

GOODYEAR INDIA LIMITED

Registered Office: Mathura Road, Ballabgarh, (Dist. Faridabad) – 121004, Haryana, India

NOTICE

NOTICE is hereby given that the 53rd ANNUAL GENERAL MEETING of the Members of GOODYEAR INDIA LIMITED will be held on Thursday, May 15, 2014 at 12:00 P.M. at Magpie Tourism Complex, Sector 16A, Faridabad – 121002, Haryana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statement consisting of Balance Sheet as at December 31, 2013, the statement of Profit and Loss, Cash Flow Statement for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a director in place of Mr Rajiv Lochan, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr R V Gupta, who retires by rotation and, being eligible, offer himself for re-appointment.
5. To appoint Statutory Auditors and fixing their remuneration, M/s Price Waterhouse & Co., Bangalore (FRN 007567S), Chartered Accountants, the existing Auditors of the Company are eligible and offer themselves for re-appointment.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass, with or without modification(s), the following resolutions:

6. As a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and/or re- enactment thereof, consent of the Members of the Company be and is hereby accorded to the revision in the remuneration payable to Mr Rajeev Anand, Vice Chairman & Managing Director effective May 1, 2013, in terms of agreement dated July 2, 2009 (effective February 20, 2009) read with fifth supplemental agreement dated June 25, 2013 (effective May 1, 2013) for his appointment till February 19, 2014, as specified in detail in the draft Sixth Supplemental Agreement (a draft of which was placed before the members) to be entered into between the Company and Mr Anand and that the Board of Directors of the Company is authorized to revise, amend, alter or otherwise vary the terms and conditions of his appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Anand shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof.”

7. As a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and/or re- enactment thereof, consent of the Members of the Company be and is hereby accorded to the revision in the remuneration payable to Mr Yashwant Singh Yadav, Director- HR & Corporate Affairs of the Company effective May 1, 2013, in terms of agreement dated July 7, 2011 (effective November 1, 2010) read with third supplemental agreement dated June 25, 2013 (effective May 1, 2013), as specified in detail, in the draft fourth supplemental agreement to be entered into between the Company and Mr Yadav (a draft whereof was placed before the members) and that the Board of Directors of the Company is authorized to revise, amend, alter or otherwise vary the terms and conditions of his appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Yadav shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Yadav would be entitled to receive

the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof.”

8. As an Ordinary Resolution

“RESOLVED THAT Mr Rajeev Anand be and is hereby re- appointed as Vice Chairman & Managing Director of the Company w.e.f. February 20, 2014, whose period of office shall not be subject to retirement by rotation.”

9. As a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and/or re- enactment thereof, consent of the Members of the Company be and is hereby accorded to the re – appointment of Mr Anand as Vice Chairman & Managing Director of the Company for a period of 5 five years with effect from February 20, 2014 at a managerial remuneration as specified in detail along with other terms and conditions of his re - appointment in the draft agreement to be entered into between the Company and Mr Rajeev Anand (a draft of which was placed before the meeting) and the Board of Directors of the Company be and is hereby authorized to revise, amend, alter or otherwise vary the terms and conditions of his re- appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Anand shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/ or re- enactment thereof and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof.”

10. As a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and/or re- enactment thereof, consent of the Members of the Company be and is hereby accorded to the revision in the remuneration payable to Mr Rajeev Anand, Vice Chairman & Managing Director effective February 20, 2014, in terms of the draft agreement for his reappointment effective February 20, 2014 as approved by the Board of Directors in its meeting held on October 29, 2013, as specified in detail in the draft first supplemental agreement (a draft of which was placed before the members) to be entered into between the Company and Mr Anand and that the Board of Directors of the Company be and is hereby authorized to revise, amend, alter or otherwise vary the terms and conditions of his re- appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Anand shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re- enactment thereof.”

11. As a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 297 of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), such of the provisions of the Companies Act, 2013 as are in force and applicable, and pursuant to the approval of the Central Government vide approval letter no. 4/369/T-1/2013/D/5916 dated September 6, 2013 read with corrigendum letter no. 4/369/T-1/2012/D/10678 dated January 31, 2014; the following transaction with M/s. Goodyear South Asia Tyres Private Limited be and is hereby approved, confirmed and ratified:

Particular of transaction	Period for which approval under section 297 is granted by the Central Government	Previous limit sanctioned by Central Government	Additional Limit	Total enhanced limit approved by the Central Government
Availing and providing of services, i.e., sharing of employees, infrastructure, third parties services and charges for mixing and conversion of raw material into compound rubber from/ to M/s. Goodyear South Asia Tyres Private Limited.	04-07-2013 to 31-12-2013	Rs. 3.13 crores (From 01-01-2013 to 31-12-2013)	Rs. 3.87 crores	Rs. 7.00 crores
	01-01-2014 to 30-06-2014	Rs. 3.90 crores (From 01-01-2014 to 31-12-2014)	Rs. 2.05 crores	Rs. 5.95 crores

RESOLVED FURTHER THAT (a) the contract is competitive, at an arm's length without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the Company has not made any default under section 297 in the past and there is no default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon and has filed its up to date Balance Sheet and Annual Returns with the Registrar of Companies; (b) the contract is falling within the provisions of section 297 of the Act and provisions of section 198, 269, 309, 314 and 295 are not applicable in the aforesaid contract; and (c) the company and its directors have complied with the provisions of section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956 with regard to the aforesaid contract.

12. As a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 297 of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), such of the provisions of the Companies Act, 2013 as are in force and applicable, and pursuant to the approval of the Central Government vide approval letter no. 4/368/T-1/2013/D/5917 dated September 6, 2013 read with corrigendum letter no. 4/368/T-1/2012/D/10677 dated January 31, 2014; the following transaction with M/s. Goodyear South Asia Tyres Private Limited be and is hereby approved, confirmed and ratified:

Particular of transaction	Period for which approval under section 297 is granted by the Central Government	Amount of transaction approved by the Central Government
Purchase of all kinds of tyres, tubes and flaps, raw materials, spare parts, components, store items, moulds and movable machineries by Goodyear India Limited from Goodyear South Asia Tyres Private Limited.	01-01-2014 to 30-06-2014	Rs. 300.00 crores

RESOLVED FURTHER THAT (a) the contract entered into with M/s Goodyear South Asia Tyres Private Limited is competitive, at an arm's length without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the Company has not made any default under section 297 in the past and there is no default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon and has filed its up to date Balance Sheet and Annual Returns with the Registrar of Companies; (b) the contract is falling within the provisions of section 297 of the Act and provisions of section 198, 269, 309, 314 and 295 are not applicable in the aforesaid contract; and (c) the company and its directors have complied with the provisions of section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956 with regard to the aforesaid contract.

By Order of the Board

February 27, 2014
New Delhi

Pankaj Gupta
Company Secretary

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend, and, on a poll to vote instead of himself/herself and such proxy need not be a member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
2. In terms of the applicable provisions of the Companies Act, 2013, a person can be appointed as a Proxy on behalf of a maximum of fifty members.
3. Register of Members and Share Transfer Books of the Company will remain closed from May 3, 2014 to May 15, 2014 both days inclusive.
4. Dividend on the shares, if declared by the Company at the meeting, will be paid on or after May 15, 2014 but within the statutory time limit, subject to the provisions of Section 206A of the Companies Act, 1956 or any amendments or statutory re-enactment thereof, to the members whose names appear on the Company's Register

of Members as on May 2, 2014 or to their mandates. In respect of shares held in dematerialized form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.

5. Members of the Company are informed that pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956 or any statutory re-enactment thereof, the amount of dividend which remains unclaimed/unpaid for a period of 7 years would be transferred to the Investor Education & Protection Fund (IEPF) constituted by the Central Government and the members would not be able to claim from the company, the dividend so transferred to the Fund. As such, member who have not encashed their dividend warrant(s) are requested in their own interest to write to the Company immediately claiming the Dividend(s) declared by the Company pertaining to the years 2006, 2007, 2008, 2009, 2010, 2011 & 2012. The unclaimed dividend for the year 2006 was declared by the shareholders of the Company on June 15, 2007 and was later transferred to unpaid dividend account as per the provisions of applicable law. On expiry of a period of seven years on July 21, 2014, it will be due for transfer to IEPF.
6. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Member's bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the members with bank details printed thereon as available in the Company's records. Accordingly, members are encouraged to claim payment of dividend in terms of above mentioned electronic payment modes by filling up the details required in attached ECS Mandate Form & sending the same as per the instructions given therein.
7. Pursuant to the directions of the Securities and Exchange Board of India (SEBI), trading in the shares of your Company is in compulsory de-materialized form. Members who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant (s) with whom they have opened the de-materialization account to the Company's Registrar and Share Transfer Agent (RTA):

M/s Skyline Financial Services Private Limited,
D – 153/A, Ist Floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020.
Tel.: +91 11 26812682-83, 64732681, Email Id.: info@skylinerta.com
8. The Members / Proxies are requested to produce at the Registration Counter(s) the attached attendance slip, duly completed and signed, for admission to the meeting hall. Photocopies of Attendance Slip will not be entertained for issuing Gate Pass for attending Annual General Meeting. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office or to the RTA for issuing the duplicate of the same.
9. As permitted by Ministry of Corporate Affairs, we invite our members to participate in the Green Initiative by registering their email IDs with the Company to enable it to send the documents such as Annual Report, Notices of General Meetings etc. by email.
10. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered office of the Company or on email Id "goodyearindia_investorcell@goodyear.com", atleast 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
11. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.
12. All the documents referred to in the accompanying notice, explanatory statement and Register of Directors' Shareholding are open for inspection at the registered office of the Company on all working days between 11:30 A.M. to 1:30 P.M. up to the date of Annual General Meeting. Register of Directors' Shareholding shall be open for inspection upto 3 days after the Annual General Meeting.
13. Members holding shares in physical form and desirous of making a nomination. In respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956 or any statutory re-enactment thereof, are requested to submit the request in prescribed form 2B to the RTA.

14. In terms of the applicable provisions of Companies Act, 2013, Corporate members are requested to send a duly certified copy of the board of directors' resolution authorizing their representative to attend and vote at the annual general meeting.
15. Abridged and full version of the annual reports will also be available on the website of the Company at 'www.goodyear.co.in' in the Investor Relations section. Also, hard copies of the full annual reports will be sent to those shareholders who will request the same.
16. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 (corresponding to Section 173 of the Companies Act, 1956) in respect of the Special business under the Item Nos. 6 to 12 are set out as below:

EXPLANATORY STATEMENT

The following Explanatory Statements, as required by Section 102 of the Companies Act, 2013 (corresponding to Section 173 of the Companies Act, 1956), set out all material facts relating to the business under Item Nos. 6 to 12 mentioned in the accompanying notice:

Item No. 6

As the Members are aware, the Board of Directors at its meeting held on April 26, 2013 had revised the remuneration payable to Mr Rajeev Anand, wholtime Managing Director, effective May 1, 2013 vide fifth supplemental agreement dated June 25, 2013. The said remuneration was also approved by the Members at the Annual General Meeting held on June 7, 2013.

Subject to the approval of shareholders, the Board of Directors of the Company, at its meeting held on February 27, 2014 approved the revision in the remuneration payable to Mr Rajeev Anand w.e.f. May 1, 2013 in terms of agreement dated July 2, 2009 (effective February 20, 2009) read with fifth supplemental agreement dated June 25, 2013 (effective May 1, 2013) for his appointment till February 19, 2014. The detail of revised remuneration of Mr Rajeev Anand, as unanimously approved by the Board of Directors on February 27, 2014 is appended below:

Pay for Performance Bonus (PRP) and Incentive(s) of any kind whatsoever payable annually upto Rs 27 million in place of Rs 20 million.

All other terms and conditions with respect to the remuneration of Mr Anand including basic salary (monthly), Expenditure on gas, electricity, water and furnishings, Recreation/holiday trip, special allowance, housing facility, club fee, personal accident insurance, medical reimbursement, insurance, contribution to provident fund and superannuation fund, gratuity, encashment of leave, car with driver for use of Company's business and telephone at residence, reimbursement of expenses for running and maintenance of personal car, other perquisites etc. shall remain under the limits, as approved, by Members in the Annual General Meeting held on June 7, 2013 etc.

The above terms have been incorporated in the draft sixth supplemental agreement to be entered into with Mr Rajeev Anand as referred to in the resolution vide Item No. 6 of the Notice with the authority to the Board of Directors to revise, amend, alter or modify the remuneration from time to time, as it deems fit, but at no time, the remuneration payable to Mr Rajeev Anand shall exceed the maximum limit stipulated in Schedule XIII to the Companies Act, 1956, as existing or as may be amended and/or re-enactment thereof. The draft sixth supplemental agreement, referred as above, also provides that subject to the applicable provisions of the Companies Act, 1956 and/or re-enactment thereof, in the event of the company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the above remuneration as minimum remuneration. The revision of remuneration payable to Mr Rajeev Anand is subject to the approval of the Members of the Company and the approval, as required, is hereby sought.

The draft sixth supplemental agreement referred to in resolution No. 6 would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

None of the Directors and Key Managerial Personnel of the Company except Mr Rajeev Anand, Vice Chairman & Managing Director to the extent of revision in remuneration vide item No. 6 may be deemed to be interested or concerned in the said resolution.

Your Board of Directors recommends for passing of the above resolution.

Item No. 7

As the Members are aware, the Board of Directors at its meeting held on April 26, 2013 had revised the remuneration payable to Mr Yashwant Singh Yadav, wholetime Managing Director, effective May 1, 2013 vide third supplemental agreement dated June 25, 2013. The said remuneration was also approved by the Members at the Annual General Meetings held on June 7, 2013.

