launch of an online system of performance management called ePMP to aid real time objective and performance review and enable easier access to performance inputs.

On a day-to-day basis, managers were responsible for maintaining the right balance between personal development and corporate performance. Succession Planning was done for General Managers through the Goodyear Tool.

### INDIVIDUAL CAREER MANAGEMENT

To reconcile corporate needs and employee expectations with regard to job fulfillment, career development and compensation, a process based on regular feedback was run for sales associates in particular. With the aid of the feedback received, associates were mapped into a capability grid and Hi-potentials were identified.



Individual Development Planning was done for these hi-potentials.

### ENCOURAGING PERFORMANCE

Earning the commitment of team members requires aligned, rewarding policies, notably in fast-growing countries like ours, where employee retention is especially important. Goodyear motivated its employees through the design and launch of a Sales Incentive Scheme. Named as "Exceed 2 Succeed", the incentive scheme was launched to motivate sales force and drive focused actions on collections, phasing, channel expansion and new products along with volume targets.

### ATTRACTING AND RETAINING THE BEST PEOPLE

One of our challenges is to attract and retain the best talent available, provide them with Goodyear's expertise and develop their full potential. That's why, at Goodyear next level movements were made more performance and capability driven. But there's still more work to be done in 2010.

### EFFECTIVE INDUCTION OF THE NEWCOMERS

Newly hired employees receive personalised support during their initial days at Goodyear. All managers and supervisors attend a week long induction plan which includes plant & market visit, prepared by a dedicated member of the team. The junior associates also have a 3 day orientation with key people related to their area of work.

This process guides and supports employees in preparing for their new duties and deepens their knowledge of Goodyear.

## EVENTS IN THE LAST YEAR

### CIS RECOGNITION EVENT

The much awaited CIS Recognition Event was held on May 14th at The Claridges, Surajkund. This was the third innings for this very special program launched in 2006 and saw the highest participation of about 100 associates! This year, the program recognised projects/teams on multiple factors for the period July 2007 till December 2008.

CIS has come a long way, growing cross functionally and spreading a culture of facts and data driven analysis with focus on processes and building efficiencies. The greatest achievement is seen in the team involvement in projects thereby creating success stories in both Mfg and SAG. Hence, this year the teams were adjudged as Winners and Runners Up for "Best Project" and "Best Process Improvement Project" in both areas to highlight the use of Six Sigma and Lean methodologies.

The evening was a mix of fun and team building with a complete show put up by the CIS team that created an environment of joy with participation by one and all. This CIS Event was able to create and retain the magic of "Togetherness" - and will continue to reap in higher dividends in times ahead.



### ASIA PACIFIC SIX SIGMA BLACK BELT TRAINING 2009



The Second Asia Pacific Six Sigma Black Belt Training was held at Goodyear India. The full course was divided into two sessions - 22nd June 09 to 30th June & 20th July 09 to 28th July 09, and was attended by 14 potential associates from Manufacturing and SAG groups.

Regional Six Sigma Master Black Belt, Ms. Neena Kaul together with two certified black belts Mr. P K Garad from SATL & Ms. Heidi Miguel from Philippines led the team in teaching the DMAIC Course.

All participants were enthusiastic and actively participated in all class discussions. The participants enriched the event by presenting their respective team presentations applying the methodology and discipline of Six Sigma, and followed the same with the CATAPULT competition.

Mr. Rajeev Anand, Managing Director, Goodyear India, congratulated the participants for completing the course, and also encouraged them to take this proven methodology to greater heights with more business linked projects.



## LEAN TRAINING PROGRAM FOR THIRD PARTY LOGISTICS

A one day awareness program on CIS/Lean was organised for 3PLs on Friday, Nov 13th in Ballabgarh.

This program saw participation from about 15 pax (C&Fs and Transporters) from the North Zone, including:

1. C&FA- LUDHIANA, LUCKNOW, JAMSHEDPUR, LUDHIANA, LIFE CARE INDORE, FARIDABAD.
2. TRANSPORTER - MEGA, DRS, NST, BRPL

As a follow up from the SC meet held earlier, the objective was to share with them the CIS concepts, thereby helping in partnering joint projects that would act as key business enablers.

The first half of the day was well spent in generating the envisaged interest in the CIS methodology, with its success chapter in GYI, and the application of the same in various cross functional projects.

To understand the real issues / opportunities, a brainstorming session using the "Affinity Method" was conducted with the team in two groups. The theme was to uncover the "issues related to high transit time". The active participation by the teams identified some of the gaps and opportunities to work on, in the future.

This exercise was followed by the Lean Session and process understanding, post which the two groups of C&Fs and Transporters each went on to map their two processes using the "Brown Paper Process Mapping" method.



1. C&Fs mapped the process from: "Receipt of order till dispatch"

2. Transporters mapped their process from: "Order received till delivery"

This entire exercise was indeed worth the time spent as it gave the 3PLs an insight into the Goodyear culture and way of working. It also allowed them to understand some of the key tools to look through their processes and identify waste and non - value added activities to streamline the turnaround time with the cost impact eventually. The activity was a great way to partner in creating a success story and to set the stage for the future.

## BALLABGARH SHRAMDAN Improving The Working Environment & Culture

A new CIS Initiative - "SHRAMDAN" Activity was carried out at Ballabgarh on 12th Nov 2009 at 10"x10" Extruder, where all the hourly & salaried associates activity participated as a team. "SHRAMDAN" was a voluntary clean up activity that also raised awareness about the importance of Extruder Housekeeping.

### HOUSEKEEPING:

To clean & maintain right material on assigned place with proper Identification.

### SPILLAGE:

Head Paste spillage - unsafe, low productivity, waste & quality  
cement spillage and quality & waste centre line marking ink spillage - quality & waste.



## AURANGABAD : Associates Awareness Program Market Visit

The Awareness Program Market Visit in Aurangabad helped all our associates understand market requirements and customer needs in this ever changing competitive environment.

Visits were concluded with a promise to communicate the dealers' feedback to all the plant fellow associates and to supply only First Class Goodyear tyres to the market, with the active participation of all the associates.

Based on the dealers' feedback, most of the barriers for accepting Goodyear tyres can be overcome in coming days.



## SAFETY & WORKING CONDITIONS

### ■ Providing a safe workplace

Safety, industrial hygiene and chemical stewardship remain top priorities for Goodyear as we pursue our vision of "No One Gets Hurt." All Goodyear facilities develop strategies based on the four cornerstones of this vision - strong leadership and guidance, well-defined processes for examining and modifying at-risk behaviours, deploying ergonomics to reduce illness and injury, and strongly promoting standards for preventive maintenance and compliance. By setting aggressive goals, establishing proactive processes and executing systems in a timely manner, we have achieved significant positive change in our safety culture and continue to drive toward our goal of reducing incidents.

The Health and Safety team worked hard in 2009 to continue improving safety worldwide. To promote safety, plants developed awareness campaigns to encourage safe behaviour and celebrate safety milestones, for instance a communications forum was held at the Aurangabad plant to promote safety messages and share best practices.

**All Goodyear facilities develop strategies based on the four cornerstones of strong leadership and guidance, well-defined processes, deploying ergonomics to reduce injury, and standards for preventive maintenance and compliance.**



Since launching the "No One Gets Hurt" safety initiative in 2005, Goodyear associates have driven a dramatic and steady improvement in global incidents each year, and the trend continued in 2009. Goodyear achieved a 32 percent decrease in the number of incidents of illness and injury from 2008. With the implementation of the "target Zero" initiative, Goodyear is continuing to focus on integrating safety into every aspect of our business and will continue to work toward our goal of "No One Gets Hurt."



## Corporate policies to protect employees

**Goodyear's commitment to providing a safe, inclusive workplace is based on adherence to these employment policies and guided by the standards for ethical behaviour spelled out in our Business Conduct Manual:**

### Employment Practices

Goodyear strives to achieve and maintain compliance with all statutory laws at all of our facilities.

### Global Human Rights

Goodyear's policy on global human rights is part of our commitment to practice ethically and socially responsible business practices. Spanning our global operations, Goodyear is committed towards maintaining an inclusive workplace, free of harassment based on a person's status, such as gender, race, age, creed, religion, disability, ancestry, national origin, sexual orientation or other characteristics protected by law. Goodyear's voluntary employment commitment specifically prohibits all forms of prison labor, and Goodyear does not engage in or condone the unlawful employment or exploitation of children in the workplace. Goodyear recognises and respects associates' rights and freedom to join organisations of their own choosing or to refrain from joining organisations. No associate shall be subject to dismissal, discrimination, harassment, intimidation or retaliation due to membership in a lawful workers' association or union.

### Zero Tolerance

Goodyear is committed to providing a work environment that is professional, respectful and free from discrimination, harassment or violence. Zero tolerance refers to a standard of conduct. The forms of discrimination, harassment or violence described in the zero tolerance policy are not acceptable conduct. Goodyear has zero tolerance for these forms of conduct and takes action on all reports. No incident is ignored. Goodyear considers it a management responsibility to ensure that penalties, whether disciplinary or corrective actions, are not imposed arbitrarily, but are consistent, proportionate and lawful. Goodyear extends our zero tolerance commitment beyond the workplace to settings where associates may find themselves in connection with their employment. We apply our zero tolerance

commitment to both associates and non-associates, including applicants, contract or temporary workers, guests, customers and vendors.

### Workplace Violence

Upholding our mission to protect all company associates, visitors, products, assets and our good name, Goodyear's Global Security and Investigations group is committed to providing a safe work environment free of workplace violence. In accordance with the Goodyear Zero Tolerance Policy, all incidents of workplace violence are to be reported, and all incidents are investigated. One of the ways Global Security has responded to educating associates on this issue is by developing presentations focused at management and associates defining and discussing types of workplace violence. These discussions include each associate's responsibility to report incidents and management's appropriate response



07

WHEEL OF FORTUNES  
FINANCIALS



# DIRECTORS' REPORT

Your Directors present the audited results for the year ended December 31, 2009 as under:

	(Rs. in Million)	
	2009	2008
<b>Total Sales &amp; other Income</b>	<b>10,735</b>	<b>10,154</b>
Less: Excise Duty	535	827
Net Sales & other income	10,200	9,327
Less: Total Expenditure excluding Interest & Depreciation	8,926	8,667
<b>Profit Before Interest, Depreciation, &amp; Tax</b>	<b>1,274</b>	<b>660</b>
Less: i) Interest Expenses	34	25
ii) Depreciation	126	112
<b>Profit Before Tax</b>	<b>1,114</b>	<b>523</b>
Less: Provision for Taxation:		
Current Tax	383	166
Deferred Tax	(2)	20
Fringe Benefit Tax	2	15
<b>Profit After Tax</b>	<b>731</b>	<b>322</b>

During the year, the net sales and other income increased from Rs. 9327 Million in the previous year to Rs. 10200 Million. The export sales stood at Rs. 572 Million.

The depreciation for the year is inclusive of the accelerated depreciation amounting to Rs. 6 Million, in respect of a category of equipment due for replacement.

## DIVIDEND

Your Board recommends a dividend @ Rs. 7 per equity share for the year 2009. The recommended dividend will absorb a sum of Rs. 161 Million and tax on dividend will be Rs. 27 Million. Out of the surplus, an amount of Rs. 80 Million is transferred to General Reserve and balance of Rs. 1033 Million is carried to

the Balance Sheet.

## OPERATIONS

The year under review was started with a global slow down, however, India, with its strong economic fundamentals was able to overcome the impact faster. Your Company's philosophy to have continued efforts for improvement in productivity, cost and effective utilisation of working capital helped to present the above results.

Supply of farm tyres to replacement and original equipment segments, wherein your company holds a key position, continued to be the area of focus of your Company. All-round efforts were made for improved production and timely supply of farm tyres.

## FINANCE AND ACCOUNTS

During the year, additions to fixed assets amounted to Rs. 180 Million as against Rs. 216 Million in the previous year. The Capital expenditure incurred amounted to Rs. 418 Million. The interest cost during the year has increased from Rs. 25 Million in the previous year to Rs. 34 Million.

As at the end of December 2009, an amount of Rs. NIL of matured deposits remained unclaimed.

## DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Your Directors state that the annual accounts of the Company have been prepared in conformity, in all material respects, with the generally accepted accounting standards in India and supported by reasonable and prudent judgements and statements so as to give a true and fair view of the state of affairs of the Company and of the results of the operations of the Company. Significant accounting policies followed and other disclosures are appearing in Schedule 15 (a) to the Notes to the Accounts and forming part of the annual accounts.

These financial statements of the Company have been audited by M/s Price Waterhouse, Chartered Accountants. A reference may be made to their report dated February 23, 2010 to the members together with Annexure thereto containing information per requirement under the Companies (Auditor's Report) Order, 2003 attached with these annual accounts.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The internal control system of the Company is monitored by an independent internal audit team, which encompasses the examination and evaluation of the adequacy and effectiveness of the system of internal control. Internal Auditors, Audit Committee Members and Statutory Auditors have full and free access to all the information and records considered necessary to carry out the assigned responsibilities. The issues raised from time to time are suitably acted upon and followed up at different levels of Management.

The annual accounts have been prepared on a going concern basis.

