

**Goodyear India Limited**

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**GOODYEAR**

SO- 1958  
July 10, 2019

The Dept. of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Scrip Code: 500168

**SUB: Corrigendum - Submission of Annual Report along with Notice of Annual General Meeting ("AGM") to be held on Monday, August 12, 2019**

Dear Sirs,

This is in furtherance to our letter submitted on July 9, 2019 wherein we had enclosed a copy of the Annual Report for the financial year 2018-19 along with Notice of 58<sup>th</sup> AGM of the Company to be held on Monday, August 12, 2019.

We wish to inform you that the date of book closure is from August 6, 2019 to August 12, 2019 (both days inclusive) and the same has already been communicated in the outcome of Board Meeting dated May 29, 2019 and the Notice of AGM. However, the date of book closure has been inadvertently mentioned as 'August 5, 2019 to August 12, 2019 (both days inclusive)' in point 10 (a) (iii) - 'General Shareholder Information' on page 30 of the Annual Report 2018-19. Thus, you are hereby requested to read the Date of Book Closure as 'August 6, 2019 to August 12, 2019 (both days inclusive)'.

We will share the revised Annual Report with the members whose e-mail IDs have been registered with us and would rectify the typographical error in the hard copies of the Annual Report to be dispatched to the members. We would also publish a corrigendum in the newspapers in this regard and submit the same to you within due time.

The updated Annual Report for FY 2018-19 is attached herewith and is also available on the website of the Company at following link:

[https://www.goodyear.co.in/wp-content/uploads/Goodyear-India-Limited-AR-2018-19\\_Full.pdf](https://www.goodyear.co.in/wp-content/uploads/Goodyear-India-Limited-AR-2018-19_Full.pdf)

Kindly take the same on record.

We sincerely regret the inconvenience caused in this regard.

Thanking You,

For **Goodyear India Limited**

  
**Anup Karmwal**  
Company Secretary



**ONE TEAM**



## ANNUAL REPORT 2018 - 19

## INNOVATION AND SUSTAINABILITY



ONE TEAM Driving Performance  
On the road, in the marketplace, and throughout the company.



**TRILA  
Awards  
2018**



# ANNUAL REPORT 2018 - 19

## C O N T E N T S

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# Message from the Chairman & MD

During 2018-19, the country saw growth momentum in the rural sector due to normal monsoon, favorable financing options and government budgetary support. This resulted in the Indian tractor industry witnessing a double-digit growth for the third consecutive year. However, the last quarter of the financial year was impacted due to key macro events including elections, liquidity crunch and high auto dealer inventory. During the year, our business was also impacted by significant increase in raw material costs such as natural rubber, synthetic rubber and carbon black. Despite these transitory headwinds, our sales for the year were Rs 1,912 cr, which is 11% higher than last year. I believe our innovation, technology leadership and award-winning products are as strong as they have ever been and are the core of the global strength of Goodyear brand.

The Farm tire industry delivered a robust growth, driven mainly by Original Equipment Manufacturers (OEMs) due to positive business sentiment and moderate monsoon. As a significant player in this category, the Company continued to work with its customers collaboratively and with agility, to sustain our business growth in line with industry demand. The business focused on delivering sales and marketing excellence together with innovation and operational excellence to win in the market. This helped the Company to sustain its leadership in this category.

Consumer Replacement business witnessed positive growth in Financial Year (FY) 2018-19 after a strong recovery post demonetization and policy changes. Positive long-term economic outlook and growing vehicle population are expected to drive future industry growth for the consumer replacement business.

I am pleased to share with you that your Company has continued multi-pronged actions in both businesses to deliver a robust bottom line, while intensifying efforts in the passenger vehicle market. Some of these initiatives are:

- Excellence in key account management in Farm OE business which not only resulted in maintaining market leadership position but also resulted in recognition by four key customers.
- Building brand salience and trade loyalty in Replacement business for both Farm and Consumer businesses. Improving overall brand salience with increased efforts in developing innovative marketing initiatives, with a strong focus in digital to maintain and enhance the value of the Goodyear brand.
- Revitalizing product portfolio in passenger vehicle business with the introduction of new and differentiated products in both passenger car and SUV segments. Similarly, new products were introduced to cater to infrastructure segment and higher HP segments in the Farm business.
- Driving channel expansion by increasing presence of Goodyear exclusive stores in Consumer business to improve our reach to the consumers; thereby making it convenient for them to buy Goodyear. Focus on channel expansion to build distribution footprint in the Farm Replacement channel with an addition of over 400+ new channel partners.

Our manufacturing teams also have consistently improved plant operational efficiencies. During the year, the Environment Pollution (Prevention & Control) Authority ("EPCA") imposed the shutdown of all manufacturing units around Delhi NCR due to pollution related issues. As a responsible corporate, the Company is fully committed to the community and compliant with applicable laws. Goodyear's Ballabgarh plant demonstrated operational excellence in handling various disruptions and further improved on efficiencies to give higher production with lower cost of manufacturing operations.

Our performance was recognized by our business partners and industry associations. The Company is proud to have received the following prestigious awards during the FY 2018-19:

- (i) Your Farm & Commercial business received awards from four major OEMs:
  - a. "Supplier Excellence Award" from Mahindra Group Company
  - b. "Best Supplier Award" from Tractors and Farm Equipment Limited (TAFE)
  - c. "Best Delivery 2018" award by Escorts to Goodyear India's Farm & Commercial business for the third time in the last four years.



- d. "Excellence Award" for its commendable performance during John Deere Supplier Conference in 2018, for the 4th time in a row.
- (ii) "SUV Tyre of the Year 2018" and "Company of the Year - Environment & Sustainability" at the Tyre & Rubber Industry Leadership Acknowledgement (TRILA) awards, 2018.
- (iii) "Prince Michael International Road Safety Award" under our CSR Initiative 'Safer Roads, Safer You'.

As we enter the new year, we are witnessing headwinds due to market slowdown in both Farm and Consumer OE businesses. However, Replacement businesses in both Farm as well as Consumer are showing a positive growth trend to mitigate some of the OE business impact. With near normal monsoon predictions and a majority government in power, we are optimistic about initiatives government is likely to take to boost the urban and rural economy, which will be expected to result in stronger business sentiment and growth. The consumer tyre industry is witnessing a shift in demand for premium cars, thus fueling growth in luxury and SUV segments. This is expected to create opportunities for the business to grow volume and improve profitability.

Overall, we continue to be optimistic about the long-term industry outlook and our performance in FY 2019-20. We will continue to focus on growth and profits and build on the values of innovation and sustainability. Our plans are supported by investments in assets and capability in the years to come. The strength of the Goodyear brand, our strategy of winning in the most profitable segments of the market, our aligned distribution network and innovating to meet the needs of our most demanding customers will be amongst the most important drivers of our growth in the years ahead. At Goodyear, our associates are the source of our innovation and the backbone of our strategy. They embody the spirit of the Company by collaborating with consumers and customers to deliver the highest quality products, processes and programs. We are excited about the opportunities ahead and believe in our ability to make the most of them.

I would like to thank you, our valued shareholders, for your continued support, confidence and trust. I wish you and your families the very best for the year ahead.

Yours Sincerely,

Rajeev Anand  
Chairman & Managing Director  
Goodyear India Limited



# Board of Directors



## **RAJEEV ANAND** **Chairman & Managing Director**

Mr. Rajeev Anand is the Chairman & Managing Director of Goodyear India Limited. He has held numerous senior leadership roles in India and ASEAN over the past 37 years at Goodyear; most recently as the Chairman & Managing Director, Goodyear India Limited.

Mr. Anand focus in these roles has been on accelerating growth, developing operational excellence, building a high-performance culture and strong corporate governance. He has deep knowledge and experience in business strategy, manufacturing operations, program execution, long cycle investments and customer value creation.

Mr. Anand is instinctively good with people and is able to read their motivations and aspirations well. His humility and curiosity to learn about new areas of business and to understand people and their motivations have contributed to his growth as a leader. Under his leadership, Goodyear India has attained sustained level of performance and overall business growth.



## **RAJIV LOCHAN JAIN** **Director**

Rajiv Lochan Jain is B. Tech. (Hons.) in Chemical Engineering from IIT, Kharagpur and MBA from the Peter T. Paul College of Business and Economics at the University of New Hampshire, USA.

He was the Chief Executive of the Specialty Chemicals, Rubber Chemicals and Explosives businesses of ICI India Limited (now Akzo Nobel India Limited) before being appointed as the Chief Operating Officer.

He joined the Board in 1997 and served as Chief Executive Officer and Managing Director of ICI India Limited from 2003. He successfully led the portfolio reshaping of ICI India Ltd. from a diversified chemical Company to a focused and fastest growing player in the paints and coatings business. He was also the Chairman of both ICI's Research Company in India and the joint-venture company of ICI with Orica, Australia.

He advises global and local companies on their entry and growth strategies for India and serves as Independent Director on the Boards of Gujarat Alkalies and Chemicals Ltd., Goodyear India Limited and Fresenius Kabi Oncology Ltd. He has recently been appointed to the Board of Governors of GSFC University.



## **C DASGUPTA** **Director**

Mr. C Dasgupta is a retired Indian Foreign Service officer. During his long diplomatic career, he served as India's ambassador to China and to the European Union. He was a leading climate change negotiator both during and after his Foreign Service career. He has also served as a member of the UN Committee on Economic, Social and Cultural Rights. He is currently a member of the Prime Minister's Council on Climate Change.

Mr. Dasgupta is an Economics honors graduate of the Delhi University and an Emeritus Distinguished Fellow of The Energy and Resources Institute (TERI). He has written extensively on climate change and sustainable development, as well as issues of diplomatic history.

The President of India awarded the Padma Bhushan (the third highest civilian honors) to Mr. Dasgupta in 2008, for his contributions to the civil service.



## **SUDHA RAVI**

### **Director**

Ms. Sudha Ravi is presently with the Ajay Piramal Group. Joining the Group in 2011, Ms. Ravi, as the CEO, set up the highly successful Non-Banking Finance Company (NBFC) - Piramal Finance Ltd. (PFL) for the Group. Since 2018, she is working with Piramal Capital & Housing Finance Ltd., the merged entity of PFL with Piramal Housing Finance Ltd. Ms. Ravi is additionally in-charge of India Venture Advisors P Ltd since October 2014, – a healthcare and life sciences focused private equity fund sponsored by the Piramal Group.

Prior to joining Piramal Group, Ms. Ravi was with State Bank of India for over 30 years, having joined the Bank as a direct recruit Probationary Officer in October 1978. In her extensive service in SBI, she has held various important portfolios and has had the opportunity of working in Metro, Urban and Rural areas across the length and breadth of the country. Working in varied functional areas at the Bank, including International, Corporate, Retail and Rural banking has given Ms. Ravi a wide-ranging perspective on the financial sector and business strategy. Ms. Ravi has held key positions including as General Manager, Enterprise Risk Management facilitating alignment of risk with strategy at the Bank-wide level, Chief Representative, Washington DC, USA., where Ms. Ravi has received recognition(s)/plaques presented by the Indian Associations in USA for outstanding contribution in the sphere of banking for the community in DC.

Ms. Ravi is a member of the CII National Committee on NBFCs and was earlier the Chairperson, National Council on NBFCs of ASSOCHAM (The Associated Chambers of Commerce and Industry of India).

Ms. Ravi has keen interest in Special Education with focus on education for autistic children



## **NICOLE AMANDA NUTTALL**

### **Director**

Ms. Nicole Amanda Nuttall is presently working as an Associate General Counsel of Goodyear Tire Management Company (Shanghai) Ltd. Ms. Nuttall has previously worked as the Director - Compliance and Ethics, Asia Pacific region and for Goodyear & Dunlop Tyres (Aust) Pty Ltd as legal counsel for a period of almost 6 years. Ms. Nuttall areas of expertise are Legal and Compliance. Ms. Nuttall has worked with organizations such as GM Holden Ltd, Home Wilkinson Lowry, The Royal Automobile Club of Queensland Limited, Lyons Solicitor and Ellison Moschella & Co. in the past in their legal department.

Ms. Nuttall holds a degree in Commerce from the University of Queensland and has also completed her Law degree and Diploma in Legal Practice from Queensland University of Technology. In July 2003, Ms. Nuttall was admitted as a Solicitor of the Supreme Court of Queensland.

Ms. Nicole Amanda Nuttall was appointed by the Board of Directors as an Additional Director of the Company effective June 23, 2018 and was appointed as a Director of the Company effective August 08, 2018.



## **MITESH MITTAL**

### **Finance Director**

Mr. Mitesh Mittal is a Bachelor of Commerce from SSRC, Delhi University, and Licentiate Company Secretary from ICSI, qualified Chartered Accountant from ICAI, Certified Public Accountant and MBA from Rensselaer Polytechnic Institute, USA. In 20 years of his experience at MNC(s) in Asia and US, Mr. Mitesh has gained significant Finance expertise. This includes leading financial departments, financial planning/analysis, controllership, operations finance, audit and consulting.

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## **ANUP KARNWAL**

Legal Counsel and Company Secretary

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## **STATUTORY AUDITORS**

Deloitte Haskins & Sells LLP

Chartered Accountants (ICAI Firm Registration No. 117366W/W-100018)

## **COST AUDITORS**

M/s Vijender Sharma & Co.

Cost Accountants (Firm Registration No. 000180)

## **SECRETARIAL AUDITORS**

M/s VKC & Associates,

Company Secretaries (UCN - P2017UP060600)



# BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 58<sup>th</sup> Annual Report of the Company along with the Company's audited financial statements for the Financial Year (FY) ended March 31, 2019.

## 1. FINANCIAL SUMMARY

A brief summary of the audited financials of the Company for the FY ended March 31, 2019 is given below. The figures of the current FY and previous FY have been prepared in accordance with the Indian Accounting Standards ('Ind AS').

(Rs. in Lakhs)

| Particulars                                         | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-----------------------------------------------------|------------------------------|------------------------------|
| Revenue from operations                             | 191,191                      | 170,597                      |
| Other Income                                        | 3,769                        | 3,665                        |
| <b>Total Income</b>                                 | <b>194,960</b>               | <b>174,262</b>               |
| Less: Expenditure:                                  |                              |                              |
| Cost of material consumed                           | 81,790                       | 69,986                       |
| Depreciation                                        | 4,103                        | 3,615                        |
| Excise Duty                                         | -                            | 4,128                        |
| Other expenses                                      | 93,253                       | 76,605                       |
| <b>Total Expenditure</b>                            | <b>179,146</b>               | <b>154,334</b>               |
| <b>Profit Before Tax</b>                            | <b>15,814</b>                | <b>19,928</b>                |
| Less: Income Tax Expense:                           |                              |                              |
| Current Tax                                         | 5,802                        | 6,740                        |
| Deferred Tax                                        | (195)                        | 192                          |
| <b>Profit before other comprehensive income</b>     | <b>10,207</b>                | <b>12,996</b>                |
| Other comprehensive income for the year, net of tax | (99)                         | (15)                         |
| <b>Total comprehensive income for the year</b>      | <b>10,108</b>                | <b>12,981</b>                |

## 2. FINANCIAL HIGHLIGHTS

During the FY 2018-19, the total income was Rs. 194,960 lakhs as compared to Rs. 174,262 lakhs in the previous FY 2017-18.

During the FY 2018-19, the revenue from operations was Rs. 191,191 lakhs as compared to Rs. 170,597 lakhs in the previous FY 2017-18, registering an increase of 12.1%.

Profit before tax (PBT) during the FY 2018-19 was Rs.15,814 lakhs as compared to Rs. 19,928 lakhs in the previous FY 2017-18 showing a decrease of 20.6%.

The total comprehensive income of the Company for the FY 2018-19 stood at Rs.10,108 lakhs as compared to Rs.12,981 lakhs in the previous FY 2017-18, showing a decrease of 22.1%.

During the FY 2018-19, the capital expenditure incurred amounted to Rs.7,386 lakhs as compared to Rs. 5,269 lakhs in the previous FY 2017-18. The interest and other finance cost during the FY 2018-19 was Rs. 300 lakhs as compared to Rs. 289 lakhs in the previous FY 2017-18.

## 3. OPERATIONS

The Farm Tyre industry has grown in the last FY at 7% (source ATMA Annual Production Report) year on year aided by Government budgetary support, increase in Minimum Support Price (MSP) and favorable financing options.

Your business continued to focus on sustaining leadership with OEMs through excellence in Key Account Management to deliver enhanced Customer Service. In the replacement channel, the focus was on channel expansion and extraction. This was supported by innovation excellence through new product introduction in niche multi-modal applications and operational excellence to ensure delivery of the right tyre to the right place, at the right time for the right cost.

The Company manufactures automotive bias tyres viz. farm tyres and commercial truck tyres at its Ballabgarh plant and also trades in "Goodyear" branded passenger car tyres including radial passenger tyres (consumer) manufactured by Goodyear South Asia Tyres Private Limited ('GSATPL'), Aurangabad. Other products which the Company markets and sells include tubes and flaps.

Sales performance during the FY 2018-19 is as follows:

(Rs. in Lakhs)

|       |         |
|-------|---------|
| Tyres | 178,941 |
| Flaps | 50      |
| Tubes | 9,486   |

Consumer replacement business delivered a strong performance by growing faster than the industry in FY 2018-19. The positive long-term economic outlook and growing vehicle population is expected to drive industry growth for consumer replacement business in the future.

## 4. DIVIDEND

Your Company has a consistent track record of paying a dividend to its shareholders. The Directors have recommended for your approval a final dividend of Rs. 13/- per equity share for the FY 2018-19 as against final dividend of Rs. 13/- per equity share, in the previous FY 2017-18.

The final dividend, if approved at the ensuing Annual General Meeting ("AGM") of the Company, shall be paid to the eligible members within the stipulated time-period.

The final dividend, if approved at the ensuing AGM, will absorb a sum of Rs. 2,999 lakhs and tax on dividend will be Rs.616 lakhs.



## 5. TRANSFER TO GENERAL RESERVE

During the FY 2018-19, the Company has not transferred any amount towards General Reserve.

## 6. AWARDS AND RECOGNITIONS

The Company is proud to have received the following prestigious awards during the FY 2018-19:

- (i) "Prince Michael International Road Safety Award" on 11<sup>th</sup> December 2018, under the category "Safer Road User", for its continuous innovative work under its CSR Initiative 'Safer Roads, Safer You', which is in conjunction with Institute of Road Traffic Education.
- (ii) "CSR Health Impact Award" in the 'WASH INITIATIVE' category for its CSR activity 'Healthy India Program' at New Delhi, India on August 24, 2018.
- (iii) "SUV Tyre of the Year 2018" for Wrangler AT/SA at the TYRE & RUBBER INDUSTRY LEADERSHIP ACKNOWLEDGEMENT (TRIILA) AWARDS, 2018.
- (iv) "Company of the Year - Environment & Sustainability" at the TYRE & RUBBER INDUSTRY LEADERSHIP ACKNOWLEDGEMENT (TRIILA) AWARDS, 2018. This award was given for efforts made to reduce energy consumption, water consumption & carbon emissions. Goodyear was recognized for its exceptional commitment to 'Zero Waste to Landfill' and 'solvent reduction' as part of its sustainability initiative.
- (v) Escorts Tractors honored Goodyear India's Farm & Commercial business with "Best Delivery 2018" award for the third time in the last four years.
- (vi) "Supplier Excellence Award" from Mahindra Group Company.
- (vii) "Best Supplier Award" from Tractors and Farm Equipment Limited (TAFE).
- (viii) The Farm & Commercial business won an "Excellence Award" for its commendable performance during John Deere Supplier Conference in 2018, for the 4<sup>th</sup> time in a row.

## 7. FINANCIAL STATEMENTS (Full & Abridged)

In compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR), 2015], the Company shall circulate:

- (i) Soft copies of the full Annual Report containing Balance Sheet, Statement of Profit & Loss and the Board's Report to all those shareholder(s) who have registered their email address(es) with the Company or its Depositories;
- (ii) Hard copy of the statement containing the salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 ("the Act") or rules made thereunder to those shareholder(s) who have not so registered; and
- (iii) Hard copies of the full Annual Report to those shareholders, who request for the same.

The Board of Directors has decided to circulate the abridged Annual Report containing salient features of the Balance Sheet and Statement of Profit and Loss to the shareholders for the FY 2018-19.

A full version of the Annual Report including the complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto prepared as per the requirements set out in Schedule III to the Companies Act, 2013 and Indian Accounting Standards (Ind AS) is available on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section) and will also be shared with shareholder(s) upon request.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 of the Companies Act, 2013 (the Act), the Directors make the following statements that:

- (i) in the preparation of the annual accounts for the FY 2018-19, the applicable accounting standards have been followed and that there are no material departures;
- (ii) appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit and loss of the Company for that period;
- (iii) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts for the FY 2018-19 have been prepared on a going concern basis;
- (v) the directors have laid down adequate internal financial controls and the same were followed by the Company effectively. 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 the adequacy of internal controls and compliance to the Company's policies. Weaknesses noted along with agreed upon action plans are shared with the Audit Committee, which ensures the orderly and efficient conduct of business and effectiveness of the system of internal control. Internal Auditors, Audit Committee members and the 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;
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## 9. FUTURE OUTLOOK

After three successive years of robust double-digit growth in the tractor industry, we are seeing short-term headwinds in consumer demand. Historical trend confirms volatility of demand during previous election years of 2009 & 2014. Other key macro factors which influence the demand include liquidity and progress of monsoon.

As per IMD (Indian Metrological Department), India is expected to get normal monsoon this year at 96% of long-term average, however, they have cautioned a poor start which may lead to a shift of sowing season by about a month.

The mid to long-term outlook of the industry looks bullish with a growth of 6-7% (source: ICRA) based on the following factors:

1. Robust GDP growth of 6.5-7% in the next five years, with agriculture contribution at ~17%;
2. Strong focus of the Government to enhance rural income through enhanced MSPs (Minimum Support Price) as reflected in the current budget; and
3. Lower tractor penetration driving and increasing trend towards mechanization.

(Source: Crisil & ICRA)

The passenger tyre industry is likely to register modest growth in the FY 2019-20. Strengthening our product portfolio, driving distribution expansion and brand building will be the key priorities in FY 2019-20.

## 10. BOARD AND KEY MANAGERIAL PERSONNEL (KMP)

The Company recognizes the importance of having a diverse Board in view of the current volatile business environment and the requirements of the Act and the SEBI (LODR), 2015. The Company aims for an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management.

### a) Appointment/Reappointment of Directors and KMP

In terms of applicable provisions of the Act, the SEBI (LODR), 2015 and on the recommendation of Nomination and Remuneration Committee, the following Directors and KMP were appointed/ re-appointed during the FY 2018-19:

| S. No | Name of the Director/KMP                              | Position                           | Type / Date of Meeting              | Appointment          |
|-------|-------------------------------------------------------|------------------------------------|-------------------------------------|----------------------|
| 1.    | Ms. Nicole (Nikki) Amanda Nuttall*<br>(DIN: 08164858) | Director                           | AGM/<br>August 8,<br>2018           | August 8,<br>2018    |
| 2.    | Mr. Rajeev Anand<br>(DIN: 02519876)                   | Chairman<br>& Managing<br>Director | Postal Ballot/<br>March 26,<br>2019 | February 20,<br>2019 |

\* Ms. Nicole (Nikki) Amanda Nuttall was appointed as Additional Director effective June 23, 2018 in the Board meeting held on May 25, 2018

Ms. Sudha Ravi has been re-appointed as an Independent Non-Executive Director in the Board meeting held on May 29, 2019 effective from June 07, 2019.

Mr. Anup Karnwal has been appointed as Company Secretary (KMP) in the Board meeting held on April 22, 2019.

In compliance with Regulation 17(1A) of the SEBI (LODR), 2015, continuation of directorship of Mr. Chandrashekhar Dasgupta (DIN: 00381799) as a Non- Executive Independent Director of the Company who has attained the age of 78 years, has been approved by the Members of the Company by way of Special resolution through Postal Ballot.

Mr. Mitesh Mittal, Whole time Director, is retiring by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment.

None of the Directors is disqualified from being appointed as or holding office of Directors as stipulated in Section 164 of the Act.

### b) Cessation of Directors & KMP

During the FY 2018-19, following cessations of Director & KMP took place:

| S. No | Name of the Director/KMP                   | Position                      | Type / Date of Meeting |
|-------|--------------------------------------------|-------------------------------|------------------------|
| 1.    | Mr. Oliver Carsten Gloe<br>(DIN: 07250426) | Additional<br>Director        | May 25,<br>2018        |
| 2.    | Mr. Pankaj Gupta                           | Company<br>Secretary<br>(KMP) | March 31,<br>2019      |

### c) Declaration of Independence by Independent Directors

As per Section 149(7) of the Act, the Company has received a declaration of independence from all the Independent Directors as of March 31, 2019.

The Board has undertaken due assessment of the declaration of independence submitted by the Independent Directors and satisfied that the Independent Directors fulfil the conditions specified in the Act and rules made thereunder and SEBI (LODR), 2015, and are independent of the management.

### d) Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV to the Act and Regulation 25(3) of the SEBI (LODR), 2015, separate meetings of the Independent Directors of the Company were held on April 19, 2018; and May 25, 2018 to discuss relevant items including the agenda items as prescribed under the applicable laws. The meetings were attended by all the Independent Directors of the Company.

### e) Annual Performance Evaluation

In compliance with the provisions of the Act and the SEBI (LODR), 2015, a formal annual performance evaluation of the Board, its Committees and individual directors, including the Independent Directors was carried out during the FY 2018-19.



The Performance evaluation was carried out by the Nomination and Remuneration Committee based on the “Annual Evaluation Framework” prepared by the Committee.

Furthermore, the Independent Directors at their exclusive meeting held during the year, reviewed the performance of the Board, its Chairman, and non-executive directors as stipulated under the Act and SEBI (LODR), 2015.

The details of Annual Performance Evaluation are mentioned in the Corporate Governance Report forming a part of this Report.

#### 11. BOARD MEETINGS

During the FY 2018-19, 4 Board Meetings were held on May 25, 2018, August 08, 2018, November 5, 2018, and February 13, 2019. Details regarding the attendance of the Directors in the Board Meetings held during the FY 2018-19 are disclosed in the Corporate Governance Report forming a part of this Board's Report.

#### 12. INSIDER TRADING REGULATION

The Company has adopted a ‘Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information’ (Code of Fair Disclosure) in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (‘the POIT Regulations, 2015’).

During the FY 2018-19, the Company has revised the Code of Fair Disclosure to include the Policy for Determination of Legitimate Purpose, in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (‘Amendment Regulations’). The said Code is applicable to all Directors, KMPs and other Designated Persons, as identified in the Code, who may have access to unpublished price sensitive information of the Company.

The Code is available on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

The Company has also complied with the other requirements of Amendment Regulations.

#### 13. DEPOSITS

The Company has neither accepted nor renewed any deposits in terms of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the FY 2018-19.

#### 14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not granted any loans, guarantees or made investments within the meaning of Section 186 of the Act during the FY 2018-19.

#### 15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered into by the Company were in the ordinary course of business and on arm's length

basis. The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 2 is annexed as ‘Annexure A’ to this Report.

The Company has revised its Policy on dealing with Related Party Transactions and the revised version of the Policy is available on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

#### 16. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Act read with rules made thereunder, extract of Annual Return of the Company in the prescribed Form - MGT 9 is annexed as ‘Annexure B’ to this Report.

#### 17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have a Subsidiary, Joint Venture or Associate Company.

#### 18. INTERNAL FINANCIAL CONTROLS

The Integrated Framework adopted by the Company, which is based on applicable guidance on Internal Financial Control, is adequate and effective. The Internal Financial Controls and its adequacy and operating effectiveness is included in the Management Discussion and Analysis Report annexed as Annexure E, forming a part of this Report.

#### 19. RISK MANAGEMENT POLICY

The Company has embedded across all its functions a risk assessment and minimization procedure that is designed to ensure timely identification, reporting and mitigation of risk, if any, impacting the objectives and core values of the Company. Additionally, the Company has initiated ERM (Enterprise Risk Management) to minimize the adverse impact of risk by not only delving into risk management but also ensuring applicability of the global policies, understanding the current operating environment and developing the risk mitigation plans in relation to impact of the dynamic business scenario.

The Risk Management framework of the Company is comprised of two essential elements: Risk Management Process and Structure to govern and monitor.

These risks and corresponding mitigation plans are monitored periodically, rated and presented to the Board of Directors and Audit Committee, for their review and inputs.

#### 20. AUDITORS

##### (i) Statutory Auditors and their Report

In accordance with the provisions of the Act and rules made thereunder Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration No. 117366W/W-100018), having its office at 7<sup>th</sup> Floor, Building 10, Tower B, DLF Cyber City Complex, DLF City Phase – II, Gurugram – 122 002, Haryana, India were appointed as



Statutory Auditors to hold office from the conclusion of the 56<sup>th</sup> Annual General Meeting (AGM) held on August 09, 2017, until the conclusion of the 61<sup>st</sup> AGM to be held in the year 2022.

The Auditors Report on the financial statements for the period under review, which forms part of the Annual Report of the Company, are self – explanatory in nature.

There are no qualifications, reservations or adverse remarks and disclaimers made by Deloitte Haskins & Sells LLP, the Statutory Auditors, in their Audit Report for the FY 2018-19. Further, there was no fraudulent activity reported by the Auditors of the Company for the FY 2018-19.

The Company maintains its books of accounts in electronic mode and the Company is maintaining a back-up of the same on a server located in India.

#### (ii) Cost Auditors and their Report

M/s Vijender Sharma & Co., Cost Accountants (Firm Registration No. 000180), having its office at 11, 3rd Floor, Hargovind Enclave, Vikas Marg, New Delhi – 110092, India were appointed as Cost Auditors for conducting the Cost Audit for the FY 2018-19 in the Board Meeting held on May 25, 2018. The Cost Audit Report for the FY 2017-18 was filed on September 7, 2018.

Pursuant to the Section 148 of the Act read with applicable rules made thereunder and on recommendation of Audit Committee of the Company, M/s Vijender Sharma & Co., Cost Accountants, were re-appointed by the Board of Directors as Cost Auditors for conducting the audit of the cost records maintained by the Company for the FY 2019-20, subject to ratification of remuneration by the Members in the ensuing AGM. The Company had received a letter from them to the effect that their re-appointment would be within the limits prescribed under section 141(3) of the Act and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Act.