Subject to the approval of Shareholders, the Board of Directors of the Company, at its meeting held on February 27, 2014 approved the revision in the remuneration payable to Mr Yashwant Singh Yadav w.e.f. May 1, 2013 in terms of agreement dated July 7, 2011 (effective November 1, 2010) read with third supplemental agreement dated June 25, 2013 (effective May 1, 2013). The detail of revised remuneration of Mr Yashwant Singh Yadav, as unanimously approved by the Board of Directors on February 27, 2014 is appended below:

Pay for Performance Bonus (PRP) and Incentive(s) of any kind whatsoever payable annually upto Rs 9.5 million in place of Rs 8.4 million.

All other terms and conditions with respect to the remuneration of Mr Yadav including basic salary (monthly), Expenditure on gas, electricity, water and furnishings, Recreation/holiday trip, special allowance, housing facility, club fee, personal accident insurance, medical reimbursement, insurance, contribution to provident fund gratuity, encashment of leave, car with driver for use of Company's business and telephone at residence, other perquisites etc. shall remain under the limits, as approved, by Members in the Annual General Meeting held on June 7, 2013.

The above terms have been incorporated in the draft fourth supplemental agreement to be entered into with Mr Yashwant Singh Yadav as referred to in the resolution vide Item No. 7 of the Notice with the authority to the Board of Directors to revise, amend, alter or modify the remuneration from time to time, as it deems fit, but at no time, the remuneration payable to Mr Yashwant Singh Yadav shall exceed the maximum limit stipulated in Schedule XIII to the Companies Act, 1956, as existing or as may be amended and/or re- enactment thereof. The draft fourth supplemental agreement, referred as above, also provides that subject to the applicable provisions of the Companies Act, 1956 and/or re- enactment thereof, in the event of the company not earning profit or inadequacy of profit in any financial year, Mr Yadav would be entitled to receive the above remuneration as minimum remuneration. The revision of remuneration payable to Mr Yashwant Singh Yadav is subject to the approval of the Members of the Company and the approval, as required, is hereby sought.

The draft fourth supplemental agreement referred to in resolution No. 7 would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

None of the Directors and Key Managerial Personnel of the Company except Mr Yashwant Singh Yadav, to the extent of revision in remuneration vide item No. 7, may be deemed to be interested or concerned in the said resolution.

Your Board of Directors recommends for passing of the above resolution.

Item No. 8 & 9

As the Members are aware, the Board of Directors of your Company, in its meeting held on October 29, 2013, re-appointed Mr Rajeev Anand as Vice Chairman & Managing Director of the Company for a further period of five years with effect from February 20, 2014. Mr Anand, aged about 53 years, has been associated with the Company for over 32 years, in various executive capacities. He was last appointed as Vice Chairman & Managing Director of the Company w.e.f. February 20, 2009 for a period of five years.

The Board of Directors of the Company, in its meeting held on October 29, 2013 also approved the remuneration payable to Mr Rajeev Anand, with effect from February 20, 2014.

All terms and conditions with respect to the managerial remuneration of Mr Anand shall remain under the limits as approved by Members in the Annual General Meeting held on June 7, 2013. The remuneration agreed with Mr Anand is as under:

The detail of remuneration of Mr Rajeev Anand, as unanimously approved by the Board of Directors is appended below:

Monthly basic salary – Rs 5,28,000/-; Monthly Special Allowance - Rs. 4,48,000/-; Performance Bonus including incentives – subject to board approval, restricted to Rs 20 million; Expenditure on gas, electricity, water and furnishings upto ceiling of Rs 3,85,000/- in a year.

Other Perquisites/Benefits: Personal Accident Insurance Premium not to exceed Rs 5,000/- p. a., a club fee, Medical reimbursement for self and family subject to a ceiling of four months' basic salary for each completed year of service or twelve months' basic salary over a period of three completed years of service, Medical Insurance as per the rules applicable for other senior management staff of the Company, the Company's car with driver for use on company's business, Reimbursement of running and maintenance of personal car and telephone at residence, House Rent Allowance/Leased Accommodation restricted to 60% of the basic salary.

Contribution to Provident Fund and Superannuation fund as per the applicable Income Tax Act and rules. 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. 2,50,000/- in a year or Rs. 5,00,000/- in a block of two years. Gratuity of One half months' basic salary for each completed year of service in the Company and Encashment of leave as at the end of the tenure, as per the rules of the Company, Personal driver salary reimbursement not exceeding Rs. 3,00,000/- in a year.

The above terms have been incorporated in the draft agreement to be entered into with Mr Rajeev Anand as referred to in the resolution vide Item No. 9 of the Notice with the authority to the Board of Directors to revise, amend, alter or modify the remuneration from time to time, as it deems fit, but at no time, the remuneration payable to Mr Rajeev Anand shall exceed the maximum limit stipulated in Schedule XIII to the Companies Act, 1956, as existing or as may be amended and/or re- enactment thereof. The draft agreement, referred as above, also provides that subject to the applicable provisions of the Companies Act, 1956 and/or re- enactment thereof, in the event of the company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the above remuneration as minimum remuneration. The revision of remuneration payable to Mr Rajeev Anand is subject to the approval of the Members of the Company and the approval, as required, is hereby sought.

The draft agreement referred to in resolution No. 9 would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

None of the Directors and Key managerial Personnel of the Company except Mr Rajeev Anand, Vice Chairman & Managing Director to the extent of his re – appointment & revision in remuneration vide item No. 9 may be deemed to be interested or concerned in the said resolution.

Your Board of Directors recommends for passing of the above resolution.

Item No. 10

As the Members are aware, the Board of Directors of your Company, in its meeting held on October 29, 2013, re-appointed Mr Rajeev Anand as Vice Chairman & Managing Director of the Company for a further period of five years with effect from February 20, 2014 at the remuneration payable to Mr Rajeev Anand, with effect from February 20, 2014.

Subject to the approval of shareholders, the Board of Directors of the Company, at its meeting held on February 27, 2014 approved the revision in the remuneration payable to Mr Rajeev Anand effective February 20, 2014, in terms of the draft agreement for his reappointment effective February 20, 2014 as approved by the Board in its meeting held on October 29, 2013. The detail of revised remuneration of Mr Rajeev Anand, as unanimously approved by the Board of Directors on February 20, 2014 is appended below:

Pay for Performance Bonus (PRP) and Incentive(s) of any kind whatsoever payable annually upto Rs 27 million in place of Rs 20 million.

The above terms have been incorporated in the draft first supplemental agreement to be entered into with Mr Rajeev Anand as referred to in the resolution vide Item No. 10 of the Notice with the authority to the Board of Directors to revise, amend, alter or modify the remuneration from time to time, as it deems fit, but at no time, the remuneration payable to Mr Rajeev Anand shall exceed the maximum limit stipulated in Schedule XIII to the Companies Act, 1956, as existing or as may be amended and/or re- enactment thereof. The draft first supplemental agreement, referred as above, also provides that subject to the applicable provisions of the Companies Act, 1956 and/or re- enactment thereof, in the event of the company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the above remuneration as minimum remuneration. The revision of remuneration payable to Mr Rajeev Anand is subject to the approval of the Members of the Company and the approval, as required, is hereby sought.

The draft first supplemental agreement referred to in resolution No. 10 would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

None of the Directors and Key Managerial Personnel of the Company except Mr Rajeev Anand, Vice Chairman & Managing Director, to the extent of revision in remuneration vide item No. 10 may be deemed to be interested or concerned in the said resolution.

Your Board of Directors recommends for passing of the above resolution.

Item No. 11

Your Company had signed an Off Take Agreement with M/s. Goodyear South Asia Private Limited after obtaining requisite approvals of the Central Government under section 297 of the Companies Act, 1956 for various transactions of purchase and sale of goods and availing/ providing services.

As, the amount of transaction with M/s. Goodyear South Asia Private Limited for availing and providing for sharing of employees, infrastructure & third parties services and charges for mixing and conversion of raw material was likely to exceed the limits approved by the Central Government, during the period 01.01.2013 to 31.12.2013 and 01.01.2014 to 31.12.2014; your Company had applied for enhancement of the limit approved by the Central Government under Section 297 of the Companies Act, 1956.

The Central Government vide approval letter no. 4/369/T-1/2013/D/5916 dated September 6, 2013 read with corrigendum letter no. 4/369/T-1/2012/D/10678 dated January 31, 2014 had pleased to enhance the limits as per the details mentioned under the resolution proposed in the notice. In terms of the conditions prescribed in the said approval letters, post-facto consent of the members is required.

The Agreement, Central Government approvals & corrigendum etc., referred to in resolution no. 11, would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

Your Board recommends the resolution for adoption by the members. Except Mr Rajeev Anand (being a common Director), none of the Directors, Key managerial Persons may be deemed to be concerned or interested in the proposed resolution.

Item No. 12

Your Company had signed an Off Take Agreement with M/s. Goodyear South Asia Private Limited after obtaining requisite approvals of the Central Government under section 297 of the Companies Act, 1956 for various transactions of purchase and sale of goods and availing/ providing services. As earlier approval of the Central Government for purchase of tyres, tubes*, flaps etc., had expired on 31.12.2013; your Company had applied for renewal of the Central Government approval under Section 297 of the Companies Act, 1956 for further period.

The Central Government vide approval letter no. 4/368/T-1/2013/D/5917 dated September 6, 2013 read with corrigendum letter no. 4/368/T-1/2012/D/10677 dated January 31, 2014 had pleased to renew the approval as per the details mentioned under the resolution proposed in the notice. In terms of the conditions prescribed in the said approval letters, post-facto consent of the members is required.

The Agreement, Central Government approvals, corrigendum, representation etc., referred to in resolution no. 12, would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

Your Board recommends the resolution for adoption by the members. Except Mr Rajeev Anand (being a common Director), none of the Directors, Key managerial Persons may be deemed to be concerned or interested in the proposed resolution.

By Order of the Board

New Delhi
February 27, 2014

Pankaj Gupta
Company Secretary

*Word "Tubes" was inadvertently missed in the approval letter dated September 6, 2013, your Company, vide representation dated February 24, 2014 referred the matter to the Central Government for necessary clarification and the said clarification is expected to be received on or before the date of Annual General Meeting.

GOODYEAR INDIA LIMITED

Registered Office: Mathura Road, Ballabgarh, (Dist. Faridabad) - 121004, Haryana, India

ECS MANDATE FORM

[In case of Shares held (a) in physical mode - send this form to RTA at below address and /or (b) in Demat mode - please inform the concerned Depository Participant)]

To
Registrar and Share Transfer Agent
Skyline Financial Services Pvt. Ltd., D – 153/A,
1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020.
Tel.: +91 11 26812682-83, 64732681 Email Id.: info@skylinerta.com

Dear Sir,
Unit: Goodyear India Limited

Folio No.: _____

Kindly note the following NECS mandate with respect to my above cited Folio No.

1. Name of the First Shareholder: _____
(In capital letters)
2. No. of Shares held: _____
3. Bank Name and address: _____
4. Account Type (Saving / Current / Cash Credit) & Number: _____
5. 9 - digit code number of the bank & branch as appearing on the MICR cheque issued by the bank: _____

(Please attach photo copy of a cheque issued by your bank relating to your above account for verifying the accuracy of the code number).

Declaration

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or credit is not affected at all for any reason, I would not hold the Company responsible. In case of NECS facility not being available for any reason, the account detail provided above may be incorporated in the payment instrument.

Place: _____

Date: _____

Signature of the First Shareholder

Certificate of the shareholder's Bank

Certified that the particulars furnished above are correct as per our records

Date: _____

Place: _____

Signature & Seal of the Authorized Official of the bank
Banks Stamp with full address:

GOODYEAR INDIA LIMITED

Registered Office: Mathura Road, Ballabgarh, (Dist. Faridabad) – 121004, Haryana, India

DP Id :
Client Id :

PROXY FORM

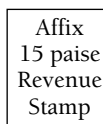
Folio No. :
No of Shares :

I/We.....
of.....being a Member of GOODYEAR INDIA LIMITED

hereby appoint.....of.....
or failing him.....of.....
or failing him.....of.....
as my/our proxy to vote for me/us and on my/our behalf at the Fifty Third Annual General Meeting of the Company to be held on Thursday, the 15th day May of 2014 and at any adjournment thereof.

As witness my/our hand (s) this.....Day of.....2014.

Signature.....



- Note: 1. Those holding shares in electronic form are requested to fill in DP Id and Client Id also.
2. The proxy form duly completed, signed & stamped must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.



ATTENDANCE SLIP

I, hereby record my presence at the Fifty Third Annual General Meeting of the Shareholders of Goodyear India Limited held at Magpie Tourism Complex, Sector 16A, Faridabad – 121002, Haryana on Thursday, May 15 2014 at 12.00 P.M.

DP Id :
Client Id :

Folio No. :
No of Shares :

Full Name of
Member(s).....
.....

Full Name of
Attending Member/proxy.....
.....

Signature of Member/Proxy

- Note: Please fill in block letters and sign at the Reception.
Please fill up DP Id and Client Id also if shares are held in electronic/demat form.
Please bring your copy of the Annual Report.



GOODYEAR
One Revolution Ahead

GOODYEAR INDIA LIMITED

TOWARDS A SUSTAINABLE FUTURE



ABRIDGED ANNUAL REPORT - 2013



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Message from the MD

Dear Shareholder,

The overall performance of your company was outstanding in 2013, as we took actions to capitalize on profitable target market segment opportunities, while also mitigating our head-winds.