## FUTURE OUTLOOK

India, with its strong economic fundamentals had put behind last year's downturn impact. As per Central Economic Advisory (CEA), GDP growth could touch 9% in next fiscal year. However, high volatility in the prices of key raw materials, particularly the natural rubber prices being witnessed would pose a challenge to be met.

Your Company continues its focus on production of farm tyres to maintain its leadership in the said segment and is also undergoing the plans to introduce radial farm tyres.

Continuous review of activities in different areas of operations under the umbrella of the Continuous Improvement System (CIS) has been an integral part of your Company's philosophy to maximise gains and reduce costs in order to meet the market realities.

## PROPOSAL FOR DELISTING OF SHARES

Pursuant to a communication received from The Goodyear Tire & Rubber Company, Akron, Ohio, USA, holding 74% of the total Paid-up Capital of the Company, proposing a voluntary de-listing of the equity shares of the Company from the Bombay Stock Exchange Limited to acquire all outstanding shares of the Company, your Company's Board of Directors in its meeting held on February 9, 2010 considered and initiated steps for de-listing of the Company's shares. A Notice would be received by the shareholders of the Company for their approval for a Special Resolution to be passed through postal ballot in accordance with the provisions of Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009. The Bombay Stock Exchange would be kept informed from time to time with regard to the developments in the said de-listing proposal.

## GROUP

For the purpose of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, the names of certain entities forming part of 'group' in the context of the Company, as defined under the Monopolies and Restrictive Trade Practices Act, 1969, are as follows:



1. The Goodyear Tire & Rubber Company
2. Goodyear Tire Management Co. (Shanghai) Ltd.
3. Goodyear Wingfoot Kabushiki Kaisha
4. Goodyear Korea Company
5. Goodyear Dalian Tire Company Limited
6. Goodyear & Dunlop Tyres (Aust) Pty Ltd.
7. Goodyear Earthmover Pty Limited
8. Goodyear S.A.
9. Goodyear International Corporation
10. Goodyear Orient Company (Private) Limited

## DIRECTORS

In the Board Meeting held on February 23, 2010, resignation of Mr Hugo O Dedekind was accepted as Director and wholtime Finance Director, effective the close of business hours on March 31, 2010. The Board records its appreciation for the valuable contribution made by Mr Hugo O Dedekind as wholtime Finance Director.

Mr C Dasgupta is retiring by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment. The information relating to the appointment of Mr C Dasgupta is also appearing under the head 'Directors' in the Corporate Governance Report, appearing separately.

## AUDITORS

M/s Price Waterhouse, Chartered Accountants, retires at the conclusion of this Annual General Meeting and are eligible for reappointment.

Dr. Ashok K Agarwal, has been re-appointed as Cost Auditor for conducting the cost audit for the year ending December 31, 2010.

## CORPORATE GOVERNANCE

Your Company follows the corporate philosophy, enshrined in a manual titled 'Business Conduct Manual for Global Operations'. The core values, inter-alia, include conducting business in accordance with the highest applicable legal and ethical standards, the highest standards of product quality and services to the consumers with a view to create value that can be sustained continuously for the benefits of its customers, shareholders and the associates. As per the applicable provisions of Clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion & Analysis, a Report on Corporate Governance together with the

Auditors' certificate on the compliance of conditions of Corporate Governance form part of the Annual Report.

## HUMAN RESOURCE

The employer-employee relations throughout the year remained cordial. Measures for training, development, safety of the employees and environmental awareness received the top priority of the Management.

The Statement of Particulars of the employees of the Company, pursuant to Section 217 (2A) of the Companies Act, 1956 forming part of this report, is also attached.

## ACKNOWLEDGMENT

Your Directors place on record their sincere thanks to the Company's esteemed Shareholders, Customers, Suppliers, Associates, Bankers and the State and Central Governments etc. for their valuable contribution and continued support. Your Directors also wish to place on record their deep appreciation to The Goodyear Tire & Rubber Company, Akron, Ohio, USA for their continued support and contribution in all the spheres of operations.

On behalf of the Board of Directors

**Pierre Eric Cohade**  
Chairman

**New Delhi**  
**February 23, 2010**

# Annexure to Director's Report

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

## A) CONSERVATION OF ENERGY

a) Energy conservation measures taken:

- 1) Pet coke boiler efficiency improved in terms of kg steam.
- 2) Optimization of power distribution & maximum use of purchased power by revising power distribution network.
- 3) Compressed air consumption reduced by optimizing high pressure & low pressure air distribution network
- 4) Reduction in plant dead load by 8%.
- 5) Replacement of energy efficient booster pump in curing.
- 6) Installed variable frequency drive on factory water pump and forced draft fan to save KWH.
- 7) Plant condensate recovery improved.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- 1) Installation of energy efficient lighting.
- 2) Up-gradation of control system of 3 roll calendar.
- 3) Improvement and up gradation of 33 KV line to minimise line loss and tripping.
- 4) Re sizing of boiler feed pump.
- 5) Up-gradation of reverse osmosis (RO) output by installation of diffuser and activated carbon filter.

c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods:

The above measures helped towards reduction in energy consumption, quality improvement, reduction in utility cost & partially offset high inflation in energy cost.

d) Total energy consumption and energy consumption per unit of production:



	Year 2009	Year 2008
<b>A. Power and Fuel consumption</b>		
<b>1. ELECTRICITY (KWH)</b>		
a) PURCHASED		
Units (000)	10,885	14,278
Total Amount (Rs. 000)	47,956	62,489
Rate/Unit (Rs.)	4.41	4.38
b) OWN GENERATION Through Generator		
Units (000)	24,894	20,033
Unit /Ltr of Fuel	3.53	3.67
Cost/unit (Rs.)	6.78	8.26
<b>2. STEAM</b>		
a) HSD/LDO		
Quantity (K.Ltrs)	12	21
Total Amount (Rs. 000)	355	634
Average Rate (Rs./K.Ltr)	30,725	30,519
b) Residual Furnace Oil / Furnace Oil		
Quantity (Tonnes)	538	4,109
Total cost (Rs.000)	12,407	120,149
Average Rate (Rs./Tonnes)	23,048	29,241
c) Petcoke (For Process Steam)		
Quantity (Tonnes)	7,007	1,543
Total cost (Rs. 000)	43,017	11,495
Average Rate (Rs./Tonnes)	6,139	7,448
<b>3. NITROGEN</b>		
Quantity (cubic meters-000)	1,772	1,766
Total Cost (Rs. 000)	10,760	10,731
Average Rate (Rs./Cubic Meter)	6.07	6.07
<b>B. Consumption per tonne of production</b>		
Electricity (KWH)	769	770
Fuel (K.Ltrs.-excl.nitrogen gas) for steam	0.3565	0.1846
Nitrogen (m3)	25.50	25.50

## B. TECHNOLOGY ABSORPTION

e) Research & Development (R&D)

### 1. Specific areas in which R&D activities carried out by the Company:

The company, in close co-ordination with The Goodyear Tire & Rubber Company, Akron, Ohio, USA and its technical centres based in Luxembourg, Akron & Japan, carried out R&D activities in specific areas.

R&D focused on the Development of the new Product for both Export and Local Markets.

The project to facilitate the quicker release of New tyres for Farm Category was conceived & Farm Tire Testing Facility was made functional at Ballabgarh.

Major emphasis was on improving the quality standards, enhancing customer satisfaction. This was primarily achieved through process improvements, control on systems, reduction in waste and energy conservation. Use of tools such as Six Sigma and small group activities with the technological support resulted in controlling the variations in processes, maximising the productivity and minimising the cost of production.

Efforts continued in the direction of fine-tuning of the construction and the changes in compound formulations. These resulted in improvements in the product performance and reduced usage of high cost raw materials.

### 2. Benefits derived as a result of above R&D

The R&D activities helped the company add new quality products to its range and achieve greater customer acceptance in the market. These activities also enabled the company to reduce process waste, lower the energy consumption, increase productivity & release new products in the Market to achieve higher "Customer Satisfaction".

### 3. Future Plan of Action

Introduction and promotion of New Quality Products to existing range of front and rear farm tyres in order to meet market requirements and exceed customer needs. New sizes 8-18 & 5.20-14. 10.5/80-18 in farm tyres are under planning and going to be introduced. Farm tyres with new technology is planned for Radial Farm Tyres in Indian market in current year.

## 4. Expenditure on R&D (Rs. in 'Million')

a) Capital	0.69
b) Recurring	1.87
c) Total	2.56
d) Total R &D Expenditure (as a percentage of total turnover)	0.03

## TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

### 1. Efforts in brief made towards technology absorption, adaptation & innovation:

#### a) New Product Introduction

R&D activities helped the company in the introduction of products designs, farm tyres with superior compounds to increase market acceptance. New sizes developed for Africa and Asia exports.

#### b) Process Improvement

Continued efforts made in the areas of quality improvement, waste reduction, process capability in major equipments and cost optimization to specially improve the market acceptance of company's Bias Medium & Light Truck tyres.

#### c) System Improvement

Continual efforts made to implement and sustain Quality Management System and Environment Management System in the Plant to meet and enhance Customer present and emerging needs.

### 2. Benefits derived as a result of above efforts:

The technical innovation & adaptation made at Goodyear Technical Centres in USA & Europe along with company's inputs helped the company to introduce new products & improve the market acceptance of Goodyear Products. New Design Vajra Super launched in 12.4.-28 & 13.6.-28 in Rear Farm Tyres & 6.00-16 in Front Farm tyres especially for Hard soil market.

### 3. Imported Technology

a) Technology Imported	)
b) Year of Import	)
c) Has technology been fully absorbed?	) Not
d) If not full absorbed, areas where this has not taken place, reasons therefore & future plans of action	) Applicable



## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- f) **Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:**

During the year 2009, Goodyear products were exported to Bangladesh, Dubai, Australia, Sri Lanka, Pakistan, Qatar, Germany, South Africa, Kenya, Guatemala, Jamaica, Egypt, Colombia, Singapore, Japan. etc.

- g) **Foreign Exchange (Rs. in 'Million')**

### Total foreign exchange used and earned : (Rs. in 'Million')

Year	Earned		Used			
	Export (FOB)	Others	Capital Goods	Import (CIF) Stores & Spares	Raw Materials	Others
2009	572.05	7.17	182.65	16.61	511.99	295.44

# ANNEXURE TO THE DIRECTORS' REPORT - 2009

## Statement of Particulars of Employees pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956

**Name of the employee : Age : Designation/Nature of duties : Remuneration received (Rs.) : Qualification : Experience (Years) : Date of joining : Last Employment held : Last Designation**

**EMPLOYED THROUGHOUT THE YEAR** :: Anand Rajeev : 49 : Vice Chairman & Managing Director : 13374284 : Diploma Mech. Engg. : 28 : 01.01.1982 :: Arora Sanjeev : 33 : Contoller : 2799007 : CA : 10 : 21.11.2008 : Nokia India Ltd. : Business Controller - Care :: Bassi Vinay Kumar : 42 : Human Resources Director\* : 4075315 : MBA : 22 : 12.10.2007 : Pepsico India Holdings Pvt. Ltd. : VP - HR :: Dedekind Hugo O. : 59 : Finance Director\*\* : 7586209 : Studied at Institute of Administration & Commerce in University of Natal : 34 : 01.11.2005 : South Pacific Tyres, Australia : Head of Finance & IT :: Gujral Jatinder S. : 47 : VP - Farm, Commercial & OTR : 4984664 : B. Tech : 25 : 11.07.2007 : Tata Motors India : Global Head - CV parts & aggregates :: Laha Soumava : 42 : Head - Supply Chain : 2630365 : BE (Mechanical), Post Graduate Diploma in Financial Management : 19 : 10.10.2007 : Valvoline Cummins Ltd. : Asst. General Manager - Sourcing & Plant Operations. :: Lall Tarun Kumar : 48 : Head - Pricing : 2839064 : B. Com., CA : 22 : 01.05.1987 :: Pillai K C S : 53 : GM - Tech. & Business Dev. Commercial : 3058114 : BE : 29 : 15.05.1984 : Premier Tyres Ltd. : Technical Service Engg. :: Singh Randeep : 35 : National Sales Manager - Replacement Sales : 2,647,729 : PGDM : 12 : 11.12.2008 : Subhiksha Trading Services Ltd. : National Business Manager - Small Appliances

**EMPLOYED FOR PART OF THE YEAR** :: Chakraborty Rajib : 37 : Sales Manager : 542416 : M. Com : 15 : 07.04.1997 : Dunlop India Limited : Sales Engineer :: Gandhi Vikas : 30 : Head - Retail : 425762 : MBA : 9 : 24.11.2009 : ICI India Limited : Business Manager - Modern Retail :: Jain Prabhakar : 52 : Chairman & Managing Director : 1236676 : MBA : 31 : 01.02.2008 : ICI India Limited (Paints Division) : Managing Director :: Jain Shant Kumar : 58 : GM - Sect. & Legal : 1329396 : B. Com, LLB, FCS : 41 : 11.09.1980 : Dalmia Dairy Industries Ltd. : Deputy Secretary :: Krishnan Mahesh : 43 : VP - Consumer Business : 1602909 : B. Sc., PGDM (Mktg.) from IIM : 20 : 06.06.2002 : General Mills India Pvt. Ltd. : Director - Exports & B&FS : 51610 :: Malik Chander Parkash : 57 : Manager Taxation : 641666 : B. Com, CA, LLB : 32 : 01.11.1995 : J.K. Industries Ltd. : Manager - Taxation :: Punwani Deepak : 34 : Pricing Manager (Asia Pacific Region) : 554362 : MBS, MMA, BBS : 9 : 12.09.2005 : Cedar Consulting : Management Consultant :: Santosh T.K. : 38 : Sr. Accts. Officer - Br. Oper : 245543 : B.A. : 19 : 01.07.1997 : M/s Parasrampur Intl. : Stenographer : Rajan V. Solai : 58 : Supervisor - Administration : 434,272 : Eleventh : 38 : 01.04.1994 :: Singh Dipinder : 51 : VP - Consumer Business : 7204373 : MBA, Phd : 25 : 01.02.2009 : Goodyear Tyre Management Company (Shanghai) Ltd. : Marketing Director : Consumer PBU :: Yadav Yash : 51 : VP - HR & Corporate Affairs : 908623 : LLB, MBA : 28 : 12.11.2009 : General Motors India Pvt. Ltd. : Vice President - Human Resource

### Notes:

- Remuneration as shown above includes salaries, bonus, Company's contribution to Provident Fund, Leave Travel, House Rent Allowance, Expenditure incurred on providing Housing, Medical and other facilities.
  - Employees named above are/were whole time employees of the Company.
  - Conditions of employment provide for termination of services by either party upon giving three month's notice and in the case of employees marked\*\* upon giving one month's notice.
  - None of the employees named above is a relative of any director.
  - Designation of the employees indicates the nature of duties.
- \*Non- Board Member as on December 31, 2009.