#### (iii) Secretarial Auditors and their Report

Pursuant to the provisions of Section 204 of the Act, the Board has appointed M/s VKC & Associates, Practicing Company Secretaries (UCN- P2017UP060600), having its office at D-38, LGF (L/S) South Extension, Part-II, New Delhi-110049, India, as Secretarial Auditor to carry out the Secretarial Audit of the Company for the FY 2018-19 in the Board Meeting held on May 25, 2018. The Secretarial Audit Report is annexed as 'Annexure C' to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## 21. CORPORATE GOVERNANCE REPORT

The Company is committed to the highest standard of Corporate Governance practices. The Company has put in place efficient

and effective systems to ensure proper compliance with regulatory provisions. The Company understands and respects its fiduciary role and responsibilities towards its stakeholders and society at large and strives to serve their interest, resulting in creation of value and wealth for all stakeholders.

The report on Corporate Governance under Regulation 34 read with Schedule V of the SEBI (LODR), 2015, together with the Auditors' Certificate on the compliance of conditions of Corporate Governance forms part of the Annual Report and is annexed as 'Annexure D' to this Report.

The Corporate Governance Report forming a part of this Report also covers the following:

#### (i) Board Meetings

Particulars of Board Meetings held during the FY 2018-19, including composition and category of Directors are mentioned under the head 'Board of Directors'.

#### (ii) Board Committees

Particulars of role, composition, terms of reference and meetings of Committees of the Board of the Company during the year are mentioned under their respective separate headings.

#### (iii) Nomination and Remuneration Policy

Particulars of the policy on Nomination and Remuneration of Director, Key Managerial Personnel and Senior Management are mentioned under the head- 'Nomination and Remuneration Committee (NRC)'. The Nomination and Remuneration Policy is also available on the company website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

#### (iv) Vigil Mechanism (including Whistle Blower Mechanism/ Policy)

In terms of the SEBI (LODR), 2015, the Company has formulated its **Vigil Mechanism** (including Whistle Blower Mechanism/Policy) to deal with concerns/ complaints of directors and associates, if any. The Policy is available on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

## 22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with the applicable provisions of the SEBI (LODR) 2015, a detailed Management Discussion & Analysis Report forming part of the Annual Report and is annexed as **Annexure – E** to this Report.

## 23. HUMAN RESOURCES

### Industrial Relations

Industrial harmony was maintained during the year through peaceful and productive employee relations. Multiple training sessions were imparted to employees on matters related to ethics and compliance, discipline, safety of the employees and environmental awareness. Various employee engagement initiatives were conducted within the salaried and hourly paid



employees to increase the engagement levels of employees. The total number of salaried and hourly paid associates as on March 31, 2019 stood at 904.

**Particulars of Employees (Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

Information in accordance with the provisions of Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration and other details is annexed as 'Annexure F' to this Report.

## 24. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has continuously strived to be a socially, ethically and environmentally responsible corporate entity. In 2018-19, the Company invested in CSR projects on road safety, rural development and promotion of rural sports. Implementation of the projects was carried out through various partners with expertise in the thematic areas and presence in the geographical locations of the projects. In order to ensure effective implementation of the projects, the Company instituted an extensive monitoring and evaluation framework which facilitated successful achievement of the projects' goals.

During the year, the Company supported "Safer Roads, Safer You", a project on training school bus drivers and attendants with an objective to improve safety of school children. It also had a component of creating awareness among traffic/transport officials regarding road safety challenges particularly around school transportation. Implemented in collaboration with Institute of Road Traffic Education (IRTE), 2663 school bus drivers and attendants across 64 schools in Delhi NCR and Mumbai and 583 traffic and transport officials were trained under the project. As part of the project, a two-day conference was organized on Safe Transportation of School Children in partnership with the Ministry of Road Transport & Highways, Government of India.

The Company undertook watershed development projects in rural Maharashtra in collaboration with International Association for Human Values (IAHV) with an aim to create sustainable livelihood opportunities for the communities in the drought prone region of the state. The project has resulted in creation of additional capacity to harvest 190 TCM of water benefiting 15,000 villagers across 17 villages in Amravati district. In coming years, the Company expects that this will lead to increased economic activities in the supported villages resulting into creation of sustained, secured and reliable sources income for the communities.

The Company also supported two new initiatives involving creation of infrastructure to support athletes from economically challenged backgrounds. Implemented in collaboration with Mary Kom Regional Boxing Foundation (MKRBF), the project resulted in construction of training and support infrastructure in Imphal district of Manipur.

The Company's flagship project on road safety "Safer Roads, Safer You", was recognized and awarded the prestigious Prince Michael International Road Safety Award for innovation under the category, Road Safety Management.

"Healthy India Initiative", a project supported by the Company in 2017-18 received the CSR Health Impact Award, 2018 in the WASH category for its steadfast efforts in promoting good health and correct sanitation practices.

The initiatives undertaken by the company on CSR activities during the year are set out in **Annexure- G** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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

Particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as 'Annexure H' to this Report.

## 26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on Prevention of Sexual Harassment in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the said Policy, an Internal Complaint Committee (ICC) is duly constituted by the Company.

## 27. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124(6) of the Act read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), the dividends {unpaid/ unclaimed for a period of 7 (seven) years from the date of transfer to the Unpaid / Unclaimed dividend account} and underlying equity shares {on which dividend has not been paid or claimed by the members for seven consecutive years or more} are required to be transferred to the Investor Education & Protection Fund (IEPF) Authority established by the Central Government.

Accordingly, the Company has transferred the following Dividend and Equity Shares during the FY 2018-19 to IEPF Authority:

| Base Financial Year | Unpaid / Unclaimed Dividend (In INR) | Underlying Equity Shares |
|---------------------|--------------------------------------|--------------------------|
| December 31, 2010   | 30,00,963                            | 2,90,927                 |



## 28. OTHER INFORMATION

### (i) Sweat Equity Shares, Employee Stock Option / Right Issue / Preferential Issue

The Company has neither come up with any Right Issue/ Preferential Issue, nor issued any Sweat Equity Shares and not provided any Stock Option Scheme to the employees during the period under review.

### (ii) Significant and material orders passed by the regulators

No significant and material orders have been passed during the FY 2018-19 by the regulators or courts or tribunals affecting the going concern status and Company's operations in the future.

### (iii) Material Changes & Commitments

No material changes and commitments have occurred, which can affect the financial position of the Company between the end of the FY and the date of this Report.

### (iv) Change in Nature of business, if any

There is no change in the nature of business of the Company during the year under review.

### (v) Annual Secretarial Compliance Report

As per the SEBI circular vide no. CIR/CFD/CMD/1/27/2019 dated February 8, 2019, the Company has duly submitted the Annual Secretarial Compliance Report, issued by

M/s VKC & Associates, Company Secretaries (UCN-P2017UP060600) with the BSE Limited within the specified time period.

### (vi) Compliance with Secretarial Standards

The Company complies with the provisions of Secretarial Standard - 1 (Secretarial Standard on meetings of Board of Directors) and Secretarial Standard - 2 (Secretarial Standard on General Meetings).

## 29. ACKNOWLEDGEMENT

The Board of Directors expresses their sincere appreciation to all the stakeholders of the Company for the trust, confidence and support bestowed upon us. The Board of Directors is also grateful to the holding and fellow subsidiary companies for their contribution towards the growth and success of the Company.

The Board of Directors assures to uphold the Company's commitment towards acting with honesty, integrity and respect and to be responsible and accountable to all the stakeholders of the Company.

On behalf of the Board of Directors

|                           |                                                                           |                                                         |
|---------------------------|---------------------------------------------------------------------------|---------------------------------------------------------|
|                           | <b>Rajeev Anand</b><br>(Chairman &<br>Managing Director)<br>DIN: 02519876 | <b>Rajiv Lochan Jain</b><br>(Director)<br>DIN: 00161022 |
| May 29, 2019<br>New Delhi |                                                                           |                                                         |



**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 read with section 188 of the Companies Act, 2013)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis – NONE**

| Name (s) of the related party & nature of relationship | Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 |
|--------------------------------------------------------|------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------|
| NONE                                                   |                                                |                                                      |                                                                                           |                                                                                |                               |                                 |                                                                                                                   |

**2. Details of material\* contracts or arrangements or transactions at Arm's length basis –**

| S. No. | Name (s) of the related party & nature of relationship                                                                                                                                                                            | Nature of contracts/ arrangements/ transaction                                                                                                                                                                                                                                                                                                                                            | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any                                                                                                                                                                                                                                                                                                                                                                                 | Date of approval by the Board          | Amount paid as advances, if any |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------|
|        | (a)                                                                                                                                                                                                                               | (b)                                                                                                                                                                                                                                                                                                                                                                                       | (c)                                                  | (d)                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (e)                                    | (f)                             |
| 1      | Goodyear South Asia Tyres Private Limited ("GSATPL")<br><br>Mr. Rajeev Anand (Chairman & Managing Director of the Company) is Director in GSATPL<br><br>Ms. Nicole Amanda Nuttall (Director of the Company is Director in GSATPL) | The nature of transactions covered under the said Contract are as follows:<br><ul style="list-style-type: none"><li>Availing and providing of services inter-se between the Company and GSATPL</li><li>Purchase and sale inter-se between the Company and GSATPL of different kinds of tyres, tubes and flaps, raw materials, spare parts, components, store items, moulds etc.</li></ul> | Ongoing                                              | <ul style="list-style-type: none"><li>The pricing of purchase, sale and provision of goods or services will be based on the Arms' Length Price for such transactions</li><li>The pricing methodology is subject to be reviewed by the Audit Committee and/ or Board of Directors of the Company and GSATPL, based on independent study reports as may be available from time to time.</li></ul><br>Value of transactions from April 1, 2018 to March 31, 2019 Rs. 56,240. | Approved by the Board on July 30, 2014 | No Advance Payment              |
|        |                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                           |                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                        |                                 |

Note:- \*Material – Since the definition of Material is not defined / provided under Companies Act, 2013 read with rules made thereunder, an inference is being drawn from the explanation to Regulation 23(1) of the SEBI (LODR), 2015, i.e. transaction with related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year, exceeds 10% of the Annual Consolidated Turnover of the Company as per the last audited Financial Statements of the Company.

On behalf of the Board of Directors

May 29, 2019  
New Delhi

Rajeev Anand  
(Chairman &  
Managing Director)  
DIN: 02519876

Rajiv Lochan Jain  
(Director)  
DIN: 00161022



**FORM No. MGT-9**

Extract of Annual Return as on Financial Year ended on March 31, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

|     |                                                                            |                                                                                                                                                                                                                                        |
|-----|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I   | CIN                                                                        | L25111HR1961PLC008578                                                                                                                                                                                                                  |
| II  | Registration Date                                                          | March 28, 1961*                                                                                                                                                                                                                        |
| III | Name of the Company                                                        | Goodyear India Limited                                                                                                                                                                                                                 |
| IV  | Category/Sub-category of the Company                                       | Company Limited by Shares/ Indian Non-Government Company                                                                                                                                                                               |
| V   | Address of the Registered office & contact details                         | Goodyear India Limited,<br>Mathura Road, Ballabgarh, (Dist. Faridabad),<br>Haryana-121 004 & Tel No.: +91-129-6611000<br>Email: <a href="mailto:goodyearindia_investorcell@goodyear.com">goodyearindia_investorcell@goodyear.com</a>   |
| VI  | Whether listed Company                                                     | Yes                                                                                                                                                                                                                                    |
| VII | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Skyline Financial Services Private Limited,<br>D-153/A, 1 <sup>st</sup> Floor, Okhla Industrial Area Phase-1,<br>New Delhi-110 020 & Tel No.: +91-11-26812682<br>Email: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a> |

\*Registered and incorporated as a Private Company on the October 10, 1922 and converted into a Public Company with a Fresh Certificate of Incorporation on March 28, 1961.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

| S.No. | Name & Description of Main Products/Services | NIC Code of the Product /Service (2008) | % age to Total Turnover of the Company |
|-------|----------------------------------------------|-----------------------------------------|----------------------------------------|
| 1     | Manufacturing of tyres, tubes and flaps      | 22111                                   | 67%                                    |
| 2     | Trading of tyres tubes and flaps             | 46909                                   | 33%                                    |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| S.No. | Name & Address of the Company             | CIN/GLN | Holding/Subsidiary/ Associate | %age of Shares held | Applicable Section |
|-------|-------------------------------------------|---------|-------------------------------|---------------------|--------------------|
| 1     | Goodyear Orient Company (Private) Limited | -       | Holding                       | 74%                 | 2(46)              |



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise shareholding

| Category of Shareholders                                                            | No. of Shares Held at the beginning of the Financial Year |          |          |                   | No. of Shares Held at the End of the Financial Year |          |          |                   | % Change During the Year |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------|----------|----------|-------------------|-----------------------------------------------------|----------|----------|-------------------|--------------------------|
|                                                                                     | (April 1, 2018)                                           |          |          |                   | (March 31, 2019)                                    |          |          |                   |                          |
|                                                                                     | Demat                                                     | Physical | Total    | % of Total Shares | Demat                                               | Physical | Total    | % of Total Shares |                          |
| A. PROMOTERS                                                                        |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| 1. Indian                                                                           |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| a) Individual/HUF                                                                   | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| b) Central Government                                                               | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| c) State Government                                                                 | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| d) Bodies Corporates                                                                | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| e) Bank/FI                                                                          | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| f) Any other                                                                        | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| SUB TOTAL: (A)(1)                                                                   | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| 2. Foreign                                                                          |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| a) NRI- Individuals                                                                 | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| b) Other Individuals                                                                | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| c) Bodies Corporate                                                                 | 17069215                                                  | 0        | 17069215 | 74                | 17069215                                            | 0        | 17069215 | 74                | 0                        |
| d) Banks/FI                                                                         | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| e) Any other                                                                        | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| SUB TOTAL (A)(2)                                                                    | 17069215                                                  | 0        | 17069215 | 74                | 17069215                                            | 0        | 17069215 | 74                | 0                        |
| Total Shareholding of Promoter (A)= (A)(1)+(A)(2)                                   | 17069215                                                  | 0        | 17069215 | 74                | 17069215                                            | 0        | 17069215 | 74                | 0                        |
| B. PUBLIC SHAREHOLDING                                                              |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| 1. Institutions                                                                     |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| a) Mutual Funds                                                                     | 1425409                                                   | 100      | 1425509  | 6.18000           | 1539261                                             | 100      | 1539361  | 6.67358           | 0.49358                  |
| b) Banks/FI                                                                         | 7952                                                      | 7667     | 15619    | 0.06771           | 7952                                                | 7465     | 15417    | 0.06684           | -0.00087                 |
| c) Central Government                                                               | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| d) State Government                                                                 | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| e) Venture Capital Fund                                                             | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| f) Insurance Companies                                                              | 0                                                         | 3936     | 3936     | 0.01706           | 0                                                   | 3936     | 3936     | 0.01706           | 0.00000                  |
| g) FIIs                                                                             | 0                                                         | 200      | 200      | 0.00087           | 0                                                   | 0        | 0        | 0                 | 0.00087                  |
| h) Foreign Venture Capital Funds                                                    | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| i) Others (specify)                                                                 | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| Foreign Portfolio Investors                                                         | 544950                                                    | 0        | 544950   | 2.36252           | 544950                                              | 0        | 544950   | 2.36252           | 0.00000                  |
| SUB TOTAL (B)(1):                                                                   | 1978311                                                   | 11903    | 1990214  | 8.62816           | 2092163                                             | 11501    | 2103664  | 9.11999           | 0.49183                  |
| 2. Non Institutions                                                                 |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| a) Bodies corporate                                                                 |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| i) Indian                                                                           | 438572                                                    | 6337     | 444909   | 1.92881           | 388284                                              | 5212     | 393496   | 1.70592           | -0.22289                 |
| ii) Overseas                                                                        | 547341                                                    | 0        | 547341   | 2.37288           | 579375                                              | 0        | 579375   | 2.51176           | 0.13888                  |
| b) Individuals                                                                      |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs.2 lakhs            | 1879269                                                   | 416524   | 2295793  | 9.95293           | 2109769                                             | 334696   | 2444465  | 10.59746          | 0.64453                  |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs | 215004                                                    | 0        | 215004   | 0.93210           | 21000                                               | 0        | 21000    | 0.09104           | 0.06057                  |
| c) Others (specify)                                                                 |                                                           |          |          |                   |                                                     |          |          |                   |                          |
| i) Trusts                                                                           | 867                                                       | 0        | 867      | 0.00376           | 1077                                                | 0        | 1077     | 0.00467           | 0.00091                  |
| ii) Non-Resident Indians                                                            | 133829                                                    | 5020     | 138849   | 0.60195           | 121587                                              | 4736     | 126323   | 0.54765           | -0.0543                  |
| iii) Clearing Members                                                               | 8783                                                      | 0        | 8783     | 0.03808           | 4302                                                | 0        | 4302     | 0.01865           | -0.01943                 |
| iv) Hindu Undivided Families                                                        | 79538                                                     | 0        | 79538    | 0.34482           | 32607                                               | 0        | 32607    | 0.14136           | -0.20346                 |
| v) IEPF                                                                             | 275994                                                    | 0        | 275994   | 1.19651           | 290927                                              | 0        | 290927   | 1.26125           | 0.06474                  |
| SUB TOTAL (B)(2):                                                                   | 3579197                                                   | 427881   | 4007078  | 17.37185          | 3548984                                             | 344644   | 3893628  | 16.88001          | -0.49184                 |
| Total Public Shareholding (B)= (B)(1)+(B)(2)                                        | 5557508                                                   | 439784   | 5997292  | 26                | 5641147                                             | 356145   | 5997292  | 26                | 0                        |
| C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS                                         | 0                                                         | 0        | 0        | 0                 | 0                                                   | 0        | 0        | 0                 | 0                        |
| Grand Total (A+B+C)                                                                 | 22626723                                                  | 439784   | 23066507 | 100               | 22710362                                            | 356145   | 23066507 | 100               | 0                        |



## (ii) Shareholding of Promoters

| S.No. | Shareholders Name                         | Shareholding at the Beginning of the Financial Year (April 1, 2018) |                                  |                                                | Shareholding at the End of the Financial Year (March 31, 2019) |                                  |                                                | % Change in Shareholding During the Year |
|-------|-------------------------------------------|---------------------------------------------------------------------|----------------------------------|------------------------------------------------|----------------------------------------------------------------|----------------------------------|------------------------------------------------|------------------------------------------|
|       |                                           | No. of Shares                                                       | % of Total Shares of the Company | % of Shares Pledged Encumbered to Total Shares | No. of Shares                                                  | % of Total Shares of the Company | % of Shares Pledged Encumbered to Total Shares |                                          |
| 1     | Goodyear Orient Company (Private) Limited | 17069215                                                            | 74.00000                         | 0                                              | 17069215                                                       | 74.00000                         | 0                                              | 0.00000                                  |
|       | <b>Total</b>                              | <b>17069215</b>                                                     | <b>74.00000</b>                  | <b>0</b>                                       | <b>17069215</b>                                                | <b>74.00000</b>                  | <b>0</b>                                       | <b>0.00000</b>                           |

## (iii) Change in the Promoter's Shareholding

| S.No. | Shareholder's Name                                                                                                                                                                     | Shareholding at the Beginning of the Financial Year (April 1, 2018) |                                  | Cumulative Shareholding During the Financial Year (March 31, 2019) |                                  |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------------|----------------------------------|
|       |                                                                                                                                                                                        | No. of Shares                                                       | % of Total Shares of the Company | No of shares                                                       | % of Total Shares of the Company |
| 1     | Goodyear Orient Company (Private) Limited                                                                                                                                              |                                                                     |                                  |                                                                    |                                  |
|       | At the beginning of the Financial Year                                                                                                                                                 | 17069215                                                            | 74.00000                         | 17069215                                                           | 74.00000                         |
|       | Date wise increase/decrease in Promoters Shareholding during the Financial year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) | No Change                                                           |                                  |                                                                    |                                  |
|       | At the end of the Financial Year                                                                                                                                                       | 17069215                                                            | 74.00000                         | 17069215                                                           | 74.00000                         |

## (iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| S.No. | Name of Shareholder          | Shareholding                                                                                   |                                          | Date     | Increase / Decrease in shareholding | Reason   | Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019 |                                      |
|-------|------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------|----------|-------------------------------------|----------|-------------------------------------------------------------------------------------|--------------------------------------|
|       |                              | No. of Shares At the Beginning of Year (01/04/2018) and End of the Financial Year (31/03/2019) | % age of the total shares of the Company |          |                                     |          | No. of Shares                                                                       | % of the total shares of the Company |
| 1     | SBI EMERGING BUSINESS FUND®  | 1040000                                                                                        | 4.51                                     | 18-05-18 | -6220                               | Sale     | 1033780                                                                             | 4.48                                 |
|       |                              | 1033780                                                                                        |                                          |          |                                     |          |                                                                                     |                                      |
| 2     | GOLDMAN SACHS INDIA LIMITED® | 544950                                                                                         | 2.36                                     |          | 0                                   |          | 544950                                                                              | 2.36                                 |
|       |                              | 544950                                                                                         |                                          |          |                                     |          |                                                                                     |                                      |
| 3     | HDFC SMALL CAP FUND®         | 298477                                                                                         | 1.29                                     | 11-05-18 | 3708                                | Purchase | 302185                                                                              | 1.31                                 |
|       |                              |                                                                                                |                                          | 18-01-19 | 1100                                | Purchase | 303285                                                                              | 1.31                                 |
|       |                              |                                                                                                |                                          | 25-01-19 | 1200                                | Purchase | 304485                                                                              | 1.32                                 |
|       |                              |                                                                                                |                                          | 01-02-19 | 6800                                | Purchase | 311285                                                                              | 1.35                                 |
|       |                              |                                                                                                |                                          | 08-02-19 | 5394                                | Purchase | 316679                                                                              | 1.37                                 |
|       |                              |                                                                                                |                                          | 15-02-19 | 3377                                | Purchase | 320056                                                                              | 1.39                                 |
|       |                              |                                                                                                |                                          | 22-02-19 | 98500                               | Purchase | 418556                                                                              | 1.81                                 |
|       |                              | 418556                                                                                         |                                          |          |                                     |          |                                                                                     |                                      |



(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) contd....

| S.No. | Name of Shareholder                                       | Shareholding                                                                                   |                                          | Date     | Increase / Decrease in shareholding | Reason   | Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019 |                                      |
|-------|-----------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------|----------|-------------------------------------|----------|-------------------------------------------------------------------------------------|--------------------------------------|
|       |                                                           | No. of Shares At the Beginning of Year (01/04/2018) and End of the Financial Year (31/03/2019) | % age of the total shares of the Company |          |                                     |          | No. of Shares                                                                       | % of the total shares of the Company |
| 4     | SWEDBANK ROBUR GLOBAL EMERGING MARKETS <sup>#@</sup>      | 117173                                                                                         | 0.51                                     | 06-04-18 | 7995                                | Purchase | 125168                                                                              | 0.54                                 |
|       |                                                           |                                                                                                |                                          | 13-04-18 | 1138                                | Purchase | 126306                                                                              | 0.55                                 |
|       |                                                           |                                                                                                |                                          | 20-04-18 | 2057                                | Purchase | 128363                                                                              | 0.56                                 |
|       |                                                           |                                                                                                |                                          | 04-05-18 | 4294                                | Purchase | 132657                                                                              | 0.58                                 |
|       |                                                           |                                                                                                |                                          | 11-05-18 | 13302                               | Purchase | 145959                                                                              | 0.63                                 |
|       |                                                           |                                                                                                |                                          | 18-05-18 | 13070                               | Purchase | 159029                                                                              | 0.69                                 |
|       |                                                           |                                                                                                |                                          | 25-05-18 | 7278                                | Purchase | 166307                                                                              | 0.72                                 |
|       |                                                           |                                                                                                |                                          | 01-06-18 | 13326                               | Purchase | 179633                                                                              | 0.78                                 |
|       |                                                           |                                                                                                |                                          | 08-06-18 | 8807                                | Purchase | 188440                                                                              | 0.82                                 |
|       |                                                           |                                                                                                |                                          | 15-06-18 | 5011                                | Purchase | 193451                                                                              | 0.84                                 |
|       |                                                           |                                                                                                |                                          | 22-06-18 | 3968                                | Purchase | 197419                                                                              | 0.86                                 |
|       |                                                           |                                                                                                |                                          | 29-06-18 | 3581                                | Purchase | 201000                                                                              | 0.87                                 |
|       |                                                           |                                                                                                |                                          | 06-07-18 | 6134                                | Purchase | 207134                                                                              | 0.90                                 |
|       |                                                           |                                                                                                |                                          | 13-07-18 | 5030                                | Purchase | 212164                                                                              | 0.92                                 |
|       |                                                           |                                                                                                |                                          | 20-07-18 | 13273                               | Purchase | 225437                                                                              | 0.98                                 |
|       |                                                           |                                                                                                |                                          | 27-07-18 | 2678                                | Purchase | 228115                                                                              | 0.99                                 |
|       |                                                           |                                                                                                |                                          | 03-08-18 | 5034                                | Purchase | 233149                                                                              | 1.01                                 |
|       |                                                           |                                                                                                |                                          | 10-08-18 | 6115                                | Purchase | 239264                                                                              | 1.04                                 |
|       |                                                           |                                                                                                |                                          | 17-08-18 | 41736                               | Purchase | 281000                                                                              | 1.22                                 |
|       |                                                           | 281000                                                                                         |                                          |          |                                     |          |                                                                                     |                                      |
| 5     | PINEBRIDGE INVESTMENTS GF MAURITIUS LIMITED <sup>#@</sup> | 144659                                                                                         | 0.63                                     |          |                                     | 0        | 144659                                                                              | 0.63                                 |
|       |                                                           | 144659                                                                                         |                                          |          |                                     |          |                                                                                     |                                      |
| 6     | GLOBE CAPITAL MARKET LIMITED <sup>#@</sup>                | 120366                                                                                         | 0.52                                     | 06-04-18 | -204                                | Sale     | 120162                                                                              | 0.52                                 |
|       |                                                           |                                                                                                |                                          | 20-04-18 | 123                                 | Purchase | 120285                                                                              | 0.52                                 |
|       |                                                           |                                                                                                |                                          | 27-04-18 | 1578                                | Purchase | 121863                                                                              | 0.53                                 |
|       |                                                           |                                                                                                |                                          | 04-05-18 | -3407                               | Sale     | 118456                                                                              | 0.51                                 |
|       |                                                           |                                                                                                |                                          | 11-05-18 | -2000                               | Sale     | 116456                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 08-06-18 | 100                                 | Purchase | 116556                                                                              | 0.51                                 |
|       |                                                           |                                                                                                |                                          | 15-06-18 | -100                                | Sale     | 116456                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 22-06-18 | 1                                   | Purchase | 116457                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 13-07-18 | 5                                   | Purchase | 116462                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 20-07-18 | 1                                   | Purchase | 116463                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 27-07-18 | 129                                 | Purchase | 116592                                                                              | 0.51                                 |
|       |                                                           |                                                                                                |                                          | 03-08-18 | -140                                | Sale     | 116452                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 17-08-18 | 3                                   | Purchase | 116455                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 24-08-18 | -9                                  | Sale     | 116446                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 31-08-18 | -2                                  | Sale     | 116444                                                                              | 0.50                                 |
|       |                                                           |                                                                                                |                                          | 07-09-18 | 22                                  | Purchase | 116466                                                                              | 0.50                                 |