A challenging economic environment, including rising fuel costs, a weakening rupee, and increasing food prices, lead to a reduction in the overall disposable income of consumers.

For the industry, the start of 2013 was not as had been anticipated at the turn of 2012, when there was an expectation of a pickup in automotive manufacturing by mid-year. Contrary to these expectations, the new car passenger category reported a decline for the complete year of 2013. Highlights were provided though by a number of new vehicle launches that managed to keep some excitement going for this segment. The under-performing passenger car category was offset by a surge in the farm segment, driven primarily by an above average and widespread monsoon, and investments in the agricultural sector.

The farm business of your company was able to capitalize on the opportunities presented by working on manufacturing efficiencies that helped raise production, thereby meeting the increased demand from the farm segment original equipment manufacturers (OEMs). These timely actions contributed to us strengthening and consolidating our leadership position and capturing further market share in this important segment. The farm business—both OE and replacement—has managed to not only beat the business plans for 2013, but set a new record for revenue and EBIT.

The consumer business of your company overcame the economic and market challenges to successfully lay down a strong foundation for the coming years, and build a bigger and more profitable organization. The company increased its investment in key marketing and brand building initiatives to create further awareness, connect with more consumers and drive sales. The introduction of innovative products and technologies, such as Run-On-Flat tyres, also helped to shore up consumer confidence in your company's portfolio. In addition to our products, our performance in 2013 was aided by strategic initiatives in the service domain, such as the Worry Free Service program, which helped the consumer replacement business improve confidence levels with both customers and consumers. In 2013, the consumer replacement business performed creditably, gaining market share in a very competitive market.

Further areas of investment in 2013 by your company to ensure we are achieving sustainable economic value now and into the future included a focus on developing our people and capabilities to strengthen our team; implementing Continuous Improvement System (CIS) initiatives to help raise the overall efficiency and performance levels across the business; and augmenting the production capabilities at Ballabgarh facility to further improve output.

Improving sustainability was also identified as an area of importance for your company in the year 2013. Goodyear is committed to protecting the environment, as well as the health and safety of our associates, our customers and the communities in which we operate. As a global, socially-responsible corporate citizen, we conduct our business in accordance with the highest applicable legal and ethical standards, and strive to contribute to economic development and environmental protection. Your company undertook a number of key initiatives at our manufacturing facility at Ballabgarh to reduce waste, usage of solvents and usage of water. Additionally, we focused on energy conservation, waste water recovery, emissions control, and recycling of selected resources at the plants.

From a tyre design perspective, your company is also proactively marketing products designed to decrease fuel consumption—and therefore emissions—by reducing tyre rolling resistance through state-of-the-art technology in rubber compounding, tire construction and manufacturing. Goodyear's proprietary Fuel Saving Technology can currently be found in tyres such as the Assurance Fuel Max, Eagle EfficientGrip, EfficientGrip SUV and Eagle F1 Asymmetric 2.

In 2014, the Indian tyre industry is expected to register single digit growth for both the farm and consumer businesses. And to meet the growing expectations of our investors, customers and consumers, we have aggressive plans to further build our capabilities and increase our presence in the market. Your company will continue build on the success story of 2013 through work on cost reduction and efficiency improvements in our manufacturing facility, as well as launching innovative new products in line with what our customers and consumers want in their tyres.

I would like to thank you all, my valued shareholders, for the continued trust and support you have given to our company. I look forward to sharing an equally exciting performance update with you for 2014, and I wish you and your families the very best for the year ahead.

Sincerely Yours,
Rajeev Anand
Vice Chairman & Managing Director
Goodyear India Limited

Board of Directors



DANIEL LAWRENCE SMYTKA (DAN SMYTKA)

Chairman

Mr Dan Smytka is president of the company's Asia Pacific business. He was named to the position on November 14, 2011. Prior to this appointment, Mr Smytka was vice president and program manager for the Asia Pacific region from October, 2010. In this role, he was responsible for all aspects of the company's Dalian/Pulandian manufacturing transition and start-up including the overall integration across all functions.

Mr Smytka joined Goodyear in October 2008 as vice president of the Asia Pacific region's consumer tyre business. Mr Smytka has more than 24 years experience as a multi-functional senior executive with global leadership experiences in the areas of sales/marketing, product management, supply chain management, finance, and Six Sigma Quality.

Prior to joining Goodyear, Smytka was president of the North American Building Systems & Services division of Carrier Corp. from 2007 to 2008. He previously worked 17 years at General Electric Co., where he held positions including president of its Engineered Systems division, president and of the Asia Pacific Consumer and Industrial group and general manager of the refrigeration product line.

Mr Smytka earned a master's degree in corporate finance and operations research from the University of Memphis. He received bachelor's degrees with dual majors in business economics and psychology from Creighton University.



RAJEEV ANAND

Vice Chairman & Managing Director

Mr Rajeev Anand has been associated with the Company for over 33 years, in various executive capacities, including as Manufacturing Director – ASEAN & India and Director Manufacturing & Strategic Initiatives – India. Prior to his appointment in 2009 as whole time Managing Director of the Company, Mr Anand was holding the position of Chief Operations Officer.



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). Mr Gupta has also acted as Principal Secretary to Govt. of MP. Mr Gupta is former Dy. Governor of RBI and was closely involved in the economic reforms process. After retirement, Mr Gupta acted as Chairman of the RBI Committee on Agriculture Credit. Mr Gupta was also associated with Deutsche Bank as Chairman of local advisory board for India and also holds various other Board Level Positions in the industry.



RAJIV LOCHAN JAIN

Director

Mr Rajiv Jain is a Chemical Engineer from IIT Kharagpur and an MBA from the USA. Mr Jain was a member on the Board of ICI India Limited for over 12 years and the Managing Director from April 2003 to May 2009. Mr Jain successfully led the portfolio reshaping of ICI India from a diversified Company to a focused and fastest growing player in the Paints business. Mr Jain was also the Chairman of both ICI's Research Company in India and the joint-venture company of ICI and Orica, Australia. Currently, he is the Executive Chairman of Performance Capital Partners LLP. He advises Indian companies on strategy development and implementation, and global corporates on their entry strategies for India. He serves on the Board of Tara Jewels Limited and Fresenius Kabi Oncology Limited.



C. DASGUPTA

Director

Mr C Dasgupta served as India's ambassador to China and to the European Union, among other posts, during his career in the Indian Foreign Service. Mr Dasgupta is currently a member of the Prime Minister's Council on Climate Change, a Distinguished Fellow at TERI, and a member of the UN Committee on Economic, Social and Cultural Rights. He was awarded the Padma Bhushan by the President of India.



YASHWANT SINGH YADAV

Director – HR & Corporate Affairs

Mr Yashwant Singh Yadav, aged 55 years, is a Bachelor in Law and an MBA with specialization in Human Resources. He has more than 32 years of professional and diverse experience in the entire gamut of Human Resources Management with large multi-national and Indian organizations including Ballarpur Industries, Goodyear India, Escorts Ltd. and General Motors India at leadership levels.



MARK CHANDRAN RAVUNNI

Chief Financial Officer (CFO)

Mr Mark Chandran Ravunni joined Goodyear in May 2011 from The Ansell Group where he was Asian Operations Controller with finance responsibility for eight manufacturing operations throughout Asia. Prior to Ansell, Mark was Chief Financial Officer (CFO) for Basis Bay Group Malaysia, Regional Financial Controller for Polyfelt Asia, Finance Manager for Western Digital Malaysia, Plant Accountant and Business Analysis for Cargill Malaysia, and Senior Auditor for KPMG, Malaysia. Mark holds a Masters degree in International Business Management from St. George's University (US) and is a Chartered Accountant registered in the United Kingdom and Malaysia.

HEAD - LEGAL & COMPANY SECRETARY

Mr Pankaj Gupta

STATUTORY AUDITORS

M/s Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

COST AUDITORS

M/s Vijender Sharma & Co.
11, (3rd Floor), Hargovind Enclave,
Vikas Marg, Delhi- 110092

DIRECTORS' REPORT

Dear Member,

Your Directors present the audited results of your company for the year ended December 31, 2013 as under:

1. FINANCIAL SUMMARY

Particulars	(Rs. in Lakhs)	
	2013	2012
Total Sales & Other Income	173,611	163,513
Less: Excise Duty	13,717	13,205
Net Sales & Other Income	159,894	150,308
Less: Total Expenditure Excluding Interest & Depreciation	142,968	139,054
Profit before Interest, Depreciation & Tax	16,926	11,254
Less: i) Finance Cost	216	382
ii) Depreciation	2,518	2,409
Profit before Tax	14,192	8,463
Less: Provision for Taxation:		
Current Tax	4,604	2,821
Deferred Tax	181	10
Profit after Tax	9,407	5,632

2. DIVIDEND

Your Board recommends a dividend @ Rs. 9/- per equity share for the year 2013. The recommended dividend will absorb a sum of Rs. 2,076 Lakhs and tax on dividend will be Rs. 353 Lakhs. Out of the surplus, an amount of Rs. 1,000 Lakhs is transferred to General Reserve and balance carried to the Balance Sheet as at December 31, 2013 is Rs. 5,978 Lakhs.

3. OPERATIONS

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 (OTR) bias tyres] manufactured by Goodyear South Asia Tyres Private Limited (GSATPL), Aurangabad. The other products in which the Company markets and sells include tubes and flaps.

The sales performance during the year is as follows:

	(Rs. in Lakhs)
Tyres	160,836
Flaps	43
Tubes	9,710

Your Company feels proud to have been acclaimed by some of the key tractor Original Equipment Manufacturers ("OEMs") like Best Supplier Award by Eicher Tractors, and Best Supplier in Overall Performance by TAFE (Tractors & Farm Equipment Limited) in the year 2013.

Your Company has also earned global recognition as a Partner-level supplier for the year 2013 in the John Deere Achieving Excellence Program. The Partner-level status is Deere & Company's highest supplier rating. The honor is in recognition of your Company's dedication to providing products and service of outstanding quality as well as commitment to continuous improvement.

In the OTR category, your Company has been awarded with a Platinum Certificate, the highest level certification to a vendor by India's leading earthmover brand, Caterpillar. The process involves stringent requirements on Parts Per Million, 100% PPAP (Production Part Approval Process) completed on time, Rejections and supplier shipping performance.

Your Company's farm business has been re-certified as being a Class A S&OP entity by Goodyear's internal global audit team. This certification reinforces the commitment of the business towards process orientation and a drive towards continuous improvement.

Your Company feels proud to have been recognized once again by Hyundai Motors Company for being the best supplier for the year in the tyre commodity. In addition to this, Goodyear has also been re-certified with the Ford Q1 supplier award.

This year also saw the introduction of Run-on-Flat tyres into the consumer replacement market.

4. FINANCE AND ACCOUNTS

During the year, additions to fixed assets amounted to Rs. 3,807 Lakhs as against Rs. 3,254 Lakhs in the previous year. The Capital expenditure incurred amounted to Rs. 5,724 Lakhs. The interest and other finance cost during the year was Rs. 216 Lakhs.

As of the end of December 2013, an amount of NIL matured deposits remained unclaimed.

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

5. FINANCIAL STATEMENTS (Full & Abridged)

In terms of Clause 32 of the Listing Agreement, your Company shall supply:

- Soft copies of full Annual Reports containing its Balance Sheet, Profit & Loss account and Directors' Report to all those shareholder(s) who have registered their email address(es) for the purpose.
- Abridged Annual Report - Hard copy of statement containing the salient features of all the documents, as prescribed in sub-clause (iv) of clause (b) of proviso to section 219 of the Companies Act, 1956 to those shareholder(s) who have not so registered their email address(es); and
- Hard copies of full Annual Reports to those shareholders, who request the same.

The Board of Directors has decided to circulate the abridged Annual Report containing salient features of the Balance Sheet and Profit And Loss account to the shareholders for the financial year 2013. A Full version of the Annual Report will be available on Company's website www.goodyear.co.in and will also be made available to investors upon request.

6. 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 judgments 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 Note 2 to the Notes of the financial statements.

These financial statements of the Company have been audited by M/s Price Waterhouse & Co., Bangalore (FRN 007567S). A reference may be made to their report dated February 27, 2014 to the members together with Annexure thereto containing information per requirement under the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment), Order, 2004 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 including internal financial controls of the Company is monitored by an independent internal audit team, which encompasses examination/periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. Weaknesses noted along with agreed upon action plans are shared with audit committee which ensures orderly and efficient conduct of the business 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.

Directors have laid down internal financial controls to be followed by the Company; through periodic internal audits they monitor compliance to the internal financial controls to ascertain whether they are adequate and operating effectively. The Directors have devised appropriate systems to ensure compliance with the provisions of all applicable laws and they monitor adequacy and operating effectiveness of the same on periodic basis.

7. FUTURE OUTLOOK

The Consumer replacement tyre industry is likely to post a modest growth in the year 2014 on the back of a suppressed year 2013. Your Company will continue to introduce new products to its existing consumer tyre portfolio with the objective of enhancing brand share.

Tractor sales in India is expected to grow at 7-9 per cent over next 5 years driven by improving irrigation facilities, resulting into greater certainty on farm income and increasing cropping intensity and higher yields resulting into higher incomes. (Source: 2013 CRISIL Research estimate).

The Prime Minister's Economic Advisory Council (PMEAC) has estimated farm sector growth for current fiscal at 4.8 per cent, more than double from last year's 1.9 per cent.

In light of the above optimistic scenario, your Company's farm business is projected to grow at mid single digit.