# CORPORATE GOVERNANCE

Goodyear India Limited is a subsidiary Company of The Goodyear Tire & Rubber Company, Akron, Ohio, USA. The Company's corporate philosophy is enshrined in a manual titled '**Business Conduct Manual for Global Operations**'. The core values, inter-alia, include conducting business in accordance with the highest applicable legal and ethical standards, the highest standards of product quality and services to the consumers with a view to create value that can be sustained continuously for the benefits of its customers, shareholders and the associates. The Company has implemented the requirements placed under Clause 49 of the listing agreement with the stock exchanges (hereinafter referred to as 'clause 49'). The Report of the Company on Corporate Governance is as under.

## 1. Code of Conduct

In terms of the requirement of clause 49, the Board of Directors of the Company, in line with the corporate philosophy laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is displayed at website [www.goodyear.co.in](http://www.goodyear.co.in). As required, a declaration duly signed by the Managing Director regarding compliance with the above code is attached as Annexure-A.

## 2. Board of Directors:

The composition of the Board of Directors of the Company, in compliance with Clause 49 of the Listing Agreement, as on December 31, 2009 is given below:

Name	Status i.e. Promoters, Executive, Non-executive, Independent non-executive, nominee of Financial Institution	No. of Board Meetings of the Company		Number of Membership in other Boards or other Committees as a member or chairperson		Whether Attended the last AGM
		Held during the year	Attended during the year	Board*	Committee**	
Mr Rajeev Anand****	Executive	6	6	None	None	Yes
Mr Hugo O Dedekind	Executive	6	6	None	None	Yes
Mr R V Gupta	Independent Non-Executive	6	6	6	2 (including 1 as Chairman)	Yes
Mr C Dasgupta	Independent Non-Executive	6	5	None	None	Yes
Mr Rajiv Lochan Jain	Independent Non-Executive	6	6	None***	None	Yes
Mr Pierrie E Cohade	Non-Independent Non-Executive	6	5	None in India	None in India	No
Mr Daniel Ackerman (Alternate Director to Mr Pierrie E Cohade)	Non-Independent Non-Executive	6	None	None in India	None in India	No

\* Excluding interest in Societies/Trust/Private Companies.

\*\* Includes only Audit Committee and Shareholders'/Investors' Grievance Committee of Public Limited Companies

\*\*\* Excluding interest in Limited Liability Partnerships

\*\*\*\* Mr Rajeev Anand has been appointed as Wholtime Managing Director, effective February 20, 2009

During the year, there was no pecuniary relationship or business transaction by the Company with any non-executive Director, other than the sitting fee for attending the Board/Committee meetings as well as the travelling/conveyance expenses incurred for attending Company's business/meetings.

During the year 2009, six Board Meetings were held on February 20, 2009, March 26, 2009, April 28, 2009, July 31, 2009, October 27, 2009 & November 30, 2009.



### 3. Audit Committee:

The constituted Audit Committee has the terms and roles as specified in Clause 49 of the Listing Agreement/ Section 292 A of the Companies Act, 1956. Per Listing Agreement at least two-thirds of the members of audit committee should be independent directors. The current audit Committee of your Company consists of 4 Directors namely Messrs R V Gupta, C Dasgupta, Rajiv Lochan Jain, independent Directors and Mr Rajeev Anand, Managing Director. Mr R V Gupta, an independent non-executive Director who possesses accounting and financial related management expertise, is the Chairman of the Committee.

The Company Secretary acts as the Secretary of the Committee.

During the year 2009, six Audit Committee meetings were held on February 20, 2009, March 26, 2009 April 28, 2009, July 31, 2009, October 27, 2009 &

#### Attendance at Audit Committee Meetings

Name of the Member	Number of meetings attended
Mr R V Gupta	6
Mr C Dasgupta	5
Mr Rajiv Lochan Jain	6
Mr Rajeev Anand	6

### 4. Remuneration of Directors:

The remuneration policy for the wholetime Director/Managing Director of the Company is based on the broad principles of payment of remuneration by the parent company to its executives, i.e. a portion of remuneration is paid on fixed basis and the remaining portion of the remuneration is based on the results.

Sitting fee was paid only to non-executive independent Directors. The brief information is as under:

#### Names of the wholetime Directors

Details	*Rajeev Anand Managing Director	Hugo O Dedekind Finance Director	Prabhakar Jain Managing Director
i) Service Contract Valid upto	February 19, 2014**	***	Ceased effective close of business hours of April 30, 2009
ii) Monthly Salary	Rs. 1,82,465/-	Rs. 82,500/-	Rs.7,82,200/-
iii) Monthly Special Allowance	Rs. 3,04,140/-	-	-
iv) Commission	Not Applicable	Based on the net profits restricted to 100% of annual salary - maximum Rs. 9,90,000/-	Not Applicable
v) Performance Bonus	As determined by the Board based on the net profit restricted to Rs. 39,02,664 in a year	Not Applicable	Already ceased to be a Director
vi) House Rent Allowance/Leased Accommodation	Company's Accommodation or House Rent Allowance of Rs. 2,06,564 per month.	Company's Accommodation or house rent allowance restricted to 60% of the salary.	Not Applicable

\* Appointed with effect from February 20, 2009.

\*\* Terminable by giving 90 days notice from either side expiring at the end of calendar month. No severance fee is payable.

\*\*\* Resigned effective the close of Business hours on March 31, 2010.

- No severance fee is payable to any director.

Benefits: The entitlement to the wholetime Directors, inter-alia, include personal accident insurance, fees of clubs, medical expenses reimbursement subject to a ceiling of four months' salary for each completed year of service or twelve months' salary over a period of three completed years of service, gas, electricity, water and furnishings, the Company's car and telephone at residence etc.

Company's Contribution to Provident Fund as per the applicable laws as well as employee's share of contribution and Return Passage for home country for self and family incurred in accordance with the rules of the Company are also the entitlements of Mr Hugo O Dedekind. He is also entitled for actual expenses incurred, if any, on travel and on packing, forwarding, loading or unloading as well as freight, insurance, customs duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal effects for self and family for finally leaving the employment of the Company. His other entitlements, inter-alia, include contribution to Provident Fund and superannuation fund as applicable for other Senior Management Staff of the Company, gratuity at the rate of one half month's salary for each completed year of service in the Company, as per the rules of the Company, encashment of leave at the end of the tenure, as per the rules of the Company and recreation/holiday trip once in a year for self and family in accordance with the rules of the Company, subject to a ceiling of Rs. 90,000/- in a year.

The remuneration paid is within the limits specified in Schedule-XIII of the Companies Act, 1956 and has due approval from the Board of Directors and Shareholders of the Company excepting certain revision in the remuneration of Mr Rajeev Anand made effective July 1, 2009, the details whereof were circulated by the Company to the Shareholders vide circular dated July 31, 2009. The details thereof would also be appearing in the notice of the ensuing Annual General Meeting for obtaining Shareholders' approval.

The Company has not formed any Remuneration Committee pursuant to Clause 49 of the Listing Agreement as the formation of the same was not mandatory.

There is no Stock Option Scheme of the Company for any Director (Executive / Non- Executive)

A reference to Note no. (h) of schedule 15 of the

annual accounts of the Company for the year ended December 31, 2009 can also be made for Directorship remuneration details.

## 5. Shareholders' /Investors' Grievance Committee:

The Shareholders'/Investors' Grievance Committee consists of Mr C Dasgupta, a non-executive Director as Chairman and Mr R V Gupta, Mr Rajiv Lochan Jain & Mr Hugo O Dedekind as Members to look into the matters concerning redressal of Shareholders'/Investors' complaints like transfer of shares, non-receipt of balance sheet/declared dividend etc.

During the year 2009, two Shareholders'/Investors' Grievance Committee meetings were held on June 19, 2009 & October 27, 2009.

### Attendance at Shareholders'/Investors' Grievance Committee Meetings:

Name of the Member	No. of Meetings attended
Mr R V Gupta	2
Mr C Dasgupta	2
Mr Rajiv Lochan Jain	2
Mr Hugo O Dedekind	2

Skyline Financial Services Pvt. Ltd., New Delhi, are the Share Transfer Agents of the Company. The Company has delegated the authority for share transfers to the employees of the Company to ensure that the share transfer formalities are attended regularly once in a fortnight and also to oversee the share transfer area of the Company. Mr Shant Kumar Jain, Company Secretary is the Compliance Officer of the Company.

8 reminders/complaints received during the year 2009 have duly been replied.

## 6. Directors

Mr C Dasgupta who joined the Company's Board in the month of May, 2001, is retiring by rotation in the ensuing Annual General Meeting of the Company



and, being eligible, offers himself for re-appointment. His brief resume is given below:

Mr Dasgupta retired from Indian Foreign Services and held several important positions including that of Ambassador of the European Union, the Kingdom of Belgium and China. Mr Dasgupta possesses vast management experience. He is the Chairman of the Shareholders'/ Investors' Grievance Committee and member of the Audit Committee Meeting of the Company.

## 7. General Body Meetings:

Location and time where the last three Annual General Meetings were held are as under:-

Meeting	Venue	Date	Time
48 <sup>th</sup> AGM	Magpie Tourism Complex Sector-16A, Faridabad, Haryana	June 19, 2009	3.30 P.M.
47 <sup>th</sup> AGM	-do-	May 16, 2008	3.30 P.M.
46 <sup>th</sup> AGM	-do-	June 15, 2007	3.30 P.M.

Special Resolution passed at the last three Annual General Meetings.

Date of AGM	Description of Special Resolution
June 19, 2009	i) Increase in sitting fees payable to Directors who are neither in wholetime employment of the Company nor a Managing Director ; ii) Appointment and payment of remuneration to Mr Rajeev Anand as wholetime Managing Director of the Company ; iii) Revision in remuneration payable to Mr Hugo Dedekind as wholetime Finance Director of the Company ; iv) Re-appointment of Mr Hugo Dedekind as wholetime Finance Director of the Company.
May 16, 2008	Appointment and payment of remuneration to Mr Prabhakar Jain as wholetime Managing Director.
June 15, 2007	Re-appointment and payment of remuneration to Mr Hugo Dedekind as wholetime Finance Director.

None of the resolutions was put through postal ballot during the last year. A special resolution for delisting of shares of the Company from Bombay Stock Exchange Limited was under process for the shareholders' approval through postal ballot.

## 8. Disclosures

**Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:**

The Company in its normal course of business, has had sale/purchase transactions with the parent Company, The Goodyear Tire & Rubber Company, Akron, Ohio, USA and/or its subsidiaries etc. abroad as well as with Goodyear South Asia Tyres Private Limited (GSATPL), Aurangabad, Maharashtra (India) on arms' length basis and the same were not considered to be in conflict with the interest of the Company. As on December 31, 2009, Messrs Rajeev Anand & Hugo O Dedekind were also Directors on the Board of GSATPL. Normal payment of sitting fees for attending the Board Meetings and Committee Meetings as well as the travelling / conveyance expenses etc. incurred for attending the Company's business / meetings by the Directors (wholtime and non-wholtime) are also not considered to be of any significant nature. The remuneration details are in clause 4 above.

The Company has not had any transaction of material nature with the Directors and/or their relatives during the year under review that would have conflict with the interest of the Company at large. The disclosure of transactions with the related parties per Accounting Standard 18 is appearing in Note (m) of schedule 15 of the annual accounts with the Company for the year ended December 31, 2009.

The Business Conduct Manual of the Parent Company applicable for Global Operations including your Company, a copy of which is circulated to associates of the Company, inter alia provides that associates could anonymously report violations by calling on the toll free number mentioned therein. This is affirmed that no personnel has been denied access to the Audit Committee.