## (iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) contd....

| S.No. | Name of Shareholder                                     | Shareholding                                                                                   |                                          | Date     | Increase / Decrease in shareholding | Reason   | Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019 |                                      |
|-------|---------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------|----------|-------------------------------------|----------|-------------------------------------------------------------------------------------|--------------------------------------|
|       |                                                         | No. of Shares At the Beginning of Year (01/04/2018) and End of the Financial Year (31/03/2019) | % age of the total shares of the Company |          |                                     |          | No. of Shares                                                                       | % of the total shares of the Company |
|       |                                                         |                                                                                                |                                          | 28-09-18 | 48                                  | Purchase | 116514                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 05-10-18 | -31                                 | Sale     | 116483                                                                              | 0.50                                 |
|       |                                                         |                                                                                                |                                          | 12-10-18 | 8                                   | Purchase | 116491                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 19-10-18 | 10                                  | Purchase | 116501                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 26-10-18 | -6                                  | Sale     | 116495                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 23-11-18 | -3                                  | Sale     | 116492                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 30-11-18 | 9                                   | Purchase | 116501                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 07-12-18 | -5                                  | Sale     | 116496                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 14-12-18 | 3                                   | Purchase | 116499                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 21-12-18 | 249                                 | Purchase | 116748                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 28-12-18 | -200                                | Sale     | 116548                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 11-01-19 | 2                                   | Purchase | 116550                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 18-01-19 | -24                                 | Sale     | 116526                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 25-01-19 | 1                                   | Purchase | 116527                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 08-02-19 | -10                                 | Sale     | 116517                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 15-02-19 | 6                                   | Purchase | 116523                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 22-02-19 | -3                                  | Sale     | 116520                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 01-03-19 | -8                                  | Sale     | 116512                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 08-03-19 | -2                                  | Sale     | 116510                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 15-03-19 | 22                                  | Purchase | 116532                                                                              | 0.51                                 |
|       |                                                         |                                                                                                |                                          | 22-03-19 | -95                                 | Sale     | 116437                                                                              | 0.50                                 |
|       |                                                         |                                                                                                |                                          | 30-03-19 | 21                                  | Purchase | 116458                                                                              | 0.50                                 |
|       |                                                         | 116458                                                                                         |                                          |          |                                     |          |                                                                                     |                                      |
| 7     | IDBI DIVERSIFIED EQUITY FUND®                           | 86932                                                                                          | 0.38                                     | 05-10-18 | -7                                  | Sale     | 86925                                                                               | 0.38                                 |
|       |                                                         | 86925                                                                                          |                                          |          |                                     |          |                                                                                     |                                      |
| 8     | GYMKHANA PARTNERS L.P.®                                 | 64320                                                                                          | 0.28                                     | 06-07-18 | 1750                                | Purchase | 66070                                                                               | 0.29                                 |
|       |                                                         |                                                                                                |                                          | 28-09-18 | 2230                                | Purchase | 68300                                                                               | 0.30                                 |
|       |                                                         |                                                                                                |                                          | 05-10-18 | 4500                                | Purchase | 72800                                                                               | 0.32                                 |
|       |                                                         | 72800                                                                                          |                                          |          |                                     |          |                                                                                     |                                      |
| 9     | GHANSHYAM KALWANI®                                      | 56910                                                                                          | 0.25                                     | 10-08-18 | -3676                               | Sale     | 53234                                                                               | 0.23                                 |
|       |                                                         |                                                                                                |                                          | 17-08-18 | -988                                | Sale     | 52246                                                                               | 0.23                                 |
|       |                                                         |                                                                                                |                                          | 24-08-18 | -7537                               | Sale     | 44709                                                                               | 0.19                                 |
|       |                                                         |                                                                                                |                                          | 31-08-18 | -2224                               | Sale     | 42485                                                                               | 0.18                                 |
|       |                                                         | 42485                                                                                          |                                          |          |                                     |          |                                                                                     |                                      |
| 10    | PINEBRIDGE GLOBAL FUNDS - PINEBRIDGE INDIA EQUITY FUND® | 172611                                                                                         | 0.75                                     | 10-08-18 | -33707                              | Sale     | 138904                                                                              | 0.60                                 |
|       |                                                         |                                                                                                |                                          | 22-02-19 | -100000                             | Sale     | 38904                                                                               | 0.17                                 |
|       |                                                         | 38904                                                                                          |                                          |          |                                     |          |                                                                                     |                                      |

| S.No. | Name of Shareholder                               | Shareholding                                                                                   |                                          | Date     | Increase / Decrease in shareholding | Reason | Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019 |                                      |
|-------|---------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------|----------|-------------------------------------|--------|-------------------------------------------------------------------------------------|--------------------------------------|
|       |                                                   | No. of Shares At the Beginning of Year (01/04/2018) and End of the Financial Year (31/03/2019) | % age of the total shares of the Company |          |                                     |        | No. of Shares                                                                       | % of the total shares of the Company |
| 11    | GOODYEAR INDIA LIMITED-UNCLAIMED SUSPENSE ACCOUNT | 25989                                                                                          | 0.11                                     | 10-08-18 | -134                                | Sale   | 25855                                                                               | 0.11                                 |
|       |                                                   |                                                                                                |                                          | 24-08-18 | -1046                               | Sale   | 24809                                                                               | 0.11                                 |
|       |                                                   |                                                                                                |                                          | 07-09-18 | -99                                 | Sale   | 24710                                                                               | 0.11                                 |
|       |                                                   |                                                                                                |                                          | 05-10-18 | -7                                  | Sale   | 24703                                                                               | 0.11                                 |
|       |                                                   |                                                                                                |                                          | 30-11-18 | -10                                 | Sale   | 24693                                                                               | 0.11                                 |
|       |                                                   |                                                                                                |                                          | 04-01-19 | -13                                 | Sale   | 24680                                                                               | 0.11                                 |
|       |                                                   |                                                                                                |                                          | 30-03-19 | -5                                  | Sale   | 24675                                                                               | 0.11                                 |
|       |                                                   | 24675                                                                                          |                                          |          |                                     |        |                                                                                     |                                      |
| 12    | TATHARTH LEASING FINANCE PRIVATE LIMITED          | 24602                                                                                          | 0.11                                     |          |                                     |        | 24602                                                                               | 0.11                                 |
|       |                                                   | 24602                                                                                          |                                          |          |                                     |        |                                                                                     |                                      |
| 13    | KIMI BUSINESS INVESTMENTS ADVISORS LLP            | 23183                                                                                          | 0.10                                     | 26-10-18 | -37                                 | Sale   | 23146                                                                               | 0.10                                 |
|       |                                                   |                                                                                                |                                          | 02-11-18 | -1258                               | Sale   | 21888                                                                               | 0.09                                 |
|       |                                                   |                                                                                                |                                          | 09-11-18 | -147                                | Sale   | 21741                                                                               | 0.09                                 |
|       |                                                   |                                                                                                |                                          | 16-11-18 | -1137                               | Sale   | 20604                                                                               | 0.09                                 |
|       |                                                   |                                                                                                |                                          | 23-11-18 | -2719                               | Sale   | 17885                                                                               | 0.08                                 |
|       |                                                   |                                                                                                |                                          | 30-11-18 | -651                                | Sale   | 17234                                                                               | 0.07                                 |
|       |                                                   |                                                                                                |                                          | 21-12-18 | -738                                | Sale   | 16496                                                                               | 0.07                                 |
|       |                                                   |                                                                                                |                                          | 28-12-18 | -105                                | Sale   | 16391                                                                               | 0.07                                 |
|       |                                                   | 16391                                                                                          |                                          |          |                                     |        |                                                                                     |                                      |
| 14    | ACATIS INDIA VALUE EQUITIES                       | 23003                                                                                          | 0.10                                     |          |                                     |        | 23003                                                                               | 0.10                                 |
|       |                                                   | 23003                                                                                          |                                          |          |                                     |        |                                                                                     |                                      |
| 15    | HARSUKHLAL MOHANLALPUNATAR                        | 22500                                                                                          | 0.10                                     | 10-08-18 | -1500                               | Sale   | 21000                                                                               | 0.09                                 |
|       |                                                   | 21000                                                                                          |                                          |          |                                     |        |                                                                                     |                                      |

Note: The shareholding is consolidated based on the Permanent Account Number (PAN) of the shareholders.

# Top 10 shareholders on March 31, 2019

@ Top 10 shareholders on April 1, 2018

(v) Shareholding of Directors and Key Managerial Personnel

| S. No. | Shareholder's Name                                                   | Shareholding at the Beginning of the Financial Year (April 1, 2018) |                                  | Cumulative Shareholding During the Financial Year (March 31, 2019) |                                  |
|--------|----------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------------|----------------------------------|
|        |                                                                      | No. of Shares                                                       | % of total Shares of the Company | No of shares                                                       | % of total Shares of the Company |
| 1      | Mr. Mitesh Mittal – Finance Director*                                |                                                                     |                                  |                                                                    |                                  |
|        | At the Beginning of the Year (April 1, 2018)                         | 500                                                                 | 0.00                             | 500                                                                | 0.00                             |
|        | Transaction (Purchase/ Sale) from April 1, 2018 up to March 31, 2019 | -                                                                   | -                                | -                                                                  | -                                |
|        | At the end of the year (March 31, 2019)                              | 500                                                                 | 0.00                             | 500                                                                | 0.00                             |

\* No other Directors/Key Managerial Personnel (KMP) hold any shares during FY 2018-19



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| Particulars                                                            | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|------------------------------------------------------------------------|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the Financial Year<br>(April 1, 2018) | NIL                                 |                    |          |                       |
| i) Principal Amount                                                    |                                     |                    |          |                       |
| ii) Interest due but not paid                                          |                                     |                    |          |                       |
| iii) Interest accrued but not due                                      |                                     |                    |          |                       |
| Total (i+ii+iii)                                                       |                                     |                    |          |                       |
| Change in Indebtedness during the Financial Year                       |                                     |                    |          |                       |
| Additions                                                              |                                     |                    |          |                       |
| Reduction                                                              |                                     |                    |          |                       |
| Net Change                                                             |                                     |                    |          |                       |
| Indebtedness at the end of the Financial Year                          |                                     |                    |          |                       |
| i) Principal Amount                                                    |                                     |                    |          |                       |
| ii) Interest due but not paid                                          |                                     |                    |          |                       |
| iii) Interest accrued but not due                                      |                                     |                    |          |                       |
| Total (i+ii+iii)                                                       |                                     |                    |          |                       |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakhs)

| S.<br>No. | Particulars of Remuneration                                                          | Name of the MD/WTM/Manager          |               | Total<br>Amount |
|-----------|--------------------------------------------------------------------------------------|-------------------------------------|---------------|-----------------|
|           |                                                                                      | Rajeev Anand<br>(Managing Director) | Mitesh Mittal |                 |
| 1         | Gross salary                                                                         |                                     |               |                 |
|           | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 240.05                              | 134.16        | 374.21          |
|           | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961                       | 29.82                               | 18.15         | 47.97           |
|           | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961        | 0                                   | 0             | 0               |
| 2         | Stock option                                                                         | 0                                   | 0             | 0               |
| 3         | Sweat Equity                                                                         | 0                                   | 0             | 0               |
| 4         | Commission as % of profit                                                            | 0                                   | 0             | 0               |
| 5         | Others, (PF, MSPF, Insurance and Provision for Gratuity and Leave Encashment)        | 92.28                               | 15.13         | 107.41          |
|           | Total (A)                                                                            | 362.15                              | 167.44        | 529.59          |
|           | Ceiling as per the Act (10% of Net Profit)                                           |                                     |               |                 |



**B. Remuneration to Other Directors:**

(Rs. in Lakhs)

| S. No. | Particulars of Remuneration                                                 | Name of the Director    |            |                   | Total Amount |
|--------|-----------------------------------------------------------------------------|-------------------------|------------|-------------------|--------------|
|        |                                                                             | Chandrashekhar Dasgupta | Sudha Ravi | Rajiv Lochan Jain |              |
| 1      | <b>Independent Directors</b>                                                |                         |            |                   |              |
|        | Fee for attending Board/Committee meeting                                   | 5.5                     | 7          | 7                 | 19.5         |
|        | Commission                                                                  | 0                       | 0          | 0                 | 0            |
|        | Others                                                                      |                         |            |                   |              |
|        | <b>Total (1)</b>                                                            | <b>5.5</b>              | <b>7</b>   | <b>7</b>          | <b>19.5</b>  |
| 2      | <b>Other Non Executive Directors</b>                                        |                         |            |                   |              |
|        | Fee for attending Board/Committee meeting.                                  | 0                       | 0          | 0                 | 0            |
|        | Commission                                                                  | 0                       | 0          | 0                 | 0            |
|        | Others                                                                      |                         |            |                   |              |
|        | <b>Total (2)</b>                                                            | <b>0</b>                | <b>0</b>   | <b>0</b>          | <b>0</b>     |
|        | <b>Total (B) = (1+2)</b>                                                    | <b>5.5</b>              | <b>7</b>   | <b>7</b>          | <b>19.5</b>  |
|        | <b>Total Managerial Remuneration (A+B)</b>                                  |                         |            |                   | <b>19.5</b>  |
|        | Overall Ceiling as per the Act (10% Net Profit of A and 1% Net Profit of B) |                         |            |                   |              |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

(Rs. in Lakhs)

| S. No. | Particulars of Remuneration                                                         | Key Managerial Personnel                      |                         | Total Amount  |
|--------|-------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------|---------------|
|        |                                                                                     | Company Secretary                             | Chief Financial Officer |               |
|        |                                                                                     | Pankaj Gupta (resigned w.e.f. March 31, 2019) | Mitesh Mittal           |               |
| 1      | Gross salary                                                                        |                                               |                         |               |
|        | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 89.90                                         | 134.16                  | 224.06        |
|        | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961                      | 9.65                                          | 18.15                   | 27.80         |
|        | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961       | 0                                             | 0                       | 0             |
| 2      | Stock option                                                                        | 0                                             | 0                       | 0             |
| 3      | Sweat Equity                                                                        | 0                                             | 0                       | 0             |
| 4      | Commission as % of profit                                                           | 0                                             | 0                       | 0             |
| 5      | Others, Employers Pay (PF and TDS)                                                  | 14.01                                         | 15.13                   | 29.14         |
|        | <b>Total (A)</b>                                                                    | <b>113.56</b>                                 | <b>167.44</b>           | <b>281.00</b> |

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES UNDER THE COMPANIES ACT, 2013**

None

On behalf of the Board of Directors

May 29, 2019  
New Delhi

**Rajeev Anand**  
(Chairman & Managing Director)  
DIN: 02519876

**Rajiv Lochan Jain**  
(Director)  
DIN: 00161022



## FORM NO. MR-3

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2019**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**GOODYEAR INDIA LIMITED**  
CIN L25111HR1961PLC008578  
Registered Office Address:- Mathura Road Ballabgarh,  
Faridabad-121004, Haryana, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GOODYEAR INDIA LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of: -

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable**
- (e) The Securities and exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008; - **Not Applicable**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; - **Not Applicable**
- (i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018 - **Not Applicable**
- (vi) The Company has identified following laws applicable specifically to the Company:
  - 1. The Industrial (Development and Regulation) Act, 1951;
  - 2. The Rubber Act, 1947;

We have also examined compliance with the applicable provisions of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above.

**We further report that** the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least



seven days in advance and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority of the members of the Board or committees as the case may be. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board or Committee(s) thereof.

**We further report that** there are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has following specific event/action having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any:

1. The Company had amended its Articles of Association at the Annual General Meeting dated 8<sup>th</sup> August, 2018 by way of substitution of Clause 125 with a new clause relating to Managing Director's retirement by rotation.
2. The Board of the Directors in their meeting dated 25<sup>th</sup> May, 2018 had approved a loan upto Rs. 260 Crore (Two Hundred Sixty Crore) to Goodyear South Asia Tyres Private Limited. In terms of Section 185 of the Act and Regulation 23(1) of SEBI (LODR), 2015, it required the members approval. Special resolution to approve the loan under Section 185 of Companies Act, 2013 and Ordinary Resolution to approve the

loan under Regulation 23 of SEBI (LODR) Regulation, 2015 were connected with each other for related party transaction. Since Ordinary resolution was not passed with requisite majority, therefore both the resolutions were not effective.

3. The Company had passed the following resolution through Postal Ballot during the period under review:-
  - Continuation of directorship of Mr. Chandrashekhar Dasgupta (DIN: 00381799) as a Non-Executive Independent Director of the Company who has attained the age of more than 75 years i.e. 78 years, effective from April 1, 2019
  - Re-appointment and remuneration payable to Mr. Rajeev Anand (DIN: 02519876) as Chairman and Managing Director of the Company
4. With reference to the notification issued by Environment Pollution (Prevention & Control) Authority on October 27, 2018, November 10, 2018 and December 24, 2018 to industries stating that all industries using coal and biomass as fuel to remain closed in Delhi and other NCR districts, therefore in compliance with the notification the Company has shut down its plant from November 04, 2018 till November 12, 2018 (both days inclusive) and December 26, 2018 respectively.

**For VKC & ASSOCIATES**  
(Company Secretaries)

CS Vineet K Chaudhary  
Managing Partner  
FCS No. 5327  
C P No. 4548

**Date:** May 29, 2019  
**Place:** New Delhi

**Notes:** This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report..

To,  
The Members,  
**GOODYEAR INDIA LIMITED**  
CIN L25111HR1961PLC008578  
Registered Office Address:- Mathura Road Ballabgarh,  
Faridabad-121004 Haryana, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

**'Annexure - A'**

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For VKC & ASSOCIATES**  
(Company Secretaries)

CS Vineet K Chaudhary  
Managing Partner  
FCS No. 5327  
C P No. 4548

**Date:** May 29, 2019  
**Place:** New Delhi



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance means the manner a company acts within the ambit of integrity, fairness, equity, transparency, accountability and commitment to values. The elements of Corporate Governance for the Company are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. The Company believes in maintaining high ethical and legal standards as a part of what it does every day as part of its Corporate Governance measures. The Company is highly committed to "Act with Integrity" which means that any activity done by the Company is strictly on the grounds of high moral values.

The Corporate Governance of the Company requires to conduct its operations in a legal, ethical and transparent manner. The Company believes in sustainable and long-term growth of all its stakeholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its Stakeholders. It understands and respects its fiduciary role and voluntarily govern itself towards the principal of Corporate Governance. The Company continues to focus on good Corporate Governance, in line with the requirements of all applicable laws and the best practices in the areas of Corporate Governance.

The significant documents of the Company which define the standards of behaviour of the Company consist of Business Conduct Manual and Zero Tolerance Policy. The Company

has implemented various Corporate Governance initiatives including but not limited to the Global Contract Solution and Compliance Manager Tool.

### 2. BOARD OF DIRECTORS

Being a true believer of Corporate Governance, the Company understands the importance of well-formed Board. The Company is managed and controlled through a professional and qualified Board of Directors ("Board") comprising of an optimum combination of Executive, Non-Executive and Independent Directors. The Board of Directors plays the most pivotal role in overseeing and protecting the long-term interest of all the stakeholders of the Company. The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities and ensure high standards of ethics, transparency and disclosures.

As on March 31, 2019, the Board of the Company comprised of 6 (six) Directors consisting of 2 (two) Executive Directors and 4 (four) Non-Executive Directors, out of which 3 are Independent Directors. The Company has 2 Women Directors on its Board, one of them being an Independent Director. During the FY 2018-19, the Board met on May 25, 2018, August 8, 2018, November 5, 2018 and February 13, 2019.

a. The details of Directorship, attendance, appointment, cessation, committee membership and chairmanship and category of Directors are provided below:

| Name                                     | Category/ Designation                    | No. of Board Meetings Attended | Number of Positions Held in Other Companies |                          | Attendance at the Last AGM (August 8, 2018) |
|------------------------------------------|------------------------------------------|--------------------------------|---------------------------------------------|--------------------------|---------------------------------------------|
|                                          |                                          |                                | Board <sup>(1)</sup>                        | Committee <sup>(2)</sup> |                                             |
| Mr. Rajeev Anand <sup>(3)</sup>          | Executive (Chairman & Managing Director) | 4 of 4                         | None                                        | None                     | Yes                                         |
| Mr. Mitesh Mittal                        | Executive (Finance Director)             | 4 of 4                         | None                                        | None                     | Yes                                         |
| Ms. Nicole Amanda Nuttall <sup>(4)</sup> | Non-Executive Non-Independent            | 0 of 3 <sup>(5)</sup>          | None                                        | None                     | Yes                                         |
| Mr. Chandrashekhar Dasgupta              | Non-Executive Independent                | 3 of 4                         | None                                        | None                     | No                                          |
| Ms. Sudha Ravi <sup>(6)</sup>            | Non-Executive Independent                | 4 of 4                         | 3                                           | 3                        | Yes                                         |
| Mr. Rajiv Lochan Jain                    | Non-Executive Independent                | 4 of 4                         | 2                                           | 3                        | Yes                                         |
| <b>CEASED TO BE DIRECTOR</b>             |                                          |                                |                                             |                          |                                             |
| Mr. Oliver Carsten Gloe <sup>(7)</sup>   | Additional Director                      | 1 of 1                         | None                                        | None                     | NA                                          |

(1) Excluding interest in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

(2) Includes Chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee only.

(3) Re-appointed for the tenure from February 20, 2019 to May 31, 2020.

(4) Ms. Nicole Amanda Nuttall was appointed as an Additional Director effective June 23, 2018 and further appointed as Non-Executive Director of the Company effective August 08, 2018.

(5) Ms. Nicole (Nikki) Amanda Nuttall has attended all 3 Board Meetings, post her appointment, on call.

(6) The period of 5 years of Ms. Sudha Ravi as the Independent Director of the Company expires on June 6, 2019 and the Board at its meeting held on May 29, 2019 has recommended to the members of the Company for her re-appointment for the second term of 5 years.

(7) Mr. Oliver Carsten Gloe has resigned as an Additional Director w.e.f. close of business hours of May 25, 2018.



**b. Positions held by the Directors in other listed companies:**

| Name of the Director        | Name of the listed company             | Category of Directorship |
|-----------------------------|----------------------------------------|--------------------------|
| Mr. Rajeev Anand            | N.A.                                   | N.A.                     |
| Mr. Mitesh Mittal           | N.A.                                   | N.A.                     |
| Mr. Chandrashekhar Dasgupta | N.A.                                   | N.A.                     |
| Ms. Sudha Ravi              | Alkem Laboratories Limited             | Independent Director     |
| Mr. Rajiv Lochan Jain       | Gujarat Alkalies and Chemicals Limited | Independent Director     |
| Ms. Nicole Amanda Nuttall   | N.A.                                   | N.A.                     |

**c. Independent Directors:**

In terms of Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR), 2015] read with Schedule IV of the Companies Act, 2013 (the Act), separate meetings of the Independent Directors of the Company were held to discuss the agenda item as prescribed under applicable laws.

The composition of the Independent Directors and details of the meetings and attendance during the FY 2018-19 are as under:

| S. No. | Name                        | No. of Meetings        |          | Dates of Meeting held during the year |
|--------|-----------------------------|------------------------|----------|---------------------------------------|
|        |                             | Held during the tenure | Attended |                                       |
| 1      | Mr. Rajiv Lochan Jain       | 2                      | 2        | April 19, 2018; and May 25, 2018      |
| 2      | Mr. Chandrashekhar Dasgupta | 2                      | 2        |                                       |
| 3      | Ms. Sudha Ravi              | 2                      | 2        |                                       |

In addition, to the formal meetings, interactions outside the Board meetings also take place between the Chairman and Independent Directors to discuss the issues and concerns; as and when need arises. The declaration of independence as submitted by the Independent Directors of the Company has been taken on record after due assessment of its veracity of the same. The Board of Directors has confirmed that in the opinion of the Board, all the Independent Director fulfils the conditions specified in these regulations and are independent of the management.

None of the Independent Directors has resigned from the Board of the Company during the FY 2018-19. In compliance with Regulation 17(1A) of the SEBI (LODR) 2015, the members approval has been obtained to continue the directorship of Mr. Chandrashekhar Dasgupta, Non-Executive Independent Director who has attained the age of more than 75 years i.e. 78 years, by way of Postal Ballot.

Terms and Conditions of the appointment of Independent Director(s) are available on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

In compliance with Regulation 46(2)(i) of SEBI (LODR) 2015, Company organized separate Familiarization Programme for Independent Directors on Business Conduct Manual and Farm Business of the Company. The details of the Programme are available on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

**d. Board Functioning & Procedure:**

The members of the Board have complete liberty to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussion at the Board Meeting. The meeting dates are usually finalized well in advance.

The Chairman, Finance Director and the Company Secretary of the Company discuss the items to be included in the agenda and the detailed agenda, management reports and other explanatory statements are circulated well in advance of the meeting. Senior Management officials are called to provide additional inputs on the matters being discussed by the Board/ Committee; if necessary.

The Chairman, Finance Director and Company Secretary keep the members of the Board informed about any material development/business update through various modes viz. emails, letters, telecon etc. from time to time.

The Board has an effective post meeting follow up procedure. Items arising out of previous Board Meeting and their follow up action report are placed at the immediately succeeding meeting for information of the Board.

**e. Key Board skills / expertise / competencies**

The Company has identified the key Board skills that sets out the expertise that the Directors of the Company should possess for proper functioning of the Company. The matrix is set out basis the business, the industry the Company operates in and the Nomination and Remuneration Committee Policy of the Company. It is not mandatory for all the Directors to possess all the skills but the Board has a whole possess such skills outlined below:

- Leadership experience and ability in inspiring, motivating other officials together with practical understanding of the business of the Company.
- Experience and ability to identify opportunities and threats to the company and to develop strategies, inter-alia to grow sales and market share, built brand awareness and equity.
- Strong understanding of corporate finance, accounts and performance management principles
- Familiarity with diverse business functions such as finance, risk, marketing, PR etc.
- Experience and ability to acknowledge corporate governance and management best practices



- An entrepreneurial mindset with outstanding organizational and leadership skills
- Analytical abilities and problem-solving skills
- Excellent communication and public speaking skills
- Experience in identifying key risks to the Company related to each key area of operations, the ability to monitor risk, compliance and knowledge of legal and regulatory requirements that are applicable to the Company
- Experience and stature necessary to be highly effective, working with other members of the Board in serving the long-term interests of shareholders
- Ability and willingness to devote sufficient time to the affairs of the Board and the Company and to carry out their duties effectively
- Experienced knowledge of environment protection and Volunteer work for social cause.

### 3. AUDIT COMMITTEE

In compliance with Section 177 of the Act and Regulation 18 read with Part C of Schedule II of SEBI (LODR), 2015, the Company has a duly constituted Audit Committee. The terms of reference of Audit Committee inter alia comprises the following:

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>(i) Oversight of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible;</li> <li>(ii) Recommendation to the Board for appointment, remuneration and terms of appointment of Auditors of the Company;</li> <li>(iii) Approval of payment to statutory auditors for any services rendered by the statutory auditors;</li> <li>(iv) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;</li> <li>(v) Reviewing matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;</li> <li>(vi) Reviewing changes, if any, in accounting policies and practices and reasons for the same;</li> <li>(vii) Reviewing major accounting entries involving estimates based on the exercise of judgement by management;</li> <li>(viii) Reviewing compliances with listing and other legal requirements relating to financial statements;</li> <li>(ix) Reviewing disclosure of any related party transactions;</li> <li>(x) Reviewing qualifications in the draft audit report;</li> </ul> | <ul style="list-style-type: none"> <li>(xi) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;</li> <li>(xii) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in the matter;</li> <li>(xiii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;</li> <li>(xiv) Approval or any subsequent modification of transactions of the Company with related parties;</li> <li>(xv) Scrutiny of inter-corporate loans and investments;</li> <li>(xvi) Valuation of undertakings or assets of the Company, wherever it is necessary;</li> <li>(xvii) Evaluation of internal financial controls and risk management systems;</li> <li>(xviii) Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems;</li> <li>(xix) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, reporting structure coverage and frequency of internal audit;</li> <li>(xx) Discussion with internal auditors of any significant findings and follow-ups thereon;</li> <li>(xxi) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;</li> <li>(xxii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</li> <li>(xxiii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;</li> <li>(xxiv) Reviewing the functioning of Whistle Blower Mechanism;</li> <li>(xxv) Approval of appointment of CFO after assessing the qualifications, experiences and background etc. of the candidate;</li> <li>(xxvi) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the</li> </ul> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

- (xxvii) Reviewing of management discussion and analysis of financial condition and results of operations;
- (xxviii) Reviewing statement of significant related party transactions submitted by the management;
- (xxix) Reviewing Management Letters/ Letters of internal control weaknesses issued by the statutory auditors;
- (xxx) Review of Internal Audit Reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the Chief Internal Auditor;
- (xxxi) Review of statement of deviations, if any:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).
- (xxxii) In addition to the above, the Audit Committee will carry out all such other functions as specified by the Board of Directors from time to time.

The Audit Committee of the Company comprised of four Directors with Independent Directors forming the majority possessing adequate financial / accounting expertise / exposure. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Composition of the Audit Committee and details of the meeting and attendance during the FY 2018-19 are as under:

| S. No. | Name                        | Designation | No. of Meetings        |          | Dates of Meeting held during the year                                   |
|--------|-----------------------------|-------------|------------------------|----------|-------------------------------------------------------------------------|
|        |                             |             | Held during the tenure | Attended |                                                                         |
| 1      | Mr. Rajiv Lochan Jain       | Chairman    | 4                      | 4        | May 25, 2018; August 08, 2018; November 05, 2018; and February 13, 2019 |
| 2      | Mr. Chandrashekhar Dasgupta | Member      | 4                      | 3        |                                                                         |
| 3      | Ms. Sudha Ravi              | Member      | 4                      | 4        |                                                                         |
| 4      | Mr. Rajeev Anand            | Member      | 4                      | 4        |                                                                         |

In addition to the members of the Audit Committee, these meetings were attended by Finance Director, Controller, Internal Auditor, Cost Auditor and Statutory Auditors of the Company, whenever necessary, and those other Executives of the Company who were considered necessary for providing input to the Committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 8, 2018.

#### 4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

In compliance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI (LODR), 2015, the Company has a duly constituted Nomination and Remuneration Committee ("NRC"). The terms of reference of the NRC inter alia, comprises the following:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- (ii) Formulation of criteria for evaluation of the performance of the Directors and the Board and its Committees and monitoring and reviewing the Performance Evaluation framework and to carry out by itself or by Board or an independent external agency;
- (iii) Devising a policy on diversity of Board of Directors;
- (iv) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and approval;
- (v) Selecting, compensating, monitoring and, when necessary, replacing key Executives and overseeing succession planning for Board;
- (vi) Aligning key Executive and Board remuneration with the long-term interests of the Company and its Shareholders;
- (vii) Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- (viii) To decide whether to extend or continue the terms of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- (ix) Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- (x) Direct access to the officers and advisors, both external and internal, and to have authority to seek external independent professional advice in consultation with the Board, as it may need from time to time, for the effective implementation of its responsibilities; and
- (xi) In addition to the above, NRC will carry out all such other functions as specified by the Board of Directors from time to time.

The NRC of the Company is comprised of three Directors with Independent Directors forming the majority. Ms. Sudha Ravi,



an Independent Non-Executive Director is the Chairperson of the Committee and the Company Secretary of the Company acts as the Secretary of the NRC.

The composition of the NRC and details of the meetings and attendance during the FY 2018-19 are as under:

| S. No. | Name                       | Designation | No. of Meetings        |          | Dates of Meeting held during the year |
|--------|----------------------------|-------------|------------------------|----------|---------------------------------------|
|        |                            |             | Held during the tenure | Attended |                                       |
| 1      | Ms. Sudha Ravi             | Chairperson | 2                      | 2        | May 25, 2018; and February 13, 2019   |
| 2      | Mr. Rajiv Lochan Jain      | Member      | 2                      | 2        |                                       |
| 3      | Ms. Nicole Amanda Nuttall* | Member      | 1                      | 0        |                                       |
| 4      | Mr. Oliver Carsten Gloe**  | Member      | 1                      | 1        |                                       |

\* Ms. Nicole Amanda Nuttall has been appointed as a member of the committee, effective from June 23, 2018

\*\* Mr. Oliver Carsten Gloe has resigned as an Additional Director effective close of business hours of May 25, 2018

As per Regulation 19(3) of SEBI (LODR), 2015, the Chairperson of the NRC may be present at the Annual General Meeting (AGM) to answer shareholders' queries. Ms. Sudha Ravi, Chairperson of the NRC has attended the Annual General Meeting of the Company held on August 8, 2018, to answer the queries of the shareholders.

#### Nomination and Remuneration Policy

In accordance with the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 of SEBI (LODR), 2015, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company ("NRC Policy"). The NRC Policy consists of criteria for appointment of board members, performance evaluation and succession planning process. Some of the indicators for appointment of Directors, Key Managerial Personnel and Senior Management includes criteria for determining qualifications (educational, expertise etc.), positive attributes (personal qualities & characteristics, reputation etc.) and independence of a Director as well as a policy on Board Diversity.

The NRC Policy also outlines the remuneration policy for the Executive Directors, Key Managerial Personnel and Senior Management of the Company is based on the broad principles of remuneration i.e. a portion of remuneration is paid on a fixed basis and the remaining portion is variable linked with the financial performance of the Company.