8. DIRECTORS

Mr Rajiv Lochan Jain and Mr R V Gupta are retiring by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for reappointment.

Mr Rajeev Anand is re-appointed as Vice Chairman & Managing Director of the company for a further period of five years with effect from February 20, 2014, and his

re-appointment be placed before the members for seeking their approval in the ensuing Annual General Meeting of the Members of the Company.

The information relating to the above appointments is also appearing under the head 'Directors' in the Corporate Governance Report.

9. STATUTORY AUDITORS

M/s Price Waterhouse & Co., Bangalore (FRN 007567S), retires at the conclusion of this Annual General Meeting and are eligible for reappointment.

10. COST AUDITORS

M/s Vijender Sharma & Co., Cost Accountants, 11, 3rd Floor, Hargovind Enclave, Vikas Marg, New Delhi - 110092 was appointed as Cost Auditor for conducting the Cost Audit for the year ending December 31, 2013. The due date for filing of the cost audit report with the Ministry of Corporate Affairs (MCA) for the year ended December 31, 2012 was June 29, 2013. The said report was filed on June 27, 2013.

11. CORPORATE GOVERNANCE

As per the applicable provisions of Clause 49 of the Listing Agreement, a detailed Corporate Governance Report together with the Auditors' Certificate on the compliance of conditions of Corporate Governance and a Management Discussion & Analysis Report form part of the Annual Report.

12. HUMAN RESOURCE

The employer-employee relations throughout the year remained cordial. Measures for training and development that focused on ethics and compliance, 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. In terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Abridged Annual Report has been sent to the shareholders excluding this annexure.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND FOREIGN OUTGO

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956, are given in a separate Annexure 'B' attached hereto and forms part of this report.

14. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to the Company's esteemed shareholders, customers, suppliers, associates, bankers, the State Government and the Central Government, 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 and its subsidiaries for its continued support and contribution in all the spheres of operations.

On behalf of the Board of Directors

February 27, 2014
New Delhi

Rajeev Anand
Vice Chairman &
Managing Director

R V Gupta
Director

Annexure B to Directors' Report

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

A) CONSERVATION OF ENERGY :

a) Energy conservation measures taken:

Electrical power:

1. Reduction in plant dead load of 2%.
2. Standardization of cylinders in plant to reduce power consumption.
3. Interlocking provided in machines.
4. Optimize Wartsila DG set running.
5. Unit power factor to reduce reactive power consumption.
6. Plant energy consumption Kwh/Kg of product reduced.

Steam & Nitrogen:

7. Pet coke boiler efficiency improvement of 1%.
8. Convert steam cure to nitrogen cure to save steam consumption.
9. Insulation provided on steam headers and dome body to avoid heat losses.

10. Flash steam and condensation recovery
 11. Improve kg steam/kg of product by 1%
- b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**
- 1) Redesigning – cooling rack fans at banbury's to reduce power consumption
 - 2) Energy efficient power packs - tyre buildings to reduce power consumption
 - 3) Change in lay out - cooling tower to save power consumption in winter
 - 4) Energy efficient power packs in tire building machines
- 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 contributed to a reduction in energy consumption, quality improvement, and reduction in utility cost.
- d) **Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule thereto:**

A	Power & Fuel Consumption	Year -2013	Year- 2012
1)	ELECTRICITY (KWH)		
	a) PURCHASED		
	UNIT (000)	40629	36980
	Total Amount (Rs. In Lakhs)	2262	2061
	Rs./ UNIT	5.57	5.57
	b) OWN GENERATION		
	Through Generator		
	Units (000)	1373	822
	Unit / Ltr of Fuel	3.38	2.46
	COST/UNIT (Rs.)	39.92	61.40
2)	STEAM		
	a) HSD/LDO		
	Quantity (K.Ltrs)	98	64
	Total Amount (Rs. In Lakhs)	49	26
	Average Rate (Rs./K.Ltr)	49790	40220
	b) Residual Furnace Oil / Furnace Oil		
	Quantity (Tonnes)	195	164
	Total cost (Rs. In Lakhs)	87	78
	Average Rate (Rs./Tonne)	44559	47502
	c) Petcoke (For Process Steam)		
	Quantity (Tonnes)	10199	9564
	Total Cost (Rs. In Lakhs)	868	842
	Average Rate (Rs./Tonne)	8514	8805
3)	Nitrogen		
	Quantity (cubic meters-000)	1745	1711
	Total Cost (Rs. In Lakhs)	125	143
	Average Rate (Rs./cubic meter)	7.15	8.34
B	Consumption per Tonne of Production		
	**Electricity (KWH)	773	757
	***FUEL (K.LTRES.-EXCL.NITROGEN GAS)FOR STEAM	0.199	0.2202
	Nitrogen (m3)	12.21	25.93

** Increased Electricity because of new additional load like New Chiller, ETP and cooling towers.

*** Fuel (K.Litres – Excluding Nitrogen Gas) for Steam – includes HSD (High Speed Diesel), FO (Furnace Oil), RFO (Residual Furnace Oil) and Pet Coke.

B) TECHNOLOGY ABSORPTION:

e) Efforts made in technology absorption as per Form B of the Annexure:

Research & Development (“R&D”)

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

- (i) The Company, in close co-ordination with The Goodyear Tire & Rubber Company, Akron, Ohio, USA and its Innovation Centers based in Akron and Luxembourg carried out R&D activities in specific areas.
- (ii) New products development for export and local market .
- (iii) Developed and introduced farm radial tyres.
- (iv) Emphasis on continual improvement in manufacturing process and product quality to cater to customer satisfaction. Reduction in organic solvent usage, process waste and energy usage.
- (v) Usage of Continuous Improvement Systems (“CIS”) tools like six sigma / lean with technical support resulted in stabilizing process and improvement in productivity with lower product cost.
- (vi) Optimization of construction and compound formulations resulted in enhancements in product performance.
- (vii) Equipped with farm tyre testing facility to new product industrialization for faster new product launch.

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

The R&D activities helped the Company to add new products to its portfolio, increase size ranges and meet customer requirement. These activities also enabled the Company to reduce process waste, lower energy consumption, increase productivity and release new products, thereby achieving higher “Customer Acceptance and Satisfaction.” The results of such R&D activities are not used by any other Goodyear affiliates for its operations.

3. Future plan of action

The Company plans to continue introducing and promoting new products of high quality to the existing range of front and rear farm tyres in order to help meet market demand and exceed customer expectations.

4. Expenditure on R&D (Rs. In Lakhs)

a.	Capital	NIL
b.	Recurring	18
c.	Total	18
d.	Total R & D expenditure	.0113%
	[As a percentage of total turnover]	

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

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

(a) New product introductions

R&D activities assisted the Company in introducing new product designs for farm tyres with new construction

to meet customer expectations and thereby improving market acceptance.

(b) Process improvements

Continued efforts made in the areas of quality improvement, waste reduction and product optimization to specifically improve the market acceptance of Company’s product group.

(c) System improvements

Continual efforts made to implement and sustain Quality Management System and Environmental Management Systems in the plant to help meet and enhance customers’ present and emerging needs.

2. Benefits derived as a result of above efforts:

The technical innovations and adaptation made at Goodyear’s Innovation Centers in Akron and Luxembourg along with Company’s inputs helped the Company to introduce new products and drive market acceptance of Goodyear products.

3. Imported technology:

a)	Technology imported	Radial farm tyre Bias farm tubeless tyre
b)	Year of import	2012
c)	Has technology been fully absorbed?	Technology to the extent of specific sizes of radial farm tyre and bias farm tubeless tyres has been absorbed
d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Product and process fine tuning in progress. In future, require for new size addition in bias farm tubeless and radial farm tyres

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:

The countries of export during 2013 -- Australia, Nepal, Bangladesh, Japan, New Zealand, Pakistan, Peru, South Africa, Sri Lanka, Thailand, Phillipines, Singapore, United Arab Emirates, United States of America.

g) Foreign exchange (Rs. in ‘Lakhs’)

Total foreign exchange used and earned :

Year	Earned		Used			
	Export (FOB)	Others	Import (CIF) Capital Goods	Stores & Spares	Raw Material	Others
2013	2,318	860	555	34	22,615	9,305

On behalf of the Board of Directors

February 27, 2014
New Delhi

Rajeev Anand
Vice Chairman &
Managing Director

R V Gupta
Director

REPORT ON CORPORATE GOVERNANCE AS ON DECEMBER 31, 2013

1. Company's Philosophy on Code of Governance

Goodyear India Limited is a subsidiary Company of the Goodyear Orient Company (Private) Limited, Singapore ("GOCPL") effective November 29, 2011, which is 100% subsidiary of The Goodyear Tire & Rubber Company, Akron ("GTRC") and hence, GTRC became the Ultimate Holding Company. The Company's Corporate Philosophy is enshrined in a manual titled 'Business Conduct Manual' for GTRC global operations. The Business Conduct Manual is designed to help associates understand our commitment to upholding high standards and to act with honesty, integrity and fairness to protect the business and our good name. The core elements, inter-alia, include to act with honesty, integrity and respect; attract, develop, motivate and retain the best team of associates; drive an efficient, aligned and effective organization; earn and build long lasting relationships with customers, consumers, business partners and exceed their expectations; and create a sustainable business model that consistently delivers a strong return on investments. The Company is in compliance of the requirements placed under Clause 49 of the Listing Agreement ("Clause 49").

One of the Shared Values included in the Goodyear Mission requires all associates to "act with honesty, integrity and respect." Whether performing important business transactions, attending business meetings, collaborating with others on projects or socializing in less formal business situations, this value is essential to who we are as Goodyear associates all around the world.

2. Code of Conduct

In terms of the requirement of clause 49(1)(D) of the Listing Agreement, the Board of Directors of the Company, in line with the Corporate Philosophy laid down the Code of Conduct ("Code") for all Board Members and Senior Management of the Company. The Code is displayed at the Company's website (www.goodyear.co.in). As required, a declaration duly signed by the Vice Chairman & Managing Director regarding affirmation of compliance with the Code of Conduct is attached as Annexure-A.

3. 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, 2013 is given below:

Name and Designation	Status i.e. Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director	Number of Board Meetings of the Company		*Number of Directorships held in other companies	**Number of Committee positions held in other Companies (as a member or Chairperson)	Whether Attended the last AGM
		Held during the year	Attended during the year			
Daniel Lawrence Smytka, Chairman	Non-Executive	5	1 ⁽ⁱ⁾	NONE	NONE	NO
Rajeev Anand, Vice Chairman & Managing Director	Executive	5	5	NONE	NONE	YES
Yashwant Singh Yadav, Director- HR & Corporate Affairs	Executive	5	4	NONE	NONE	YES
R V Gupta, Director	Independent Non-Executive	5	5	5	3 (including 1 as Chairman)	YES
C Dasgupta, Director	Independent Non-Executive	5	4	NONE	NONE	YES
Rajiv Lochan Jain, Director	Independent Non-Executive	5	5	3	1(as Chairman)	YES

* Excluding interest in Societies/Trust/Private Companies/Foreign Companies and Companies under section 25 of Companies Act, 1956 and includes Limited Liability Partnerships (LLPs)

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

(i) These are physical attendance by Mr Daniel Lawrence Smytka at the Board Meetings. In addition, he participated through teleconference at the Board Meeting held on February 27, 2013.

During the year, there has been no pecuniary relationship or business transaction by the Company with any Independent Non-Executive Director, other than the sitting fee (service tax paid extra) for attending the Board/Committee meetings as well as the traveling/conveyance expenses and reimbursement of expenses incurred for participating/attending the Company's meetings.

During the year ending on December 31, 2013, five (5) Board Meetings were held on February 27, 2013, April 26, 2013, June 7, 2013, August 9, 2013 and October 29, 2013.

4. Audit Committee

The constituted Audit Committee has the terms and roles as specified in Clause 49 of the Listing Agreement and

Section 292A of the Companies Act, 1956. As per the Listing Agreement at least two-thirds of the members of Audit Committee shall be Independent Directors. The current Audit Committee of your Company consists of four Directors namely Messers R V Gupta, C Dasgupta and Rajiv Lochan Jain, Independent Directors and Mr Rajeev Anand, Vice Chairman & Managing Director.

Mr R V Gupta, an Independent Non-Executive Director who possesses accounting or related financial management expertise, is the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee.

During the year ending December 31, 2013, six Audit Committee meetings were held: February 27, 2013, April 26, 2013, June 7, 2013, August 9, 2013, October 29, 2013 and December 17, 2013.

Attendance at Audit Committee Meetings:

Name of the Member	No. of Meetings Attended
Mr R V Gupta	6
Mr C Dasgupta	5
Mr Rajiv Lochan Jain	6
Mr Rajeev Anand	6

5. Remuneration of Directors

The remuneration policy for the whole time Director/ Managing Director of the Company is based on the broad principles of remuneration by GTRC, 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. The brief information is as under:

Names of the whole time Directors

(Rs. in Lakhs)

S.No.	Details	Rajeev Anand Vice Chairman & Managing Director		Yashwant Singh Yadav Wholetime Director	
		From January 1, 2013 to April 30, 2013	From May 1, 2013 to December 31, 2013	From January 1, 2013 to April 30, 2013	From May 1, 2013 to December 31, 2013
	Service Contract Valid Up To	February 19, 2019* ##		October 31, 2015*	
	<u>Period</u>	From January 1, 2013 to April 30, 2013	From May 1, 2013 to December 31, 2013	From January 1, 2013 to April 30, 2013	From May 1, 2013 to December 31, 2013
1.	Monthly Salary	Rs. 4.80	Rs. 5.28	Rs. 3.33	Rs. 3.56
2.	Monthly Special Allowance	Rs. 4.07	Rs. 4.48	Rs. 2.99	Rs. 3.21
3.	Performance Bonus	As determined by the Board based on the net profit restricted to Rs. 188.7 in a year	As determined by the Board based on the net profit restricted to Rs. 270.00 in a year	As determined by the Board based on the net profit restricted to Rs. 76.95 in a year	As determined by the Board based on the net profit restricted to Rs. 95.00 in a year

* Terminable by giving 90 days notice from either side.