**Details of non-compliance, penalties, strictures by Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets during last three years:-**

None

**9. Means of Communication:**

The quarterly/annual results of the Company are normally published in the Statesman and Veer Arjun.

Half yearly reports were not sent to the shareholders. The quarterly results & shareholding pattern are being displayed at the website [www.goodyear.co.in](http://www.goodyear.co.in) under the head 'Media Center'. In terms of Clause 51 of the Listing Agreement with the Stock Exchanges, certain documents/information relating to the Company are also accessible on the website [www.sebidifar.nic.in](http://www.sebidifar.nic.in). The website is also accessible through hyperlink 'EDIFAR' from the SEBI's official website <http://www.sebi.gov.in>.

No presentations were made by the Company to the Analysts. A Management Discussion and Analysis Report which forms part of the Annual report is given by means of a separate annexure and is attached to the Directors' Report.

**10. General Shareholders Information**

Date, Time and Venue of the Annual General meeting	- Friday, June 4, 2010 at 3.30 P.M, Magpie Tourism Complex Sector 16A, Faridabad, Haryana.
Financial Year	- January 01 to December 31
Book Closure	- May 26, 2010 to June 04, 2010 (Both days inclusive)
Dividend payment date	- On or after June 5, 2010 but within the statutory time limit.
Listing on Stock Exchanges	- The Bombay Stock Exchange Ltd.* (BSE), Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Listing Fees up to 2009 2010 duly paid.
Stock Code	- BSE - 500168
Registrar & Transfer Agents	- Skyline Financial Services Pvt. Ltd., 246, 1 <sup>st</sup> Floor, Sant Nagar, East of Kailash, New Delhi - 110065

\* Pursuant to a proposal received from The Goodyear Tire & Rubber Company, Akron, Ohio, USA, which holds 74% of the total Paid-up Capital of the Company, to (either directly or through one or more of its wholly-owned subsidiaries), initiate a voluntary delisting of the equity shares of the Company from the Bombay Stock Exchange Limited in accordance with the provisions of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, with a view to acquire all outstanding shares of the Company, your Company's Board of Directors in its meeting held on February 9, 2010 (i) considered and approved such delisting proposal, subject to applicable law, approval of the shareholders of the Company and in-principal approval of the Bombay Stock Exchange Limited, and (ii) decided that such delisting proposal will be placed before the shareholders of the Company for their consideration and to seek their approval by a Special Resolution passed through postal ballot in accordance with the provisions of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. The Bombay Stock Exchange Limited would be kept informed from time to time with regard to the developments in the said delisting proposal.

**Market Price Data: High, Low on Bombay Stock Exchange (BSE) during each month in the last Financial Year-2009**

Month	Price per equity share of the face value of Rs.10/- each		Month	Price per equity share of the face value of Rs.10/- each	
	High	Low		High	Low
January	77.55	68.30	July	135.80	92.00
February	81.00	65.00	August	156.40	126.75
March	112.00	55.00	September	198.70	143.15
April	106.45	94.10	October	256.00	176.00
May	140.00	96.50	November	249.00	180.15
June	137.70	101.00	December	222.50	180.00



## Goodyear Prices/BSE (Sensex) Monthly Closing



### Share Transfer System

Skyline Financial Services Pvt. Ltd. are the Share Transfer Agents of the Company for handling both physical share registry work and Demat share registry work. The shares received for transfers complete in all respect in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within 2 weeks and 30 days in the case of bulk request.

### Distribution of Shareholding as on December 31, 2009

No. of shares held	Folios		Shares held	
	Numbers	Percentage	Numbers	Percentage
Upto 500	21,475	94.01	1,768,884	7.67
501 - 1000	762	3.34	578,103	2.51
1001 - 5000	517	2.26	1,048,348	4.54
5001 - 10000	41	0.18	292,045	1.26
10001 and above	48	0.21	19,379,117	84.01
<b>Total</b>	<b>22,843</b>	<b>100.00</b>	<b>23,066,507</b>	<b>100.00</b>

### Shareholding Pattern as on December 31, 2009

Description of Investors	No. of shares held	% of shareholding
1. Promoters	17,069,215	74.00
2. Financial Institutions, Insurance Companies, Banks and Mutual Funds etc.	714,334	03.10
3. Foreign Institutional Investors	9,100	0.04
4. Private Corporate Bodies	855,320	3.71
5. NRIs / OCBs	102,356	0.44
6. Indian Public	4,316,182	18.71
<b>Total</b>	<b>23,066,507</b>	<b>100.00</b>

### Dematerialisation of shares and liquidity:

21.34 % of the Share Capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as on December 31, 2009.

### Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Plant location	Mathura Road, Ballabgarh, Dist. Faridabad 121 004. Haryana
Investors' correspondence may be addressed to	M/s Skyline Financial Services Pvt. Ltd. (unit: Goodyear India Limited) 246, 1 <sup>st</sup> Floor, Sant Nagar, East of Kailash, New Delhi - 110065 or
Investors' correspondence may be addressed to	The Share Registry Section Goodyear India Limited, Mathura Road, Ballabgarh, Dist Faridabad 121004 Haryana
Website	<a href="http://www.goodyear.co.in">www.goodyear.co.in</a>
E-mail ID	<a href="mailto:goodyearindia_investorcell@goodyear.com">goodyearindia_investorcell@goodyear.com</a>

### Non Mandatory Requirements

The Company has not adopted the non mandatory requirements as mentioned in Annexure-I D of amended Clause 49 of the Listing Agreement.

### CEO/CFO Certificate

In terms of the requirement of the Clause 49, the certificates from CEO/CFO had been obtained.

On behalf of the Board of Directors

New Delhi  
February 23, 2010

**Rajeev Anand**  
Managing Director

### Annexure-A

Corporate Governance Report  
of Goodyear India Limited  
Dated February 23, 2010

### Declaration regarding affirmation of Code of Conduct

All the members of the Board and the senior management personnel have, for the year ended December 31, 2009, affirmed compliance with the code of conduct laid down by the Board of Directors in terms of clause 49 of the Listing Agreement with the Stock Exchange.

New Delhi  
February 23, 2010

**Rajeev Anand**  
Managing Director



# MANAGEMENT DISCUSSION & ANALYSIS

## 1. Industry Structure & Developments

The growth of the tyre industry depends on various factors including overall GDP growth, agricultural and industrial production, growth in vehicle demand and infrastructure development. Despite the global financial crisis, India has registered growth rate of over 6%.

The year under review has shown a significant growth in the automobile sector giving a boost to the tyre industry as well.

## 2. Opportunities & Threats

Your company feels proud to be a part of one of the largest tyre company in the world, The Goodyear Tire and Rubber Company, Akron, Ohio, USA (Parent Company). To avail support from the Parent Company in all the areas of its operations, your Company has entered into a Service Agreement with it for receiving services in the areas of Information Technology, Procurement, Production, Supply Chain, Sales & Marketing, Finance and General & Administration effective January 1, 2010. This support, along with a committed team of associates throughout the Company and an established dealer network, which is continuously being enhanced, along with the brand image, equip your Company to meet the market challenges. New products launched during the year 2009 were well accepted in the market.

The Company's activities are increasingly focused on the farm tyre segment. The growth of farm tyre segment is linked to the agricultural sector and the agriculture sector has been sluggish. High volatility in the prices of raw materials and cheaper import of tyres are also perceived to be the areas of concern for the Indian tyre industry. The quality products of your Company would help to meet the challenges posed in a high volatile market.

## 3. Segment-wise/ Product-wise performance

The Company manufactures automotive bias tyres viz. Farm tyres and Medium Commercial Truck tyres at its Ballabgarh plant and also trades in 'Goodyear'

branded tyres (including Radial passenger and Off-the-road Bias Tyres) manufactured by Goodyear South Asia Tyres Private Limited (GSATPL) Aurangabad, pursuant to an off-take agreement entered into with that company. The other products in which the Company deals in includes tubes & flaps. The sales performance during the year is as under:

	Rs. in million
Tyres	9,974
Flaps	56
Tubes	656

## 4. Outlook

In order to meet the market opportunities, your Company has continuously been working under the philosophy for providing the highest quality products and services to its customers. The Company's management has been focusing on tight management of working capital, building people capability and elimination of waste. All endeavours are made to maximise gains and reduce costs, under the umbrella of the Continuous Improvement System.

## 5. Risks and concerns

High volatility in the prices of petroleum products, raw materials, particularly the natural rubber prices witnessed in the past, is a concern area. As your Company's products are largely intended for sale in the domestic market, availability of imported tyres at cheap prices aggravate the challenges.

Approximately 26% sales turnover of the Company was attributable to the sale of products, procured from Goodyear South Asia Tyres Private Limited, primarily to wholesale dealers in the replacement market, pursuant to the off-take agreement with the said company. This off-take agreement is on a non-exclusive basis and can be terminated by either party after giving four months' notice.

The prevailing uncertainty in some of the legal

challenges such as The Haryana Tax on Entry of Goods Into Local Areas Act, 2008 (Entry Tax Act) passed by the State Government of Haryana repealing the earlier Haryana Local Area Development Tax Act, 2000 (HLADT Act), certain other disputes/demands raised against the Company, arbitrary disallowances in certain tax proceedings, untenable disputes raised by consumers etc. are also the areas of concern perceived by your Company. The Company has blocked certain funds in order to secure a few of these demands in terms of the court order(s). As in the past, the Company has obtained insurance coverage for its assets.

## 6. Internal control systems and their adequacy

The Company has a proper and adequate system of internal control.

The Company has an Audit Committee headed by non-executive independent director, inter-alia, to oversee the company's financial reporting process, disclosure of financial information, performance of statutory and internal auditors, functions, internal control systems, related party transactions, investigations relating to suspected fraud or failure of internal audit control, etc. as well as other areas requiring mandatory review per clause 49 of the Listing Agreement with the stock exchange. The powers of the Audit Committee, inter-alia, include seeking information from any employee, obtaining outside legal or other professional advice and investigating any activity of the company within the committee's term of reference. The Company's internal audit department verifies the information concerning the efficiency and effectiveness of its operations, the reliability and accuracy of the financial statements as well as the compliance with the company policies so as to maintain accountability of all its assets and the authenticity and correctness of the recorded transactions. The scope, coverage, control weakness and other relevant issues and updates are shared by internal audit at appropriate management levels for corrective action and the progress thereof is tracked.

## 7. Discussion on financial performance with respect to operational performance

The details of the financial performance of the

Company are appearing in the Balance Sheet, Profit & Loss Account and other Financial Statements, appearing separately. Highlights are provided below:

	Rs. in million	
	2009	2008
Total Sales & other Income	10,735	10,154
Less: Excise Duty	<u>535</u>	<u>827</u>
Net Sales & other income	10,200	9,327
Profit Before Interest, Depreciation & Tax	1,274	660

The financial performance of the Company has been further explained in the Directors' Report of the Company for the year 2009, appearing separately.

## 8. Human Resources

The employee relations have remained cordial throughout the year and industrial harmony was maintained. Measures for the safety of the employees, training and development continued to receive top priority. The total number of salaried and hourly paid associates, as at December 31, 2009, stood at 961.

### Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's views about the Industry, expectations/predictions, objectives etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied in these statements. The Company's operations may, inter-alia, be affected by the supply and demand situations, input prices and availability, changes in Government regulations, tax laws and other factors such as industry relations and economic developments etc. Investors should bear the above in mind.



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## Auditors' Certificate on compliance with conditions of Corporate Governance under clause 49 of the listing agreement

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### To the Members of

#### GOODYEAR INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Goodyear India Limited ('the company'), for the year ended on 31st December 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

#### For Price Waterhouse

Chartered Accountants

#### H.Singh

Partner

Membership No. F-86994

Place: New Delhi

Dated: February 23, 2010

# AUDITORS' REPORT TO THE MEMBERS OF GOODYEAR INDIA LIMITED

1. We have audited the attached Balance Sheet of Goodyear India Limited, as at December 31, 2009, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
  4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
    - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
    - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
    - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
    - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
    - (e) On the basis of written representations received from the directors, as on December 31, 2009 and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
    - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
      - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2009;
      - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
      - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Price Waterhouse**  
Chartered Accountants

**H. Singh**  
Partner  
Membership Number F- 86994  
Place: New Delhi  
Date: February 23, 2010

## ANNEXURE TO AUDITORS' REPORT

**[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Goodyear India Limited on the financial statements for the year ended December 31, 2009]**

- 1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.

(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.

- 2. (a) The inventory (including stocks with third parties) has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

- 3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.

(b) The Company has not taken any loans,

secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.

- 4. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

- 5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, commenting on transactions made in pursuance of such contracts or arrangements does not arise.

- 6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

- 7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

- 8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the



Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

■ **9.** (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess, and other material statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales-tax and excise duty as at December 31, 2009 which have not been deposited on account of a dispute, are as follows [Also refer Note b (ii) on Schedule 15]:

the immediately preceding financial year.