The NRC Policy has been amended by the Board of the Company in order to align the Policy with the amendments brought in by the SEBI (LODR) Amendment Regulations, 2018. The amended version of the NRC Policy is available on the website of the Company at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

#### Annual Performance Evaluation

Pursuant to the provisions of the Act and SEBI (LODR), 2015, and NRC Policy, the evaluation process may be carried out by the NRC itself or be entrusted on the Board or any independent external agency to be appointed for the specific purpose. During FY 2018-19, the Board in consultation with the NRC, has carried out the formal annual performance evaluation of the Board, its Committees and individual directors, including Independent Directors. The evaluation has been carried out through a questionnaire, formulated by NRC, covering various evaluation criteria. Some of the criteria based on which evaluation is carried out in the framework are as follows:

| S No | Particulars                                                | Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1    | For Board and Committee(s)                                 | <ul style="list-style-type: none"> <li>Full &amp; common understanding of roles &amp; responsibilities;</li> <li>Composition of the Board is appropriate and diversified and the Board functions as a team;</li> <li>Comprehensive discussions (in order of priority) are held which result in effective contribution to the development of strategy (ies) etc. for the Company and all decisions are taken in the best interest of the shareholders;</li> <li>The Board adequately reviews and guides corporate strategies such as restructuring, major plans and policies, budgets, performance and expenditure, etc;</li> <li>Effective response to crisis, if any, and ability to foresee the same; and</li> <li>Adequate systems are in place to review disclosures, communications and compliance certificates by auditors to ensure compliance under relevant laws</li> </ul> |
| 2    | For Individual Directors (including Independent Directors) | <ul style="list-style-type: none"> <li>Good personal qualities and characteristics;</li> <li>Substantial business experience or professional expertise;</li> <li>Initiatives taken and valuable contributions in meetings; and</li> <li>Provide a diversity of perspectives in Board deliberations</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

Feedback was sought from each Director in the said questionnaire based on framework and thereafter, a summary of such performance evaluation, compiled by the Company Secretary, was reviewed and noted by the Board. The Board was satisfied with the evaluation results.

#### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

In compliance with Section 178 of the Act and Regulation 20 of SEBI (LODR), 2015, the Company has duly constituted a



Stakeholders' Relationship Committee (SRC). The Charter/terms of reference of SRC shall inter-alia comprises the following:

- (i) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc. in a timely manner;
- (ii) Review of the measures taken for effective exercise of voting rights by shareholders;
- (iii) Review of the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent and recommend measures for overall improvement in the quality of Investor Services; and
- (iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The SRC of the Company is comprised of four Directors with Independent Directors forming the majority. During the FY 2018-19, the Chairman of the SRC has been changed in the Board meeting held on February 13, 2019, and at present Mr. Rajiv Lochan Jain is the Chairman of SRC.

During the FY 2018-19, Mr. Pankaj Gupta, Company Secretary and Compliance Officer of the Company acted as the Secretary of the SRC. Mr. Pankaj Gupta has resigned from the position effective close of business hours of March 31, 2019 and Mr. Anup Karnwal has been appointed as the Company Secretary and Compliance Officer effective April 22, 2019. The Company Secretary of the Company acts as the Secretary of the Committee.

The composition of the SRC and dates of the meetings and attendance during the FY 2018-19 are as under:

| S. No. | Name                        | Designation | No. of Meetings        |          | Dates of Meeting held during the year  |
|--------|-----------------------------|-------------|------------------------|----------|----------------------------------------|
|        |                             |             | Held during the tenure | Attended |                                        |
| 1      | Mr. Rajiv Lochan Jain       | Chairman    | 2                      | 2        | August 08, 2018; and February 13, 2019 |
| 2      | Mr. Mitesh Mittal           | Member      | 2                      | 2        |                                        |
| 3      | Ms. Sudha Ravi              | Member      | 2                      | 2        |                                        |
| 4      | Mr. Chandrashekhar Dasgupta | Member      | 2                      | 1        |                                        |

Skyline Financial Services Private Limited, New Delhi, is the Registrar & Share Transfer Agent of the Company.

## Complaint Redressal Status

During the FY 2018-19, 5 (Five) complaints were received from the members. All the complaints have been redressed to the satisfaction of the members.

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In Compliance with Section 135 of the Act, the Company has a duly constituted Corporate Social Responsibility (CSR) Committee. The terms of reference of CSR Committee, inter alia comprise the following:

- (i) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and proposing revisions as and when required;
- (ii) Recommend the amount of expenditure to be incurred on CSR activities;
- (iii) Identify the modalities of implementing and monitoring the progress & impact of CSR projects or programs or activities undertaken by the Company; and
- (iv) Monitor the CSR Policy of the Company from time to time.

The composition of the CSR Committee and details of the meetings and attendance during the FY 2018-19 are as under:

| S. No. | Name                        | Designation | No. of Meetings        |          | Dates of Meeting held during the year |
|--------|-----------------------------|-------------|------------------------|----------|---------------------------------------|
|        |                             |             | Held during the tenure | Attended |                                       |
| 1      | Mr. Rajeev Anand            | Chairman    | 2                      | 2        | May 25, 2018; and September 20, 2018  |
| 2      | Mr. Mitesh Mittal           | Member      | 2                      | 2        |                                       |
| 3      | Mr. Chandrashekhar Dasgupta | Member      | 2                      | 2        |                                       |

The Company Secretary of the Company acts as the Secretary of the CSR Committee.

The CSR Policy lays down CSR activities undertaken by the Company, the duration of the activities and amount invested in each activity. The CSR activities undertaken by the Company are in line with the CSR Policy of the Company and are pursuant to Section 135 and Schedule VII of the Companies Act, 2013. The Board of Directors, on recommendation by the CSR Committee, vide Board Meeting and Circular Resolution dated November 5, 2018 and January 7, 2019 respectively, has amended the 'Annexure I to GIL CSR Policy'. The amended Annexure to CSR Policy detailing the summary of CSR activities along with relevant details is accessible at Company's website [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relation section).

## 7. REMUNERATION TO DIRECTORS

### (i) Executive Directors

The details of remuneration paid to all the Directors for the FY 2018-19 are mentioned hereunder:



(Rs. in Lakhs)

| S. No. | Particulars                                                                          | Rajeev Anand<br>Chairman<br>& Managing<br>Director | Mitesh Mittal<br>Whole Time<br>Director |
|--------|--------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------|
| 1.     | Salary and Perquisites                                                               | 269.87                                             | 152.31                                  |
| 2.     | Other Payment including Performance Bonus <sup>^</sup>                               | 92.28                                              | 15.13                                   |
|        | Service Contract Valid Up to (Terminable by giving 90 days' notice from either side) | May 31, 2020                                       | November 12, 2022                       |

<sup>^</sup>This includes stock-based awards i.e. restricted stock units and stock appreciation rights under approved Performance Plan of Goodyear Tyre & Rubber Company (GTRC)

The remuneration paid during the FY 2018-19, is within the limits specified in Schedule V of the Act (as amended) and has due approval from the Board of Directors of the Company. A reference, to remuneration paid to the Directors and key managerial personnel under Note No. 27 of the notes to the financial statements of the Company for the year ended March 31, 2019 can also be made for the remuneration details.

#### (ii) Non-Executive Directors

The Independent Non-Executive Directors are paid a sitting fee of Rs. 50,000/- per meeting (Board/Committee) (excluding Goods and Services Tax) for attending the Board/Committees meetings as well as the travelling/conveyance expenses and reimbursement of expenses, if any, incurred for participating/ attending the Company's meetings and no severance fees is payable to any Non-Executive Director.

There has been no pecuniary relationship or business transaction by the Company with any Non-Executive Directors except as above.

Non-Executive Directors of the Company do not hold any shares in the Company.

### 8. GENERAL BODY MEETINGS

(a) Locations, day, dates and times where the last three Annual General Meetings ("AGM") were held are as follows:

| Meeting              | Venue                                                                                                | Day and Date                  | Time       |
|----------------------|------------------------------------------------------------------------------------------------------|-------------------------------|------------|
| 57 <sup>th</sup> AGM | Vibe Hotel by the Lalit, 12/7 Mathura Road (Just After Toll Plaza), Faridabad, Haryana – 121003      | Wednesday<br>August 8, 2018   | 11:00 A.M. |
| 56 <sup>th</sup> AGM | Vibe Hotel, the Lalit, 12/7, Mathura Road, (Just After Toll Plaza) Faridabad, Haryana 121 003, India | Wednesday,<br>August 9, 2017  | 11:30 A.M. |
| 55 <sup>th</sup> AGM | Vibe by the Lalit, 12/7 Mathura Road, Faridabad – 121003, Delhi NCR, Haryana, India                  | Wednesday,<br>August 31, 2016 | 11:30 A.M. |

(b) Special Resolution passed at the last three Annual General Meetings:

| Date of AGM     | Description of Special Resolution(s)                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| August 8, 2018  | (i) Amendment to the Articles of Association of the Company;<br>(ii) Appointment of Mr. Mitesh Mittal (DIN: 05231968) as a Whole Time Director of the Company and his overall yearly remuneration limit effective November 13, 2017; and<br>(iii) To approve the loan to Goodyear South Asia Tyres Private Limited under Section 185 of the Companies Act, 2013.                                            |
| August 9, 2017  | (i) To approve the appointment of Mr. Leopoldo Estefano Maggiolo Gonzalez [DIN: 07318939] as a Whole Time Director of the Company and his overall yearly remuneration limit effective February 9, 2017; and<br>(ii) To approve the revised remuneration and overall yearly remuneration limit of Mr. Rajeev Anand [DIN: 02519876], Vice Chairman & Managing Director of the Company, effective May 1, 2017. |
| August 31, 2016 | (i) To appoint Mr. Yashwant Singh Yadav (DIN: 03288600) as a Whole Time Director of the Company and approve the remuneration effective November 01, 2015;<br>(ii) To approve the revised remuneration of Mr. Yashwant Singh Yadav (DIN: 03288600) effective May 01, 2016; and<br>(iii) To approve the revised remuneration of Mr. Rajeev Anand (DIN: 02519876) effective May 01, 2016.                      |

#### c) Postal Ballot

The Board of Directors of the Company at its meeting held on February 13, 2019 approved the Postal Ballot Notice along with Postal Ballot Form which was dispatched to the shareholders on February 21, 2019. The e-voting and postal ballot period commenced on Saturday, February 23, 2019 at 9.30 A.M. and concluded on Sunday, March 24, 2019 at 5:00 P.M. and the result of the Postal Ballot was declared on Tuesday, March 26, 2019. The Board has appointed Mr. Chetan Gupta, Company Secretary in Practice (COP No.- 7077) and Partner, APAC & Associates LLP, Company Secretaries (ICSI Unique Code – P2011DE025300) as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. The Company had also offered e-voting facility to its members to enable them to cast their votes electronically instead of dispatching Postal Ballot form.

The Company passed the following resolutions through Postal ballot process during the FY 2018-19:



| Resolution No | Type of Resolution | Purpose                                                                                                                                                                                                                                                  | Votes in favour of resolution |                         | Votes against the resolution |                         |
|---------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------|------------------------------|-------------------------|
|               |                    |                                                                                                                                                                                                                                                          | No of Votes                   | % to total votes polled | No of Votes                  | % to total votes polled |
| 1             | Special Resolution | To consider and approve the continuation of directorship of Mr. Chandrashekhar Dasgupta (DIN:00381799) as a Non-Executive Independent Director of the Company who has attained the age of more than 75 years i.e. 78 years, effective from April 1, 2019 | 1,74,13,038                   | 91%                     | 17,22,210                    | 9%                      |
| 2             | Special Resolution | To consider and approve the re-appointment and remuneration payable to Mr. Rajeev Anand (DIN:02519876) as a Chairman and Managing Director of the Company                                                                                                | 1,91,33,041                   | 99.99%                  | 2,173                        | 0.01%                   |

## 9. MEANS OF COMMUNICATION

In compliance with the provisions of the SEBI (LODR), 2015, the unaudited as well as audited financial results are disclosed to the stock exchanges immediately after being approved by the Board at its meeting. The quarterly, half yearly and annual results of the Company are published in one English daily newspaper (The Financial Express) and one Hindi newspaper (Jansatta).

The Company has an operational website and 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, Corporate Social Responsibility Policy, Details of Familiarization Programme for Independent Directors, Vigil Mechanism (including Whistle Blower Mechanism / Policy), Terms and Conditions for appointment of an Independent Director, Policy on Dealing with Related Party Transactions, Investor Contact details and other information as required under applicable provisions of the Act read with rules made thereunder and SEBI (LODR), 2015 are displayed on the Company's website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

The Company has provided an email address "goodyearindia\_investorcell@goodyear.com" on its website, whereby the investors can directly contact the Company. No presentations were made by the Company to the analysts or to the institutional investors.

## 10. GENERAL SHAREHOLDERS INFORMATION

### (a) Basic Information:

|       |                           |                                                                                                                   |
|-------|---------------------------|-------------------------------------------------------------------------------------------------------------------|
| (i)   | AGM: Date, Time and Venue | August 12, 2019 at 11:00 A.M. Vibe by the Lalit, 12/7 Mathura Road, Faridabad – 121003, Delhi NCR, Haryana, India |
| (ii)  | Financial Year            | April 01, 2018 to March 31, 2019                                                                                  |
| (iii) | Date of Book Closure      | August 06, 2019 to August 12, 2019 (both days inclusive)                                                          |
| (iv)  | Dividend Payment Date     | On or after August 12, 2019 but within the statutory time limit of 30 days from the date of AGM.                  |

|      |                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                         |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (v)  | Listing on Stock Exchanges                                                                                                                                                                                                                                                                               | BSE Limited (BSE)<br>Phiroze Jeejee bhoy Tower<br>Dalal Street, Mumbai-400 001.<br>It is hereby confirmed that listing fees up to Financial Year 2019-20 has been paid. |
| (vi) | Stock Code                                                                                                                                                                                                                                                                                               | BSE- 500168<br>ISIN - INE533A01012                                                                                                                                      |
| (vi) | List of all credit ratings obtained by the entity along with any revisions thereto during the relevant Financial Year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad | N.A.                                                                                                                                                                    |

### (b) Market Price Data\*: High, Low on BSE during each month in the last FY 2018-19

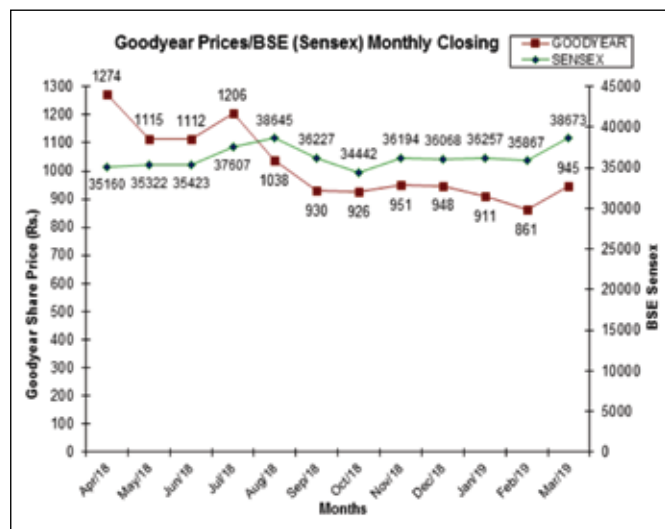
| MONTH     | Price per equity share of the face value of Rs.10/- each |              | MONTH    | Price per equity share of the face value of Rs.10/- each |              |
|-----------|----------------------------------------------------------|--------------|----------|----------------------------------------------------------|--------------|
|           | HIGH (in Rs.)                                            | LOW (in Rs.) |          | HIGH (in Rs.)                                            | LOW (in Rs.) |
| APRIL     | 1298.70                                                  | 1105.00      | OCTOBER  | 995.00                                                   | 892.00       |
| MAY       | 1292.75                                                  | 1090.00      | NOVEMBER | 989.00                                                   | 925.00       |
| JUNE      | 1204.60                                                  | 1075.50      | DECEMBER | 963.00                                                   | 903.00       |
| JULY      | 1221.95                                                  | 1066.00      | JANUARY  | 955.00                                                   | 876.05       |
| AUGUST    | 1280.00                                                  | 1035.10      | FEBRUARY | 915.00                                                   | 820.65       |
| SEPTEMBER | 1079.00                                                  | 916.25       | MARCH    | 948.00                                                   | 862.00       |

\* Source – BSE



- (c) Performance of Goodyear India Limited (Goodyear) share prices in comparison to BSE sensx\*

(Monthly Closing)



\*Source - BSE

- (d) Registrar & Share Transfer Agent:

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

Email: [admin@skylinert.com](mailto:admin@skylinert.com)

Phone: +9111-26812682, 83  
+9111- 64732681

- (e) Share Transfer System

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, IEPF matters etc. on regular basis in compliance with various provisions of the law, as applicable.

- (f) Distribution of Shareholding as on March 31, 2019

| No. of Shares held | Folios  |              | Shares held |              |
|--------------------|---------|--------------|-------------|--------------|
|                    | Numbers | Percentage % | Numbers     | Percentage % |
| up to 500          | 23192   | 96.38        | 1429773     | 6.20         |
| 501 – 1000         | 501     | 2.08         | 369668      | 1.60         |
| 1001 - 5000        | 311     | 1.29         | 622766      | 2.70         |
| 5001 - 10000       | 26      | 0.11         | 178066      | 0.77         |
| 10001 and above    | 32      | 0.13         | 20466234    | 88.73        |
| Total              | 24062   | 100.00       | 23066507    | 100.00       |

- (g) Shareholding Pattern as on March 31, 2019

| S. No.           | Description of Investors                                         | Number of Shares   | Percentage %  |
|------------------|------------------------------------------------------------------|--------------------|---------------|
| <b>PROMOTERS</b> |                                                                  |                    |               |
| 1.               | Promoters Holdings (Indian and Foreign)                          | 1,70,69,215        | 74.00         |
| <b>PUBLIC</b>    |                                                                  |                    |               |
| 1.               | Financial Institutions, Insurance Companies and Mutual Fund etc. | 15,58,714          | 6.76          |
| 2.               | Foreign Portfolio Investors                                      | 5,44,950           | 2.36          |
| 3.               | Foreign Institutional Investor                                   | 0                  | 0             |
| 4.               | Foreign Corporate Bodies                                         | 5,79,375           | 2.51          |
| 5.               | Corporate Bodies                                                 | 3,93,496           | 1.70          |
| 6.               | NRIs                                                             | 1,26,379           | 0.55          |
| 7.               | Indian Public, Trust, HUF, Clearing Members & IEPF               | 27,94,378          | 12.12         |
| <b>TOTAL</b>     |                                                                  | <b>2,30,66,507</b> | <b>100.00</b> |

- (h) Dematerialization of shares and liquidity:

As on March 31, 2019, total 2,30,66,507 equity shares of face value of Rs. 10 each are listed at BSE. As on March 31, 2019, 98.46% 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).

- (i) 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 during FY 2018-19.

- (j) Commodity price risk or foreign exchange risk and hedging activities:

There is no Commodity Risk and hedging activities. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018.

Details relating to Foreign Exchange Risk are given in Note No. 24 to the Financial Statements.

- (k) Plant location : Mathura Road, Ballabgarh,  
(Dist. Faridabad) – 121 004.  
Haryana

- (l) Corporate Office/ Address of Correspondence : 1<sup>st</sup> Floor, ABW Elegance Tower,  
Plot No. 8, Commercial Centre  
Jasola, New Delhi – 110025, India.

Investors' Correspondence: : Skyline Financial Services Private Limited,  
D-153/A, 1<sup>st</sup> floor, Okhla industrial Area  
Phase -1, New Delhi -110 020, India  
to

Tel No. : +91-11-26812682

Website : [www.goodyear.co.in](http://www.goodyear.co.in)

E-mail ID : [goodyearindia\\_investorcell@goodyear.com](mailto:goodyearindia_investorcell@goodyear.com)

- (m) Investor Education Protection Fund (“IEPF”)

In compliance with the provisions of Section 124 of the Act read with the rules made thereunder, the Company has uploaded



the information regarding unpaid/ unclaimed amounts lying with the company at MCA's portal. The information is available on the Company's website ([www.goodyear.co.in](http://www.goodyear.co.in)) as well as on the IEPF website ([www.iepf.gov.in](http://www.iepf.gov.in)).

The members of the Company are also informed that the dividends that remain unpaid/ unclaimed for a period of 7 (seven) years from the date of transfer to the unpaid/ unclaimed dividend account and as per the new provisions introduced in the year 2016, underlying equity shares on which dividend remain unpaid/unclaimed for a period of seven consecutive years are required to be transferred to the Investor Education & Protection Fund (IEPF) Authority established by the Central Government.

Details of the unpaid / unclaimed dividend and underlying equity shares for the following financial years are as follows:

| Financial Year (FY) | Date of Declaration of Dividend | Date of Transfer/ Due Date of Transfer of Dividend to IEPF | Date of Transfer/ Due Date of transfer of Shares to IEPF |
|---------------------|---------------------------------|------------------------------------------------------------|----------------------------------------------------------|
| 2010                | June 21, 2011                   | August 24, 2018                                            | August 24, 2018                                          |
| 2011                | May 25, 2012                    | June 27, 2019                                              | June 27, 2019                                            |
| 2012                | June 07, 2013                   | July 12, 2020                                              | July 12, 2020                                            |

Additionally, the Company also simultaneously published notice in leading newspaper in English and regional language having wide circulation and uploaded the same on the website of the Company at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

Members who have not encashed their dividend warrant(s) are requested in their own interest to write to the Company/ Registrar and Share Transfer Agent immediately claiming the Dividend(s) declared by the Company pertaining to the FY ended December 2011 to FY ended March 2018. Kindly note that once the amount/ shares is transferred to the IEPF, no claims shall lie against the Company.

**(n) Goodyear India Limited - Unclaimed Suspense Account ("Unclaimed Suspense Account")**

The details of equity shares ("shares") held in an Unclaimed Suspense Account are as follows:

| S No. | Particulars                                                                                                                                                  | Number of Members | Number of shares |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| 1.    | Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the FY 2018-19 (i.e. April 01, 2018) | 982               | 25,989           |
| 2.    | Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the FY 2018-19                            | 10                | 268              |

|    |                                                                                                                                                   |     |        |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------|-----|--------|
| 3. | Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the FY 2018-19                                  | 10  | 268    |
| 4. | Number of shares transferred to Investor Education & Protection Fund (IEPF) Authority established by the Central Government during the FY 2018-19 | 22  | 1,046  |
| 5. | Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the FY 2018-19                  | 950 | 24,693 |

**Note:**

- Voting rights on the abovementioned equity shares would remain frozen till the owner of such equity shares claims the shares.
- All the remaining shares lying in Unclaimed Suspense account will be transferred to IEPF Authority by June 2019.

**11. DISCLOSURES**

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

In compliance with applicable laws, the Company has formulated a policy on materiality significant related party transactions and in the meeting held on February 13, 2019, Board of Directors has amended the policy and details of the revised policy are available on the website of the Company at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section).

The Company, in its normal course of business, undertakes sale/ purchase/service transactions with Goodyear South Asia Tyres Private Limited ("GSATPL"), pursuant to an offtake agreement. The current off-take agreement is in force effective July 1, 2014, in terms of approval of the Audit Committee & Board of Directors in their meeting held on July 30, 2014 and minority shareholders dated June 26, 2015.

During the FY 2018-19, Mr. Rajeev Anand, Chairman and Managing Director of the Company and Ms. Nicole Amanda Nuttall, Director of the Company were also on the Board of GSATPL.

The above-related party transactions undertaken during the FY did not conflict with the interests of the Company at large.

The disclosure of transactions with the related parties per IND AS 24 is appearing in Note No. 27 of the notes to financial statements with the Company for the FY ended March 31, 2019.

- (b) 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

- (c) **Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel have been denied access to the Audit Committee:**

The Business Conduct Manual of Goodyear Tire & Rubber Company (GTRC), Akron U.S.A, applicable for global operations including the 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. In compliance with applicable provisions of the Companies Act, 2013, rules made thereunder and applicable provisions of SEBI (LODR), 2015, the Board of Directors of the Company had amended the Vigil Mechanism (including Whistle Blower Mechanism / Policy) and the revised policy is available on the website at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations section). No personnel have been denied access to the Audit Committee.

- (d) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements as specified in Part E of Schedule II of LODR Regulations 2015:**

The Company has duly complied with all the mandatory requirements under Chapter IV of the SEBI (LODR), 2015. The Company has not adopted the non-mandatory (discretionary) requirements as mentioned in Part E of Schedule II of the SEBI (LODR), 2015 except that the Company has financial statement with unmodified audit opinion and the Internal Auditor reports directly to the Audit Committee.

- (e) **Web link where policy for determining 'material' subsidiaries and policy for dealing related party transactions.**

Since the Company has no subsidiary, policy for determining material subsidiary is not applicable and this fact is disclosed on the website of the Company at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations Section).

Policy on dealing with Related Party Transactions can be accessed at [www.goodyear.co.in](http://www.goodyear.co.in) (Investor Relations Section).

- (f) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

None

- (g) **Certificate to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authorities**

The Company has also obtained a Certificate from APAC & Associates LLP dated May 20, 2019 to the effect that none of the Directors on Board of the Company have been debarred or

disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any other statutory authority.

- (h) **Recommendation of the Committees not accepted by the Board of Directors of the Company**

All the recommendations of the Committees have been accepted by the Board of Directors of the Company.

- (i) **Total fees for all services paid by the Company on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 21(a) to the Financial Statements.

- (j) **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

|                                                   |    |
|---------------------------------------------------|----|
| No. of Complaints filed during FY 2018-19         | 01 |
| No. of Complaints disposed of during FY 2018-19   | 00 |
| No. of Complaints pending as on end of FY 2018-19 | 01 |

- (k) **Disclosure of compliance with Corporate Governance Requirements**

The Company has duly complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), 2015.

- (l) **Inter-se relationship between Directors of the Company**

There is no inter-se relation between any of the Directors of the Company.

- (m) **Disclosure of Accounting Treatment**

The financial statements of year under review have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Act and other recognized accounting practices and policies to the extent applicable. Effective April 1, 2016, the Company has for the first time adopted IND AS with a transition date of January 1, 2015.

## 12. OTHER INFORMATION

- (a) **Details of the Directors seeking Appointment/Re-appointment:**

- (i) **Mr. Mitesh Mittal (DIN: 05231968)**

Mr. Mitesh Mittal, Whole Time Director of the Company, is retiring by rotation in the forthcoming AGM of the Company and is proposed to be re-appointed.

- (ii) **Ms. Sudha Ravi (DIN: 06764496)**

Ms. Sudha Ravi is the Independent Non-Executive Director of the Company and her term as an Independent Director is expiring in June, 2019 and being eligible, offers for re-appointment, is proposed to be re-appointed.



The details are as under:

| Particulars                                                                                     | Mr. Mitesh Mittal                                                                                                                                                                                                                                                       | Ms. Sudha Ravi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of Birth                                                                                   | 10/01/1978                                                                                                                                                                                                                                                              | 31/05/1955                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Date of first Appointment                                                                       | 13/11/2017                                                                                                                                                                                                                                                              | 07/06/2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Qualification                                                                                   | Bachelor of Commerce from SRCC, Delhi University, Company Secretary from ICSI, qualified Chartered Accountant from ICAI, Certified Public Accountant (CPA) and MBA from Rensselaer Polytechnic Institute, USA                                                           | B.Sc. and LL.B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Expertise in specific functional area                                                           | Mr. Mitesh Mittal has 20 years of his experience at MNC(s) in Asia and the U.S.A, Mr. Mittal has gained significant Finance expertise. This includes leading finance departments, financial planning/analysis, controllership, operations finance, audit and consulting | <ul style="list-style-type: none"> <li>Over 30 years in SBI and held key positions like GM, ERM, Chief Representative (DGM) Washington.DC, USA.</li> <li>Served as a President of India Venture Advisors Pvt. Ltd.</li> <li>Presently, CEO, Piramal Finance P Limited.</li> <li>Received various recognition(s) like plaque presented by the Indian Associations in USA jointly for outstanding contribution in the sphere of banking for the community in DC.</li> <li>Chairperson of National Council on NBFCs of ASSOCHAM.</li> </ul> |
| Directorships held in Other Listed Companies in India                                           | None                                                                                                                                                                                                                                                                    | Alkem Laboratories Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Chairman/ Member of Committee of the Board of other Listed Companies in which they are Director | None                                                                                                                                                                                                                                                                    | Audit Committee – Member                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Shareholding in the Company                                                                     | 500 equity shares                                                                                                                                                                                                                                                       | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Inter-se Relationship between Directors                                                         | None                                                                                                                                                                                                                                                                    | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**(b) Management Discussion and Analysis Report**

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 Board's Report as Annexure-E.

**(c) CEO/CFO Certificate**

In terms of the requirement of the Regulation 17(8) of the SEBI (LODR), 2015, the certificate from CEO/CFO had been obtained.

**(d) Code of Conduct**

In terms of the requirement of Regulation 17(5)(a) of SEBI (LODR), 2015 & Section 149(8) read with Schedule IV of the Act, 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. As required, a declaration duly signed by

the Chairman & Managing Director regarding affirmation of compliance with the Code of Conduct is attached as "Appendix-A".

**(e) Certificate from Statutory Auditor regarding compliance of conditions of corporate governance**

A certificate from the Statutory Auditor is annexed as "Appendix-B" certifying the compliance of corporate governance requirements by the Company.

On behalf of the Board of Directors

|                           |                                                                        |                                                         |
|---------------------------|------------------------------------------------------------------------|---------------------------------------------------------|
|                           | <b>Rajeev Anand</b><br>(Chairman & Managing Director)<br>DIN: 02519876 | <b>Rajiv Lochan Jain</b><br>(Director)<br>DIN: 00161022 |
| May 29, 2019<br>New Delhi |                                                                        |                                                         |

**Appendix-A**

Corporate Governance Report  
of Goodyear India Limited

**Declaration regarding Affirmation of compliance with the Code of Conduct**

I hereby, confirm that the Company has received affirmations in compliance with the Code of conduct for the FY 2018-19 from all the Board Members and Senior Management Personnel pursuant to the requirements of Regulation 26(3) of Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations 2015.