In terms of Board resolution dated October 29, 2013 and subject to the approval of shareholders in the forthcoming general meeting, Mr Rajeev Anand is re-appointed as Vice Chairman & Managing Director for a further period of 5 years with effect from February 20, 2014.

Note: 1. No severance fee is payable to any Director.

2. Sitting fee was paid only to non-executive independent Directors

Benefits: The entitlement to each of the wholetime Directors, inter-alia, include Personal Accident Insurance (premium not to exceed Rs. 0.05 lakhs per annum, a Club fee, Medical Reimbursement for self and family (subject to a ceiling of four months' basic salary for each completed year of service or twelve months' basic salary over a period of three completed years of service), Medical Insurance (as per the rules applicable for other senior management staff of the Company), the Company's car and telephone at residence (personal long distance calls on telephone and use of car for private purpose shall be billed by the Company), House Rent Allowance/Leased Accommodation (restricted to 60% of the basic salary). Mr Yashwant Singh Yadav entitled for Personal Driver Salary Reimbursement not exceeding Rs. 2.5 lakhs in a year and Mr Rajeev Anand entitled for Personal Driver Salary Reimbursement and Reimbursement of running and maintenance of personal car of Rs. 3 lakhs in a year. In case of Mr Anand, the entitlement on expenditure on gas, electricity and water on actual shall be upto to 3.5 lakhs in a year during the period January 1, 2013 to April 30, 2013 and upto Rs. 3.85 lakhs in a year during the period May 1, 2013 to December 31, 2013. In case of Mr Yadav, the entitlement on expenditure on gas, electricity and water on actual shall

be upto to Rs. 2.5 lakhs in a year during the period January 1, 2013 to April 30, 2013 and upto Rs. 2.70 lakhs in a year during the period May 1, 2013 to December 31, 2013.

Contribution to Provident Fund & Superannuation Fund in case of Mr Anand/ Contribution to Provident Fund in case of Mr Yashwant Singh Yadav (as per the applicable laws), Recreation/holiday trip ("Holiday Trip"), once in a year for self and family (in accordance with the rules of the Company In case of Mr Anand, Holiday Trip upto Rs. 2 lakhs in a year or Rs. 4 lakhs in a block of two years during the period January 1, 2013 to April 30, 2013 and upto Rs. 2.5 lakhs in a year or Rs. 5 lakhs in a block of two years during the period May 1, 2013 to December 31, 2013. In case of Mr Yadav, Holiday Trip upto Rs. 2 lakhs in a year during the period January 1, 2013 to April 30, 2013 and upto Rs. 2.5 lakhs in a year during the period May 1, 2013 to December 31, 2013. Gratuity of one half month's salary for each completed year of service in the Company and encashment of leave as at the end of the tenure, (as per the rules of the Company).

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.

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 remuneration paid to key managerial personnel under Note 31 of the notes to the financial statements of the Company for the year ended December 31, 2013 can also be made for Directorship remuneration details.

6. Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee consists of Mr C Dasgupta, an independent Non-Executive Director as Chairman and Messers R V Gupta and Rajiv Lochan Jain, Independent Directors and Mr Yashwant Singh Yadav, Director - HR & Corporate Affairs as members to look into the matters concerning redressal of Shareholders'/Investors' complaints like non-receipt of dividend, duplicate Share Certificates, etc.

During the year 2013, two Shareholders'/Investors' Grievance Committee Meetings were held on June 7, 2013 and October 29, 2013.

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
M Yashwant Singh Yadav	2

M/s Skyline Financial Services Private Limited, New Delhi, is the Registrar & Share Transfer Agent of the Company. The Company has delegated the authority for share transfers to the employee(s) of the Company to ensure that the share transfers are complied regularly.

Mr Pankaj Gupta, Company Secretary is the Compliance Officer of the Company.

During the year 2013, two (2) reminders/complaints were received and all of which have duly been resolved.

7. Details of the Directors Seeking Appointment/ Re-appointment

The details of the Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting as required under Clause 49(IV) (G) (i) of the Listing Agreement are listed below:

I. Mr R V Gupta 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 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). Mr Gupta has also acted as Principal Secretary to Govt. of MP. Mr Gupta is former Dy. Governor of RBI and was closely involved in the economic reforms process. After retirement, Mr Gupta acted as Chairman of the RBI Committee on Agriculture Credit. Mr Gupta was also associated with Deutsche Bank as Chairman of local advisory board for India and also holds various other Board level positions in the industry. He is not holding any shares of the Company.

Names of Companies* in which Mr R V Gupta is a Chairman/Managing Director/Director

S.No.	Name of the Companies	Nature of Interest
1	Delhi Safe Deposits Limited, New Delhi	Director
2	DCM Engineering Limited	Director
3	M/s Seshasayee Paper & Board Limited	Director
4	Mawana Sugars Limited, New Delhi	Director
5	Honda Seil Power Products Limited.	Director

Details of Membership of the Committees** of the Board

Name of the Companies	Name of the Committee	Nature of Interest whether Member/ Director/Managing Director/Chairman
M/s Seshasayee Paper & Board Limited	Audit Committee	Chairman
Honda Seil Power Products Limited	Audit Committee	Member
Mawana Sugar Limited	Audit Committee	Member

II. Mr Rajiv Lochan Jain 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 Rajiv Jain is a Chemical Engineer from IIT Kharagpur and an MBA from the USA. Mr Jain was a member on the Board of ICI India Limited for over 12 years and the Managing Director from April 2003 to May 2009. Mr Jain successfully led the portfolio reshaping of ICI India from a diversified Company to a focused and fastest growing player in the paints business. Mr Jain was also the Chairman of both ICI's research company in India and the joint-venture company of ICI and Orica, Australia. Currently, he is the Executive Chairman of Performance Capital Partners LLP. He advises Indian companies on strategy development and implementation, and global corporates on their entry strategies for India. He serves on the Board of Tara Jewels Limited and Fresenius Kabi Oncology Limited. He is not holding any shares of the Company.

Names of Companies* in which Mr Rajiv Lochan Jain is a Chairman/ Managing Director/Director

S.No.	Name of the Companies	Nature of Interest
1	Performance Capital Partners (LLP)	Chairman
2	Tara Jewels Limited	Director
3	Fresenius Kabi Oncology Limited	Director

Details of Membership of the Committees** of the Board

Name of the Companies	Name of the Committee	Nature of Interest whether Member/ Director/Managing Director/Chairman
Tara Jewels Limited	Shareholders/ Investors Grievances Committee	Chairman

III. **Mr Rajeev Anand** is re-appointed as Vice Chairman & Managing Director of the Company for a further period of five years with effect from February 20, 2014 and his re-appointment would be placed before the Members for seeking their approval in the ensuing Annual General Meeting of the Members of the Company. His brief resume is given below:

Mr Rajeev Anand has been associated with the Company for over 33 years, in various executive capacities, including as Manufacturing Director – ASEAN & India and Director Manufacturing & Strategic Initiatives – India. Prior to his appointment in 2009 as whole time Managing Director of the Company, Mr Anand was holding the position of Chief Operations Officer. He is not holding any shares of the Company.

Names of Companies* in which Mr Rajeev Anand is a Chairman/Managing Director/Director - NIL

Details of Membership/ Chairmanship in Committees of the Board – NIL**

Note:

* Excluding interest in Societies/Trust/Private Companies/ Foreign Companies and Companies under section 25 of Companies Act, 1956 and includes Limited Liability Partnerships (LLPs)

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

The items related to the re-appointment of Mr Gupta and Mr Jain have been included in the notice for the ensuing Annual General Meeting.

8. General Body Meetings

Location and time where the last three Annual General Meetings (“AGM”) were held are as under:-

Meeting	Venue	Date	Time
52nd AGM	Magpie Tourism Complex Sector-16A, Faridabad-121002, Haryana	June 7, 2013	3:30 P.M.
51st AGM	Magpie Tourism Complex Sector-16A, Faridabad-121002, Haryana	May 25,2012	3:30 P.M.
50th AGM	Magpie Tourism Complex Sector-16A, Faridabad-121002, Haryana	June 21, 2011	3.30 P.M.

Special Resolution passed at the last three Annual General Meetings:

Date of AGM	Description of Special Resolution
June 7, 2013	1.) Revision in remuneration of Mr Rajeev Anand, Wholetime Managing Director w.e.f. May 1, 2013. 2.) Revision in remuneration of Mr Yashwant Singh Yadav, Wholetime Director w.e.f. May 1, 2013. 3.) Post facto approval in terms of the Central Government approval no. 4/376/T-1/2012/D/5537 dated 17.10.2012 read with corrigendum dated 07.11.2012 for consultancy services taken from M/s Performance Capital Partners,LLP.

May 25, 2012	1.) Revision in remuneration of Mr Rajeev Anand, Wholetime Managing Director w.e.f. May 1, 2012. 2.) Revision in remuneration of Mr Yashwant Singh Yadav, Wholetime Director w.e.f. May 1, 2012.
June 21, 2011	1.) Appointment and payment of remuneration to Mr Yashwant Singh Yadav as Wholetime Director of the Company w.e.f. November 1, 2010. 2.) Revision in remuneration of Mr Yashwant Singh Yadav, Wholetime Director w.e.f. May 1, 2011. 3.) Appointment and payment of remuneration to Mr Jean Philippe Lecerf as wholetime Finance Director of the Company for the period July – October, 2010. 4.) Revision in remuneration of Mr Rajeev Anand, Wholetime Managing Director w.e.f. May 1, 2010. 5.) Revision in remuneration of Mr Rajeev Anand, Wholetime Managing Director w.e.f. May 1, 2011.

None of the resolution(s) were put through Postal Ballot during the year 2013.

9. Disclosures

(i) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

The Company, in its normal course of business, had sale/purchase transactions with:

- a. GTRC and/or its subsidiaries outside India;
- b. Goodyear South Asia Tyres Private Limited (“GSATPL”), pursuant to the offtake agreement effective April 1, 2012, in terms of Government approval(s) no. 4/202/T-1/2012/D/2157; 4/203/T-1/2012/D/2158 and 4/204/T-1/2012/D/2159 dated July 2, 2012 (read with approval no. 4/369/T-1/2013/D/5916 dated September 6, 2013 and 4/369/T-1/2012/D/10678 dated January 31, 2014).

The Company is having a Service Agreement effective January 1, 2011 to avail the support from GTRC in all the areas of its operations, to receive services of Information Technology, Procurement, Production, Supply Chain, Sales & Marketing, Finance, General & Administration and other special requests.

The Company also has a Trademark License Agreement effective October 1, 2006 with GTRC to use its trade name and trademarks and is paying a fee of 1% on domestic sales and 2% on export sales.

During the year 2013, Mr Rajeev Anand, wholetime Managing Director of your Company was also on the Board of GSATPL.

The above were not considered to be in 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 31 of the notes to financial statements with the Company for the year ended December 31, 2013.

- (ii) Details of non-compliance, penalties, strictures by stock exchanges or Securities & Exchange Board of India (“SEBI”) or any statutory authority, on any matter related to the capital markets during last three years:

None

- (iii) The Business Conduct Manual of GTRC applicable for global operations including your Company, a copy of which is accessible to associates of the Company, inter-alia provides that associates can anonymously report violations by calling on the toll free number mentioned therein. It is affirmed that no personnel have been denied access to the Audit Committee.

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

10. Means of Communication

The Company provides unaudited as well as audited financial results to the stock exchanges immediately after being approved by the Board. The quarterly, half yearly and annual results of the Company are published in one English daily newspaper (The Statesman) and one Hindi newspaper (Veer Arjun).

The Company’s shareholding pattern, financial results, Code of Conduct, AGM Notice, Annual Reports, details of unclaimed dividends under the head - Investor Education Protection Fund (“IEPF”), Corporate Governance Reports, Investor Contact details, etc and other information as required under Clause 53 & 54, of the Listing Agreement are being displayed at Company’s website www.goodyear.co.in under the head ‘Investor Relations’. In compliance of the provisions as contained under Clause 52 of the Listing Agreement, certain documents/information relating to the Company is also accessible on the website www.corpfiling.co.in.

No presentations were made by the Company to the analysts or to the institutional investors.

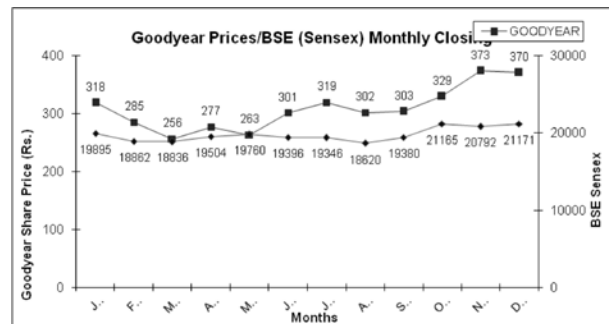
11. General Shareholders Information

(i)	AGM: Date, Time and Venue	Thursday, May 15, 2014 at 12.00 P.M. Magpie Tourism Complex, Sector 16A, Faridabad-121002, Haryana.
(ii)	Financial Year	January 1 to December 31
(iii)	Date of Book Closure	May 3, 2014 to May 15, 2014 (both days inclusive)
(iv)	Dividend Payment Date	On or after May 15, 2014 but within the statutory time limit of 30 days.
(v)	Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Tower Dalal Street, Mumbai-400 001. Listing fees up to 2013-2014 duly paid
(vi)	Stock Code	BSE- 500168

- (vii) Market Price Data: High, Low on BSE Limited (BSE) during each month in the last Financial Year 2013.