- **11.** According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any bank. The Company has not issued any debentures and further there are no dues from any financial institutions at the balance sheet date.
- **12.** The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- **13.** The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- **14.** In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- **15.** In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

Sr No.	Name of the statute	Nature of dues	Period to which the amount relates	Amount (Rs. '000)	Forum where the dispute is pending
1	Central and State Sales Tax Acts	Sales Tax	1987-1988 1991-1994 1995-2008	42,989	First level of Appellate Authority i.e. Assistant Commissioner/ Deputy Commissioner/ Joint Commissioner/ Commercial Taxes Appellate and Revisional Board
			1992-1993	45	Sales Tax Tribunal
			1987-1988	785	High Court
2	The Central Excise Act, 1944	Excise Duty	1997-1998 2000-2001	3,054	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

■ **10.** There are no accumulated losses as at December 31, 2009 and it has not incurred any cash losses in the financial year ended on that date or in

■ **16.** The Company has not obtained any term loans.

- **17.** On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- **18.** The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- **19.** The Company has not issued any debentures.
- **20.** The Company has not raised any money by public issues during the year.
- **21.** During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company, noticed or reported during the year.

**For Price Waterhouse**  
Chartered Accountants

**H. Singh**  
Partner  
Membership Number F- 86994  
Place: New Delhi  
Date: February 23, 2010

# BALANCE SHEET

BALANCE SHEET AS AT DECEMBER 31, 2009

	Schedule No. (Note reference)	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Capital	1	230,665	230,665
Reserves and Surplus	2	1,917,672	1,376,905
<b>Deferred Tax Liability (Net)</b>	15 (c)	107,723	110,081
		<b>2,256,060</b>	<b>1,717,651</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	3	2,771,648	2,641,423
Less: Depreciation		1,568,407	1,488,966
Net Block		1,203,241	1,152,457
Capital Work in Progress		363,173	125,061
		<b>1,566,414</b>	<b>1,277,518</b>
<b>Current Assets, Loans and Advances</b>			
Inventories	4	516,629	714,052
Sundry Debtors	5	986,667	1,018,982
Cash and Bank Balances	6	1,587,722	552,293
Loans and Advances	7	163,831	115,363
		<b>3,254,849</b>	<b>2,400,690</b>
<b>Less: Current Liabilities and Provisions</b>	8		
Liabilities		2,121,478	1,525,502
Provisions		443,725	435,055
<b>Net Current Assets</b>		<b>689,646</b>	<b>440,133</b>
		<b>2,256,060</b>	<b>1,717,651</b>
<b>Significant Accounting Policies and Notes to Accounts</b>			
	15		

This is the Balance Sheet referred to in our report of even date.

The Schedules referred to above form an integral part of the Balance Sheet.

**For Price Waterhouse**  
Chartered Accountants

**Pierre E. Cohade**  
Chairman

**Rajeev Anand**  
Vice Chairman &  
Managing Director

**Hugo O Dedekind**  
Finance Director

**R V Gupta**  
Director

**H.Singh**  
Partner  
Membership No. F-86994

**C Dasgupta**  
Director

**Rajiv Lochan Jain**  
Director

**Shant Kumar Jain**  
Company Secretary

Place: New Delhi  
Date: February 23, 2010



# PROFIT & LOSS ACCOUNT

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

	Schedule No. (Note reference)	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
<b>INCOME</b>			
<b>GROSS SALES</b>	9	10,685,812	10,018,023
Less: Excise Duty		534,776	827,038
<b>NET SALES</b>		10,151,036	9,190,985
Other Income	10	48,704	135,680
		10,199,740	9,326,665
<b>EXPENDITURE</b>			
Raw Material Consumed	11	4,296,745	4,689,808
Work in Process and Finished Goods	12	2,660,605	2,382,256
Increase / (decrease) in Excise Duty on Finished Goods		(13,522)	(7,430)
Manufacturing, Selling and Administrative Expenses	13	1,981,668	1,602,340
		8,925,496	8,666,974
<b>PROFIT BEFORE INTEREST AND DEPRECIATION</b>		<b>1,274,244</b>	<b>659,691</b>
Interest Expenses	14	34,034	24,667
Depreciation (net)	15(n)	126,089	111,883
<b>PROFIT BEFORE TAX</b>		<b>1,114,121</b>	<b>523,141</b>
Provision for Taxation :			
- Current Tax		383,302	166,286
- Deferred Tax	15(c)	(2,358)	19,592
- Fringe Benefit Tax		2,235	15,373
<b>PROFIT AFTER TAX</b>		<b>730,942</b>	<b>321,890</b>
Profit brought forward from the previous year		571,012	451,042
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>1,301,954</b>	<b>772,932</b>
<b>APPROPRIATIONS</b>			
Proposed Dividend		161,466	138,399
Tax on Dividend		27,441	23,521
General Reserve		80,000	40,000
Balance carried to Balance Sheet		1,033,047	571,012
		1,301,954	772,932

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2009

	Schedule No. (Note reference)	For the year ended December 31, 2009	For the year ended December 31, 2008
<b>BASIC AND DILUTED EARNINGS PER SHARE (Rs.)</b>		31.69	13.95
Face Value of each equity share (Rs.)	15(r)	10	10
<b>Significant Accounting Policies and Notes to Accounts</b>	15		

This is the Profit & Loss Account referred to in our report of even date.

The Schedules referred to above form an integral part of Profit & Loss Account.

**For Price Waterhouse**  
Chartered Accountants

**Pierre E. Cohade**  
Chairman

**Rajeev Anand**  
Vice Chairman &  
Managing Director

**Hugo O Dedekind**  
Finance Director

**R V Gupta**  
Director

**H.Singh**  
Partner  
Membership No. F-86994

**C Dasgupta**  
Director

**Rajiv Lochan Jain**  
Director

**Shant Kumar Jain**  
Company Secretary

Place: New Delhi  
Date: February 23, 2010

## CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2009

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before tax	1,114,121	523,141
Adjustments for non cash items		
Depreciation	126,089	111,883
Loss on sale of fixed assets (net)	868	481
Interest expenses	34,034	24,667
Interest income	(17,801)	(13,636)
Liabilities / provisions no longer required written back	(7,054)	(66,158)
Provision for doubtful debts and advances	8,517	3,171
Provision for Gratuity	15,590	15,536
Provision for Leave Encashment	13,821	11,224
Unrealised foreign exchange (Gain)/Loss	20,188	(1,487)
	<u>194,252</u>	<u>85,681</u>
Operating profit before working capital changes	1,308,373	608,822
Adjustments for working capital :		
Decrease in Sundry debtors	30,361	267,653
(Increase)/ Decrease in Loans and advances	(54,123)	7,525
(Increase)/ Decrease in Inventories	197,423	(69,947)
Increase/ (Decrease) in Sundry creditors and other payables	362,685	(343,630)
	<u>536,346</u>	<u>(138,399)</u>
Cash generated from operations	1,844,719	470,423
Direct taxes paid	(374,041)	(148,965)
Direct taxes refund	-	379
Tax Deducted at Source	(2,702)	(3,400)
Fringe Benefit Tax	(3,887)	(15,101)
	<u>(380,630)</u>	<u>(167,087)</u>
Net cash flow from operating activities	1,464,089	303,336
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(237,173)	(224,449)
Interest received	15,665	14,219
Sale proceeds of fixed assets	947	242
	<u>1,464,089</u>	<u>(209,988)</u>
Net Cash used in investing activities	(220,561)	(209,988)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest paid	(32,541)	(24,667)
Dividends paid	(159,391)	(159,122)
	<u>(191,932)</u>	<u>(183,789)</u>
Net Cash used in financing activities	(191,932)	(183,789)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	1,051,596	(90,441)
Cash and bank balance as at beginning of year	552,293	645,721
Unrealised foreign exchange gain(loss)	(16,167)	(2,987)
Cash and bank balance as at end of the year	<u>1,587,722</u>	<u>552,293</u>

## Notes:

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 on "Cash Flow Statement" notified by the Government of India under the Accounting Standard Rules, 2006.
- Cash and bank balance as at end of the year includes Rs.2,483 (Previous year Rs.2,483) against bank guarantees and Rs. 26,159 (Previous year Rs. 24,874) deposits in favour of Hon'ble Court of Additional District Judge, New Delhi. Amount not available for use by the company Rs. 7,545 (previous year Rs. 5,016)
- Figures in brackets indicate cash outflow.
- Previous year figures have been regrouped and recast, wherever necessary, to conform to the current year's classification.
- The schedules referred to in the Balance Sheet and Profit & Loss Account form an integral part of the Cash Flow Statement.

This is the Cash Flow Statement referred to in our report of even date.

**For Price Waterhouse**  
Chartered Accountants

**Pierre E. Cohade**  
Chairman

**Rajeev Anand**  
Vice Chairman &  
Managing Director

**Hugo O Dedekind**  
Finance Director

**R V Gupta**  
Director

**H.Singh**  
Partner  
Membership No. F-86994

**C Dasgupta**  
Director

**Rajiv Lochan Jain**  
Director

**Shant Kumar Jain**  
Company Secretary

Place: New Delhi  
Date: February 23, 2010



# SCHEDULES AND NOTES

## SCHEDULES FORMING PART OF BALANCE SHEET

### SCHEDULE 1 CAPITAL

Authorised  
30,000,000 (30,000,000) Equity Shares  
of Rs.10 each

Issued, Subscribed and Fully Paid-up  
23,066,507 (23,066,507) Equity Shares  
of Rs.10 each

Notes:

- 17,069,215 (17,069,215) shares are held by The Goodyear Tire & Rubber Company, Akron, Ohio, USA (the Holding Company) of which 1,203,926 shares are allotted as fully paid up pursuant to a contract without payment being received in cash.
- 12,159,379 (12,159,379) shares were allotted as fully paid up by way of bonus shares by capitalisation of General Reserve Rs.114,188 and Share Premium Account Rs. 7,406.

As at  
December 31, 2009  
(Rs.'000)

As at  
December 31, 2008  
(Rs.'000)

300,000

300,000

230,665

230,665

### SCHEDULE 2 RESERVES AND SURPLUS

Share Premium  
General Reserve  
Revaluation Reserve  
Profit & Loss Account

As at  
January 01, 2009  
(Rs.'000)

Additions  
(Rs.'000)

Deductions  
(Rs.'000)

As at  
December 31, 2009  
(Rs.'000)

631,378

-

-

631,378

140,000

80,000

-

220,000

34,515

-

1,268

33,247

571,012

462,035

-

1,033,047

1,376,905

542,035

1,268

1,917,672

### SCHEDULE 3 FIXED ASSETS

(Rs.'000)

	Gross Block				Depreciation				Net Block	
	As at January 1, 2009	Additions during the year	Deductions/ adjustments during the year	As at December 31, 2009	As at January 1, 2009	Charged during the year*	Deductions/ adjustments during the year	As at December 31, 2009	As at December 31, 2009	As at December 31, 2008
<b>Tangible</b>										
Freehold Land	17,309	-	-	17,309	-	-	-	-	17,309	17,309
Buildings	282,739	35,179	-	317,918	113,408	9,751	-	123,159	194,759	169,331
Plant & Machinery	2,238,416	143,670	49,204	2,332,882	1,298,937	113,281	47,405	1,364,813	968,069	939,479
Furniture & Fittings	15,349	436	63	15,722	8,344	1,187	47	9,484	6,238	7,005
Vehicles	9,089	671	-	9,760	2,491	883	-	3,374	6,386	6,598
<b>Intangible</b>										
Software	78,521	-	464	78,057	65,786	2,255	464	67,577	10,480	12,735
<b>TOTAL</b>	<b>2,641,423</b>	<b>179,956</b>	<b>49,731</b>	<b>2,771,648</b>	<b>1,488,966</b>	<b>127,357</b>	<b>47,916</b>	<b>1,568,407</b>	<b>1,203,241</b>	<b>1,152,457</b>
Previous Year	2,457,046	216,316	31,939	2,641,243	1,407,011	113,171	31,216	1,488,966		

Capital Work in Progress  
including capital advances of Rs.62,421 (Rs.3,395) and capital goods intransit of Rs.160,777 (Rs. 29,371)

363,173 125,061

1,566,414 1,277,518

Notes

1. Gross Block includes Rs. 158,185 (Rs159,152 ) on account of revaluation of certain fixed assets in 1984. Amount added to fixed assets on revaluation was credited to revaluation reserve.
2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 141,073 (Rs.25,265 ).
- \*3. Refer note ' n ' & ' o ' on Schedule 15

## SCHEDULES FORMING PART OF BALANCE SHEET

**SCHEDULE 4  
INVENTORIES**

	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
Raw Materials*	207,015	200,705
Work in Process	30,370	9,162
Finished Goods **	179,203	399,992
Stores and spare parts ***	100,041	104,193
	<b>516,629</b>	<b>714,052</b>

\*Net of Obsolescence provision of Rs. Nil (Rs. 1,559) and including inventory intransit Rs. 42,962 (Rs. Nil)

\*\*Including inventory intransit Rs.19,187(Rs. 4,105)

\*\*\*Net of Obsolescence provision Rs.40 (Rs. 40) and including inventory intransit of Rs. 889 (Rs. 565)

**SCHEDULE 5  
SUNDRY DEBTORS**

	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
(Considered good, unless otherwise stated)		
Debts - Over six months Unsecured [Considered Doubtful Rs. 28,350 (Rs. 29,949) and fully provided for]	-	3,406
Other debts Secured	182,303	111,728
Unsecured [Considered Doubtful Rs. Nil (Rs. 1) and fully provided for]	804,364	903,848
	<b>986,667</b>	<b>1,018,982</b>

**SCHEDULE 6  
CASH AND BANK BALANCES**

	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
Cash in hand	175	177
Cheques in hand	20,309	72,969
Cash in Transit	219	7,816
With Scheduled Banks on		
Current Accounts	733,316	398,942
Deposit Accounts*	826,158	67,373
Dividend Accounts	7,545	5,016
	<b>1,587,722</b>	<b>552,293</b>

\*Includes Rs. 2,483 (Rs.2,483) against bank guarantees and Rs.26,159 (Rs. 24,874 ) deposits in favour of Hon'ble Court of Additional District Judge ,New Delhi.