On behalf of the Board of Directors

Date: May 29, 2019  
Place: New Delhi

**Rajeev Anand**  
(Chairman & Managing Director)  
(DIN: 02519876)



UDIN: 19094468AAAAAV7277

TO THE MEMBERS OF  
GOODYEAR INDIA LIMITED

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

1. This certificate is issued in accordance with the terms of our engagement letter dated May 23, 2018.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Goodyear India Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 as applicable and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

**Managements' Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.
9. 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 DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Place: New Delhi  
Date: May 29, 2019

Vijay Agarwal  
Partner  
(Membership No. 094468)



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 1. Industry Structure & Developments

The country saw growth momentum in the rural sector due to normal monsoon, favorable financing options and government budgetary support. This resulted in the Indian tractor industry witnessing a double-digit growth for the third consecutive year. However, the last quarter of the year was impacted due to key macro events including elections and liquidity crunch.

As a significant player in this category, the Company continued to work with its customers collaboratively and with agility, to sustain our business growth in line with industry demand. The business focused on delivering sales and marketing excellence together with innovation and operational excellence to win in the market. This helped the Company to sustain its leadership in this category.

Consumer Replacement business witnessed a positive growth in Financial Year (FY) 2018-19 after a strong recovery post demonetisation and policy changes. Positive long-term economic outlook and growing vehicle population are expected to drive future industry growth for the consumer replacement business.

### 2. Strength, Weakness, Opportunities and Threats

The Company is a leading player in the India farm tyre market. Its major strength is that Goodyear is a strong global brand in a category dominated by local players. The Company has a high share of business with its OE customers which helps leverage strong consumer pull in the replacement market. The Company works with its key OEM customers on Raw Material Index (RMI) based pricing, driving trust and transparency.

However, the Company has limited presence in Commercial category (Truck & Bus) which contributes almost half of the tyre industries' contribution. This limits its ability for portfolio selling and ability to mitigate risk of the Farm category.

The strong government budgetary thrust together with positive monsoon forecast by IMD augur well for the agricultural economy. Current water storage levels are ~10% higher in key reservoirs over the last year. This will help a Kharif crop sowing. There are some near term headwinds due to OEM Industry de-growth which the Company is working on to mitigate.

The category is now attracting new players as well as higher focus from entrenched players. Our Business team is working collaboratively and with agility to ensure we sustain our position as a leading player in the category.

The consumer tyre industry is witnessing a shift in demand for premium cars, thus fueling growth in luxury and SUV segments. This is expected to create opportunities for the business to grow volume and improve profitability. The economy is expected to grow at a robust pace, providing a favorable outlook for the future.

Innovation, performance and safety are core to Goodyear, and the same values are reflected in the Company's products, which are engineered to enhance driving experiences.

The competitive intensity has been high and continues to intensify with increased investments in the consumer business to garner a higher share of business. However, the Company continues to focus on brand building through sustained efforts on digital and traditional media channels to continue building consumer engagement. The company also continues to focus on increasing distribution footprint, strengthening the presence in exclusive Goodyear stores and improving overall customer experience. The Company will continue to work to overcome challenges and capitalize on opportunities to grow the overall business.

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

The Company manufactures automotive bias tyres viz. farm tyres and commercial truck tyres at its Ballabgarh plant and also trades in "Goodyear" branded tyres [including radial passenger 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 | 178,941 |
| Flaps | 50      |
| Tubes | 9,486   |

### 4. Outlook

The Company is expecting the rural economy to remain robust, based on a favorable monsoon outlook and high focus from the government. Strong agricultural output coupled with higher MSP (Minimum Support Price as per the new market assurance scheme rolled out in Budget 2018-19) will boost farm income and increase rural spending. This should lead to a sustained good performance from the Farm business. In addition, higher mechanization will further support growth in this category.

The Company will continue to focus on sustaining leadership delivered by a best in class team. The Farm OE business will focus to deliver excellence in customer service and key account management. In the Farm replacement business, the Company continues to focus on channel expansion, engagement and activations through sales and marketing excellence. Innovation excellence in niche applications will help support the growth.

The passenger tyre industry is likely to register strong growth in the FY 2019-20. Strengthening product portfolio, driving distribution expansion and brand building will be the key priorities in 2019-20. Positive long-term economic outlook



and growing vehicle population are expected to drive future industry growth for consumer replacement business

## 5. Risks and Concerns

Key Macro events to watch out include liquidity and Monsoon. Increased competitive intensity possess a continuous challenge in growing shares.

Current slowdown in automobile market and its likely impact on replacement business continues to be a challenge.

## 6. Internal Control Systems and Adequacy

The Company has a proper and adequate system of internal control including internal financial controls. The Company has an Audit Committee headed by a Non-Executive Independent Director, inter-alia, to oversee the 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 the Company's policies. Weaknesses noted along with agreed upon action plans are shared with the Audit Committee, which is designed to ensure orderly and efficient conduct of the business and effectiveness of the internal control system. The audit function also looks into preventive controls, investigations, as well as other areas requiring mandatory review as per 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. The internal audit department shares regular updates regarding the work that is 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. The internal control is supplemented by an extensive program of audits and periodic review by the management.

## 7. Discussion on Financial Performance with respect to Operational Performance

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

(Rs. in Lakhs)

| Particulars       | March 31, 2019 | March 31, 2018 |
|-------------------|----------------|----------------|
| Total Income      | 194,960        | 1,74,262       |
| Profit Before Tax | 15,814         | 19,928         |

The financial performance of the Company has been further explained in the Board's Report of the Company for the FY 2018-19 appearing separately.

The financial reports have been prepared in accordance with the requirement of Companies Act 2013, and applicable accounting standards issued by the Institute of Chartered Accountant of India.

## 8. Human Resources

Industrial harmony was maintained during the year through peaceful and productive employee relations. Multiple training sessions were imparted to employees on matters related to ethics and compliance, discipline, safety of the employees and environmental awareness. Various employee engagement initiatives were conducted within the salaried and hourly paid employees to increase the engagement levels of employees. The total number of salaried and hourly paid associates as on March 31, 2019 stood at 904.

## 9. Details of significant changes in key financial ratios along with detailed explanations thereof, including:

| S. No. | Particulars                                                                                                                                    | FY 2018-19 | FY 17-18 |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------|
| 1      | Debtors Turnover                                                                                                                               | 7.7        | 8.2      |
| 2      | Inventory Turnover                                                                                                                             | 10.7       | 9.1      |
| 3      | Interest Coverage Ratio                                                                                                                        | 53.7       | 70       |
| 4      | Current Ratio                                                                                                                                  | 2.3        | 2.1      |
| 5      | Debt Equity Ratio                                                                                                                              | 0.5        | 0.6      |
| 6      | Operating Profit Margin in percentage*                                                                                                         | 6.5%       | 9.7%     |
| 7      | Net profit margin in Percentage*                                                                                                               | 5.4%       | 7.6%     |
| 8      | Details of any change in Return on Net worth as compared to the immediately previous financial year along with a detailed explanation thereof* | 12.1%      | 17.2%    |

\* Operating profit and Net profit margin has been reduced as compared to last year due to increase in raw material and traded goods prices.

## 10. Cautionary Statement

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

On behalf of the Board of Directors

May 29, 2019  
New Delhi

Rajeev Anand  
(Chairman &  
Managing Director)  
DIN: 02519876

Rajiv Lochan Jain  
(Director)  
DIN: 00161022



Particulars of Employees pursuant to the Section 197 (12) of Companies Act, 2013 and Rule 5(1), 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A- Statement of Particulars of Employees pursuant to the Section 197 (12) of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:

| S. No. | Executive Director(s) | Ratio to Remuneration |
|--------|-----------------------|-----------------------|
| 1.     | Mr. Rajeev Anand      | 43.7:1                |
| 2.     | Mr. Mitesh Mittal     | 22.3:1                |

Notes: (i) Independent Director(s) are not paid any remuneration other than sitting fee of Rs. 50,000/- per meeting (Board/Committee) (GST extra) and reimbursement of expenses including travelling/conveyance expenses. Non-Executive Director (Ms. Nicole Amanda Nuttall) has not been paid any remuneration or sitting fee.

(ii) Ratio to remuneration (of Mr. Rajeev Anand and Mr. Mitesh Mittal) has been calculated on the basis of annual cost to Company including Performance Bonus @100% excluding Insurance Premium, Leave Encashment, non - qualified stock appreciation rights plan / restricted stock unit), Long Term Incentive Plan (LTIP), Company Car.

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| S. No. | Name                           | Designation                                                                        | % increase in remuneration in the financial year 2018-19 |
|--------|--------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------|
| 1      | Mr. Rajeev Anand               | Chairman & Managing Director                                                       | -32.60%                                                  |
| 2      | Mr. Mitesh Mittal <sup>1</sup> | Finance Director                                                                   | 146.47%                                                  |
| 3      | Mr. Pankaj Gupta <sup>2</sup>  | Head – Legal & Company Secretary, India and Legal Counsel (OTR & OE), Asia Pacific | 1.96%                                                    |

1. Mr. Mitesh Mittal appointed as Chief Financial Officer of the Company effective November 13, 2017 and further appointed as Whole Time Director (designated as Finance Director) effective November 13, 2017 (part of year).

2. Mr. Pankaj Gupta, Company Secretary of the Company has resigned effective closure of business hours of March 31, 2019

Note: Independent Directors are not paid any remuneration other than sitting fee of Rs. 50,000/- per meeting (Board/Committee) (GST paid extra) and reimbursements of expenses including travelling/conveyance expenses. Non-Executive Director (Ms. Nicole Amanda Nuttall) has not

been paid any remuneration or sitting fee.

- (iii) The percentage increase in the median remuneration of employees in the Financial Year:

The percentage increase in the median remuneration of employees is 9.10%.

Remuneration has been calculated on the basis of annual Cost to Company including Performance Bonus @100% excluding Insurance Premium, Leave Encashment, non-qualified stock appreciation rights plan (SAR)/ Restricted Stock Unit (RSU), Long Term Incentive Plan (LTIP), Company Car

- (iv) The number of permanent employees on the rolls of Company: 904

- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out exceptional circumstances for an increase in the managerial remuneration (if any):

The average annual increase made in the salary of employees other than the managerial personnel in the financial year was 0.35% and increase in managerial personnel was -10.25%.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company hereby affirms that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

B. Statement of Particulars of Employees pursuant to the Section 197 (12) of Companies Act and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (a) Details of the employees employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees per year;

Name, Designation, Qualification, Experience (in Yrs.), Remuneration (in Rs.), Date of Appointment, Age (in Yrs.), Particulars of last employment

1. Rajeev Anand<sup>^</sup>, Chairman & Managing Director, Diploma Mech. Engg., 37 36214849, 01.01.1982, 59, Nil; 2. Mitesh Mittal- Finance Director, B.Com(H), CS, CA, MBA, CPA, 22, 16744299, 05.10.2017, 41, Director - Finance & IT, OTIS Elevator Company (India) Limited; 3. P.K. Walia, Vice President - Consumer PBU, MBA, The University of Chicago - Booth School of Business, 34, 17029199 01.08.1984, 57, Nil; 4. Randeep Singh Kanwar\*, Managing Director - Goodyear Indonesia, B.Tech, PGDM (Symbiosis Institute of Management Studies), 21, 11909691, 14.11.2011, 45, Country Head India, Assa Abloy India Ltd; 5. Sandeep Mahajan, Vice President - Farm, Commercial & OTR



PBU, BE (Mechanical), PGDM (Indian Institute of Management, Bangalore), 29, 15411179, 20.06.2012, 54, General Manager - Rural, Brand Shop & Channel Management, LG Electronics India Pvt. Ltd.; 6. Soumava Laha\*, Senior Director Supply Chain - Asia Pacific, Bachelor of Engineering (Mechanical), PGDIM (Operations and Finance), Diploma in Business Finance (ICFAI, Hyderabad), 28, 17183193, 10.10.2007, 51, Assistant General Manager-Sourcing and Plant Operations, Valvoline Cummins Ltd.; 7. Vipul Sethi, Associate Director - Sales Replacement (Consumer PBU), B.Sc., PGDBM (Bhopal University), 33, 11280415, 05.06.2013, 55, General Manager, West and South, Castrol India Ltd.; 8. Harbhajan Singh,\*Director Planning Supply Chain - Consumer PBU, MBA from NITIE Mumbai, India, Bachelor of Engineering Mechanical from Haryana India., 15, 10745160, 07.08.2008, 40, Manager Supply Chain, Castrol India limited., 9. Pankaj Gupta, Head - Legal & Company Secretary, India and Legal Counsel (OTR & OE), Asia Pacific, B. Com. (Hons.), FCS, LL.B., 22, 11355891, 21.04.2010, 46, Sr. Manager (Legal) and Company Secretary, Aricent Technologies (Holdings) Ltd; 10. Deleep Zachariah, HR Director India, BA(Law), LLB, MBA, 16, 15190975, 21.09.2017, 42, Director - Global HR Transformation, United Technologies Corporation India Private Limited; 11. Sujit Guha, Director Supply Chain India, B.Tech (Electrical), IIT Kanpur, PGDBM (IIM, Kolkata), 30, 10557959, 26.03.2018, 54, Teacher, The Shri Ram School.

- b) Details of the employees employed for a part of the Financial Year and was in receipt of the remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs and fifty thousand rupees per month;

Name, Designation, Qualification, Experience (in Yrs.), Remuneration (in Rs.), Date of Appointment, Age (in Yrs.), Particulars of last employment

1. Sin Wee Yeoh, Manufacturing Director India, B.Sc.(Hons) (Staffordshire University), UK, 27, 67298861, 01.07.2017, 47, Regional Operation Director, Goodyear Shanghai; 2. K Banerjee\*, PMO Director, AP, B. Tech (Mechanical Engineering), Mysore University, Karnataka, 38, 1978857, 04.10.1993, 61, Captive Power Plant Manager, ICI India Ltd; 3. Raju Madhukarrao Bawankar, Director - Supply Chain, BE (Mechanical Engineering) Shivaji University, Maharashtra, 26, 2223651, 20.08.2015, 48, Head-Supply Chain, Caterpillar India; 4. Ramesh Chand Chutani, Manager - Procurement Operations, India, BSc. (Kurukshetra University), 39, 4337694, 01.10.1980, 61, Nil; 5. Surjeet Singh Gandhi, Business Manager - Kelly Distribution, Bachelor of Science from R J College Bombay, Bombay University, H Sc. From R J College Bombay, Pune University, 35, 4786498, 18.11.2002, 58, Area Sales Manager, Modi Rubber Limited; 6. Pulak Tripathi, Sales Manager, B Sc from Culcatta University, DCA\_British Institute, Calcutta, Diploma in Management Studies, Bombay, 27, 596230, 28.04.2004, 55, Sr. Territory Manager, Ceat Limited; 7. Sumeet Kumar Barua, Sales Manager, Bachelor of Science from Lucknow Christian College, Lucknow University, Diploma (Sales & Marketing) from London College of Mgmt., London, 28, 678975, 16.05.2009, 38, Exclusive Sales

Representative, MRF Limited; 8. Gajendra Singh Dasila, Assistant Manager - Maint. (Electrical), B Tech (Electrical) from Delhi University, Delhi, 13, 187173, 19.09.2009, 38, Shift Engineer, Khanna Paper (Amritsar); 9. Milind Katekar, Manufacturing Director - Ballabgarh, BE (Mechanical) from Govt Engineering College, Kohlapur, Shivaji University, MDP Nashik, Symboisis institute of Mgmt., Symboisis, 33, 2584244, 01.01.2019, 54, Manufacturing Director-Aurangabad, Goodyear South Asia Tyres Private Limited; Hundal Sarabjit Singh; Manufacturing Director-Ballabgarh, M.S., Chemistry (University of Bombay), Advanced Course in Management (IIM, Ahemadabad), AMP (ISB, Hyderabad), 33, 19006806, 15.11.2010, 58, VP-Manufacturing, CEAT Ltd.

#### Notes to Para B (a) and (b):

- The names of Employees mentioned in Para (a) also indicate the top 10 (ten) employees in terms of remuneration drawn as per the requirement(s) of Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- Employees named above are/were Whole Time employees of the Company;
- Conditions of employment provide for termination of services by either party upon giving three months' notice;
- None of the employees named above is a relative of any Director;
- Designation of the employees indicates the nature of duties.
- None of the above-mentioned employees hold shares of the Company as on March 31, 2019 except Mr. Mitesh Mittal- Finance Director of the Company holding 500 shares.

\*These associates / employees are being seconded to Goodyear entities outside India.

^Board Member as on March 31, 2019

- (b) If employed throughout the Financial Year or part thereof and was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

NIL

Notes: Remuneration generally means and includes salary, bonus, Company's contribution to Provident Fund, Leave Travel, HRA, expenditure incurred on providing Housing, Medical and other facilities.

On behalf of the Board of Directors

|              |                                                          |                                        |
|--------------|----------------------------------------------------------|----------------------------------------|
|              | <b>Rajeev Anand</b><br>(Chairman &<br>Managing Director) | <b>Rajiv Lochan Jain</b><br>(Director) |
| May 29, 2019 | DIN: 02519876                                            | DIN: 00161022                          |
| New Delhi    |                                                          |                                        |



## **Annual Report on Corporate Social Responsibility ("CSR") Activities**

1. A brief Outline of the Company's CSR Policy, including overview of the projects or programs undertaken and a reference to the web-link to the CSR Policy and projects or programs

The Company has constituted the Corporate Social Responsibility (CSR) Committee in compliance with the provisions of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"). The CSR Committee has articulated a CSR Policy indicating the activities to be undertaken by the Company. The CSR Policy may be accessed on the Company's website at: <https://www.goodyear.co.in/wp-content/uploads/Goodyear-India-Limited-CSR-Policy-1.pdf>

Further, below is the overview of the projects/ programs undertaken by the Company during the year under review:-

- a. 'Safer Roads, Safer You' - training programme for school bus drivers and attendants on Road Safety in Delhi NCR and Mumbai and awareness generation workshops for traffic officials: The project was supported by the Company for the fourth year in row with an aim to promote safe mobility. Implemented by Institute of Road Traffic Education (IRTE), the aim of the project for the year was to build capacity of school bus drivers and attendants to enhance safety of transportation of school children. During the year, with the company's support 2663 school bus drivers and attendants were trained across 64 schools in Delhi NCR and Mumbai. IRTE also organized road safety awareness workshops for 583 traffic officials. As part of the project, a two-day conference was organized in Delhi in partnership with the Ministry of Road Transport & Highways, Government of India on Safe Transportation for School Children.
- b. A community-led sustainable development program of natural resources in villages of Maharashtra: The Company collaborated with International Association for Human Values (IAHV) for the execution of the project with an aim to increase water availability for crops, livestock and human consumption in villages of Maharashtra. It is hoped that this will lead to sustainable development of communities. Under the project, the Company supported construction of watershed structures and awareness generation among the village residents on natural resource management. The project has resulted in creation of 190 TCM (Thousand Cubic Meters) of

additional water harvesting capacity which will benefit ~15000 people in the micro watershed covering 17 villages.

- c. Sports infrastructure support for athletes from economically challenged area in Manipur: The Company undertook two new projects during the year in Imphal district of Manipur with an aim to support athletes from economically challenged backgrounds by creating training and supporting infrastructure. Mary Kom Regional Boxing Foundation (MKRBF), the implementation partner has constructed a boxing ring and arena which will be used for training purpose of 100 boxers. Additionally, the Company has partially supported construction of Kitchen and Dining hall facility for the athletes.

2. The Composition of the CSR committee:

As on the date of this report, composition of CSR Committee is as follows:

| S. No. | CSR Committee Member        | Designation/ Category        | Role in the CSR Committee |
|--------|-----------------------------|------------------------------|---------------------------|
| 1      | Mr. Rajeev Anand            | Chairman & Managing Director | Chairman                  |
| 2      | Mr. Chandrashekhar Dasgupta | Independent Director         | Member                    |
| 3      | Mr. Mitesh Mittal           | Finance Director             | Member                    |

3. Average Net Profit of the Company for the last three Financial Years:

Rs. 19,794.61 lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Rs. 395.89 lakhs

5. Details of CSR Spend during the Financial Year:

- a) Total amount to be spent for the Financial Year: Rs. 395.89 lakhs
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the Financial Year is detailed below:



(Amount in Rs.)

| S. No. | CSR Project or activity identified                                                   | Sector in which the project is covered (as per Schedule VII)                                                                                                                             | Projects or programs<br>(1) Local area or other<br>(2) Specify the state and district where projects or programs was undertaken | Amount outlay (budget) projects or programs wise | Amount spent on the projects or programs Sub-heads<br>(1) Direct expenditure on projects or programs<br>(2) Overheads | Cumulative expenditure up to the reporting period | Amount Spent: Direct or through implementing agency |
|--------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------|
| 1      | Training school bus drivers and attendants on road safety                            | "Promoting education, including special education & employment enhancing vocational skills among children, women, elderly and the differently abled and livelihood enhancement projects" | Delhi NCR, Maharashtra - Mumbai                                                                                                 | 1,55,00,000                                      | (1) Direct expenses: 1,50,96,720<br>(2) Overheads: 5,00,000                                                           | 1,55,96,720                                       | Institute of Road Traffic Education (IRTE)          |
| 2      | A community led sustainable development program of natural resources in rural India  | "Rural Development"                                                                                                                                                                      | Maharashtra - Amravati                                                                                                          | 1,45,00,000                                      | (1) Direct expenses: 1,40,00,000<br>(2) Overheads: 5,00,000                                                           | 1,45,00,000                                       | International Association for Human Values (IAHV)   |
| 3      | Sport Infrastructure support for training boxers from Socially challenged background | "Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports"                                                                                   | Manipur - Imphal                                                                                                                | 55,00,000                                        | (1) Direct expenses: 52,00,000<br>(2) Overheads: 3,00,000                                                             | 55,00,000                                         | Mary Kom Regional Boxing Foundation (MKRBF)         |
| 4      | Sport Infrastructure support for training boxers from Socially challenged background | "Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports"                                                                                   | Manipur - Imphal                                                                                                                | 34,00,000                                        | (1) Direct Expenses: 34,00,000                                                                                        | 34,00,000                                         | Mary Kom Regional Boxing Foundation (MKRBF)         |
|        | Administrative expenses (Up to 5% of CSR spend)                                      |                                                                                                                                                                                          |                                                                                                                                 | 6,89,220                                         | 5,92,500                                                                                                              | 5,92,500                                          |                                                     |
|        | Total                                                                                |                                                                                                                                                                                          |                                                                                                                                 | 3,95,89,220                                      | 3,95,89,220                                                                                                           | 3,95,89,220                                       |                                                     |

6. In case the Company fails to spend the 2% of the Average Net Profit (Rs.) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board's report:

Not Applicable. During the financial year, the Company has spent two percent of the average net profit of the last three financial years.

7. Responsibility Statement of the CSR Committee:

The CSR Committee of the Company hereby confirms that the implementation and monitoring of the CSR projects and activities is in compliance with the CSR objectives and Policy of the Company.

On behalf of the Board of Directors

May 29, 2019  
New Delhi

**Rajeev Anand**  
(Chairman &  
Managing Director)  
DIN: 02519876

**Rajiv Lochan Jain**  
(Director)  
DIN: 00161022



## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

### A) CONSERVATION OF ENERGY:

#### (i) Steps taken or impact on conservation of energy:

- 1) Banbury area LED Power Savings.
- 2) LED Light In Place of Conventional light.
- 3) Painting Line Air Pump elimination.
- 4) Energy Saver Operation Optimization.
- 5) Forklift Battery Charger Automation.
- 6) Warehouse Tire Air Compressor Optimization.
- 7) Mixer RAM Operation optimization.
- 8) Water cost reduction: Avoidance of Water Tanker
- 9) Mixer Cooling tower Operation optimization
- 10) Interlocking for Various equipment's Units for Power Saving
- 11) Air loss reduction at Tire building: Stoppage of Air in tire building machine.
- 12) 500Kwp solar power generation.

#### Steam & Nitrogen:

- 1) N2 Consumption reduction
- 2) Steam generation outsource.
- 3) Reduction of Heat loss due to redundant steam pipe line.

#### (ii) Steps taken by the company for utilizing alternate sources of energy:

- 1) Auto temperature Control -Cooling Towers
- 2) Auto loading control system for compressors
- 3) Remove compress air for cleaning purpose
- 4) PCI leak check audit.
- 5) Condensate return improvement.
- 6) Wartsila And Boiler Running Light Diesel oil in place High Speed Diesel.
- 7) Boiler running on Biomass/Coal.

#### (iii) Capital investment on energy conservation equipment's:

(Rs. in Lakhs)

| Nature of Investment                    | Capital investments on energy conservation equipment's |
|-----------------------------------------|--------------------------------------------------------|
| 50PCI Compressor for Curing             | 97                                                     |
| Heat Saving through Insulation          | 116                                                    |
| Reduction of Steam consumption in Plant | 23                                                     |
| Solar Power 500KWp                      | 61                                                     |
| Turbine Co-generation                   | 8                                                      |
| Total                                   | 305                                                    |

### B) TECHNOLOGY ABSORPTION:

#### (i) Efforts made towards technology absorption

##### a) New Product Introduction

The Company with the assistance of the Goodyear Tire & Rubber Company's Innovation centers in Akron, USA and Luxembourg, EU in research and development activities to introduce new products and improve its existing product line to meet the customers' expectations and requirements.

##### b) Process Improvement

The Company's manufacturing unit undertakes focused engagement of its associates in planned activities on process improvements to reduce process variation and waste

##### c) Systems improvement

The Company periodically receives ISO 9001 for Quality Management System and ISO 14001 for Environmental Management System and was most recently recertified from 2018. Further the Company's systems and procedures are based on Goodyear global Quality management system.

#### (ii) Benefits derived like product improvement, cost reduction, product development or import substitution

- Specific areas in which Research and Development ("R&D") activities are normally carried out by the Company with the assistance of the Goodyear innovation centers under the:
  - a. New products development for local and export market particularly in OE fitments for tractors exported by tractor manufacturers.
  - b. Emphasis on continual improvement in manufacturing process and product quality aided and guided by Asia Pacific and Global Quality teams to cater to customer satisfaction. Reduction in organic solvent usage, processes waste and energy usage.
  - c. Embraced Plant Optimization (PO) methodology to improve plant reliability and efficiency. This aided with technology support resulted in continuous stable process, improvement in productivity at optimum manufacturing cost.
  - d. Development/ introduction of new and changed compound formulations and changes in construction have enabled to meet customer



expectation and product performance

- e. Equipped with farm tyre testing facility for new product industrialization and new product launches with minimum lead time, as well as for product benchmarking.
- Benefits derived as a result of above R&D/efforts:
  - a. The R&D activities help the Company to add new products to its portfolio, increase size ranges and meet customer requirement. These activities also enable 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.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)-

|    |                                                                                                           |                |
|----|-----------------------------------------------------------------------------------------------------------|----------------|
| a) | Technology imported                                                                                       | NONE           |
| b) | Year of import                                                                                            | Not Applicable |
| c) | Has technology been fully absorbed?                                                                       |                |
| d) | If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action |                |

(iv) Expenditure incurred on Research and Development (R&D)

Following are the details of expenditure incurred on Research and Development during the FY 2018-19:

(Rs. in Lakhs)

|                                                         |        |
|---------------------------------------------------------|--------|
| Capital                                                 | NIL    |
| Recurring                                               | 27     |
| Total                                                   | 27     |
| Total R&D Expenditure as a Percentage of total turnover | 0.014% |

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in Lakhs)

| Year                                   | Earned       |        | Used          |                 |              |        |
|----------------------------------------|--------------|--------|---------------|-----------------|--------------|--------|
|                                        | Export (FOB) | Others | Import (CIF)  |                 |              |        |
|                                        |              |        | Capital Goods | Stores & Spares | Raw Material | Others |
| 2018-19<br>(Year ended March 31, 2019) | 1,010        | 1,332  | 1,157         | 58              | 8,944        | 9,776  |

On behalf of the Board of Directors

May 29, 2019  
New Delhi

Rajeev Anand  
(Chairman &  
Managing Director)  
DIN: 02519876

Rajiv Lochan Jain  
(Director)  
DIN: 00161022



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF GOODYEAR INDIA LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Goodyear India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year then ended.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Emphasis of Matter

We draw attention to Note 28 to the financial statements regarding the Supreme Court's judgement in respect of the authority of the State to levy an 'entry tax'. The Company has sought legal advice with regard to levability of tax as notified by the Haryana Government in view of the parameters defined in the Supreme Court judgement. Considering the legal advice and uncertainties associated, the Company has currently assessed the obligation towards entry tax as a contingent liability, which is not quantifiable as the enabling rules have not been notified and the Company has not received any notices or demands.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter                                                                                                                                                                                                             | Response to key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Evaluation of disputed tax cases</b><br>The Company has material disputed tax cases which involves significant judgment to determine the possible outcome of these disputes.<br>Refer note 28 of the financial statements | <b>Principal Audit Procedures</b><br>We evaluated the design and implementation and operating effectiveness of controls in respect of disputed tax cases.<br>We involved our internal tax experts, to gain understanding of the current status of the disputed tax cases; and to challenge management's underlying assumptions in estimating the possible outcome of these tax disputes. Our internal tax experts considered legal precedence and other ruling in evaluating management's position on these disputed tax cases. We also considered the effect of new information in respect of disputed tax cases as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.<br>Our audit procedures also included; <ul style="list-style-type: none"> <li>• Reading and evaluating external legal opinions obtained by the management;</li> <li>• Direct communication with the relevant third party legal representatives regarding certain material disputed tax cases;</li> <li>• Inquiry with local management and reading relevant Company's correspondence;</li> <li>• Assessing management conclusion through understanding precedents set in similar tax cases</li> </ul> |

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance



report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal finance controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the

operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Place: New Delhi  
Date: May 29, 2019

Vijay Agarwal  
Partner  
(Membership No. 094468)



# Report on Internal Financial Controls Over Financial Reporting

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Goodyear India Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Place: New Delhi  
Date: May 29, 2019

Vijay Agarwal  
Partner  
(Membership No.094468)



## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner 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 program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, all inventories, other than for goods in transit, were physically verified during the year by the Management at reasonable intervals. The discrepancies noticed on physical verification during the year were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees under Section 185 and 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, cess and other material statutory dues applicable to it with the appropriate authorities and has generally been regular in depositing Income tax, Goods and Services tax and Customs duty with the appropriate authorities. Also refer to the note 28 in the financial statement regarding management assessment on certain matters relating to the provident fund.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Customs Duty, Goods and Services tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - (c) There are no dues of customs duty which have not been deposited on account of any dispute. The Particulars of dues of Income-tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:



| Name of Statute                                    | Nature of Dues             | Forum where Dispute is Pending                                  | Period to which the Amount Relates                                                          | Amount disputed (Rs. in lakhs) | Amount disputed (net of payment under protest) (Rs. in lakhs) |
|----------------------------------------------------|----------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------------|
| Income Tax Act, 1961                               | Income tax                 | Dispute Resolution Panel                                        | Apr 2008 - Mar 2013                                                                         | 210                            | 110                                                           |
|                                                    |                            | High Court                                                      | Apr 2004 - Mar 2010                                                                         | 167                            | 128                                                           |
| Central and State Tax Acts                         | Sales Tax/ Value Added Tax | First level of appellate authority                              | Apr 1997 - Mar 1998<br>Jan 2001 - Mar 2004<br>Apr 2007 - Mar 2010<br>Apr 2015 - Mar 2016    | 109                            | 106                                                           |
|                                                    |                            | High Court                                                      | Apr 2002 - Mar 2003                                                                         | 1                              | 1                                                             |
|                                                    |                            | Sales Tax Tribunal                                              | Apr 2003 - Mar 2005                                                                         | 139                            | 118                                                           |
|                                                    |                            | Assistant Commissioner                                          | Apr 2003 - Mar 2004,<br>Apr 2008 - Sep 2010                                                 | 26                             | 23                                                            |
| The Central Excise Act, 1944 and Finance Act, 1994 | Excise Duty / Service tax  | Supreme Court of India                                          | Apr 1997 - Mar 1998                                                                         | 205                            | 102                                                           |
|                                                    |                            | The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) | Apr 2004 - Mar 2014                                                                         | 1,193                          | 797                                                           |
|                                                    |                            | Commissioner Appeal                                             | Apr 2007 - Mar 2009,<br>Apr 2011 - Mar 2013,<br>Apr 2014 - Mar 2015,<br>Apr 2012 - Mar 2017 | 171                            | 169                                                           |

The following matters has been decide in favour of the Company, although the department has preferred appeal at higher levels:

| Name of Statute      | Nature of Dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount disputed (Rs. in lakhs) |
|----------------------|----------------|--------------------------------|------------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income tax     | High Court                     | Apr 2006 – Mar 2012                | 1,555                          |

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and Section 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties entered during the year and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence, reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause (xvi) of the Order is not applicable to the Company.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Place: New Delhi  
Date: May 29, 2019

**Vijay Agarwal**  
Partner  
(Membership No.094468)



# GOODYEAR INDIA LIMITED

## Balance Sheet as at March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

|                                                                                          | Notes | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>ASSETS</b>                                                                            |       |                         |                         |
| (1) <b>Non-Current Assets</b>                                                            |       |                         |                         |
| (a) Property, plant and equipment                                                        | 3     | 25,089                  | 24,615                  |
| (b) Capital work in progress                                                             |       | 5,029                   | 2,619                   |
| (c) Intangible assets                                                                    | 4     | 6                       | 6                       |
| (d) Financial assets                                                                     |       |                         |                         |
| (i) Other financial assets                                                               | 5(a)  | 624                     | 627                     |
| (e) Other non-current assets                                                             | 6(a)  | 1,542                   | 1,165                   |
| (f) Current tax assets (net)                                                             | 6(b)  | 1,257                   | 1,730                   |
| <b>Total non-current assets</b>                                                          |       | <b>33,547</b>           | <b>30,762</b>           |
| (2) <b>Current Assets</b>                                                                |       |                         |                         |
| (a) Inventories                                                                          | 7     | 16,725                  | 16,824                  |
| (b) Financial assets                                                                     |       |                         |                         |
| (i) Trade receivables                                                                    | 5(b)  | 24,349                  | 20,829                  |
| (ii) Cash and cash equivalents                                                           | 5(c)  | 30,086                  | 31,872                  |
| (iii) Bank balances other than (ii) above                                                | 5(d)  | 25,795                  | 25,792                  |
| (iv) Other financial assets                                                              | 5(a)  | 964                     | 1,421                   |
| (c) Other current assets                                                                 | 8     | 1,587                   | 2,257                   |
| <b>Total current assets</b>                                                              |       | <b>99,506</b>           | <b>98,995</b>           |
| <b>Total assets</b>                                                                      |       | <b>133,053</b>          | <b>129,757</b>          |
| <b>EQUITY AND LIABILITIES</b>                                                            |       |                         |                         |
| <b>Equity</b>                                                                            |       |                         |                         |
| (a) Equity share capital                                                                 | 9(a)  | 2,307                   | 2,307                   |
| (b) Other equity                                                                         | 9(b)  | 84,405                  | 77,912                  |
| <b>Total equity</b>                                                                      |       | <b>86,712</b>           | <b>80,219</b>           |
| <b>Liabilities</b>                                                                       |       |                         |                         |
| (1) <b>Non-Current Liabilities</b>                                                       |       |                         |                         |
| (a) Provisions                                                                           | 11    | 2,158                   | 1,999                   |
| (b) Deferred tax liabilities (net)                                                       | 12    | 670                     | 919                     |
| (c) Other non-current liabilities                                                        | 13    | 34                      | 76                      |
| <b>Total non-current liabilities</b>                                                     |       | <b>2,862</b>            | <b>2,994</b>            |
| (2) <b>Current Liabilities</b>                                                           |       |                         |                         |
| (a) Financial liabilities                                                                |       |                         |                         |
| (i) Trade payables                                                                       | 10(b) |                         |                         |
| - Total outstanding dues of micro enterprises and small enterprises                      |       | 256                     | 140                     |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises |       | 33,959                  | 37,688                  |
| (ii) Other financial liabilities                                                         | 10(a) | 6,075                   | 5,630                   |
| (b) Provisions                                                                           | 11    | 1,105                   | 935                     |
| (c) Other current liabilities                                                            | 14    | 2,084                   | 2,151                   |
| <b>Total current liabilities</b>                                                         |       | <b>43,479</b>           | <b>46,544</b>           |
| <b>Total liabilities</b>                                                                 |       | <b>46,341</b>           | <b>49,538</b>           |
| <b>Total equity and liabilities</b>                                                      |       | <b>133,053</b>          | <b>129,757</b>          |

See accompanying notes to the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP  
Firm Registration No. 117366W/W-100018  
Chartered Accountants

Vijay Agarwal  
Partner  
Membership Number: 094468

Place: New Delhi  
Date: May 29, 2019

For and on behalf of the Board

Rajeev Anand  
Chairman & Managing Director  
DIN: 02519876

Sudha Ravi  
Director  
DIN: 06764496

Rajiv Lochan Jain  
Director  
DIN: 00161022

Anup Karnwal  
Company Secretary

Mitesh Mittal  
Chief Financial Officer & Finance Director  
DIN: 05231968

C Dasgupta  
Director  
DIN: 00381799

Nicole Amanda Nuttall  
Director  
DIN: 08164858



# GOODYEAR INDIA LIMITED

## Statement of Profit and Loss for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

|                                                                               | Notes | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------------------------------------|-------|------------------------------|------------------------------|
| Revenue from operations                                                       | 15    | 191,191                      | 170,597                      |
| Other Income                                                                  | 16    | 3,769                        | 3,665                        |
| <b>Total Income</b>                                                           |       | <b>194,960</b>               | <b>174,262</b>               |
| <b>Expenses</b>                                                               |       |                              |                              |
| Cost of materials consumed                                                    | 17(a) | 81,790                       | 69,986                       |
| Purchases of stock-in-trade                                                   |       | 50,157                       | 38,542                       |
| Changes in inventories of work-in-progress, stock-in-trade and finished goods | 17(b) | 303                          | (678)                        |
| Excise duty                                                                   | 15    | -                            | 4,128                        |
| Employee benefits expense                                                     | 18    | 12,666                       | 12,697                       |
| Finance costs                                                                 | 19    | 300                          | 289                          |
| Depreciation and amortisation expense                                         | 20    | 4,103                        | 3,615                        |
| Other expenses                                                                | 21    | 29,827                       | 25,755                       |
| <b>Total expenses</b>                                                         |       | <b>179,146</b>               | <b>154,334</b>               |
| <b>Profit before tax</b>                                                      |       | <b>15,814</b>                | <b>19,928</b>                |
| <b>Income tax expense</b>                                                     | 22    |                              |                              |
| - Current tax                                                                 |       | 5,802                        | 6,740                        |
| - Deferred tax                                                                |       | (195)                        | 192                          |
| <b>Total tax expense</b>                                                      |       | <b>5,607</b>                 | <b>6,932</b>                 |
| <b>Profit for the year</b>                                                    |       | <b>10,207</b>                | <b>12,996</b>                |
| <b>Other comprehensive income</b>                                             |       |                              |                              |
| Items that will not be reclassified to profit or loss                         |       |                              |                              |
| (i) Remeasurement of defined benefit plans                                    |       | (153)                        | (23)                         |
| Income tax related to above item                                              |       | 54                           | 8                            |
|                                                                               |       | (99)                         | (15)                         |
| <b>Other comprehensive income/ (loss) for the year, net of tax</b>            |       | <b>(99)</b>                  | <b>(15)</b>                  |
| <b>Total comprehensive income for the year</b>                                |       | <b>10,108</b>                | <b>12,981</b>                |
| <b>Earnings per equity share :</b>                                            | 32    |                              |                              |
| Basic earnings per Equity Share (Rs.)                                         |       | 44.25                        | 56.34                        |
| Diluted earnings per Equity Share (Rs.)                                       |       | 44.25                        | 56.34                        |
| Nominal value per Equity Share ( Rs.)                                         |       | 10                           | 10                           |
| See accompanying notes to the financial statements.                           |       |                              |                              |

In terms of our report attached.  
For Deloitte Haskins & Sells LLP  
Firm Registration No. 117366W/W-100018  
Chartered Accountants

Vijay Agarwal  
Partner  
Membership Number: 094468

Place: New Delhi  
Date: May 29, 2019

For and on behalf of the Board

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DIN:05231968

C Dasgupta  
Director  
DIN: 00381799

Nicole Amanda Nuttall  
Director  
DIN: 08164858



# GOODYEAR INDIA LIMITED

## Statement of Changes in Equity as on March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

### A. Equity share capital

|                                 | Note | Amount |
|---------------------------------|------|--------|
| As at April 1, 2017             |      | 2,307  |
| Changes in equity share capital |      | -      |
| As at March 31, 2018            | 9(a) | 2,307  |
| Changes in equity share capital |      | -      |
| As at March 31, 2019            |      | 2,307  |

### B. Other equity

|                                                | Note         | Reserves and surplus |                 |                   |                          | Total other equity |
|------------------------------------------------|--------------|----------------------|-----------------|-------------------|--------------------------|--------------------|
|                                                |              | Security premium     | General reserve | Retained earnings | Other equity-revaluation |                    |
| As at April 1, 2017                            | 9 (b)        | 6,314                | 6,420           | 55,395            | 272                      | 68,401             |
| Profit for the year                            |              | -                    | -               | 12,996            | -                        | 12,996             |
| Other comprehensive income/ (loss)             |              | -                    | -               | (15)              | -                        | (15)               |
| <b>Total comprehensive income for the year</b> |              | -                    | -               | <b>12,981</b>     | -                        | <b>12,981</b>      |
| Dividend paid                                  | 25           | -                    | -               | (2,883)           | -                        | (2,883)            |
| Dividend distribution tax on dividend paid     |              | -                    | -               | (587)             | -                        | (587)              |
| <b>Balance as at March 31, 2018</b>            | <b>9 (b)</b> | <b>6,314</b>         | <b>6,420</b>    | <b>64,906</b>     | <b>272</b>               | <b>77,912</b>      |

|                                                | Note         | Reserves and surplus |                 |                   |                          | Total other equity |
|------------------------------------------------|--------------|----------------------|-----------------|-------------------|--------------------------|--------------------|
|                                                |              | Security premium     | General reserve | Retained earnings | Other equity-revaluation |                    |
| As at April 1, 2018                            | 9 (b)        | 6,314                | 6,420           | 64,906            | 272                      | 77,912             |
| Profit for the year                            |              | -                    | -               | 10,207            | -                        | 10,207             |
| Other comprehensive income/ (loss)             |              | -                    | -               | (99)              | -                        | (99)               |
| <b>Total comprehensive income for the year</b> |              | -                    | -               | <b>10,108</b>     | -                        | <b>10,108</b>      |
| Dividend paid                                  | 25           | -                    | -               | (2,999)           | -                        | (2,999)            |
| Dividend distribution tax on dividend paid     |              | -                    | -               | (616)             | -                        | (616)              |
| <b>Balance as at March 31, 2019</b>            | <b>9 (b)</b> | <b>6,314</b>         | <b>6,420</b>    | <b>71,399</b>     | <b>272</b>               | <b>84,405</b>      |

See accompanying notes to the financial statements.

In terms of our report attached.  
For Deloitte Haskins & Sells LLP  
Firm Registration No. 117366W/W-100018  
Chartered Accountants

Vijay Agarwal  
Partner  
Membership Number: 094468

Place: New Delhi  
Date: May 29, 2019

### For and on behalf of the Board

Rajeev Anand  
Chairman & Managing Director  
DIN: 02519876

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DIN: 06764496

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Director  
DIN: 00161022

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Company Secretary

Mitesh Mittal  
Chief Financial Officer & Finance Director  
DIN: 05231968

C Dasgupta  
Director  
DIN: 00381799

Nicole Amanda Nuttall  
Director  
DIN: 08164858



# GOODYEAR INDIA LIMITED

## Cash Flow Statement for the year ended March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

|                                                                                   | Notes | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-----------------------------------------------------------------------------------|-------|------------------------------|------------------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>                                   |       |                              |                              |
| Profit before income tax                                                          |       | 15,814                       | 19,928                       |
| Adjustments for:                                                                  |       |                              |                              |
| Depreciation and amortisation expense                                             | 20    | 4,103                        | 3,615                        |
| Miscellaneous Income (Balance Recoverable from others)                            | 16    | (32)                         | -                            |
| Property, plant and equipment written off                                         | 21    | 35                           | 52                           |
| Finance costs                                                                     | 19    | 300                          | 289                          |
| Interest income classified as investing cash flows                                | 16    | (3,432)                      | (2,934)                      |
| Unwinding of discount on security deposits                                        | 16    | (11)                         | (31)                         |
| Liabilities/provisions no longer required written back                            | 16    | (52)                         | (261)                        |
| Provision for doubtful debts and other current assets                             | 21    | 64                           | 52                           |
| Net exchange differences gain/ (loss)                                             |       | (22)                         | 80                           |
| <b>Change in operating assets and liabilities:</b>                                |       |                              |                              |
| (Increase)/ decrease in Trade receivables                                         |       | (3,588)                      | (5,145)                      |
| (Increase)/ decrease in Inventories                                               |       | 99                           | 79                           |
| Increase/ (decrease) in Trade payables                                            |       | (3,535)                      | 11,592                       |
| (Increase)/ decrease in Other non-current assets                                  |       | (13)                         | 167                          |
| (Increase)/ decrease in Other current assets                                      |       | 702                          | (943)                        |
| Increase/ (decrease) in Provisions                                                |       | 176                          | (77)                         |
| Increase/ (decrease) in Other current liabilities                                 |       | (67)                         | (708)                        |
| Increase/ (decrease) in Other financial liabilities                               |       | 250                          | 239                          |
| Increase/ (decrease) in Other non-current liabilities                             |       | (42)                         | (23)                         |
| (Increase)/ decrease in Other financial asset                                     |       | 240                          | (74)                         |
| (Increase)/ decrease in Other bank balances                                       |       | (3)                          | (25)                         |
| <b>Cash generated from operations</b>                                             |       | <b>10,986</b>                | <b>25,872</b>                |
| Income taxes paid                                                                 |       | (5,329)                      | (7,644)                      |
| <b>Net cash inflow from operating activities</b>                                  |       | <b>5,657</b>                 | <b>18,228</b>                |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                                     |       |                              |                              |
| Payments for property, plant and equipment                                        |       | (7,219)                      | (5,073)                      |
| Interest received                                                                 |       | 3,663                        | 2,869                        |
| <b>Net cash outflow from investing activities</b>                                 |       | <b>(3,556)</b>               | <b>(2,204)</b>               |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                                     |       |                              |                              |
| Interest paid                                                                     |       | (275)                        | (283)                        |
| Dividends paid                                                                    |       | (2,996)                      | (2,858)                      |
| Dividend distribution tax paid                                                    |       | (616)                        | (587)                        |
| <b>Net cash outflow from financing activities</b>                                 |       | <b>(3,887)</b>               | <b>(3,728)</b>               |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>               |       | <b>(1,786)</b>               | <b>12,296</b>                |
| Cash and cash equivalents at beginning of the year                                |       | 31,872                       | 19,576                       |
| <b>Cash and cash equivalents at end of the year</b>                               |       | <b>30,086</b>                | <b>31,872</b>                |
| <i>Reconciliation of cash and cash equivalents as per the cash flow statement</i> |       |                              |                              |
| Cash and cash equivalents comprise of:                                            |       |                              |                              |
| Cash on hand (note 5 (c))                                                         |       | -                            | 1                            |
| Cheques on hand (note 5 (c))                                                      |       | 535                          | 301                          |
| Bank balances - Current accounts (note 5 (c))                                     |       | 3,034                        | 3,770                        |
| - Exchange Earner Foreign Currency (EEFC) account                                 |       | 68                           | *                            |
| - Demand deposits (Original maturity less than 3 months)                          |       | 26,450                       | 27,800                       |
| Effect of exchange rate changes                                                   |       | (1)                          | *                            |
| <b>Total</b>                                                                      |       | <b>30,086</b>                | <b>31,872</b>                |

\* Amount below the rounding off norm adopted by the company.

See accompanying notes to the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP  
Firm Registration No. 117366W/W-100018  
Chartered Accountants

Vijay Agarwal  
Partner  
Membership Number: 094468

For and on behalf of the Board

Rajeev Anand  
Chairman & Managing Director  
DIN: 02519876

Sudha Ravi  
Director  
DIN: 06764496

Rajiv Lochan Jain  
Director  
DIN: 00161022

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Company Secretary

Mitesh Mittal  
Chief Financial Officer & Finance Director  
DIN:05231968

C Dasgupta  
Director  
DIN: 00381799

Nicole Amanda Nuttall  
Director  
DIN: 08164858

Place: New Delhi  
Date: May 29, 2019



# GOODYEAR INDIA LIMITED

## Notes to Financial Statements as on March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

### Background

Goodyear India Limited (the "Company"), an existing company under the Companies Act, 2013, 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 Bombay Stock Exchange (BSE Limited).

### (1) SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

#### i) Basis of preparation

##### a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended and other relevant provisions of the Act.

##### b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments

##### c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

Expected to be realised or intended to be sold or consumed in normal operating cycle

Held primarily for the purpose of trading

Expected to be realised within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### ii) Segment reporting

Operating segments are reported in a manner consistent with the internal reports provided to the chief operating decision maker (CODM), Managing Director. Refer note 26 for segment information presented.

#### iii) Property, plant and equipment

Freehold land is carried at historical cost. All other items are stated at historical cost net of accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant



and equipment recognised as at January 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

*Depreciation methods, estimated useful lives and residual value:*

Depreciation is provided on the straight-line method to allocate their cost, net of their residual values, over the estimated useful lives of the assets as prescribed in the Schedule II of the Companies Act, 2013 except for certain fixed assets where, based on technical evaluation by internal managements experts, the useful life of certain items of plant and machinery, buildings, office equipment and furniture and fixture have been determined to be different from those mentioned in schedule II of the Companies Act, 2013, in order to reflect the actual usage of assets.

| Class of Asset         | Useful life  |
|------------------------|--------------|
| Freehold Buildings     | 5 – 30 Years |
| Furniture and Fittings | 2 – 10 Years |
| Office Equipments      | 3 – 6 Years  |
| Plant and Machinery    | 2 – 40 Years |
| Vehicles               | 8 Years      |

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from (upto) the date on which the asset is ready for use / disposed off.

Spare parts having useful life of more than one period are accounted for as separate items and are depreciated over the useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are 'included in profit or loss within other income/ other expenses.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or lease term, whichever is lower, if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

#### iv) Intangible assets

*Computer software*

Intangible assets are stated at acquisition cost, net of accumulated amortization and impairment losses, if any. Costs associated with maintaining software programmes are recognised as an expense as incurred.

*Transition to Ind AS:*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets

recognised as at January 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

*Amortisation methods and periods:*

The Company amortises intangible assets with the finite useful life (computer software) using straight line method over a period of 6 years.

#### v) Inventories

*Raw materials and stores, work in progress, traded and finished goods:*

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realisable 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 |

#### vi) Revenue Recognition

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer note 1(vi), Significant accounting policies, in the Companies March'18 annual report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 has resulted into gross up of revenue and advertisement & sales promotion expenses, other than this the effect of Ind AS 115 was insignificant.

Sale of goods: Revenue is measured at the fair value of consideration received or expected to be received in exchange for transferring goods or providing services.



The amount of consideration disclosed as revenue is net of goods and service tax and variable considerations like sales incentives, rebates, rights of return or other items offered to the customers. The variable considerations are estimate of the expected amounts based on an analysis of historical experience, or as the most likely amount in a range of possible outcomes.

The Company recognises revenue when obligations under the terms of a contract are satisfied and control is transferred. This generally occurs with shipment or delivery, depending on the terms of the underlying contract, or when services have been rendered. At contract inception the Company assesses its performance obligation in the contract and allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price. Further revenue and advertisement & sales promotion expenses are grossed up as and when gifts/ vouchers have been provided to the customers. Payment terms with customers vary by customer, but are generally 30-90 days.

When consideration from a customer is received prior to transferring of goods or services under the terms of a sales contract, the Company records deferred revenue, which represents a contract liability. Deferred revenue is included in Other Current Liabilities in the Balance Sheet. The Company recognizes deferred revenue after transferring the control of the goods or services to the customer and all revenue recognition criteria are met which by the nature of the contract with the customer is completed in less than one year.

#### vii) Employee Benefits

##### a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations under other financial liabilities in the balance sheet.

Employee State Insurance (State Plan): Contribution are made to the regulatory authorities and are recognised as employee benefits expense in the statement of profit and loss as and when due. The Company does not carry any further obligations, apart from the contributions made on a monthly basis.

##### b) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave which are not expected to be settled wholly within 12

months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period by actuaries using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income / loss.

#### c) Post employment obligations

##### Defined Contribution Plans

1. Employee Pension Scheme 1995 : Contribution are made to the regulatory authorities and are recognised as employee benefits expense in the statement of profit and loss as and when due. This benefits is classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.
2. 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

1. Provident Fund: Provident Fund contributions are made to the Trusts administered by the Company. Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Trusts administered by the Company. Those trusts invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trusts and the notified interest rate.



2. **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 liability or assets recognised in the balance sheet in respect of defined benefit provident fund plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period.

The defined benefit obligations are calculated at the end of the reporting period by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

For defined benefit provident fund plan, the net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligations and the fair value of the plan assets. For defined benefit gratuity plan, the interest cost is calculated by applying the discount rate to the balance of the defined benefit obligations.

This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

- d) **Share-based payments**

Liabilities for the stock-based payments (Stock Appreciation Right and Restricted Stock Units) are recognised as employee benefit expenses over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as under Provisions in the balance sheet.

The Company recognize compensation expense using the straight-line approach.

- e) **Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

- f) **Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### viii) **Income Tax**

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws)

that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### ix) Foreign Currency Translations

##### a) Functional and presentation currency

Items included in the financial statements are measured using the currency of 'the primary economic environment in which the entity operates ('the functional currency')'. The financial statements are presented in Indian Rupee (INR), which is Goodyear India Limited's functional and presentation currency.

##### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/other expenses.

#### x) Leases

##### *As a lessee*

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and

rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### xi) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



### xii) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### xiii) Impairment of Assets - non financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### xiv) Provisions and Contingencies

**Provisions:** Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**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.

**Contingent assets:** contingent assets are disclosed when the inflow of economic benefit is probable.

### xv) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### xvi) Earnings Per Share

#### a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

#### b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### xvii) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### xviii) Other financial assets

#### a) Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

*b) Measurement:*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed off in the statement of profit and loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

*c) Impairment of financial assets:*

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

*d) Derecognition:*

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of

the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

*e) Income recognition:*

**Interest income:** Interest income from financial instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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

**xix) Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented with other income.

**xx) Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.



#### *Embedded foreign currency derivatives*

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

#### **xxi) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **xxii) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### **xxiii) Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

#### **xxiv) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

#### **xxv) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Part I of Schedule III, unless otherwise stated.

### **(2) Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgements in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

#### **Critical estimates and judgements**

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligations *Note 11*
- Provision for litigations and contingent liabilities *Note 11 and 28*
- Estimation of current tax expense and payable *Note 22*
- Impairment of trade receivables *Note 24*

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

# GOODYEAR INDIA LIMITED

## Notes to Financial Statements as on March 31, 2019

(All amount in INR lakhs, unless otherwise stated)

### 3 Property plant and equipment

|                                         | Freehold<br>Land | Freehold<br>Buildings | Furniture<br>and fit-<br>tings | Office<br>Equip-<br>ments | Plant and<br>Machin-<br>ery | Vehicles  | Total         |
|-----------------------------------------|------------------|-----------------------|--------------------------------|---------------------------|-----------------------------|-----------|---------------|
| <b>Year ended March 31, 2018</b>        |                  |                       |                                |                           |                             |           |               |
| <i>Gross Carrying amount</i>            |                  |                       |                                |                           |                             |           |               |
| Opening gross carrying amount           | 173              | 4,493                 | 1,167                          | 957                       | 23,782                      | 6         | 30,578        |
| Additions                               | -                | 60                    | 899                            | 127                       | 4,513                       | 14        | 5,613         |
| Disposals/adjustments                   | -                | -                     | 165                            | 22                        | 30                          | -         | 217           |
| <b>Closing gross carrying amount</b>    | <b>173</b>       | <b>4,553</b>          | <b>1,901</b>                   | <b>1,062</b>              | <b>28,265</b>               | <b>20</b> | <b>35,974</b> |
| <i>Accumulated Depreciation</i>         |                  |                       |                                |                           |                             |           |               |
| Opening accumulated depreciation        | -                | 557                   | 362                            | 515                       | 6,473                       | 4         | 7,911         |
| Depreciation charge during the year     | -                | 234                   | 469                            | 134                       | 2,775                       | 1         | 3,613         |
| Disposals/adjustments                   | -                | -                     | 126                            | 19                        | 20                          | -         | 165           |
| <b>Closing accumulated depreciation</b> | <b>-</b>         | <b>791</b>            | <b>705</b>                     | <b>630</b>                | <b>9,228</b>                | <b>5</b>  | <b>11,359</b> |
| <b>Net carrying amount</b>              | <b>173</b>       | <b>3,762</b>          | <b>1,196</b>                   | <b>432</b>                | <b>19,037</b>               | <b>15</b> | <b>24,615</b> |
| <b>Year ended March 31, 2019</b>        |                  |                       |                                |                           |                             |           |               |
| <i>Gross Carrying amount</i>            |                  |                       |                                |                           |                             |           |               |
| Opening gross carrying amount           | 173              | 4,553                 | 1,901                          | 1,062                     | 28,265                      | 20        | 35,974        |
| Additions                               | -                | 627                   | 780                            | 362                       | 2,842                       | *         | 4,611         |
| Disposals/adjustments                   | -                | -                     | 79                             | 1                         | 65                          | -         | 145           |
| <b>Closing gross carrying amount</b>    | <b>173</b>       | <b>5,180</b>          | <b>2,602</b>                   | <b>1,423</b>              | <b>31,042</b>               | <b>20</b> | <b>40,440</b> |
| <i>Accumulated Depreciation</i>         |                  |                       |                                |                           |                             |           |               |
| Opening accumulated depreciation        | -                | 791                   | 705                            | 630                       | 9,228                       | 5         | 11,359        |
| Depreciation charge during the year     | -                | 228                   | 720                            | 170                       | 2,981                       | 3         | 4,102         |
| Disposals/adjustments                   | -                | -                     | 69                             | 1                         | 40                          | -         | 110           |
| <b>Closing accumulated depreciation</b> | <b>-</b>         | <b>1,019</b>          | <b>1,356</b>                   | <b>799</b>                | <b>12,169</b>               | <b>8</b>  | <b>15,351</b> |
| <b>Net carrying amount</b>              | <b>173</b>       | <b>4,161</b>          | <b>1,246</b>                   | <b>624</b>                | <b>18,873</b>               | <b>12</b> | <b>25,089</b> |

\* Amount below the rounding off norm adopted by the Company.