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	376.95	314.10	JULY	345.00	294.25
FEBRUARY	329.95	271.40	AUGUST	338.00	292.05
MARCH	292.00	244.70	SEPTEMBER	323.95	295.30
APRIL	300.00	237.00	OCTOBER	346.35	300.00
MAY	309.00	260.05	NOVEMBER	379.35	326.10
JUNE	362.70	261.00	DECEMBER	398.90	352.30

- (viii) Performance of Goodyear India Limited (“GIL”) share prices in comparison to BSE sensx(Monthly Closing)



- (ix) Registrar & Share Transfer Agent:

M/s Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area Phase-1, New Delhi – 110 020.

Email: info@skylinerta.com
Phone: +9111-26812682, 83
+9111- 64732681

- (x) Share Transfer System

M/s Skyline Financial Services Private Limited, Registrar & Share Transfer Agent (“RTA”) of the Company looks after share transfer, transmission, transposition, dematerialization and re-materialization of shares, issue of duplicate share certificates, split and consolidation of shares etc on regular basis. In terms of SEBI circular no. CIR/MIRSD/10/2013 dated October 28, 2013, the timeline for processing the transmission requests for securities held in dematerialized mode and physical mode shall be 7 days and 21 days respectively, after receipt of the prescribed documents. The Company’s RTA follows this and accordingly processes the requests. Furthermore, in terms of SEBI circular no. CIR/MIRSD/8 /2012 dated July 05, 2012 effective October 1, 2012, share transfer requests received at the RTA normally gets processed and delivered within 15 days from the date of lodgment, if the documents are complete in all respects. Requests for dematerialization of shares are processed and the confirmation is given to the Depositories within 15 days from receipt if the documents are in order.

(xi) Distribution of Shareholding as on December 31, 2013

No. of Shares held	Folios		Shares held	
	Numbers	Percentage	Numbers	Percentage
up to 500	23508	96.06	1536328	6.66
501 – 1000	560	2.29	416676	1.80
1001 - 5000	332	1.36	721844	3.13
5001 - 10000	35	0.14	262219	1.14
10001 and above	36	0.15	20129440	87.27
TOTAL	24471	100.00	23066507	100.00

• Shareholding Pattern as on December 31, 2013

Description of Investors	No. of shares Held	% of shareholding
1. Promoters	17069215	74.00
2. Financial Institutions, Insurance Companies, Bank and Mutual Fund etc.	1983468	8.60
3. Foreign Institutional Investor	416962	1.80
4. Private Corporate Bodies	549111	2.38
5. NRIs/ OCBs	146951	0.64
6. Indian Public, Trust & HUF	2900800	12.58
TOTAL	23066507	100.00

(xii) Dematerialization of shares and liquidity:

As on December 31, 2013, 96.49% of the Company's total Share Capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

(xiii) 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.

(xiv)	Plant location	Mathura Road, Ballabgarh, (Dist. Faridabad) – 121 004, Haryana
(xv)	Corporate Office	1st Floor, ABW Elegance Tower, Plot No. 8, Commercial Centre Jasola, New Delhi – 110025
	Investors' Correspondence : may be Addressed to	M/s Skyline Financial Services Private Limited, D -153/A, 1st floor, Okhla industrial Area Phase -1, New Delhi -110 020
	Website	www.goodyear.co.in
	E-mail ID	goodyearindia_investorcell@goodyear.com

(xvi) Investor Education Protection Fund ("IEPF")

During the year 2013, in compliance with the Ministry of Corporate Affairs ("MCA") notification dated May 10, 2012 related to IEPF where MCA had notified rules for the uploading of information regarding unpaid and unclaimed amounts lying with the companies. The Company had furnished the same to MCA and uploaded the same on Company's website (www.goodyear.co.in) as well as on the IEPF website (www.iepf.gov.in).

(xvii) Goodyear India Limited - Unclaimed Suspense Account ("Unclaimed Suspense Account")

In compliance with the Clause 5A of the Listing Agreement, the details of equity shares ("shares") held in an Unclaimed Suspense Account are as follows:

S No.	Particulars	Details
1.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the financial year 2013.	• Aggregate number of Shareholders - 2694 • Number of outstanding Shares - 68453 shares
2.	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the financial year 2013.	7
3.	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2013.	13***
4.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the financial year 2013.	• Aggregate number of shareholders - 2681 • Number of outstanding shares 67957 shares

*** Out of 13 cases, 6 cases were received in the financial year 2012.

Note: Voting rights on the above mentioned equity shares would remain frozen till the owner of such equity shares claims the shares.

12. Other Information

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.

13. CEO/CFO Certificate

In terms of the requirement of the Clause 49(V) of the Listing Agreement, the certificates from CEO/CFO had been obtained.

On behalf of the Board of Directors

New Delhi
February 27, 2014

Rajeev Anand
Vice Chairman
& Managing Director

Annexure-A
Corporate Governance Report
of Goodyear India Limited

Declaration regarding Affirmation of compliance with the Code of Conduct

Pursuant to the requirements of Clause 49(I) (D) of the Listing Agreement, I hereby confirm that the Company has received affirmations on compliance with the Code of conduct for the financial year ended December 31, 2013 from all the Board Members and Senior Management Personnel.

For Goodyear India Limited

Rajeev Anand
Vice Chairman
& Managing Director

Place: New Delhi
February 27, 2014

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Industry Structure & Developments

There has been a robust growth registered in the tractor industry. Your Company has taken the opportunity to capitalize on the growth momentum and continues to be the market leader in the farm category with a growth of 9% in the year 2013 as compared to last year.

In the year 2013, passenger vehicles sales declined by 8% (Source: Society of Indian Automobile Manufacturers), which translated to a depressed passenger tyre demand from the Original Equipment Manufacturer (OEM) customers. However, with your Company, the OEM business has registered a growth in these market conditions thereby continuing to add valuable market share. Despite the continuing pressure on consumers purchasing ability as a result of higher interest rates, fuel prices and food inflation, the Consumer replacement tyre business has done well and your Company has increased replacement market share in the year 2013.

2. Opportunities and Threats

Good monsoons and better minimum support price for the crops have resulted in a healthy demand in farm segment across the country in 2013. The demand for the current year would primarily depend on the timing and quantum of monsoons. Your Company has capitalized on the healthy demand through focus on strengthening its replacement channel by building channel health, channel expansion and extraction. Your company is working to strengthen Goodyear's premium positioning and leadership in farm product innovation while working on an innovation pipeline of products to capture opportunities in select segments. In addition, the product innovation through launch of Vajra Super continues to be a key strategic driver. Your Company has plans to expand the production capacity to grow business.

Based on market demand, your Company has not phased out the MCT tyre business. Going forward, a periodic review will be done on MCT strategy.

In the passenger radial segment, the increasing sophistication of the vehicles and the burgeoning portfolio of SUV offerings in India provide your Company with a significant opportunity to capitalize on Goodyear's global technology. They also represent an increasing opportunity to grow contributions in the higher rim sizes of the business. In the year 2013, your Company has had major share in three of the successful OE (Car / SUV) launches. The competitive environment is likely to intensify this year. Low cost imported products continue to add to the market challenges. Your Company remains committed to bringing in the best technology to add value, combined with strong branding and product differentiation to compete vigorously and balance these threats. Rising interest rates will continue to put pressure on consumers looking for finance to fund their passenger vehicles. Consumer sentiments have been impacted as a result of unfavorable macroeconomic indicators.

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 (OTR) bias tyres] manufactured by Goodyear South Asia Tyres Private Limited (GSATPL), Aurangabad. The other products in which the Company markets and sells include tubes and flaps.

The sales performance during the year is as follows:

(Rs. in Lakhs)

Tyres	160,836
Flaps	43
Tubes	9710

Your Company feels proud to have been acclaimed by some of the key tractor Original Equipment Manufacturers ("OEMs") like Best Supplier Award by Eicher Tractors, and Best Supplier in Overall Performance by TAFE (Tractors & Farm Equipment Limited) in the year 2013.

Your Company has also earned global recognition as a Partner-level supplier for the year 2013 in the John Deere Achieving Excellence Program. The Partner-level status is Deere & Company's highest supplier rating. The honor is in recognition of your Company's dedication to providing products and service of outstanding quality as well as commitment to continuous improvement.

In the OTR category, your Company has been awarded with a Platinum Certificate, the highest level certification to a vendor by India's leading earthmover brand, Caterpillar. The process involves stringent requirements on Parts Per Million, 100% PPAP (Production Part Approval Process) completed on time, Rejections and supplier shipping performance.

Your Company's has been re-certified as being a Class A S&OP entity by Goodyear's internal global audit team. This certification reinforces the commitment of the business towards process orientation and a drive towards continuous improvement.

Your Company feels proud to have been recognized once again by Hyundai Motors Company for being the best supplier for the year in the tyre commodity. In addition to this, Goodyear has also been re-certified with the Ford Q1 supplier award.

This year also saw the introduction of Run-on-Flat tyres into the consumer replacement market.

4. Outlook

The Reserve Bank has estimated growth to fall below 5 per cent in 2013-14 in absence of pick-up in manufacturing sector, but likely to recover to 5.5 per cent in the next financial year. Inflation rate is likely to drop marginally from the estimated 9.5% levels in 2014 to 8.5% by the end of 2014.

In this context, your Company will intensify efforts in all key areas of its operations to increase profitability through initiatives that are targeted at improving revenues and margin in order to address market realities and increasing competitiveness.

Tractor sales in India is expected to grow at 7-9 per cent over next 5 years driven by improving irrigation facilities, resulting into greater certainty on farm income and

increasing cropping intensity and higher yields resulting into higher incomes (*Source: 2013 CRISIL Research estimate*).

The Prime Minister's Economic Advisory Council (PMEAC) has estimated farm sector growth for current fiscal at 4.8 per cent, more than double from last year's 1.9 per cent.

In light of the above optimistic scenario, your Company's farm business is projected to grow at mid single digit.

The passenger tyre industry is expected to stage a moderate recovery in the year 2014. This will be on the back of a drop in both OE car sales and production in the year 2013. Your Company will continue to seek new OEM fitments, strengthen relationships with existing OEMs and introduce award winning new products to its existing consumer tyre portfolio with the objective of enhancing brand share.

5. Risks and Concerns

The country's macro economic conditions have not been so good owing to static policy movements, higher interest rates and stubborn inflation. However, early signs of agriculture growth are positive signs for economic recovery. The year 2014, being an election year for India will carry its own challenges. The outcome of general elections could have an impact on the growth prospects for the country and resultantly for the automobile industry.

Approximately 20% of the net sales of your Company were attributable to the sale of products procured from Goodyear South Asia Tyres Private Limited (GSATPL), Aurangabad.

The prevailing uncertainty in some of the legal disputes/demands, etc. raised against the Company, arbitrary disallowances in certain tax proceedings and untenable disputes raised are the additional areas of concern perceived by your Company.

As in the past, your Company has obtained insurance coverage for its assets. However, no coverage for the foreign exchange risk was obtained for its foreign exchange exposures.

6. Internal Control Systems and Their Adequacy

Your Company has a proper and adequate system of internal control including internal financial controls. Your Company has an Audit Committee headed by a non-executive independent director, inter-alia, to oversee your Company's financial reporting process, disclosure of financial information, and reviewing the performance of statutory and internal auditors with management. The internal control system, including internal financial controls of the Company, is monitored by an independent internal audit team, which encompasses examination/periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. Weaknesses noted along with agreed upon action plans are shared with audit committee which ensures orderly and efficient conduct of the business and effectiveness of the system of internal control. The audit function also looks into related party transactions, preventive controls, investigations, detection of frauds as well as other areas requiring mandatory review per clause 49 of the Listing Agreement and applicable laws. 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. Your Company's internal audit department verifies the information concerning the reliability of the financial statements as well as the compliance with your Company's policies so as to maintain accountability and ensuring controls are in place to safeguard of all its assets and correctness of accounting records. The internal audit department shares regular updates regarding the work done, coverage, weaknesses noted and other relevant issues with appropriate management levels including Audit Committee. Observations/ weaknesses noted from time to time are suitably acted upon and followed up at different levels of management.

7. Discussion on Financial Performance with respect to Operational Performance

The details of the financial performance of your Company are reflected in the Balance Sheet, Profit & Loss Account and other Financial Statements, appearing separately. Highlights are provided below:

(Rs. in Lakhs)

Particulars	2013	2012
Total Sales & Other Income	173,611	163,513
Less: Excise Duty	13,717	13,205
Net Sales & Other Income	159,894	150,308
Profit Before Interest, Depreciation & Tax	16,926	11,254

The financial performance of your Company has been further explained in the Directors' Report of your Company for the year 2013, appearing separately.

8. Human Resources

Industrial harmony was maintained during the year through cordial and productive employee relations. High priority was given to aspects related to the safety of the employees and training and development on functional and ethical areas. The total number of salaried and hourly paid associates, as of December 31, 2013, stood at 909.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing your 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. Your Company's operations may, inter-alia, be affected by the supply and demand situations, input prices and availability, changes in Government regulations, tax laws, government or court decisions and other factors such as industry relations and economic developments, etc. Investors should bear the above in mind.