**SCHEDULE 7  
LOANS AND ADVANCES**

	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
Unsecured - Considered good Unless otherwise stated		
Advances recoverable in cash or in kind or for value to be received [Considered Doubtful Rs.12,200 (Rs. 5,200) and fully provided for]	148,117	98,858
Advance Tax / Income-tax refundable (net of provisions)	-	791
Balance with Customs and Excise	15,714	15,714
	<b>163,831</b>	<b>115,363</b>

## SCHEDULES FORMING PART OF BALANCE SHEET

### SCHEDULE 8 CURRENT LIABILITIES AND PROVISIONS

	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
<b>Current Liabilities</b>		
Acceptances	210,536	264,555
Sundry creditors (Refer note 't' on schedule 15)	-	-
- Due to Micro Enterprises and Small Enterprises	-	-
- Due to other than Micro Enterprises and Small Enterprises	<u>1,569,690</u>	<u>1,020,274</u>
Security deposits	256,594	172,691
Investor Education and Protection fund shall be credited by the following amounts namely :*		
- Unpaid dividend	7,545	5,016
- Unpaid matured deposits	-	69
Other liabilities	77,113	62,897
	<b><u>2,121,478</u></b>	<b><u>1,525,502</u></b>
<b>Provisions</b>		
Income Tax (Net of advance)	9,873	-
Fringe Benefit Tax (Net of advance)	-	4,264
Gratuity	96,005	94,471
Leave Encashment	24,501	23,995
Interest on Provident Fund Contributions	3,731	3,432
Product Replacement Loss**	13,842	17,651
Proposed Dividend	161,466	138,399
Tax on proposed dividend	27,441	23,521
Others**	106,866	129,322
**Refer note 'p' on schedule 15		
	<b><u>443,725</u></b>	<b><u>435,055</u></b>

\* No amount is due as on December 31, 2009 for credit to Investors' Education and Protection Fund. Amount remaining due after adjustment of amounts to be claimed from the Company will be transferred on the respective due dates to the said Fund.



## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

**SCHEDULE 9  
SALES (GROSS)**For the year ended  
December 31, 2009For the year ended  
December 31, 2008

Class of goods sold	Unit	Quantity*	Value	Quantity*	Value
		(000)	(Rs.'000)	(000)	(Rs.'000)
Automotive Tyres	(Nos.)	2,298	9,973,625	2,132	9,374,004
Flaps	(Nos.)	256	56,208	293	59,471
Automotive Tubes	(Nos.)	1,495	655,979	1,410	584,548
			<b>10,685,812</b>		<b>10,018,023</b>

\*Unit sales include inventory adjustments and debits raised for Company's own use.

**SCHEDULE 10  
OTHER INCOME**For the year ended  
December 31, 2009  
(Rs.'000)For the year ended  
December 31, 2008  
(Rs.'000)

Duty Drawback	-	4,411
Gain on Exchange Fluctuation (net)	-	6,524
Miscellaneous Income	19,660	43,144
Liabilities / Provision no longer required written back (also refer note ' (b)(iv) ' on Schedule 15)	7,054	66,158
Interest on :		
- deposits (Gross of tax deducted at source Rs 1,854 (Rs 3,088))	17,476	13,451
- others	325	185
Mould usage charges	263	224
Commission received	3,926	1,583
	<b>48,704</b>	<b>135,680</b>

Notes:

1. Miscellaneous income includes:

a. Scrap sale of Rs.11,290 (Rs. 20,510)

b. Refund of Kerala Value Added Tax on purchase of raw materials of Rs Nil (Rs.11,425) for the period April 1, 2007 to December 31, 2007

**SCHEDULE 11  
RAW MATERIAL CONSUMED**For the year ended  
December 31, 2009For the year ended  
December 31, 2008

	Quantity ( '000 Kgs.)	Value (Rs.'000)	Quantity ( '000 Kgs.)	Value (Rs.'000)
Rubber	24,893	2,470,380	23,671	2,779,829
Fabrics	2,897	611,883	2,950	587,858
Carbon black	13,064	588,400	12,452	662,239
Pigments and chemicals	6,818	495,759	6,630	511,883
Beadwire	1,463	83,754	1,537	93,644
Others {net of scrap sales of Rs 18,952 (Rs 17,913)}#		46,569		54,355
		<b>4,296,745</b>		<b>4,689,808</b>

# It is not practicable to furnish quantitative information in respect of such items due to different size, unit of measurement, each being less than 10% of total value.

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

### SCHEDULE 12 WORK IN PROCESS AND FINISHED GOODS

For the year ended  
December 31, 2009  
(Rs.'000)

For the year ended  
December 31, 2008  
(Rs.'000)

#### WORK IN PROCESS AND FINISHED GOODS

Opening stock				
-Work in Process	9,162		12,196	
-Finished Goods	<u>399,992</u>	409,154	<u>293,116</u>	305,312
Add:				
Purchases of Finished Goods		2,461,024		2,486,098
		<u>2,870,178</u>		<u>2,791,410</u>
Less:				
Closing Stock				
-Work in Process	30,370		9,162	
-Finished Goods	<u>179,203</u>	209,573	<u>399,992</u>	409,154
		<u>2,660,605</u>		<u>2,382,256</u>

#### VALUE AND QUANTITATIVE BREAK-UP OF FINISHED GOODS

		Opening stock		Purchases		Closing Stock	
		Quantity (000)	Value (Rs.'000)	Quantity (000)	Value (Rs.'000)	Quantity (000)	Value (Rs.'000)
Automotive Tyres	(Nos)	109	344,587	1076	2,441,684	42	142,512
		(75)	(258,069)	(1033)	(2,458,996)	(109)	(344,587)
Flaps	(Nos)	32	6,916	50	11,120	32	4,639
		(30)	(4,664)	(52)	(10,723)	(32)	(6,916)
Automotive Tubes	(Nos)	121	48,489	21	8,220	98	32,052
		(107)	(30,383)	(55)	(16,379)	(121)	(48,489)
			<u>399,992</u>		<u>2,461,024</u>		<u>179,203</u>
			(293,116)		(2,486,098)		(399,992)

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

### SCHEDULE 13 MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES\*

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
Salaries, wages and bonus	406,927	352,879
Contribution to provident and other funds	34,709	30,533
Workmen and staff welfare expenses	37,031	36,430
Retirement gratuities	15,590	15,536
Leave encashment	13,821	11,224
Consumption of stores and supplies	15,966	10,738
Power and fuel	276,456	360,683
Travelling	60,256	53,106
Repairs and maintenance		
-Buildings**	4,317	1,154
-Machinery**	52,703	36,841
- Others	921	1,006
Stores and spares written off	6,994	-
Rent	32,830	22,339
Insurance	4,365	4,945
Provision for doubtful debts and advances	8,517	3,171
Telecommunication	14,767	13,012
Rates and taxes	35,324	29,952
Legal and professional	20,849	11,170
Carrying and forwarding agent expenses	24,637	20,231
Freight, transport and delivery	230,985	207,200
Advertising and sales promotion	115,406	128,223
Trademark fee	77,881	59,160
Commission	5,813	7,014
Cash Discounts	230,388	-
Bank Charges	5,076	7,300
Conversion charges	106,392	75,760
Loss on sale / deletion of fixed assets (etc.)	868	481
Exchange loss	26,516	-
Bad debts written off	3,117	13,997
Less: Provision for doubtful debts	(3,117)	(13,997)
Miscellaneous	115,363	102,252
	<b>1,981,668</b>	<b>1,602,340</b>

\*includes expenditure on research and development Rs. 1,866 (Rs.1,518)

\*\*includes consumption of spares Rs. 31,198 (Rs. 25,612 )

### SCHEDULE 14 INTEREST EXPENSES

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
Others	34,034	24,667
	<b>34,034</b>	<b>24,667</b>



## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

### SCHEDULE 15 NOTES TO ACCOUNTS

#### (a) SIGNIFICANT ACCOUNTING POLICIES

##### i) Accounting Convention

These financial statements have been prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956, the relevant provisions of the Companies Act, 1956 and are based on the historical cost convention as modified to include the revaluation of certain fixed assets.

##### ii) Fixed Assets

Gross fixed assets are stated at cost of acquisition/construction and assets taken on finance lease on or after January 1, 2002 are stated at lower of the fair value/present value of the minimum lease payments at the inception of the lease. The figures of land, buildings and factory plant and machinery, which have been revalued during the year 1984, are on the basis of valuation report of an approved valuer.

##### iii) Depreciation/ Amortisation

- a) The Company follows straight line method of depreciation in respect of all its fixed assets including assets taken on finance lease, as per Schedule XIV to the Companies Act, 1956, except (c) & (d).
- b) As per technical evaluation, Plant and Machinery is treated as Continuous Process Plant as defined in Schedule XIV to the Companies Act, 1956 and the depreciation has been provided accordingly.
- c) Depreciation has been provided in respect of certain category of Plant and Machinery (including machinery spares of irregular nature) as per technical assessment by the management based on straight line method over the useful life of 5-10 Years.
- d) The depreciation on assets revalued as at

December 31, 1984, is provided on the basis of the residual life as per the technical estimation by the valuer.

- e) Intangible Assets: Softwares are amortised over a period of 6 years based on the estimated economic useful life of the asset.
- f) The depreciation on the assets capitalised during the year is charged from beginning of the month following the date of capitalisation.

##### iv) Inventories

Inventories are valued at lower of cost and net realisable value. Cost includes cost of purchase, conversion costs and appropriate production overheads incurred in bringing the inventories to their present location and condition and is net of Cenvat. Finished goods are inclusive of Excise duty.

The basis of determining cost for various categories of inventories is as follows:

Raw Materials	Weighted average
Stores and Spare parts	Weighted average
Work in Progress and}	Materials and
Finished Goods}	appropriate share
	of labour and
	overheads

Inventories have been disclosed net of provision for obsolescence, if any. Provision for inventory obsolescence is determined based on management's estimate.

##### v) Research and Development Expenditure

The revenue expenditure on research and development is expensed under the respective heads in the year in which it is incurred.

##### vi) Revenue Recognition

Sale of goods is recognised at the point of despatch of finished goods to customers. Sales exclude sales tax and is net of rebates & discounts and sales returns.

##### vii) Employee Benefits

The Company has Defined Contribution plans for post employment benefits' namely Provident

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Fund, Employee State Insurance Scheme, Employee Pension Scheme and Superannuation Fund. The contributions to Superannuation and Provident Funds are administered by trusts, which are recognised by the Income Tax authorities. The Company's contributions in all the above plans are charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment/compensated absence, Gratuity for employees and shortfall in interest on Provident fund balance, the liability for which is determined on the basis of an actuarial valuation at the end of the year. Gains and losses arising out of actuarial evaluations are recognised immediately in the Profit and Loss Account as income or expense.

### viii) Taxation

Provision for income tax and Fringe benefit tax is computed in accordance with the provisions of Income-tax Act, 1961. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is recognised at the rate substantially enacted at the balance sheet date

### ix) Foreign Currency Translations

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transactions. Exchange gain / loss on translation of assets and liabilities are recognised in the Profit and Loss Account.

### x) Lease rental

Lease rentals in respect of operating lease entered on and after January 1, 2002 are charged to the

Profit and Loss Account on a straight-line basis over the lease term.

### xi) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### xii) Impairment of Assets

At each Balance Sheet date the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognised in the accounts to the extent the carrying amount exceeds the recoverable amount.

### xiii) Provisions and Contingencies

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

Product replacement loss is determined on the basis of past experience and best estimates of management.

Contingencies are disclosed unless the likelihood of an outflow of resources is remote and there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

### (b) CONTINGENT LIABILITIES\*

	As at December 31, 2009 (Rs.'000)	As at December 31, 2008 (Rs.'000)
i) Bills discounted	-	30,341
ii) Claims against the Company not acknowledged as debts		
Rent cases	43,875	43,875
Sales Tax	19,733	16,605
Additional Excise Duty	48,413	48,413
Others	33,995	28,083

\*(excluding interest and penalty, if any)

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

- iii) During the year 2003, a demand of Rs. 66,222 besides interest, was raised by the Haryana Urban Development Authority towards external development charges (EDC) which has been challenged by the Company. During June 2009, the first court passed an interim order whereby the company was directed to pay interest @ 10% for delayed payment amounting to Rs. 476 which was duly paid. As the Company had, in earlier years, already paid EDC, then demanded by the concerned authorities, the management is of the view that no additional demand against the Company is legally tenable.
- iv) In the year 2007 Hon'ble Punjab & Haryana High Court at Chandigarh, on a reference from the Hon'ble Supreme Court of India, had held the Haryana Local Area Development Tax (HLADT) as unconstitutional. Subsequently in the year 2008 the state of Haryana introduced "Haryana Tax on Entry of Goods Into Local Area Act, 2008 (Entry Tax) by repealing the Haryana Local Area Development Tax Act, 2000 and the same was also held unconstitutional by the Hon'ble Punjab & Haryana High Court.