#### Notes:

- Contractual obligations:  
Refer to note 29 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e January 1, 2015 as its deemed cost on the date of transition to Ind AS i.e January 1, 2015. The Gross Value as per previous GAAP as on March 31, 2019 is as follows:

|                                                   | Freehold<br>Land | Freehold<br>Buildings | Furniture<br>and fit-<br>tings | Office<br>Equip-<br>ments | Plant and<br>Machin-<br>ery | Vehicles  | Total         |
|---------------------------------------------------|------------------|-----------------------|--------------------------------|---------------------------|-----------------------------|-----------|---------------|
| <b>Year ended March 31, 2019</b>                  |                  |                       |                                |                           |                             |           |               |
| Closing gross carrying amount ( Previous GAAP)    | 173              | 7,112                 | 2,743                          | 1,999                     | 49,486                      | 25        | 61,538        |
| Closing gross accumulated amount ( Previous GAAP) | -                | 2,951                 | 1,497                          | 1,375                     | 30,613                      | 13        | 36,449        |
| <b>Net carrying amount ( Previous GAAP)</b>       | <b>173</b>       | <b>4,161</b>          | <b>1,246</b>                   | <b>624</b>                | <b>18,873</b>               | <b>12</b> | <b>25,089</b> |



#### 4 Intangible Assets

|                                         | Computer Software | Total     |
|-----------------------------------------|-------------------|-----------|
| <b>Year ended March 31, 2018</b>        |                   |           |
| <i>Gross Carrying amount</i>            |                   |           |
| Opening gross carrying amount           | 10                | 10        |
| Acquired                                | -                 | -         |
| <b>Closing gross carrying amount</b>    | <b>10</b>         | <b>10</b> |
| <i>Accumulated amortisation</i>         |                   |           |
| Opening accumulated amortisation        | 2                 | 2         |
| Amortisation charge for the year        | 2                 | 2         |
| <b>Closing accumulated amortisation</b> | <b>4</b>          | <b>4</b>  |
| <b>Net carrying amount</b>              | <b>6</b>          | <b>6</b>  |
| <b>Year ended March 31, 2019</b>        |                   |           |
| <i>Gross Carrying amount</i>            |                   |           |
| Opening gross carrying amount           | 10                | 10        |
| Acquired                                | 1                 | 1         |
| Disposals/adjustments                   | 2                 | 2         |
| <b>Closing gross carrying amount</b>    | <b>9</b>          | <b>9</b>  |
| <i>Accumulated amortisation</i>         |                   |           |
| Opening accumulated amortisation        | 4                 | 4         |
| Amortisation charge for the year        | 1                 | 1         |
| Disposals/adjustments                   | 2                 | 2         |
| <b>Closing accumulated amortisation</b> | <b>3</b>          | <b>3</b>  |
| <b>Net carrying amount</b>              | <b>6</b>          | <b>6</b>  |

- a The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e January 1, 2015 as its deemed cost on the date of transition to Ind AS i.e January 1, 2015. The Gross Value as per previous GAAP as on March 31, 2019 is as follows:

|                                                  | Computer Software | Total    |
|--------------------------------------------------|-------------------|----------|
| <b>Year ended March 31, 2019</b>                 |                   |          |
| Closing gross carrying amount (Previous GAAP)    | 647               | 647      |
| Closing accumulated amortisation (Previous GAAP) | 641               | 641      |
| <b>Net carrying amount (Previous GAAP)</b>       | <b>6</b>          | <b>6</b> |



|      |                                                                                  | As at March 31, 2019 |             | As at March 31, 2018 |             |
|------|----------------------------------------------------------------------------------|----------------------|-------------|----------------------|-------------|
|      |                                                                                  | Current              | Non-current | Current              | Non-current |
| 5    | <b>Financial assets</b>                                                          |                      |             |                      |             |
| 5(a) | <b>Other financial assets</b>                                                    |                      |             |                      |             |
|      | Security deposits                                                                | 218                  | 568         | 107                  | 571         |
|      | Long term deposits with bank with original maturity period more than 12 months * | -                    | 56          | -                    | 56          |
|      | Other receivables from related parties ( refer note 27)                          | 356                  | -           | 693                  | -           |
|      | Accrued interest on fixed deposits                                               | 390                  | -           | 621                  | -           |
|      |                                                                                  | <u>964</u>           | <u>624</u>  | <u>1,421</u>         | <u>627</u>  |

\* Held as lien by bank against bank guarantees.

The Company has determined its security deposits not to be in the nature of loans and accordingly have been classified as part of other financial assets.

|      |                                                | As at<br>March 31, 2019 |               | As at<br>March 31, 2018 |               |
|------|------------------------------------------------|-------------------------|---------------|-------------------------|---------------|
| 5(b) | <b>Trade receivables</b>                       |                         |               |                         |               |
|      | Trade receivables                              | 23,982                  |               | 20,762                  |               |
|      | Less: allowance for doubtful debts             | <u>(130)</u>            | 23,852        | <u>(91)</u>             | 20,671        |
|      | Receivables from related party (refer note 27) |                         | 497           |                         | 158           |
|      |                                                |                         | <u>24,349</u> |                         | <u>20,829</u> |
|      | Current portion                                |                         | 24,349        |                         | 20,829        |
|      | Non-current portion                            |                         | -             |                         | -             |

|  |                                      | As at<br>March 31, 2019 |               | As at<br>March 31, 2018 |               |
|--|--------------------------------------|-------------------------|---------------|-------------------------|---------------|
|  | <b>Break up of security details:</b> |                         |               |                         |               |
|  | Secured, considered good             |                         | 3,654         |                         | 3,334         |
|  | Unsecured, considered good           |                         | 20,695        |                         | 17,495        |
|  | Doubtful                             |                         | <u>130</u>    |                         | <u>91</u>     |
|  |                                      |                         | <u>24,479</u> |                         | <u>20,920</u> |
|  | Allowance for doubtful debts         |                         | <u>(130)</u>  |                         | <u>(91)</u>   |
|  |                                      |                         | <u>24,349</u> |                         | <u>20,829</u> |

|      |                                                           | As at<br>March 31, 2019 |               | As at<br>March 31, 2018 |               |
|------|-----------------------------------------------------------|-------------------------|---------------|-------------------------|---------------|
| 5(c) | <b>Cash and cash equivalents</b>                          |                         |               |                         |               |
|      | Balances with banks:                                      |                         |               |                         |               |
|      | -in current account                                       |                         | 3,034         |                         | 3,770         |
|      | -in Exchange Earner Foreign Currency (EEFC) account       |                         | 67            |                         | *             |
|      | Deposits with original maturity of less than three months |                         | 26,450        |                         | 27,800        |
|      | Cash on hand                                              |                         | -             |                         | 1             |
|      | Cheques on hand                                           |                         | <u>535</u>    |                         | <u>301</u>    |
|      |                                                           |                         | <u>30,086</u> |                         | <u>31,872</u> |

\* Amount below the rounding off norm adopted by the Company.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior year.

|      |                                                                                  | As at<br>March 31, 2019 |               | As at<br>March 31, 2018 |               |
|------|----------------------------------------------------------------------------------|-------------------------|---------------|-------------------------|---------------|
| 5(d) | <b>Bank balances other than cash and cash equivalents</b>                        |                         |               |                         |               |
|      | Fixed deposits with original maturity more than 3 months but less than 12 months |                         | 25,500        |                         | 25,500        |
|      | Bank balances for unpaid dividend                                                |                         | <u>295</u>    |                         | <u>292</u>    |
|      |                                                                                  |                         | <u>25,795</u> |                         | <u>25,792</u> |



|                                                                                             | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>6(a) Other non current assets</b>                                                        |                         |                         |
| Capital advances                                                                            | 621                     | 257                     |
| Advances other than capital advances:                                                       |                         |                         |
| Payments under protest:                                                                     |                         |                         |
| (i) Excise/service tax matters                                                              | 519                     | 518                     |
| (ii) Customs duty matters                                                                   | 298                     | 298                     |
| (iii) Sales tax matters [net of provisions Mar 31, 2019 -<br>Rs. 37, Mar 31, 2018 - Rs. 37] | 26                      | 18                      |
| (iv) Other matters                                                                          | 78                      | 74                      |
|                                                                                             | -                       | -                       |
|                                                                                             | <u>1,542</u>            | <u>1,165</u>            |

|                                                                                                                        | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>6(b) Current tax assets (net)</b>                                                                                   |                         |                         |
| Advance income tax/payments under protest<br>[net of provisions Mar 31, 2019 - Rs.48,997, Mar 31, 2018<br>- Rs.43,134] | 1,257                   | 1,730                   |
|                                                                                                                        | <u>1,257</u>            | <u>1,730</u>            |

|                                                                                               | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>7 Inventories</b>                                                                          |                         |                         |
| Raw materials<br>[includes in transit Mar 31, 2019 - Rs. 1164, Mar 31, 2018<br>- Rs. 1024]    | 4,263                   | 4,028                   |
| Work-in-progress                                                                              | 713                     | 577                     |
| Finished goods<br>[includes in transit Mar 31, 2019 - Rs. 810, Mar 31, 2018<br>- Rs. 967]     | 5,059                   | 6,774                   |
| Stock-in-trade<br>[includes in transit Mar 31, 2019 -Rs. 420, Mar 31, 2018<br>-Rs. 409]"      | 4,762                   | 3,486                   |
| Stores and spare parts<br>[includes in transit Mar 31, 2019 - Rs. 2, Mar 31, 2018<br>- Rs. 5] | 1,928                   | 1,959                   |
|                                                                                               | <u>16,725</u>           | <u>16,824</u>           |

Write-downs of inventories, except for stores and spare parts, to net realisable value amounted to Mar 31, 2019 - Rs. 24, Mar 31, 2018 - Rs. 92. These were recognised as an expense during the year and included in 'changes in inventories of work-in-progress, stock-in-trade and finished goods' in the statement of profit and loss.

|                                                     | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------------------------|-------------------------|-------------------------|
| <b>8 Other current assets</b>                       |                         |                         |
| Advances to vendors                                 | 172                     | 162                     |
| Advances to employees                               | 48                      | 40                      |
| Prepayments                                         | 325                     | 299                     |
| Balance recoverable from others                     | 32                      | -                       |
| Balance with government authorities:                |                         |                         |
| - Considered good                                   | 1,010                   | 1,756                   |
| - Considered doubtful                               | 10                      | 10                      |
| - Less: Provision for doubtful other current assets | (10)                    | (10)                    |
|                                                     | <u>1,587</u>            | <u>2,257</u>            |

|                                              | Number of shares<br>(in lakhs) | Amount       |
|----------------------------------------------|--------------------------------|--------------|
| <b>Equity share capital and other equity</b> |                                |              |
| <b>9(a) Equity share capital</b>             |                                |              |
| <i>Authorised equity share capital</i>       |                                |              |
| As at April 1, 2017                          | 300                            | 3,000        |
| Increase during the year                     | -                              | -            |
| <b>As at March 31, 2018</b>                  | <u>300</u>                     | <u>3,000</u> |
| Increase during the year                     | -                              | -            |
| <b>As at March 31, 2019</b>                  | <u>300</u>                     | <u>3,000</u> |

|                                                                                  | Number of shares<br>(in lakhs) | Equity share capital<br>(par value) |
|----------------------------------------------------------------------------------|--------------------------------|-------------------------------------|
| <b>(i) Movement in equity share capital<br/>(issued, subscribed and paid up)</b> |                                |                                     |
| As at April 1, 2017                                                              | 231                            | 2,307                               |
| Increase during the year                                                         | -                              | -                                   |
| <b>As at March 31, 2018</b>                                                      | <u>231</u>                     | <u>2,307</u>                        |
| Increase during the year                                                         | -                              | -                                   |
| <b>As at March 31, 2019</b>                                                      | <u>231</u>                     | <u>2,307</u>                        |

**(ii) Terms and rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Number of shares (in lakhs)

|                                                            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------------------------------------------|-------------------------|-------------------------|
| <b>(iii) Shares of the Company held by holding company</b> |                         |                         |
| Equity Shares:                                             |                         |                         |
| Goodyear Orient Company (Private) Limited, Singapore       | 171                     | 171                     |



|                                                                                | As at March 31, 2019              |              | As at March 31, 2018              |              |
|--------------------------------------------------------------------------------|-----------------------------------|--------------|-----------------------------------|--------------|
|                                                                                | Number of<br>shares<br>(in lakhs) | %<br>holding | Number of<br>shares<br>(in lakhs) | %<br>holding |
| (iv) <i>Details of shareholders holding more than 5% shares in the Company</i> |                                   |              |                                   |              |
| Goodyear Orient Company (Private) Limited, Singapore                           | 171                               | 74           | 171                               | 74           |

|                                                                                                                                                   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>9(b) Other equity</b>                                                                                                                          |                         |                         |
| Securities Premium                                                                                                                                | 6,314                   | 6,314                   |
| General Reserve                                                                                                                                   | 6,420                   | 6,420                   |
| Other equity- revaluation                                                                                                                         | 272                     | 272                     |
| Retained earnings                                                                                                                                 | 71,399                  | 64,906                  |
|                                                                                                                                                   | <u>84,405</u>           | <u>77,912</u>           |
| <b>(i) Securities premium</b>                                                                                                                     |                         |                         |
| Opening balance                                                                                                                                   | 6,314                   | 6,314                   |
| Movement during the year                                                                                                                          | -                       | -                       |
| Closing balance                                                                                                                                   | <u>6,314</u>            | <u>6,314</u>            |
| <b>(ii) General reserve</b>                                                                                                                       |                         |                         |
| Opening balance                                                                                                                                   | 6,420                   | 6,420                   |
| Transfer from retained earnings                                                                                                                   | -                       | -                       |
| Closing balance                                                                                                                                   | <u>6,420</u>            | <u>6,420</u>            |
| <b>(iii) Other equity- revaluation</b>                                                                                                            |                         |                         |
| Opening balance                                                                                                                                   | 272                     | 272                     |
| Movement during the year                                                                                                                          | -                       | -                       |
| Closing balance                                                                                                                                   | <u>272</u>              | <u>272</u>              |
| <b>(iv) Retained earnings</b>                                                                                                                     |                         |                         |
| Opening balance                                                                                                                                   | 64,906                  | 55,395                  |
| Net profit for the year                                                                                                                           | 10,207                  | 12,996                  |
| Dividend on the equity shares                                                                                                                     | (2,999)                 | (2,883)                 |
| Dividend distribution tax on dividend                                                                                                             | (616)                   | (587)                   |
| <i>Items of other comprehensive income recognised directly in equity</i>                                                                          |                         |                         |
| Remeasurement of defined benefit plans, net of tax                                                                                                | (99)                    | (15)                    |
| Closing balance                                                                                                                                   | <u>71,399</u>           | <u>64,906</u>           |
| <b>(v) Nature and purpose of other reserves</b>                                                                                                   |                         |                         |
| i. <b>Securities premium</b>                                                                                                                      |                         |                         |
| Securities premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013. |                         |                         |
| ii. <b>General reserve</b>                                                                                                                        |                         |                         |
| General reserve is kept aside out of Company's profits and are used to meet future obligations.                                                   |                         |                         |



iii. Other equity- revaluation

As the Company has opted for exemption under paragraph D7AA of Ind AS 101 and also elected the cost model under Ind AS 16 for subsequent measurement of Property, Plant and Equipment, the revaluation reserve recognised under previous GAAP has been transferred to 'Other equity- revaluation' on the date of transition to Ind AS. This balance does not constitute free reserves available for distribution as dividend in accordance with the provisions of the Companies Act, 2013.

|                                          | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------------------------|-------------------------|-------------------------|
| <b>10 Financial liabilities</b>          |                         |                         |
| <b>10(a) Other financial liabilities</b> |                         |                         |
| Current                                  |                         |                         |
| Security deposits                        | 4,510                   | 4,260                   |
| Interest accrued on security deposits    | 88                      | 63                      |
| Unpaid dividend *                        | 295                     | 292                     |
| Creditors for capital items #            | 1,182                   | 1,015                   |
|                                          | <u>6,075</u>            | <u>5,630</u>            |

\* Unpaid dividends represents dividends paid, but not claimed by shareholders. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended Mar 31, 2019.

# Includes payable to related party Mar 31,2019 - Rs.76, Mar 31,2018 - Rs. 64 (refer note 27).

|                                                                                        | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>10(b) Trade payables</b>                                                            |                         |                         |
| Total outstanding dues of micro enterprises and small enterprises (refer note 33)      | 256                     | 140                     |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |                         |                         |
| - Related party (refer note 27)                                                        | 8,867                   | 10,072                  |
| - Others                                                                               | 25,092                  | 27,616                  |
|                                                                                        | <u>34,215</u>           | <u>37,828</u>           |

|                                          | As at March 31, 2019 |              | As at March 31, 2018 |              |
|------------------------------------------|----------------------|--------------|----------------------|--------------|
|                                          | Current              | Non-current  | Current              | Non-current  |
| <b>11 Provisions</b>                     |                      |              |                      |              |
| <b>Provision for employee benefits</b>   |                      |              |                      |              |
| Gratuity                                 | 117                  | 2,128        | 148                  | 1,745        |
| Share-based payments (refer note 31)     | 58                   | 30           | 78                   | 35           |
| Leave obligations                        | 615                  | -            | 575                  | -            |
| <b>Other provisions</b>                  |                      |              |                      |              |
| Provision for customs/excise litigations | 222                  | -            | -                    | 219          |
| Provision for replacement loss           | 93                   | -            | 134                  | -            |
|                                          | <u>1,105</u>         | <u>2,158</u> | <u>935</u>           | <u>1,999</u> |

(a) Information about individual provisions and significant estimates

**Provision for customs, excise and sales tax litigation:** 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. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.



**Provision for replacement loss:** Replacement loss reserves are based on past claims experience, sales history and other considerations. Replacement loss is provided on the sale of our products and an accrual for estimated future claims is recorded at the time revenue is recognized. Tyres replacement offered by the Company is on a prorated basis.

|                                    | Replacement loss | Customs/ excise litigation | Sales tax litigation matters* | Total      |
|------------------------------------|------------------|----------------------------|-------------------------------|------------|
| (b) <b>Movements in provisions</b> |                  |                            |                               |            |
| As at April 1, 2018                | 134              | 219                        | 37                            | 390        |
| Additions during the year          | 18               | 3                          | -                             | 21         |
| Utilized/Reversed during the year  | 59               | -                          | -                             | 59         |
| <b>As at March 31, 2019</b>        | <b>93</b>        | <b>222</b>                 | <b>37</b>                     | <b>352</b> |

\* Refer note 6 (a)

(c) **Employee Benefit Obligations**

A. **Leave obligations**

The amount of the provision of Rs. 615 (March 31, 2018 – Rs.575) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

|                                                                            | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Current leave obligations expected to be settled within the next 12 months | 104                     | 87                      |

B. **Defined Contribution Plans**

a) Superannuation Fund

b) Employee's Pension Scheme 1995 (State plan)

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

|                                                                         | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------------------------------|------------------------------|------------------------------|
| Employer's contribution to Employee's Pension Scheme 1995 (State Plan)* | 136                          | 134                          |

\* Included in "Contribution to provident and other funds" under Employee benefits expense ( refer note 18)

C. **Defined Benefit Plans**

a) Gratuity

b) Provident Fund



(i) **Balance Sheet amounts - Gratuity**

The amount recognised in balance sheet and the movement in the net defined benefit obligation over the years are as follows:

|                                                               | Present value of obligations |                              |
|---------------------------------------------------------------|------------------------------|------------------------------|
|                                                               | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
| Present value of obligations as at the beginning of the year  | 1,893                        | 1,841                        |
| Current service cost                                          | 170                          | 143                          |
| Interest cost                                                 | 147                          | 133                          |
| <b>Total amount recognised in profit and loss</b>             | <b>317</b>                   | <b>276</b>                   |
| Remeasurements                                                |                              |                              |
| (Gain)/loss from changes in demographic assumptions           | 23                           | -                            |
| (Gain)/loss from changes in financial assumptions             | 131                          | (77)                         |
| Experience (gains)/losses                                     | (1)                          | 100                          |
| <b>Amount recognised in other comprehensive income</b>        | <b>153</b>                   | <b>23</b>                    |
| Benefits payment                                              | (118)                        | (247)                        |
| <b>Present value of obligations as at the end of the year</b> | <b>2,245</b>                 | <b>1,893</b>                 |

Liability for Gratuity is not funded.

|                             | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------|-------------------------|-------------------------|
| Present value of obligation | 2,245                   | 1,893                   |
| Fair value of plan assets   | -                       | -                       |
| <i>Current</i>              | 117                     | 148                     |
| <i>Non-current</i>          | 2,128                   | 1,745                   |

**Balance Sheet amounts - Head Office Provident Fund trust**

Amount recognised in balance sheet and the movement in the net defined benefit obligation over the years are as follows:

|                                                                                 | Year ended March 31, 2019          |                                 |               | Year ended March 31, 2018          |                                 |               |
|---------------------------------------------------------------------------------|------------------------------------|---------------------------------|---------------|------------------------------------|---------------------------------|---------------|
|                                                                                 | Present<br>value of<br>obligations | Fair value<br>of plan<br>assets | Net<br>amount | Present<br>value of<br>obligations | Fair value<br>of plan<br>assets | Net<br>amount |
| <b>Present value at the beginning of the year</b>                               | <b>4,560</b>                       | <b>(4,679)</b>                  | <b>(119)</b>  | <b>3,939</b>                       | <b>(4,041)</b>                  | <b>(102)</b>  |
| Current service cost                                                            | 248                                | -                               | 248           | 252                                | -                               | 252           |
| Interest cost/ (income)                                                         | 353                                | -                               | 353           | 286                                | -                               | 286           |
| <i>Remeasurements</i>                                                           |                                    |                                 |               |                                    |                                 |               |
| Return on plan assets, excluding amount included in interest expenses/ (income) | -                                  | (478)                           | (478)         | -                                  | (361)                           | (361)         |
| (Gain)/loss from changes in demographic assumptions                             | -                                  | -                               | -             | -                                  | -                               | -             |
| (Gain)/loss from changes in financial assumptions                               | -                                  | -                               | -             | (1)                                | -                               | (1)           |
| Experience (gains)/losses                                                       | 64                                 | -                               | 64            | 59                                 | -                               | 59            |
| Employer contribution                                                           | -                                  | (248)                           | (248)         | -                                  | (252)                           | (252)         |
| Employee contribution                                                           | 415                                | (415)                           | -             | 338                                | (338)                           | -             |
| Settlements / Transfer in                                                       | 138                                | (138)                           | -             | 23                                 | (23)                            | -             |
| Benefits payment                                                                | (266)                              | 266                             | -             | (336)                              | 336                             | -             |
| <b>Present value as at the end of the year</b>                                  | <b>5,512</b>                       | <b>(5,692)</b>                  | <b>(180)</b>  | <b>4,560</b>                       | <b>(4,679)</b>                  | <b>(119)</b>  |



The net liability disclosed above relates to funded plan as follows:

|                                | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------------------------|-------------------------|-------------------------|
| Present value of obligation    | 5,512                   | 4,560                   |
| Fair value of plan assets      | 5,692                   | 4,679                   |
| <b>Deficit of funded plan*</b> | -                       | -                       |

\* the provident funds have a surplus that are not recognised on the basis that future economic benefit are not available to the Company in the form of a reduction in future contributions or a cash refund due to local regulation.

#### Balance Sheet amounts - Factory Provident Fund trust

Amount recognised in balance sheet and the movement in the net defined benefit obligation over the years are as follows:

|                                                                                 | Year ended March 31, 2019    |                           |            | Year ended March 31, 2018    |                           |            |
|---------------------------------------------------------------------------------|------------------------------|---------------------------|------------|------------------------------|---------------------------|------------|
|                                                                                 | Present value of obligations | Fair value of plan assets | Net amount | Present value of obligations | Fair value of plan assets | Net amount |
| <b>Present value at the beginning of the year</b>                               | 5,669                        | (6,156)                   | (487)      | 5,224                        | (5,634)                   | (410)      |
| Current service cost                                                            | 163                          | -                         | 163        | 141                          | -                         | 141        |
| Interest cost/ (Income)                                                         | 439                          | -                         | 439        | 379                          | -                         | 379        |
| <i>Remeasurements</i>                                                           |                              |                           |            |                              |                           |            |
| Return on plan assets, excluding amount included in interest expenses/ (income) | -                            | (530)                     | (530)      | -                            | (497)                     | (497)      |
| (Gain)/loss from changes in demographic assumptions                             | -                            | -                         | -          | -                            | -                         | -          |
| (Gain)/loss from changes in financial assumptions                               | -                            | -                         | -          | *                            | -                         | -          |
| Experience (gains)/losses                                                       | 54                           | -                         | 54         | 41                           | -                         | 41         |
| Employer contribution                                                           | -                            | (163)                     | (163)      | -                            | (141)                     | (141)      |
| Employee contribution                                                           | 486                          | (486)                     | -          | 434                          | (434)                     | -          |
| Settlements / Transfer in                                                       | 7                            | (7)                       | -          | 32                           | (32)                      | -          |
| Benefits payment                                                                | (455)                        | 455                       | -          | (582)                        | 582                       | -          |
| <b>Present value as at the end of the year</b>                                  | 6,363                        | (6,887)                   | (524)      | 5,669                        | (6,156)                   | (487)      |

\* Amount below the rounding off norm adopted by the Company.

The net liability disclosed above relates to funded plan as follows:

|                                | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------------------------|-------------------------|-------------------------|
| Present value of obligation    | 6,363                   | 5,669                   |
| Fair value of plan assets      | 6,887                   | 6,156                   |
| <b>Deficit of funded plan*</b> | -                       | -                       |

\* the provident funds have a surplus that are not recognised on the basis that future economic benefit are not available to the Company in the form of a reduction in future contributions or a cash refund due to local regulation.

(ii) *Post-employment plans*

The significant actuarial assumptions were as follows:

| Particulars                                     | Gratuity                  |                           | Head Office Provident Fund Trust |                           | Factory Provident Fund Trust |                           |
|-------------------------------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|------------------------------|---------------------------|
|                                                 | Year ended March 31, 2019 | Year ended March 31, 2018 | Year ended March 31, 2019        | Year ended March 31, 2018 | Year ended March 31, 2019    | Year ended March 31, 2018 |
| Expected statutory interest rate on the fund    | N.A.                      | N.A.                      | 8.65%                            | 8.55%                     | 8.65%                        | 8.55%                     |
| Discount rate (per annum)                       | 7.75%                     | 7.75%                     | 7.75%                            | 7.75%                     | 7.75%                        | 7.75%                     |
| Rate of increase in compensation level          | 6.50%                     | 5.75%                     | N.A.                             | N.A.                      | N.A.                         | N.A.                      |
| Expected shortfall in interest earnings of fund | N.A.                      | N.A.                      | 0.05%                            | 0.05%                     | 0.05%                        | 0.05%                     |
| Withdrawal rate                                 |                           |                           |                                  |                           |                              |                           |
| - upto 30 years                                 | 1.00%                     | 5.00%                     | 1.00%                            | 5.00%                     | 1.00%                        | 5.00%                     |
| - from 31 to 44 years                           | 4.00%                     | 3.00%                     | 4.00%                            | 3.00%                     | 4.00%                        | 3.00%                     |
| - above 44 years                                | 2.00%                     | 1.00%                     | 2.00%                            | 1.00%                     | 2.00%                        | 1.00%                     |
| Average remaining working life                  | 18.46                     | 18.81                     | N.A.                             | N.A.                      | N.A.                         | N.A.                      |

(iii) *Major category of plan assets are as follows:*

| Type of Securities                           | Head Office Provident Fund Trust |                    | Factory Provident Fund Trust |                    |
|----------------------------------------------|----------------------------------|--------------------|------------------------------|--------------------|
|                                              | As at Mar 31, 2019               | As at Mar 31, 2018 | As at Mar 31, 2019           | As at Mar 31, 2018 |
| Government securities and related investment | 49%                              | 49%                | 40%                          | 39%                |
| Debt instruments and related investments     | 41%                              | 42%                | 28%                          | 26%                |
| Equity shares and mutual funds               | 4%                               | 3%                 | 6%                           | 5%                 |
| Special deposit scheme                       | 5%                               | 6%                 | 26%                          | 30%                |
| <b>Total</b>                                 | <b>100%</b>                      | <b>100%</b>        | <b>100%</b>                  | <b>100%</b>        |

(iv) *Sensitivity analysis*

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is :

|                                          | Impact on defined benefit obligations |                           |                           |                           |                           |                           |
|------------------------------------------|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                          | Changes in assumptions                |                           | Increases in assumptions  |                           | Decreases in assumptions  |                           |
|                                          | Year ended March 31, 2019             | Year ended March 31, 2018 | Year ended March 31, 2019 | Year ended March 31, 2018 | Year ended March 31, 2019 | Year ended March 31, 2018 |
| <b>Gratuity:</b>                         |                                       |                           |                           |                           |                           |                           |
| Discount rate (per annum)                | 0.5%                                  | 0.5%                      | -3.68%                    | -3.79%                    | 3.94%                     | 4.07%                     |
| Rate of increase in compensation level   | 0.5%                                  | 0.5%                      | 3.97%                     | 4.13%                     | -3.74%                    | -3.88%                    |
| <b>Head Office Provident Fund Trust:</b> |                                       |                           |                           |                           |                           |                           |
| Discount rate (per annum)                | 0.5%                                  | 0.5%                      | -0.01%                    | -0.01%                    | 0.01%                     | 0.01%                     |
| <b>Factory Provident Fund Trust:</b>     |                                       |                           |                           |                           |                           |                           |
| Discount rate (per annum)                | 0.5%                                  | 0.5%                      | -0.01%                    | -0.01%                    | 0.01%                     | 0.01%                     |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



(v) *Risk Exposures:*

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

*Salary Increases:*

Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

*Investment Risk:*

If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

*Discount Rate:*

Reduction in discount rate in subsequent valuations can increase the plan's liability.

*Mortality & disability:*

Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

*Withdrawals:*

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

The Company through its Trusts ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

The Company through its Trusts actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in 2018-19 consists of government and corporate bonds, although the Company through its Trusts also invests in equities and mutual funds. The plan asset mix is in compliance with the requirements of the respective local regulations.

(vi) *Defined benefit liability and employer contributions*

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are Rs. 833.

The weighted average duration of the defined benefit obligation is 13.06 years (Mar 31,2018- 13.96 years).