On behalf of the Board of Directors

New Delhi
February 27, 2014

Rajeev Anand
Vice Chairman &
Managing Director

R V Gupta
Director

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of GOODYEAR INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Goodyear India Limited, for the year ended December 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with 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 the above mentioned Listing Agreement.

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

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Avijit Mukerji
Partner

Place: New Delhi
Date: February 27, 2014

Membership Number: 056155

INDEPENDENT AUDITORS' REPORT

To the Members of Goodyear India Limited

Report on the abridged financial statements

1. The accompanying abridged financial statements of Goodyear India Limited (the "Company") comprise the abridged balance sheet as at December 31, 2013, the abridged statement of profit and loss and abridged cash flow statement for the year then ended together with the related notes, which we have signed under reference to this report.
2. These abridged financial statements are derived from the statutory audited financial statements of the Company for the year ended December 31, 2013 prepared by the Company's Management in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (the "Act"), covered by our attached report of even date to the Members of the Company pursuant to section 227 of the Act, in which we have expressed an unmodified audit opinion.
3. The abridged financial statements do not contain all the disclosures required by the Accounting Standards referred to in sub-section (3C) of section 211 of the Act and Schedule VI to the Act, applied in the preparation and presentation of the audited financial statements of the Company. Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Company.

Management's Responsibility for the Abridged Financial Statements

4. The Company's Management is responsible for the preparation of the abridged financial statements in accordance with Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 (the "Rules"). The Company's Management (including Directors) are ultimately responsible for the designing, implementing and maintaining internal control relevant to the preparation and presentation of the abridged

financial statements that are consistent with the audited financial statements and are free from material misstatement, whether due to fraud or error; and also includes appropriate interpretation and application of the relevant provisions of the Rules and the Act.

5. The Company's Management (including Directors) are also responsible for ensuring that the Company complies with the requirements of the Rules.

Auditors' Responsibility

6. Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, 'Engagements to Report on Summary Financial Statements', issued by the Institute of Chartered Accountants of India.

Opinion

7. In our opinion, the accompanying abridged financial statements, are consistent, in all material respects, with the audited statutory financial statements of the Company as at and for the year ended December 31, 2013 prepared in accordance with Schedule VI to the Act, covered by our attached report of even date to the Members of the Company pursuant to section 227 of the Act, in accordance with the Rules.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Avijit Mukerji
Partner

Place: New Delhi
Date: February 27, 2014

Membership Number: 056155

INDEPENDENT AUDITORS' REPORT

To the Members of Goodyear India Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Goodyear India Limited (the "Company"), which comprise the Balance Sheet as at December 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying

financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. 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 Act (hereinafter referred to as the "Order"), 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 Order.
8. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, 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, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Avijit Mukerji

Partner

Place: New Delhi
Date: February 27, 2014

Membership Number: 056155

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Goodyear India Limited on the financial statements as of and for the year ended December 31, 2013

- i. (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 the 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 have been noticed on such verification.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (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.
- iii. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b),(c) and (d)/(f) and (g) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, 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 and fixed assets and for the sale of goods. 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.
- v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. 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.
- ix. (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 undisputed statutory dues in respect of income tax and sales tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, wealth tax, service tax, customs duty, excise duty 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, there are no dues of wealth tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax and excise duty as at December 31, 2013 which have not been deposited on account of a dispute, are as follows:

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Goodyear India Limited on the financial statements as of and for the year ended December 31, 2013.

Sr. No.	Name of the statute	Nature of dues	Amount (Rs.in lakhs)	Period to which the amount relates	Forum where the dispute is pending
1.	Central and State Tax Acts	Sales Tax/Value Added Tax	1,716	1979-1980; 1985-1987; 1995-2013	First level of Appellate Authority i.e. Assistant Commissioner/ Deputy Commissioner/ Joint Commissioner/ Commissioner/ Commercial Tax Appellate and Revisional Board
			25	1992-1993; 2004-2005; 2008-2009	Sales Tax Tribunal
			8	1978-1979; 1987-1988	High Court
2.	The Central Excise Act, 1994	Excise Duty	1	2006-2011	Commissioner (Appeals)
			551	1997-1998; 2005-2011	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		Service Tax	26	2007-2010	Commissioner (Appeals)
			60	2004-2009	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
3.	The Income Tax Act, 1961	Income Tax	152	2004-2005	Commissioner of Income Tax (Appeals)
			1,648	2005-2009	The Income Tax Appellate Tribunal

- x. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. 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. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the

company, we report that the no funds raised on short-term basis have been used for long-term investment.

- xviii. 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. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. 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 neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Avijit Mukerji
Partner

Place: New Delhi
Date: February 27, 2014

Membership Number: 056155

GOODYEAR INDIA LIMITED

Abridged Balance Sheet as at December 31, 2013

(Statement containing salient features of Balance Sheet as per section 219(1) (b) (iv) of the Companies Act, 1956)
(Form No. 23-AB and rule 7A of the Companies (Central Government's) General Rules and Forms, 1956)

S.No.	Particulars	Notes	As at Dec 31, 2013 (Rs.' lakhs)	As at Dec 31, 2012 (Rs.' lakhs)
I.	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share capital		2,307	2,307
	(b) Reserves and surplus			
	(i) Capital reserve (comprising revaluation reserve)		284	296
	(ii) Revenue reserve		5,400	4,400
	(iii) Surplus in profit and loss account		28,045	22,079
	(iv) Securities premium		6,314	6,314
	(2) Non-Current Liabilities			
	(a) Deferred tax liabilities (net)		1,294	1,113
	(b) Other long-term liabilities		279	-
	(c) Long-term provisions		1,973	1,881
	(3) Current Liabilities			
	(a) Trade payables		29,167	25,725
	(b) Other current liabilities		7,968	7,719
	(c) Short-term provisions		2,904	2,372
	Total of (1) to (3)		<u>85,935</u>	<u>74,206</u>
II.	ASSETS			
	(4) Non-Current Assets			
	(a) Fixed assets			
	(i) Tangible assets (Original cost less depreciation)		21,023	19,757
	(ii) Intangible assets (Original cost less amortisation)		1	1
	(iii) Capital work in progress		3,182	1,749
	(b) Long-term loans and advances		1,724	1,851
	(c) Other non-current assets		3	1
	(5) Current Assets			
	(a) Inventories		9,900	10,426
	(b) Trade receivables		16,530	15,437
	(c) Cash and bank balances	6	31,656	23,834
	(d) Short-term loans and advances		971	747
	(e) Other current assets		945	403
	Total of (4) to (5)		<u>85,935</u>	<u>74,206</u>

The notes referred to above form an integral part of Abridged Balance Sheet.

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

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Rajeev Anand
Vice Chairman &
Managing Director

Yashwant Singh Yadav
Director

Avijit Mukerji
Partner
Membership Number: 056155

R V Gupta
Director

C Dasgupta
Director

Rajiv Lochan Jain
Director

Mark C Ravunni
Chief Financial Officer

Place: New Delhi
Date: February 27, 2014

Pankaj Gupta
Company Secretary

GOODYEAR INDIA LIMITED

Abridged Profit and Loss Account for the year ended December 31, 2013

(Statement containing salient features of Profit and Loss account as per section 219(1) (b) (iv) of the Companies Act, 1956)
(Form No. 23-AB and rule 7A of the Companies (Central Government's) General Rules and Forms, 1956)

S.No. Particulars	Notes	For the year ended Dec 31, 2013 (Rs.' lakhs)	For the year ended Dec 31, 2012 (Rs.' lakhs)
I. Income :			
Sale of products manufactured		129,737	128,081
Sale of goods traded		40,852	33,253
Revenue from operations (gross)	7	170,589	161,334
Less : Excise duty on sales		13,717	13,205
Net revenue from operations		156,872	148,129
II. Other income		3,022	2,179
III. Total Income (I + II)		159,894	150,308
IV. Expenditure :			
(a) Cost of material consumed		73,737	81,615
(b) Purchase of stock-in-trade		38,439	28,604
(c) Change in inventories of finished goods, work-in-process and stock-in-trade		(584)	69
(d) Employee benefits expense		8,784	8,085
(e) Finance costs		216	382
(f) Depreciation and amortization expense (net)		2,518	2,409
(g) Other expenses		22,592	20,681
Total Expenditure (a to g)		145,702	141,845
V. Profit before tax (III-IV)		14,192	8,463
VI. Tax Expense :			
(a) Current tax		4,604	2,821
(b) Deferred tax		181	10
VII. Profit for the year (V - VI)		9,407	5,632
VIII. Basic and Diluted Earnings Per Equity Share		40.78	24.41

The notes referred to above form an integral part of Abridged Profit and Loss Account.

This is the Abridged Profit and Loss account referred to in our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 0075675
Chartered Accountants

Avijit Mukerji
Partner
Membership Number: 056155

Rajeev Anand
Vice Chairman &
Managing Director

R V Gupta
Director

Rajiv Lochan Jain
Director

Pankaj Gupta
Company Secretary

Yashwant Singh Yadav
Director

C Dasgupta
Director

Mark C Ravunni
Chief Financial Officer

Place: New Delhi
Date: February 27, 2014

GOODYEAR INDIA LIMITED
Abridged Cash Flow Statement for the year ended December 31, 2013

(Form No. 23-AB and rule 7A of the Companies (Central Government's) General Rules and Forms, 1956)

	For the year ended Dec 31,2013 (Rs.'lakhs)	For the year ended Dec 31,2012 (Rs.'lakhs)
1 Cash flow from operating activities	13,442	2,566
2 Cash flow from investing activities	(12,442)	(17,773)
3 Cash flow from financing activities	(2,098)	(2,210)
4 Net increase/(decrease) in cash and cash equivalents (1+2+3)	(1,098)	(17,417)
5 Cash and cash equivalents at beginning of the year	5,348	22,765
6 Unrealised foreign exchange gain	-	-
7 Cash and cash equivalents at end of the year	4,250	5,348

Notes :

1. 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.
2. Figures in brackets indicate cash outflow.
3. Previous year figures have been regrouped and recasted, wherever necessary, to conform to the current year's classification.
4. The notes referred to in the Abridged Balance Sheet and Profit and Loss Account forms an integral part of the Cash Flow Statement.

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

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Avijit Mukerji
Partner
Membership Number: 056155

Place: New Delhi
Date: February 27, 2014

Rajeev Anand
Vice Chairman &
Managing Director

R V Gupta
Director

Rajiv Lochan Jain
Director

Pankaj Gupta
Company Secretary

Yashwant Singh Yadav
Director

C Dasgupta
Director

Mark C Ravunni
Chief Financial Officer

Notes to the financial statements :

(All the figures are in rupee lakhs and figures in brackets, wherever given, are in respect of previous year, unless stated otherwise).

(1) GENERAL INFORMATION

Goodyear India Limited (the "Company"), an existing company under the Companies Act, 1956, is a step-down subsidiary of The Goodyear Tire & Rubber Company, Akron, Ohio, USA ("GTRC"). The Company was originally registered and incorporated as a private company on October 10, 1922 and converted into a public company on March 24, 1961. The Company is engaged in the business of manufacturing and trading of tyres, tubes and flaps with manufacturing facility at Ballabgarh, Haryana, India. The Company is presently listed with the Mumbai stock exchange (BSE Limited).

(Note 1 of the Annual Financial Statements)

(2) SIGNIFICANT ACCOUNTING POLICIES

i) Accounting Convention and Basis for Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

ii) Fixed Assets

Tangible assets are stated at cost of acquisition/construction net of accumulated depreciation and accumulated impairment losses, if any 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.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

iii) Depreciation/Amortization

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) and (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 amortized over a period of 6 years based on the estimated economic useful life of the asset.
- f) The depreciation on the assets capitalized during the year is charged from beginning of the month following the date of capitalization.

iv) Inventories

Inventories are valued at lower of cost and net realizable 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 all duties and input taxes which are available for set-off against output taxes. Finished goods are inclusive of excise duty. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

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-process and Finished goods	} Materials and 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 : Sales are recognized when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognized net of trade discounts, rebates, sales taxes and excise duties.

vii) Other Income

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Export Incentives : Income from duty draw back or other export incentives is recognized on an accrual basis.

Insurance Claims : Income from refund claim of insurance is recognized on realization of refund amount.

viii) Employee Benefits

Defined Contribution Plans

Employee State Insurance and Employee Pension Scheme 1995 : Contribution towards these are made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Company

does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation Fund : Contribution towards Superannuation Fund is administered by a trust set up by the Company, which is recognized by the Income Tax authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined Benefit Plans

Provident Fund : Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

The contributions made to the trust are recognized as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets and the same is disclosed as 'Interest on Provident Fund contributions'.