Earlier based on the legal opinion obtained by the Company and management's assessment, provision towards liability for Haryana Local Area Development Tax (HLADT) for the periods prior to March 2008 aggregating to Rs. 540 lacs has been written back during the year 2008. The amount already paid for HLADT till December 2006 and

expensed in earlier years is Rs. 1,938 lacs.

During the year 2009, as per an interim order of Hon'ble Supreme Court, there is a stay on recovery of tax with a direction to assesseees for filing their returns of tax and giving undertaking that in the event of their losing the matter, they will deposit the tax along with the interest at a rate which will be determined by this court. The matter is pending before Constitutional bench of Hon'ble Supreme court. Based on the fresh legal opinion obtained by the Company and management assessment, no provision for HLADT and Entry tax has been considered necessary.

- v) In respect of certain assessment years under Income Tax laws there are appeals pending before the Hon'ble Supreme Court / Hon'ble High Court / Income tax Appellate Tribunal etc., against which the Management does not consider any contingent liability at this stage.

### (c) Major components of Deferred Tax arising on account of temporary timing differences are:

	January 1, 2009 (Rs.'000)	For the Year (Rs.'000)	December 31, 2009 (Rs.'000)
<b>Deferred tax liability</b>			
Depreciation	178,483	(4,709)	173,774
<b>Deferred tax assets</b>			
a) Contingent Provisions	16,188	(2,500)	13,688
b) Provision for Employee Benefits	40,267	693	40,960
c) Provision for doubtful debts / advances	11,947	(544)	11,403
Total Assets	<b>68,402</b>	<b>(2,351)</b>	<b>66,051</b>
<b>Deferred Tax Liability (Net)</b>	<b>110,081</b>	<b>(2,358)</b>	<b>107,723</b>
Previous Year	90,489	19,592	110,081



## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
<b>(d) CIF value of imports</b>		
Raw Materials	511,987	777,993
Components and Spare parts	16,605	4,321
Capital Goods	182,652	66,225
<b>(e) Expenditure in foreign currency</b>		
Import of finished goods	101,096	176,275
Commission on exports	3,880	7,014
Travel	2,418	2,646
Trademark usage charges	77,881	59,160
Others	7,745	10,750
<b>(f) Amount remitted during the year in foreign currency on account of dividend:</b>		
(i) Number of non-resident shareholders	1	1
(ii) Number of shares held by non-resident shareholder on which dividend was due	17,069,215	17,069,215
(iii) Amount remitted	102,415	102,415
(iv) Year to which dividend related	2008	2007
<b>(g) Earnings in foreign exchange</b>		
FOB value of goods exported	572,050	762,929
Commission received	3,926	1,583
Recovery for deputation of employees	3,242	2,984
<b>(h) Managerial Remuneration</b>		
Managerial remuneration*		
- Remuneration to whole-time directors [Including perquisites Rs. 4,338 (Rs. 4,988)]	14,425	14,582
- Commission/ Bonus	2,546	8,499
- Contribution to Funds	3,305	2,495
- Gratuity and Leave Encashment	388	522
- Directors' fees	760	240
*Net of settlement of Mr.Prabhakar Jain- Rs. 2,816 (Rs.Nil)		
	<b>21,424</b>	<b>26,338</b>
Computation of net profit in accordance with Section 198 read with Section 349 of the Companies Act, 1956:		
Profit before taxation	1,114,121	523,141
<b>Add:</b>		
Managerial remuneration	21,424	26,338
Depreciation	126,089	111,883
Profit/ (Loss) on account of sale of assets (net)	(868)	(481)
Provision for doubtful debts	1,517	3,171
<b>Deduct:</b>		
Depreciation computed u/s 350 of the Companies Act, 1956	126,089	111,883
Profit/ (Loss) on account of sale of assets (net)	(868)	(481)
Bad debts written off	3,117	13,997
Net profit for the year u/s 349 of the Companies Act, 1956	<b>1,133,945</b>	<b>538,653</b>
Managerial remuneration including Commission 10% Restricted to	113,395	53,865
	21,424	26,338

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
<b>(i) Auditors' remuneration</b>		
<u>Statutory auditors</u>		
As auditors	3,050	3,050
<b>In other capacity</b>		
Tax accounts	700	600
Various certificates/reports	2,655	2,630
Out of pocket expenses	317	261
<u>Cost auditors</u>		
As Cost auditors	120	120
Out of pocket expenses	25	25

### (j) Quantitative information in respect of each class of goods manufactured during the year

		(Quantity'000)	
		<u>Installed Capacity*</u>	<u>Actual Production</u>
Automotive tyres	(Nos.)	1,258 (1,258)	1,155 (1,133)

Note:

1. The installed capacity is as certified by the Management and relied upon by the auditors' being a technical matter.
2. Production does not include conversion by outside sources:

Tubes (Nos.)	1,451	(1,369)
Flaps (Nos.)	206	(243)

\*Delicensed.

### (k) Consumption of raw materials, stores, spare parts and components:

	For the year ended December 31, 2009			For the year ended December 31, 2008				
	Raw Materials (Rs.'000)	% Stores, Spare Parts and Components (Rs.'000)	%	Raw Materials (Rs.'000)	% Stores, Spare Parts and Components (Rs.'000)	%		
Imported	632,393	14.7	1,087	2.3	804,202	17.1	3,542	9.7
Indigenous	3,664,352	85.3	46,077	97.7	3,885,606	82.9	32,808	90.3
	<b>4,296,745</b>		<b>47,164</b>		<b>4,689,808</b>		<b>36,350</b>	

(l) As the Company's business activity falls within a single primary business segment viz. 'Automotive tyres, tubes, flaps and related rubber products', the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" are not applicable.

### (m) Disclosures under Accounting Standard 18:

1) List of related parties with whom the Company had transactions during the year.

#### Holding company:

The Goodyear Tire & Rubber Co., Akron, Ohio, USA.

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

### Fellow subsidiaries:

i)	Goodyear do Brasil Produtos de Borracha Ltd.	: xvi)	South Pacific Tyres, Australia
ii)	Goodyear Dunlop Tires Operations SA	: xvii)	C.A.Goodyear De Venezuela
iii)	PT Goodyear Indonesia Tbk	: xviii)	Goodyear Earthmover Pty Ltd, Australia
iv)	Goodyear South Africa (Pty.) Limited	: xix)	Goodyear Luxemburg Tires, SA
v)	Goodyear Philippines Inc.	: xx)	Goodyear Guatemala
vi)	Goodyear Lastikleri TAS	: xxi)	Goodyear Great Britain Ltd.
vii)	Goodyear Dunlop Tires Germany Gmbh	: xxii)	Goodyear Singapore Pvt. Ltd.
viii)	Goodyear Marketing & Sales SDN Bhd	: xxiii)	Goodyear Dunlop Tires France
ix)	Goodyear South Asia Tyres Private Limited	: xxiv)	Goodyear Dunlop Tyres (NZ) Ltd.
x)	Goodyear Dalian Tire Company Limited	: xxv)	Goodyear International Corporation
xi)	Compania Goodyear Del Peru SA.	: xxvi)	Goodyear Dunlop Tyres Italia SPA PT
xii)	Goodyear (Thailand) Public Co. Ltd.	: xxvii)	Goodyear Taiwan Limited
xiii)	Goodyear Middle East, FZE	: xxviii)	Goodyear Australia Pty. Limited
xiv)	Goodyear De Colombia S.A	: xxix)	Goodyear Nippon Giant (Japan NGT)
xv)	TC Debica SA		

### Key management personnel:

- i) Mr. Rajeev Anand (effective February 20, 2009)
- ii) Mr. Hugo O Dedekind
- iii) Mr. Prabhakar Jain (resigned effective April 30, 2009)

### II) Transactions with related parties on an arms' length basis

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
<b>Holding company:</b>		
Dividend paid	102,415	102,415
Purchase of raw materials, spare parts	107,405	376,017
Sale of finished goods	-	102,702
Purchase of capital items	-	35,388
Trademark fee	77,881	59,160
Expense reimbursed to holding company	598	3,763
<b>Fellow subsidiaries:</b>		
<b>Purchase of raw material, finished goods &amp; spare parts etc.</b>		
Goodyear South Asia Tyres Private Limited*	2,317,756	2,208,150
Goodyear Taiwan Limited	-	15,473
Goodyear (Thailand) Public Co. Ltd.	3,198	14,228
PT Goodyear Indonesia Tbk	2,306	24,982
Goodyear South Africa (Pty.) Limited	-	42,160
Goodyear Philippines Inc.	143	6,267
Goodyear Marketing & Sales SDN Bhd	2,128	25,722
Goodyear Earthmovers Pty Ltd, Australia	87,770	34,938
Others	5,913	20,260

\*-Transaction to the extent determinable pursuant to an Offtake Agreement  
-Net of Recovery for Replacement Loss Rs. 31,316 (Rs. 19,612)



## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
<b>Sale of finished goods</b>		
Goodyear Dunlop Tires Italia SPA PT	-	68,080
Goodyear Lastikleri TAS	-	26,199
South Pacific Tyres, Australia	83,703	7,477
Goodyear Dunlop Tires Germany Gmbh	16,554	35,078
Goodyear Great Britain Ltd.	1,079	38,081
Goodyear Middle East FZE	79,632	30,788
Goodyear South Africa (Pty) Ltd.	29,469	33,763
Goodyear Singapore Pvt. Ltd.	22,517	7,635
Others	26,419	17,110
<b>Purchase of Capital Items</b>		
Goodyear Dunlop Tires Operations SA	40,678	-
Goodyear Philippines Inc.	116,969	-
Goodyear International Corporation	17,043	-
Goodyear Australia Pty. Limited	-	15,148
Others	8,802	42
<b>Recovery for deputation of employees</b>		
Goodyear South Asia Tyres Private Limited	4,993	1,467
Goodyear Singapore Pvt. Ltd.	377	510
Goodyear Marketing & Sales SDN Bhd	1,569	1,459
P T Goodyear Indonesia	1,296	1,015
<b>Commission paid</b>		
Goodyear Middle East, FZE	2,725	4,838
<b>Commission received on supplies</b>		
Goodyear Earthmovers Pty Ltd.	3,926	1,583
<b>Mould usage charges received</b>		
Goodyear South Asia Tyres Private Limited	265	224
<b>Sale of Raw Material, spares parts etc. and other charges</b>		
Goodyear South Asia Tyres Private Limited	19,316	23,803
Goodyear Marketing & Sales Sdn Bhd	2	3,134
Others	540	2,096
<b>Expenses recovered from related parties</b>		
Goodyear Dalian Tire Company Limited	62	194
Goodyear Marketing & Sales SDN Bhd	57	-
Goodyear Nippon Giant (Japan NGT)	-	79
Goodyear Philippines Inc.	90	88
Goodyear Singapore Pvt. Ltd.	-	125
South Pacific Tyres, Australia	-	101
Goodyear (Thailand) Public Co. Limited	-	122

## SCHEDULES TO THE BALANCE SHEET AND PROFIT &amp; LOSS ACCOUNT

	As at December 31, 2009 (Rs.'000)	As at December 31,2008 (Rs.'000)
<b>Reimbursement of expenses to related parties</b>		
Goodyear (Thailand) Public Co. Limited	809	393
Goodyear Great Britain Limited	-	1,242
South Pacific Tyres, Australia	-	1,411
Others	106	170

**Key management personnel:**

Remuneration paid to key management personnel is disclosed in schedule 15 (h).

**III) Balances outstanding at the year end**

	As at December 31, 2009 (Rs.'000)	As at December 31,2008 (Rs.'000)
<b><u>Holding company:</u></b>		
Trade Payables	29,916	52,364
Trade Receivable	-	39,363
<b><u>Fellow subsidiaries:</u></b>		
<b>Trade Payable</b>		
Goodyear South Asia Tyres Private Limited	345,258	172,895
Goodyear Dunlop Tires Operations SA	39,790	-
Goodyear Philippines Inc.	113,474	2
Goodyear Earthmover Pty Ltd, Australia	21,297	7,922
Others	15,955	6,465
<b>Trade Receivable</b>		
Goodyear International Corporation	5,381	-
Goodyear Middle East FZE	22,655	11,831
Goodyear Dunlop Tires Italia SPA	-	8,838
Goodyear Dunlop Tires Germany Gmbh	-	15,353
South Pacific Tyres, Australia	16,715	-
Goodyear South Africa (Pty.) Limited	7,967	18,952
Goodyear Singapore Pvt. Ltd.	4,721	3,692
C.A.Goodyear De Venezuela	5,145	-
Goodyear South Asia Tyres Private Limited	833	9,072
Others	3,265	10,735
<b>Other Receivable</b>		
Goodyear Dalian Tire Company Limited	-	190
Goodyear Marketing & Sales SDN Bhd	567	252
Goodyear Singapore Pvt. Ltd.	-	638
Goodyear South Asia Tyres Private Limited	2,469	491
P T Goodyear Indonesia	899	89
Others	89	206

**(n) The depreciation charge for the current year represents gross Rs. 127,357 (Rs. 113,171) less transfer from revaluation reserve Rs.1,268 (Rs. 1,288). Such transfer represents the amount equivalent to the additional charge necessitated on account of revaluation of certain fixed assets referred to in (a) (ii) above, being the difference between the depreciation charged and the depreciation calculated in accordance with the rates followed by the Company on such items not revalued.**

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

(o) i) Depreciation charge for the year includes an amount of Rs. 5,943 (Rs. 7,427) provided for on an accelerated basis in respect of a category of equipment due for replacement as per technical assessment by the management.

ii) Depreciation for the year is net of Rs. Nil (Rs. 5,550) on account of adjustment made for the earlier years.