Gratuity : The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Other Employee Benefits

Compensated Absences : Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

ix) Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities

representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

x) Foreign Currency Translations

Initial Recognition : On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition : As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of monetary items are recognized in the Statement of Profit and Loss.

xi) Lease Rental

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

xii) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

xiii) Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

xiv) Provisions and Contingencies

Provisions : Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

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

Contingent Liabilities : Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(Note 2 of the Annual Financial Statements)

	As at Dec 31, 2013 (Rs.' lakhs)	As at Dec 31, 2012 (Rs.' lakhs)
(3) Contingent liabilities :		
i) Guarantee to Gurgaon Gramin Bank	133	126
ii) Other moneys for which Company is contingently liable Price Differential pending settlement	474	474
iii) Claims against the Company disputed and not acknowledged as debts **		
A. Excise duty and Service tax matters		
a) Cases decided in the Company's favour by Appellate authorities and for which Department has filed further appeal.	484	484
b) Cases pending before Appellate authorities in respect of which the Company has filed appeals. Amounts deposited under protest Rs. 386 (Rs. 376).	1,241	1,152
B. Income tax matters		
Cases pending before Appellate authorities/Dispute Resolution Panel in respect of which the Company has filed appeals. Amounts deposited under protest Rs. 133 (Rs. 63).	1,932	1,295
C. Sales tax matters		
Cases pending before Appellate authorities in respect of which the Company has filed appeals. Amounts deposited under protest Rs. 284 (Rs. 250).	663	676
D. Haryana Urban Development Authority (HUDA) demand matter *	662	662
Demand for proportionate external development charges by HUDA.		
E. Other matters	266	909
These include claims against the Company for recovery lodged by various parties. Amounts deposited under protest Rs. Nil (Rs. 443).		

* During the year 2003, a demand of Rs. 662 lakhs besides interest, was raised by the Haryana Urban Development Authority (HUDA) towards external development charges (EDC) which was challenged by the Company. During June 2009, the Court of Hon'ble Additional Civil Judge (Senior Division) (First Court) passed an interim order whereby the Company was directed to pay interest @ 10% for delayed payment amounting to Rs. 5 lakhs and which was duly paid. In the year 2010, the entire demand had been set aside by the First Court. However, HUDA challenged the same before the Court of Hon'ble District & Session Judge, Faridabad. In December 2011, the said appeal was dismissed by Hon'ble District and Session Judge. HUDA has further gone into appeal before the Hon'ble High Court of Punjab and Haryana, to our knowledge the same has not yet been admitted.

F. Haryana Local Area Development Tax (HLADT)

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 lakhs was written back during the year 2008. The amount already paid for HLADT till December 2006 and expensed in earlier years is Rs.1,938 lakhs.

Pursuant to an interim order of Hon'ble Supreme Court in October 2009, there is a stay on recovery of tax with a direction to assessee 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 the Court. During the year 2010, on the matter being heard by a bench of five Hon'ble judges of the Hon'ble Supreme Court, it was requested to Hon'ble Chief Justice of India to refer the matter to a suitable larger bench for deciding the constitutional validity of the levy. The larger bench of Hon'ble Supreme Court is yet to be constituted. However, based on legal opinion obtained by the Company and management's assessment, no provision for HLADT and Entry tax has been considered necessary.

** These represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

(Note 19 of the Annual Financial Statements)

	As at Dec 31, 2013 (Rs.' lakhs)	As at Dec 31, 2012 (Rs.' lakhs)
(4) Capital and other commitments :		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,165	186
b) Estimated amount of other contracts remaining to be executed for supply of goods and services contracts	3,505	3,482

(Note 20 of the Annual Financial Statements)

- (5) The Company's business activity falls within a single primary business segment viz. 'Automotive tyres, tubes and flaps'. Secondary segment reporting is based on the geographical location of the customers. Details of secondary segments are not disclosed as more than 90% of the Company's revenues, results and assets relate to the domestic market. Therefore, no further disclosure is considered as required under Accounting Standard (AS-17) "Segment Reporting".

(Note 21 of the Annual Financial Statements)

(6) **CASH AND BANK BALANCES**

Cash and cash equivalents :

Cash on hand	2	2
Cheques on hand	463	335
Cheques in transit	43	-
Bank balances - Current accounts	1,342	1,511
- Demand deposits (maturity less than 3 months)	2,400	3,500

Other bank balances :

Fixed deposits with maturity more than 3 months but less than 12 months	27,200	18,310
Bank balances for unpaid dividend	206	176
	<u>31,656</u>	<u>23,834</u>

(Note 16 of the Annual Financial Statements)

(7) **REVENUE FROM OPERATIONS**

Sale of finished goods

	For the year ended Dec 31, 2013 (Rs.' lakhs)	For the year ended Dec 31, 2012 (Rs.' lakhs)
Automotive Tyres	126,054	120,440
Flaps	28	59
Automotive Tubes	3,655	7,582
	<u>129,737</u>	<u>128,081</u>

Sale of traded goods

Automotive Tyres	34,782	32,467
Flaps	15	2
Automotive Tubes	6,055	784
	<u>40,852</u>	<u>33,253</u>

Total sale of goods

	<u>170,589</u>	<u>161,334</u>
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(Note 22 of the Annual Financial Statements)

(8) Disclosures under Accounting Standard 18 :

i) List of related parties with whom the Company had transactions during the year :

Ultimate Holding Company :

The Goodyear Tire & Rubber Company, Akron, Ohio, USA
 { Holding company until November 28, 2011 }
 { Ultimate holding company since November 29, 2011 }

Holding Company :

Goodyear Orient Company (Private) Limited, Singapore
 (Holding company since November 29, 2011)

Fellow subsidiaries :

- i) Goodyear SA (Luxembourg)
- ii) Goodyear Middle East, FZE
- iii) Goodyear Dalian Tire Company Limited
- iv) Goodyear Dunlop Tires France
- v) Goodyear (Thailand) Public Company Limited
- vi) Goodyear do Brasil Produtos de Borracha Ltda
- vii) Goodyear De Colombia S.A
- viii) PT. Goodyear Indonesia Tbk
- ix) Goodyear South Africa (Pty.) Limited
- x) Goodyear Singapore Tyres
- xi) Goodyear & Dunlop Tyres (NZ) Limited
- xii) Goodyear Marketing & Sales SDN Bhd
- xiii) TC Debica SA
- xiv) Goodyear & Dunlop Tyres (Australia) Pty Limited
- xv) Goodyear South Asia Tyres Private Limited
- xvi) Goodyear Earthmover Pty Limited
- xvii) Goodyear International Corporation
- xviii) Goodyear Dunlop Tires Operations SA
- xix) Compania Goodyear Del Peru SA
- xx) Goodyear SA R&D (Luxembourg)
- xxi) Goodyear Dunlop Tires Germany
- xxii) GRBS Inc., Philippines

Key management personnel:

- i) Mr. Rajeev Anand
- ii) Mr. Yashwant Singh Yadav
- iii) Mr. Mark C Ravunni

ii) Transactions with related parties on an arm's length basis :

	For the year ended Dec 31, 2013 (Rs.' lakhs)	For the year ended Dec 31, 2012 (Rs.' lakhs)
The Goodyear Tire & Rubber Company, Akron, Ohio, USA		
Purchase of raw materials, finished goods and spare parts	592	2,300
Purchase of capital items	323	208
Expenditure for Trade mark fees	1,182	1,120
Expense reimbursed to ultimate holding company	15	32
Reimbursement of expense by ultimate holding company	2	3
Recovery for deputation of employees	33	45
Expenditure for Regional service charges	4,589	4,316
Payment for deputation of employees	11	214
Share in insurance recovery	190	-

	For the year ended Dec 31, 2013 (Rs.' lakhs)	For the year ended Dec 31, 2012 (Rs.' lakhs)
Goodyear Orient Company (Private) Limited, Singapore		
Dividend paid	1,195	1,195
Fellow subsidiaries :		
Purchase of raw materials, finished goods and spare parts		
Goodyear South Asia Tyres Private Limited *	30,642	27,523
Goodyear Dalian Tire Company Limited	253	190
Goodyear (Thailand) Public Company Limited	186	10
PT. Goodyear Indonesia TBK	189	243
Goodyear Dunlop Tires Operations SA	287	32
Goodyear Marketing & Sales SDN Bhd	38	35
Goodyear Earthmovers Pty Limited	1,076	777
Others	13	11
* Net of recovery for replacement loss Rs. 821 (Rs. 615)		
Sale of finished goods		
Goodyear & Dunlop Tyres (Australia) Pty Limited	821	1,871
Compania Goodyear Del Peru SA	36	63
Goodyear Middle East, FZE	129	224
Goodyear South Africa (Pty.) Limited	16	42
Goodyear Singapore Tyres	58	10
Goodyear International Corporation	587	28
Others	66	43
Purchase of capital items		
Goodyear International Corporation	23	57
Goodyear Marketing & Sales SDN Bhd	40	-
Recovery for deputation of employees		
Goodyear Singapore Tyres	431	200
Goodyear Marketing & Sales SDN Bhd	-	15
Goodyear (Thailand) Public Company Limited	114	102
Goodyear Dalian Tire Company Limited	62	60
Goodyear SA R&D (Luxembourg)	57	43
Goodyear & Dunlop Tyres (Australia) Pty Limited	45	20
Payment for deputation of employees		
Goodyear Dunlop Tires France	-	168
Goodyear Marketing & Sales SDN Bhd	209	51
Goodyear Dunlop Tires Operations SA	-	6
Sale of raw materials and spare parts and other charges		
Goodyear South Asia Tyres Private Limited	115	717
Expenses recovered from related parties		
Goodyear SA (Luxembourg)	21	-
Goodyear Marketing & Sales SDN Bhd	-	1
Goodyear Singapore Tyres	61	35
Goodyear South Asia Tyres Private Limited *	254	244
Goodyear SA R&D (Luxembourg)	24	14
Others	9	5

* Net of reimbursement Rs. 60 (Rs. 27)

	For the year ended Dec 31, 2013 (Rs.' lakhs)	For the year ended Dec 31, 2012 (Rs.' lakhs)
Reimbursement of expenses to related parties		
Goodyear (Thailand) Public Company Limited	1	5
PT. Goodyear Indonesia TBK	-	10
Goodyear Marketing & Sales SDN Bhd	8	3
Others	4	4
Reimbursement of product warranty claim to related parties		
Goodyear Singapore Tyres	-	16
Goodyear & Dunlop Tyres (Australia) Pty Limited	-	45
Goodyear Dunlop Tires Germany	-	9
Sale of capital items		
Goodyear South Asia Tyres Private Limited	-	5
Job work charges received		
Goodyear South Asia Tyres Private Limited	-	114
Key management personnel :		
Remuneration paid to key management personnel		
Mr Rajeev Anand	459	319
Mr Yashwant Singh Yadav	218	163
Mr Mark C Ravunni	419*	137
Mr Jean Philippe Lecerf	-	352
* The above does not include Rs. 36 lakhs pertaining to incentive for 2012 which was paid in 2013.		
iii) Balances outstanding as at the year end :		
Ultimate holding company :		
Trade Payables	1,445	1,940
Other Receivables	4	16
Fellow subsidiaries :		
Trade Payables		
Goodyear South Asia Tyres Private Limited	4,261	2,734
Goodyear Dunlop Tires Operations SA	16	39
Goodyear Earthmover Pty Limited	226	143
PT. Goodyear Indonesia Tbk	47	33
Goodyear Dunlop Tires France	389	391
Others	210	142
Trade Receivables		
Goodyear Middle East, FZE	11	65
Goodyear & Dunlop Tyres (Australia) Pty Limited	69	358
Goodyear South Asia Tyres Private Limited	30	26
Goodyear International Corporation	105	29
Others	8	-
Other Receivables		
Goodyear South Asia Tyres Private Limited	88	86
Goodyear Singapore Tyres	169	91
Goodyear (Thailand) Public Company Limited	27	29
PT. Goodyear Indonesia Tbk	-	3
Others	87	47

(Note 31 of the Annual Financial Statements)

(9) Disclosures under the Micro, Small and Medium Enterprises 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 :

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

(Note 41 of the Annual Financial Statements)

(10) Stock and book debts are subject to a maximum charge of Rs. 3,500 lakhs (Rs. 3,500 lakhs) for all credit facilities/guarantees sanctioned by BNP Paribas Bank.

(Note 44 of the Annual Financial Statements)

(11) Previous year figures have been regrouped and recasted, wherever necessary, to conform to the current year's classification.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Rajeev Anand
Vice Chairman &
Managing Director

Yashwant Singh Yadav
Director

Avijit Mukerji
Partner
Membership Number: 056155

R V Gupta
Director

C Dasgupta
Director

Rajiv Lochan Jain
Director

Mark C Ravunni
Chief Financial Officer

Place: New Delhi
Date: February 27, 2014

Pankaj Gupta
Company Secretary

GOODYEAR
One Revolution Ahead



Goodyear India Limited

REGISTERED OFFICE: Goodyear India Limited. Mathura Road, Ballabgarh, (Dist. Faridabad) - 121004, Haryana.

Tel No.: 0129 - 6611000, Fax: 0129 - 2305309/10


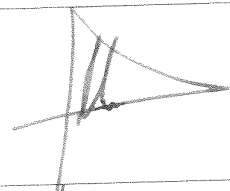

CORPORATE OFFICE: Goodyear India Limited. 1st Floor, ABW Elegance Tower, Plot No. 8, Commercial Centre Jasola, New Delhi - 110025.

Tel.: 011 - 47472727, Fax: 011 - 47472715

www.goodyear.co.in

FORM A

(Pursuant to SEBI Circular no. CIR/ CFD/ DIL/ 7/ 2012 dated August 13, 2012
read with clause 31 of the Listing Agreement)

1.	Name of the Company	Goodyear India Limited
2.	Annual financial statements for the year ended	December 31, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by –	
	• Mr Rajeev Anand (Vice Chairman & Managing Director)	
	• Mr Mark Chandran Ravunni (Chief Financial Officer)	
	• For Price Waterhouse & Co., Bangalore (FRN 007567S) Mr Avijit Mukerji Partner Membership No. 056155	
	• Mr R V Gupta (Audit Committee Chairman)	