(p) In accordance with Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets", the movement of provisions is detailed below:

(Rs '000)

Description	Balance as on January 1, 2009	Additions during the year	Utilized/Reversed during the year	Balance as on December 31, 2009
(i) Product Replacement Loss (a)	17,651	-	3,809*	13,842
<b>Others (b)</b>				
(i) Price differential pending settlement	47,392	-	-	47,392
(ii) Custom/Excise/ Additional Excise Duty	38,787	242	-	39,029
(iii) Sales tax/ Entry tax	28,043	3,760	11,358	20,445
iv) Others***	15,100	-	15,100	-
<b>Total (b)</b>	<b>129,322</b>	<b>4,002</b>	<b>26,458</b>	<b>106,866</b>
<b>Total (a)+(b)</b>	<b>146,973</b>	<b>4,002</b>	<b>30,267</b>	<b>120,708</b>
Previous Year	(186,580)	(21,790)	(61,397)**	(146,973)

\* Net of additions during the year.

\*\* Refer Note 'b (iv)' on schedule 15 .

\*\*\* Details not disclosed as expected to prejudice the interest of the Company.

The above provision represents the estimated outflow in respect of the above items. However, considering the nature of items, the uncertainty and timing relating to these outflows cannot be estimated.

(q) The company has entered into a non cancellable Operating lease for office premises, the schedule of future minimum lease payment which is set out below:

Particulars	As at December 31, 2009 (Rs.'000)	As at December 31,2008 (Rs.'000)
Not later than one year	21,988	-
Later than one year but not later than five years	94,229	-
Later than 5 years	104,840	-



## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

### (r) Earnings per Share calculations:

	For the year ended December 31, 2009	For the year ended December 31, 2008
Profit for the year (Rs.'000)	730,942	321,890
No. of equity shares of Rs. 10/- each	23,066,507	23,066,507
Basic and diluted earnings per share (Rs.)	31.69	13.95

**(s) The management is of the opinion that its international transactions with associated enterprises have been undertaken at arms' length basis at duly negotiated prices on usual commercial terms. The company has submitted the Transfer Pricing (TP) report upto the financial year ended March 31, 2009 and there is no material liability on assessments completed by the Income Tax Authorities.**

**(t) Disclosures under the Micro, Small & Medium Enterprise Development Act, 2006 (as amended in Schedule VI to the Companies Act, 1956 vide notification dated November 16, 2007) based on the information available with the company:**

- Delayed payments due as at the end of accounting year on account of Principal - Rs. Nil (Nil) and Interest due thereon - Rs. Nil (Nil)
- Total interest paid on all delayed payments during the year under the provisions of the Act - Rs. Nil (Nil)
- Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act - Rs. Nil (Nil)
- Interest accrued but not due - Rs. Nil (Nil)
- Total Interest Due but not paid - Rs. Nil (Nil)

**(u) In accordance with AS-15 (revised) "Employee Benefits", the Company has calculated the various benefits provided to employees as under:**

#### A. Defined Contribution Plans

- Superannuation Fund
- Provident Fund

During the year the Company has recognised the following amounts in the Profit and Loss account: -

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
Employer's Contribution to Superannuation Fund*	11,216	10,963
Employer's Contribution to Provident Fund*	17,293	13,329

#### B. State Plans

- Employer's contribution to Employee State Insurance.
- Employer's contribution to Employee's Pension Scheme 1995. \*

During the year, the company has recognised the following amounts in the Profit and Loss account: -

	For the year ended December 31, 2009 (Rs.'000)	For the year ended December 31, 2008 (Rs.'000)
Employer's contribution to Employees State Insurance	837	840
Employer's contribution to Employees Pension Scheme 1995. *	6,200	6,241

\* Included in 'contribution to provident and other funds' under manufacturing, selling and administrative expenses (Refer schedule 13)

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

### C. Defined Benefit Plans

- Gratuity
- Leave Encashment / Compensated Absence
- Employers Contribution to Provident Fund (shortfall in interest on Provident Fund balance).

In accordance with Accounting Standard 15 (revised 2005), an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions.

Leave Encashment/ Compensated Absence		Gratuity		Interest on Provident Fund Balance	
For the year ended		For the year ended		For the year ended	
Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008

Discount Rate (per annum)	7.50%	7.50%	7.50%	7.50%	7.50%	8.00%
Rate of increase in compensation level	5.00%	5.00%	5.00%	5.00%	N.A.	N.A.
Expected rate of return on planed assets	N.A.	N.A.	N.A.	N.A.	7.50%	8.00%

Amount of obligation as at the year end is determined as under:

Leave Encashment/ Compensated Absence		Gratuity		(Rs '000) Interest on Provident Fund Balance	
For the year ended		For the year ended		For the year ended	
Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008

Present value obligation as at December 31, 2008	23,995	23,601	94,471	85,962	3,432	3,010
Interest cost	1,493	1,314	7,048	6,396	-	-
Current service cost	9,438	5,404	6,224	6,465	299	422
Benefits Paid	(13,315)	(10,830)	(14,056)	(7,027)	-	-
Actuarial (gain) / loss on Obligations	2,890	4,506	2,318	2,675	-	-
Present value obligation as at December 31, 2009	24,501	23,995	96,005	94,471	3,731	3,432

Amount of the obligation recognised in the Balance Sheet

Leave Encashment/ Compensated Absence		Gratuity		(Rs '000) Interest on Provident Fund Balance	
For the year ended		For the year ended		For the year ended	
Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008

Present value obligation at the end of the Period	24,501	23,995	96,005	94,471	3,731	3,432
Fair Value of Plan Assets at end of period	-	-	-	-	-	-
Liability recognised in the Balance Sheet	24,501	23,995	96,005	94,471	3,731	3,432

## SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

### Expenses Recognised in Profit and Loss Account

	(Rs '000)					
	Leave Encashment/ Compensated Absence		Gratuity		Interest on Provident Fund Balance	
	For the year ended		For the year ended		For the year ended	
	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Current service cost	9,438	5,404	6,224	6,465	299	422
Interest cost	1,493	1,314	7,048	6,396	-	-
Net Actuarial (gain) / loss recognised during the year	2,890	4,506	2,318	2,675	-	-
Total expense recognised in Profit and Loss Account	13,821	11,224	15,590	15,536	299	422

**(v) Previous year figures have been regrouped and recast, wherever necessary, to make them comparable to those of the current year. Figures in brackets, wherever given are in respect of previous year unless stated otherwise.**

**(w) All the figures are in rupee thousand unless stated otherwise.**

<b>For Price Waterhouse</b> Chartered Accountants	<b>Pierre E. Cohade</b> Chairman	<b>Rajeev Anand</b> Vice Chairman & Managing Director	<b>Hugo O Dedekind</b> Finance Director	<b>R V Gupta</b> Director
<b>H.Singh</b> Partner Membership No. F-86994	<b>C Dasgupta</b> Director	<b>Rajiv Lochan Jain</b> Director	<b>Shant Kumar Jain</b> Company Secretary	

Place: New Delhi  
Date: February 23, 2010



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956)

### i) REGISTRATION DETAILS

Registration No.	8,578
State Code	05
Balance Sheet Date	31st December, 2009

### ii) CAPITAL RAISED DURING THE YEAR (Amount in Rs. thousands)

Public Issue	NIL
Rights Issue	NIL
Private Placement	NIL
Bonus Issue	NIL

### iii) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. thousands)

Total Liabilities	2,256,060
Total Assets	2,256,060

#### SOURCES OF FUNDS

Paid-up capital	230,665
Reserves and surplus	1,917,672
Unsecured loans	-

#### APPLICATION OF FUNDS

Net fixed assets	1,566,414
Investments	-
Net current assets	689,646
Misc. expenditure	-
Accumulated losses	-

### iv) PERFORMANCE OF THE COMPANY (Amount in Rs. thousands)

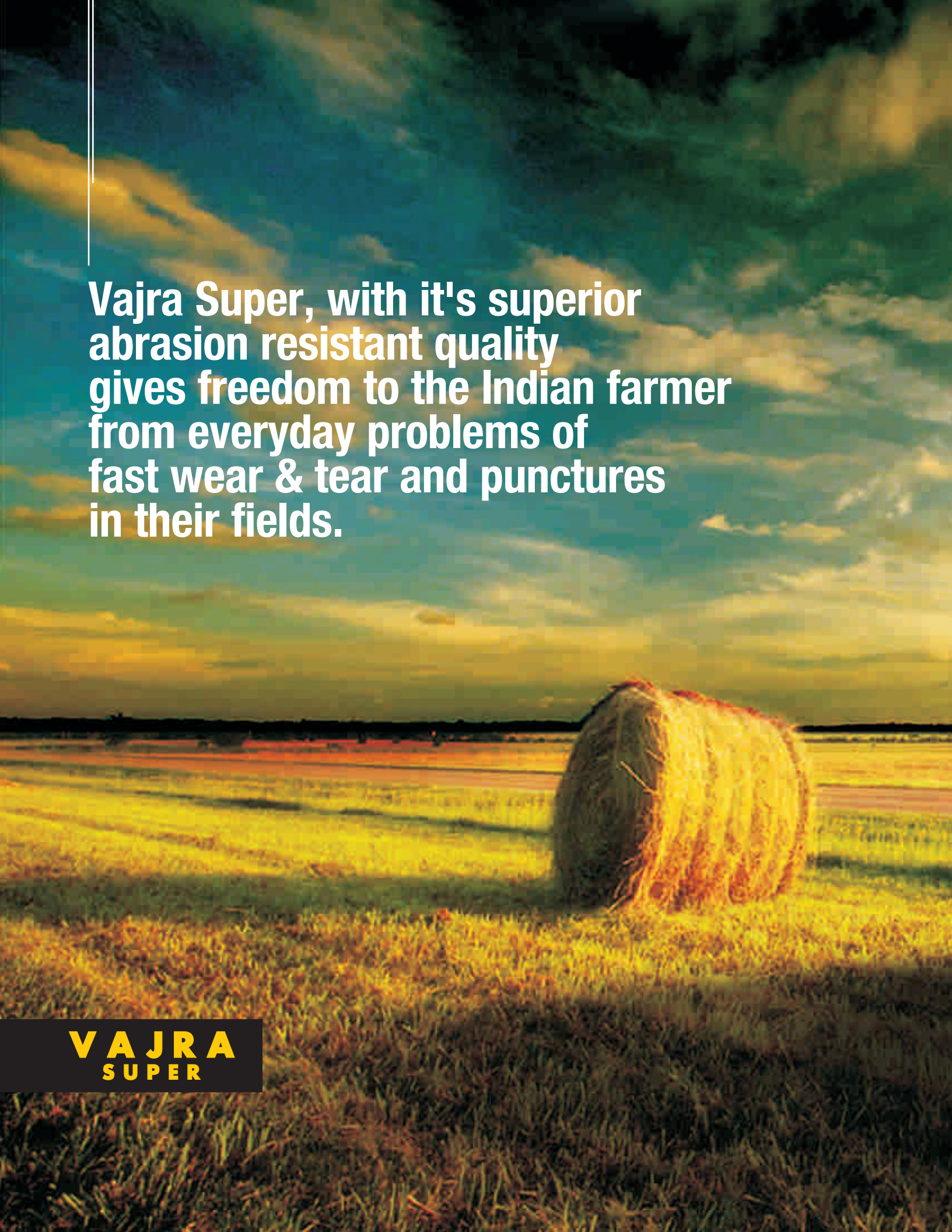
Turnover including other incomes	10,199,740
Total expenditure	9,085,619
Profit before tax	1,114,121
Profit after tax	730,942
Earning Per Share (Rs.)	31.69
Dividend rate (%)	70%

### v) GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

PRODUCT DESCRIPTION	ITEM CODE NO.
Automotive Tyres	4011
Flaps	4012
Tubes	4013

<b>Pierre E. Cohade</b> Chairman	<b>Rajeev Anand</b> Vice Chairman & Managing Director	<b>Hugo O Dedekind</b> Finance Director	<b>R V Gupta</b> Director	<b>C Dasgupta</b> Director	<b>Rajiv Lochan Jain</b> Director	<b>Shant Kumar Jain</b> Company Secretary
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Place: New Delhi  
Date: February 23, 2010



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## REGISTERED OFFICE

MATHURA ROAD,  
BALLABGARH (DIST. FARIDABAD)  
HARYANA - 121004  
TEL NO. 0129 - 6611000

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## CORPORATE OFFICE

1st FLOOR, ABW ELEGANCE TOWER,  
PLOT NO. 8,  
COMMERCIAL CENTRE JASOLA,  
NEW DELHI - 110025  
TEL NO. 011 - 47472727

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