The expected maturity analysis of gratuity and provident fund benefits is as follows:

|                                                          | Less than<br>a year | Between<br>1 - 2 years | Between<br>2 - 5 years | Over 5<br>years | Total  |
|----------------------------------------------------------|---------------------|------------------------|------------------------|-----------------|--------|
| March 31, 2019                                           | 3,336               | 314                    | 1,784                  | 8,687           | 14,121 |
| Defined benefit obligation (gratuity and provident fund) |                     |                        |                        |                 |        |
| March 31, 2018                                           | 2,877               | 173                    | 1,059                  | 8,013           | 12,122 |
| Defined benefit obligation (gratuity and provident fund) |                     |                        |                        |                 |        |

## 12 Deferred tax liabilities (net)

The balance comprises temporary difference attributable to:

|                                                                         | As at<br>March 31, 2019 | Movement<br>during the year | As at<br>March 31, 2018 |
|-------------------------------------------------------------------------|-------------------------|-----------------------------|-------------------------|
| <b>Deferred tax liability</b>                                           |                         |                             |                         |
| Depreciation                                                            | 1,747                   | (119)                       | 1,866                   |
| <b>Total Deferred tax liability</b>                                     | <b>1,747</b>            | <b>(119)</b>                | <b>1,866</b>            |
| <b>Deferred tax assets</b>                                              |                         |                             |                         |
| <i>Other items</i>                                                      |                         |                             |                         |
| - Share-based payments                                                  | (31)                    | 8                           | (39)                    |
| - Provision for doubtful debts/ advances                                | (46)                    | (14)                        | (32)                    |
| - Provision for expenses disallowed u/s 43B of the Income-tax Act, 1961 | (1,000)                 | (124)                       | (876)                   |
| <b>Total Deferred tax assets</b>                                        | <b>(1,077)</b>          | <b>(130)</b>                | <b>(947)</b>            |
| <b>Net deferred tax liabilities</b>                                     | <b>670</b>              | <b>(249)</b>                | <b>919</b>              |

|                                                                         | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Charged/(credited)</b>                                               |                              |                              |
| <b>To profit and loss</b>                                               |                              |                              |
| - Depreciation                                                          | (119)                        | (77)                         |
| - Revaluation Surplus                                                   | -                            | (56)                         |
| - Security deposit                                                      | -                            | 3                            |
| - Share-based payments                                                  | 8                            | 19                           |
| - Provision for doubtful debts/ advances                                | (14)                         | (2)                          |
| - Provision for expenses disallowed u/s 43B of the Income-tax Act, 1961 | (70)                         | 305                          |
|                                                                         | <b>(195)</b>                 | <b>192</b>                   |
| <b>To other comprehensive income</b>                                    |                              |                              |
| - Provision for expenses disallowed u/s 43B of the Income-tax Act, 1961 | (54)                         | (8)                          |
|                                                                         | <b>(54)</b>                  | <b>(8)</b>                   |

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

|                                         | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------------|-------------------------|-------------------------|
| <b>13 Other non-current liabilities</b> |                         |                         |
| Employee benefits payable               | 34                      | 76                      |
|                                         | <b>34</b>               | <b>76</b>               |

|                                       | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------------|-------------------------|-------------------------|
| <b>14 Other current liabilities</b>   |                         |                         |
| Contract liability (unearned revenue) | 92                      | -                       |
| Employee benefits payable             | 865                     | 1,102                   |
| Advances from customers               | 86                      | 134                     |
| Statutory dues                        | 1,041                   | 915                     |
|                                       | <b>2,084</b>            | <b>2,151</b>            |



|                                          | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|------------------------------------------|------------------------------|------------------------------|
| <b>15 Revenue from operations</b>        |                              |                              |
| Sales of product (including excise duty) | 188,477                      | 170,174                      |
| Other operating revenue                  | <u>2,714</u>                 | <u>423</u>                   |
|                                          | <u>191,191</u>               | <u>170,597</u>               |

Sales of product includes:

- Manufacturing products: Rs. 1,26,126 ( Mar 31, 2018 - Rs. 1,18,716)

- Traded products: Rs. 62,351 ( Mar 31, 2018 - Rs. 51,458)

Other operating revenue includes:

- Commission Income: Rs. 376 ( Mar 31, 2018 - Rs. 303)

- Sale of scrap: Rs. 166 ( Mar 31, 2018 - Rs. 120)

- Sale of compound: Rs. 2,172 ( Mar 31, 2018 - Rs. NIL)

Revenue from operations for the period Apr 1, 2017 till Jun 30, 2017 is inclusive of excise duty. With the implementation of Goods and Services Tax (GST) w.e.f Jul 1, 2017 replacing excise duty, service tax and various other indirect taxes, the revenue for the period Jul 1, 2017 till Mar 31, 2018 and Apr 1, 2018 till Mar 31, 2019 are reported net of GST. Accordingly, gross sales figures for the year ended Mar 31, 2019 are not comparable with the previous year.

Refer Note 26 for disclosure of disaggregation of revenue.

|                                                         | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|---------------------------------------------------------|------------------------------|------------------------------|
| <b>16 Other Income</b>                                  |                              |                              |
| Interest income from financial assets at amortised cost |                              |                              |
| - On fixed deposits with banks                          | 3,432                        | 2,934                        |
| Unwinding of discount on security deposits              | 11                           | 31                           |
| Interest on Income tax refund                           | 38                           | 73                           |
| Liabilities/provisions no longer required written back  | 52                           | 261                          |
| Government grants (i)                                   | 101                          | 153                          |
| Miscellaneous income (ii)                               | <u>135</u>                   | <u>213</u>                   |
|                                                         | <u>3,769</u>                 | <u>3,665</u>                 |

(i) Government grants are related to export incentives on duty drawback schemes.

(ii) Miscellaneous income includes :

- Reversal of provision for Stock Appreciation Rights of Rs. 26 (Mar 31, 2018- Rs.32) -Refer Note 31

|                                            | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|--------------------------------------------|------------------------------|------------------------------|
| <b>17(a) Cost of materials consumed</b>    |                              |                              |
| Raw materials at the beginning of the year | 4,028                        | 4,069                        |
| Add: Purchases                             | 82,025                       | 69,945                       |
| Less: Raw materials at the end of the year | <u>4,263</u>                 | <u>4,028</u>                 |
|                                            | <u>81,790</u>                | <u>69,986</u>                |

|                                                                                                    | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|----------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>17(b) Changes in inventories of work-in-progress, stock-in-trade and finished goods</b>         |                              |                              |
| <b>Opening balance</b>                                                                             |                              |                              |
| Work-in-progress                                                                                   | 577                          | 594                          |
| Finished goods                                                                                     | 6,774                        | 6,999                        |
| Stock-in-trade                                                                                     | <u>3,486</u>                 | <u>3,500</u>                 |
| <b>Total (a)</b>                                                                                   | <u>10,837</u>                | <u>11,093</u>                |
| <b>Closing balance</b>                                                                             |                              |                              |
| Work-in-progress                                                                                   | 713                          | 577                          |
| Finished goods                                                                                     | 5,059                        | 6,774                        |
| Stock-in-trade                                                                                     | <u>4,762</u>                 | <u>3,486</u>                 |
| <b>Total (b)</b>                                                                                   | <u>10,534</u>                | <u>10,837</u>                |
| <b>Increase/(decrease) in excise duty on finished goods (c)</b>                                    | <u>-</u>                     | <u>(934)</u>                 |
| <b>Total changes in inventories of work-in-progress, stock in trade and finished goods (a-b+c)</b> | <u>303</u>                   | <u>(678)</u>                 |



|                                                               | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|---------------------------------------------------------------|------------------------------|------------------------------|
| <b>18 Employee benefits expense</b>                           |                              |                              |
| Salaries, wages and bonus                                     | 10,556                       | 10,710                       |
| Contribution to provident and other funds (refer note 11 (c)) | 573                          | 518                          |
| Gratuity (refer note 11 (c))                                  | 317                          | 276                          |
| Leave obligations (refer note 11 (c))                         | 302                          | 295                          |
| Share-based payments to employees (refer note 31)             | 26                           | 25                           |
| Workmen and staff welfare expenses                            | 892                          | 873                          |
|                                                               | <u>12,666</u>                | <u>12,697</u>                |

|                                            | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|--------------------------------------------|------------------------------|------------------------------|
| <b>19 Finance costs</b>                    |                              |                              |
| Interest on security deposits from dealers | 293                          | 274                          |
| Interest - Others                          | 7                            | 15                           |
|                                            | <u>300</u>                   | <u>289</u>                   |

|                                                 | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------|------------------------------|------------------------------|
| <b>20 Depreciation and amortisation expense</b> |                              |                              |
| Depreciation of property, plant and equipment   | 4,102                        | 3,613                        |
| Amortisation of intangible assets               | 1                            | 2                            |
|                                                 | <u>4,103</u>                 | <u>3,615</u>                 |

|                                                                   | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------------------------|------------------------------|------------------------------|
| <b>21 Other expenses</b>                                          |                              |                              |
| Consumption of stores and spare parts                             | 229                          | 265                          |
| Power and fuel                                                    | 6,599                        | 5,664                        |
| Travelling                                                        | 854                          | 987                          |
| Repairs and maintenance                                           | 1,487                        | 1,248                        |
| Rent (refer note 29(c))                                           | 788                          | 855                          |
| Insurance                                                         | 162                          | 137                          |
| Telecommunication                                                 | 138                          | 140                          |
| Rates and taxes                                                   | 99                           | 199                          |
| Legal and professional                                            | 516                          | 473                          |
| Carrying and forwarding agent expenses                            | 808                          | 711                          |
| Freight, transport and delivery                                   | 4,880                        | 4,498                        |
| Advertising and sales promotion*                                  | 3,428                        | 991                          |
| Trade mark fees                                                   | 1,293                        | 1,227                        |
| Regional service charges                                          | 5,532                        | 5,628                        |
| Conversion charges                                                | 34                           | 30                           |
| Net foreign exchange losses                                       | 313                          | 165                          |
| Property, plant and equipment written off                         | 35                           | 52                           |
| Provision for doubtful debts and other current assets             | 64                           | 52                           |
| Bad debts and other current assets written off                    | 25                           | 38                           |
| Less : Provision held for doubtful debts and other current assets | <u>25</u>                    | <u>38</u>                    |
| Payments to auditors (refer note 21(a))                           | 83                           | 101                          |
| Corporate social responsibility expenditure (refer note 21(b))    | 396                          | 429                          |
| Miscellaneous expenses                                            | 2,089                        | 1,903                        |
|                                                                   | <u>29,827</u>                | <u>25,755</u>                |

\* Due to applicability of Ind AS 115, revenue and advertising and sales promotion expenses are grossed up by Rs. 2,227.



|                                             | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|---------------------------------------------|------------------------------|------------------------------|
| <b>21(a) Details of payment to auditors</b> |                              |                              |
| As auditor:                                 |                              |                              |
| For statutory audit                         | 34                           | 31                           |
| For quarterly limited reviews               | 18                           | 18                           |
| For tax audit                               | 2                            | 2                            |
| In other capacity                           |                              |                              |
| Certification fees & tax services           | 22                           | 44                           |
| Re-imbursement of expenses                  | 7                            | 6                            |
| <b>Total payment to auditors</b>            | <b>83</b>                    | <b>101</b>                   |

**21(b) Corporate social responsibility expenditure**

Amount required to be spent as per section 135 of the Companies Act 2013.

Details of expenditure towards Corporate Social Responsibility (CSR) activities:

- a) Gross amount required to be spent by the Company during the year was Rs. 396 (Previous Year Rs. 361).  
b) Amount spent during the year on:

|                                            | In Cash | Yet to be paid<br>in Cash | Total |
|--------------------------------------------|---------|---------------------------|-------|
| i) Construction/ acquisition of any asset. | -       | -                         | -     |
|                                            | (-)     | (-)                       | (-)   |
| ii) On purposes other than (i) above       | 389     | 7                         | 396   |
|                                            | (424)   | (5)                       | (429) |

Figures in brackets represent previous period numbers.

Amount unspent during the year was Rs. NIL ( Mar 31, 2018 - NIL).

|                                                 | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------|------------------------------|------------------------------|
| <b>22 Income tax expense</b>                    |                              |                              |
| (a) Income tax expense                          |                              |                              |
| Current tax                                     |                              |                              |
| Current tax on profits for current year         | 5,802                        | 6,740                        |
|                                                 | 5,802                        | 6,740                        |
| Deferred tax                                    |                              |                              |
| Decrease/(increase) in deferred tax assets      | (76)                         | 325                          |
| (Decrease)/increase in deferred tax liabilities | (119)                        | (133)                        |
|                                                 | (195)                        | 192                          |
| <b>Income tax expense</b>                       | <b>5,607</b>                 | <b>6,932</b>                 |

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate

|                                                                                         | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-----------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Profit before income tax expense                                                        | 15,814                       | 19,928                       |
| Tax at the Indian tax rate of 34.944% (34.608%)                                         | 5,526                        | 6,896                        |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: |                              |                              |
| Corporate social responsibility expenditure                                             | 74                           | 81                           |
| MSME Interest, Interest u/s 234A, Interest on TDS                                       | 4                            | -                            |
| Changes in applicable tax rate*                                                         | -                            | 9                            |
| Reversal of deferred tax liability on revaluation surplus                               | -                            | (56)                         |
| Adjustment recognised in the current year in relation to the current tax of prior years | 3                            | 2                            |
| Income tax expense                                                                      | 5,607                        | 6,932                        |

\*The Cess on the Indian corporate tax rate was increased from 3% to 4% effective from April 1, 2018. As a result, the relevant deferred tax balances have been remeasured. The impact of the change in tax rate has been recognised in tax expense in profit or loss of previous year.

- (c) The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. For this purpose, the Company has appointed independent consultants for conducting Transfer Pricing Study. Management is of the opinion that its international transactions with associated enterprises have been undertaken at arms' length basis at duly negotiated prices on usual commercial terms. The Company has submitted the Accountants' Report in form 3CEB upto the financial year ended on March 31, 2018 as required under section 92E of the Income Tax Act, 1961.

## 23 Fair Value Measurements

Financial instruments by category:

|                                    | As at<br>March 31, 2019<br>Amortised cost | As at<br>March 31, 2018<br>Amortised cost |
|------------------------------------|-------------------------------------------|-------------------------------------------|
| <i>Financial assets</i>            |                                           |                                           |
| -Security deposits                 | 786                                       | 678                                       |
| -Trade receivables                 | 24,349                                    | 20,829                                    |
| -Cash and cash equivalents         | 30,086                                    | 31,872                                    |
| -Other bank balances               | 25,795                                    | 25,792                                    |
| -Other financial assets            | 802                                       | 1,370                                     |
| <b>Total Financial asset</b>       | <b>81,818</b>                             | <b>80,541</b>                             |
| <i>Financial liabilities</i>       |                                           |                                           |
| -Security deposits                 | 4,510                                     | 4,260                                     |
| -Trade payables                    | 34,215                                    | 37,828                                    |
| -Creditors for capital items       | 1,182                                     | 1,015                                     |
| -Other financial liabilities       | 383                                       | 355                                       |
| <b>Total Financial Liabilities</b> | <b>40,290</b>                             | <b>43,458</b>                             |

The carrying amounts of security deposits, trade receivables, trade payables, creditors for capital items, cash and cash equivalents, other bank balances and other financial assets/ liabilities are considered to be the same as their fair values, due to their short-term nature.

The Company does not have any financial instruments where significant estimation was involved in determination of its fair value.



## 24 Financial Risk Management

The Company's activities expose it to the market risk, liquidity risk and the credit risk. The Company's risk management is carried out by the treasury department for cash and cash equivalent, deposits with banks, foreign currency risk exposure and liquidity risk under various approved policies. The risk management for trade receivables is carried out by controlling department of the Company.

### (A) Credit Risk

Credit risk arises from cash and cash equivalents, other bank balance, trade receivables and other financial assets.

#### (i) Credit risk management

##### (a) Cash and cash equivalents and other bank balance:

The Company is in control of its exposure to these financial instruments by diversifying the deposit, by investing cash and cash equivalents and other bank balance based on counterparty credit strength as measured by long-term credit ratings of the three major rating agencies (Standard & Poor's, Moody's and Fitch) and by monitoring the financial strength of these banks on regular basis.

The Company has the deposits with banks and their respective rating are as in below table:

| Long Term Credit Rating | March 31, 2019 | March 31, 2018 |
|-------------------------|----------------|----------------|
| AA- to A+               | 51,950         | 53,300         |

By controlling and monitoring exposure in this manner, the Company believes that it effectively manage the risk of loss due to non performance by the banks.

##### (b) Trade Receivables:

The Company has Credit Policy and the independent credit control department to review the credit worthiness of the customers and assess the recoverability of the asset. Finance Director is the authority to approve any exception to the Policy.

Customer credit risk is managed basis established policies of the Company, procedures and controls relating to customer credit risk management which helps in assessing the risk at the initial recognition of the asset. Outstanding customer receivables are regularly and closely monitored. The Company has a monthly process of following past due analysis leading to very few cases of bad debts and delayed payments. The same is evident from the earlier years receivable write-off. The Company provides for any outstanding beyond 180 days. The trade receivables on the respective reporting dates are net off the allowance which is sufficient to cover the entire lifetime loss of sales recognised including those that are currently less than 180 days outstanding.

A default on a financial asset is when the counterparty fails to make contractual payment within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates.

The Company believe that there are efficient processes established to monitor and control the risk of loss associated with receivables.

##### (c) Other financial assets:

Other financial assets of the Company mainly comprises of security deposit with Dakshin Haryana Bijli Vitran Limited, security deposits for the rental premises and others, accrued interest on fixed deposits with banks, deposits held as lien with Banks and other receivables from related parties.

Credit risk exposure with respect to other financial assets are negligible as they are either supported by legal agreement or are with Nationalised banks and Government organisations:

- Security deposit with Dakshin Haryana Bijli Vitran Limited, a public sector organisation, represents low credit risk.
- Security deposits for the rental premises and others are with counter parties with strong capacity to meet the obligation, hence the risk of default is considered to be negligible.
- Deposits held as lien with Banks are with Nationalised Bank, hence the risk of default is considered to be negligible.

- Accrued interest on fixed deposits are with banks having strong financial strength as explained above, hence the risk of default is considered to be negligible.

- Other receivables from related parties are as per approved policy and the established procedure to monitor the dues from related parties which also ensures timely payments and no default, hence credit risk is negligible.

(ii) *Provision for expected credit losses*

Customer credit risk is managed basis established policies of the Company, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Company has a diverse customer base, as its customers are located and operate in largely independent markets and does not see any significant concentration of risk related to reliance on any single customer. The credit quality of the customers is evaluated based on the approved policies and established processes.

(iii) *Reconciliation of loss allowance provision - Trade receivable*

|                                     | Amount |
|-------------------------------------|--------|
| Loss allowance as on March 31, 2017 | 77     |
| Changes in loss allowance           | 14     |
| Loss allowance as on March 31, 2018 | 91     |
| Changes in loss allowance           | 39     |
| Loss allowance as on March 31, 2019 | 130    |

*Significant estimates and judgements*

*Impairment of Trade Receivables:*

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(B) **Liquidity Risk**

The Company's primary sources of liquidity are cash generated from operation. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Company intend to operate the business in a way that allows the Company to address its needs with existing cash and available financing arrangement if they cannot be funded by cash generated from operations.

The Company believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment

(i) *Financing arrangements*

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

| Floating rate                                                  | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|----------------------------------------------------------------|-------------------------|-------------------------|
| Expiring within one year (bank overdraft and other facilities) | 3,252                   | 3,500                   |

The bank overdraft facilities may be drawn at any time. No drawdown as at Mar 31, 2019 and Mar 31, 2018.

(ii) *Maturities of financial liabilities*

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.



The amount disclosed in the table are the undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| Contractual maturities of financial liability | Less than 3 months | 3 months to 6 months | Total  |
|-----------------------------------------------|--------------------|----------------------|--------|
| <b>March 31, 2019</b>                         |                    |                      |        |
| - Trade Payable                               | 32,383             | 1,832                | 34,215 |
| - Other financial liability                   | 6,075              | -                    | 6,075  |
| <b>March 31, 2018</b>                         |                    |                      |        |
| - Trade Payable                               | 34,500             | 3,328                | 37,828 |
| - Other financial liability                   | 5,630              | -                    | 5,630  |

(C) Market Risk

- (ia) **Foreign Currency Risk:** The Company operates internationally and is exposed to foreign exchange risk in relation to operating activities (when revenue or expense is denominated in a foreign currency) arising from foreign currency transactions, primarily with respect to the USD and EUR. The Company has approved policies to enter into foreign currency contracts in order to manage the impact of changes in foreign exchange rates on the results of operations and future foreign currency-denominated cash flows.

Foreign currency exposure of the Company is minimal.

- (ib) **Foreign currency risk exposure**

Particulars of unhedged foreign currency exposures are:

| Particulars                 | Currency | As at Mar 31, 2019          |              | As at Mar 31, 2018          |              |
|-----------------------------|----------|-----------------------------|--------------|-----------------------------|--------------|
|                             |          | (Foreign Currency in Lakhs) | INR in Lakhs | (Foreign Currency in Lakhs) | INR in Lakhs |
| Financial liabilities:      |          |                             |              |                             |              |
| Trade and other payables    | USD      | 29                          | 2,027        | 98                          | 6,408        |
|                             | EUR      | *                           | 16           | 15                          | 1,179        |
| Financial assets:           |          |                             |              |                             |              |
| Trade and other receivables | USD      | 11                          | 749          | 25                          | 1,647        |
| Balance in Bank accounts    | USD      | 1                           | 67           | *                           | *            |

\* Amount below the rounding off norm adopted by the company.

- (ic) **Sensitivity analysis**

|                                          | Impact on profit after tax |                |
|------------------------------------------|----------------------------|----------------|
|                                          | March 31, 2019             | March 31, 2018 |
| USD sensitivity                          |                            |                |
| - Increase by 3% (Mar 31, 2018 - 0.8%)*  | (24)                       | (25)           |
| - Decrease by 3% (Mar 31, 2018- 0.8%)*   | 24                         | 25             |
| EUR sensitivity                          |                            |                |
| - Increase by 2.4% (Mar 31, 2018- 4.3%)* | *                          | (33)           |
| - Decrease by 2.4% (Mar 31, 2018- 4.3%)* | *                          | 33             |

# Holding all other variables constant

\* Amount below the rounding off norm adopted by the Company.



(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings therefore it is not impacted by interest rate risk.

(iii) **Price Risk:** Price risk arises from exposure to equity securities prices from investments held by the Company. The Company does not have any investments in equity shares.

**25 Capital Management**

(a) **Risk Management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

As of March 31, 2019, the Company has only one class of equity shares and no debt. Therefore, there are no externally imposed capital requirements.

There is no change in the Company's capital structure since previous year.

(b) **Dividend**

|                                                                                                                                                                                                                                                                                              | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (i) Equity shares                                                                                                                                                                                                                                                                            |                              |                              |
| - Final dividend for the year ended March 31, 2018 of Rs. 13 ( year ended March 31, 2017 of Rs. 12.50) per fully paid equity share                                                                                                                                                           | 2,999                        | 2,883                        |
| - Dividend distribution tax on above.                                                                                                                                                                                                                                                        | 616                          | 587                          |
| (ii) Dividend not recognised at the end of the reporting year                                                                                                                                                                                                                                |                              |                              |
| - In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs.13 per fully paid equity share (March 31, 2018 of Rs.13). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | 2,999                        | 2,999                        |
| - Dividend distribution tax on above.                                                                                                                                                                                                                                                        | 616                          | 616                          |

**26 Segment Information**

The Company is engaged in the business of sales of automotive tyres, tubes and flaps. The Company sells tyres of its own brand "Goodyear". The Company is domiciled in India.

The Company has monthly review and forecasting procedure in place. The review involves the operating results of the Company as a whole except for sales and sales volume information which is available on disaggregated basis.

The Chief Operating Decision Maker (CODM), Managing Director, performs a detailed review of the operating results including cashflow, working capital, headcount of the Company as a whole and sales and sales volume on disaggregated basis and thereby makes decisions about the allocation of resources among the various functions. Since the operating results of each of the functions are not considered individually by the CODM, the functions do not meet the requirements of Ind AS 108 for classification as an operating segment, hence there is only one operating segment namely, "Automotive tyres, tubes & flaps".



A) Information about products and services:

|                | Automotive tyres, tubes & flaps |                              |
|----------------|---------------------------------|------------------------------|
|                | Year ended<br>March 31, 2019    | Year ended<br>March 31, 2018 |
| <b>Revenue</b> |                                 |                              |
| Tyres*         | 178,941                         | 160,888                      |
| Tubes          | 9,486                           | 9,164                        |
| Flaps          | 50                              | 122                          |
| <b>Total</b>   | <b>188,477</b>                  | <b>170,174</b>               |

\* Tyres consist of farm, consumer and commercial tyres sales.

B) Information about geographical areas:

The following information's discloses Revenues from external customers:

- (i) attributed to the entity's country of domicile and
- (ii) attributed to all foreign countries in total from which the entity derives revenues:

|                    | Revenue generated in<br>India   |                                 | Revenue generated<br>from exports |                                 | Total                           |                                 |
|--------------------|---------------------------------|---------------------------------|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|
|                    | Year ended<br>March 31,<br>2019 | Year ended<br>March 31,<br>2018 | Year ended<br>March 31,<br>2019   | Year ended<br>March 31,<br>2018 | Year ended<br>March 31,<br>2019 | Year ended<br>March 31,<br>2018 |
| <b>Revenue</b>     |                                 |                                 |                                   |                                 |                                 |                                 |
| External Customers | 184,370                         | 166,005                         | 4,107                             | 4,169                           | 188,477                         | 170,174                         |

All the non-current assets of the Company are located in India.

- C) Revenue of Rs. 44,895 ( Mar 31, 2018 - Rs. 42,913) are derived from a single external customer. No other single customer contributed 10% or more to the revenue.

27 Related Party Transactions

(a) Parent entities

The Company is controlled by the following:

| Name                                         | Type                        | Place of<br>incorporation | Ownership interest      |                         |
|----------------------------------------------|-----------------------------|---------------------------|-------------------------|-------------------------|
|                                              |                             |                           | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
| The Goodyear Tire & Rubber Company           | Ultimate holding<br>company | Akron, Ohio, USA          | -                       | -                       |
| Goodyear Orient Company (Private)<br>Limited | Holding company             | Singapore                 | 74%                     | 74%                     |

(b) Key management personnel compensation

|                              | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------------|-------------------------|-------------------------|
| Short-term employee benefits | 467                     | 929                     |
| Post-employee benefits       | 53                      | 66                      |
| Employee share based payment | 9                       | 31                      |
| <b>Total compensation</b>    | <b>529</b>              | <b>1,026</b>            |



(c) (i) List of related parties:

Fellow subsidiaries with whom the Company had transactions during the year:

- i) Goodyear International Corporation
- ii) Compania Goodyear Del Peru SA
- iii) Goodyear & Dunlop Tyres (Australia) Pty Limited
- iv) Goodyear & Dunlop Tyres (Nz) Limited
- v) Goodyear (Thailand) Public Company Limited
- vi) Goodyear Dalian Tire Company Limited
- vii) Goodyear De Chile S.A.I.C
- viii) Goodyear Do Brasil Produtos De Borracha Ltda.
- ix) Goodyear Dunlop Tires Operations SA
- x) Goodyear Earthmover Pty Limited
- xi) Goodyear Malaysia Berhad
- xii) Goodyear Middle East, FZE
- xiii) Goodyear Philippines Inc.
- xiv) Goodyear Regional Business Services Inc.
- xv) Goodyear SA (Luxembourg)
- xvi) Goodyear Singapore Tyres
- xvii) Goodyear South Africa (Pty) Limited
- xviii) Goodyear South Asia Tyres Private Limited
- xix) Goodyear Japan Ltd.
- xx) PT. Goodyear Indonesia TBK
- xxi) TC Debica S.A.
- xxii) Goodyear Tire Management Company ( Shanghai) Ltd.
- xxiii) Goodyear De Colombia S.A

Other related parties:

- i) Provident Fund of Goodyear India Limited
- ii) Trustee Goodyear India Limited Factory Provident Fund

( c ) (ii) Transactions with related party

|                                                                             | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-----------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>The Goodyear Tire &amp; Rubber Company</b><br>(Ultimate Holding Company) |                              |                              |
| - Purchase of raw materials and spare parts                                 | 884                          | 826                          |
| - Purchase of capital items                                                 | -                            | 54                           |
| - Expenditure for trade mark fees                                           | 1,293                        | 1,221                        |
| - Expense reimbursed to ultimate holding company                            | 68                           | 46                           |
| - Recovery for Deputation of Employees                                      | 37                           | 41                           |
| - Reimbursement of expense by ultimate holding company                      | 16                           | 7                            |
| - Expenditure for regional service charges                                  | 5,532                        | 5,610                        |



|                                                                        | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Goodyear Orient Company (Private) Limited<br/>(Holding Company)</b> |                              |                              |
| - Dividend paid                                                        | 2,219                        | 2,133                        |
| - Purchase of raw materials                                            | 2,763                        | -                            |
| <b>Fellow subsidiaries:</b>                                            |                              |                              |
| <b>Purchase of finished goods</b>                                      |                              |                              |
| - Goodyear South Asia Tyres Private Limited #                          | 49,935                       | 33,825                       |
| - Goodyear Dalian Tire Company Limited                                 | 1,000                        | 1,218                        |
| - Goodyear (Thailand) Public Company Limited                           | 88                           | 20                           |
| - PT. Goodyear Indonesia TBK                                           | 345                          | 585                          |
| - Goodyear Dunlop Tires Operations SA                                  | 229                          | 225                          |
| - Goodyear Malaysia Berhad                                             | 46                           | 32                           |
| # Net of recovery for replacement loss Rs. 1,167 (Rs. 811)             |                              |                              |
| <b>Purchase of raw materials and spare parts</b>                       |                              |                              |
| - Goodyear South Asia Tyres Private Limited                            | 338                          | 435                          |
| - Goodyear Dalian Tire Company Limited                                 | 89                           | -                            |
| - Goodyear Do Brasil Produtos De Borracha Ltda.                        | 4                            | 1                            |
| - Goodyear SA (Luxembourg)                                             | 1                            | 3                            |
| - TC Debica S.A.                                                       | -                            | 1                            |
| <b>Sale of finished goods</b>                                          |                              |                              |
| - Goodyear & Dunlop Tyres (Australia) Pty Limited                      | 9                            | 15                           |
| - Compania Goodyear Del Peru SA                                        | 11                           | 26                           |
| - Goodyear Middle East, FZE                                            | 161                          | 126                          |
| - Goodyear South Africa (Pty) Limited                                  | 108                          | 116                          |
| - Goodyear Singapore Tyres                                             | 230                          | 69                           |
| - Goodyear International Corporation                                   | 284                          | 91                           |
| - Goodyear Dunlop Tires Operations Sa                                  | 7                            | 1                            |
| - Goodyear De Chile S.A.I.C                                            | 22                           | -                            |
| - Goodyear & Dunlop Tyres (Nz) Limited                                 | 26                           | 8                            |
| - Goodyear Philippines Inc.                                            | 24                           | 66                           |
| - Goodyear Japan Ltd.                                                  | 2                            | *                            |
| - Goodyear De Colombia S.A                                             | 6                            | -                            |
| <b>Purchase of capital items</b>                                       |                              |                              |
| - Goodyear International Corporation                                   | -                            | 84                           |
| - Goodyear South Asia Tyres Private Limited                            | 11                           | 283                          |
| - Goodyear (Thailand) Public Company Limited                           | 78                           | -                            |



|                                                             | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|-------------------------------------------------------------|------------------------------|------------------------------|
| <b>Recovery for deputation of employees</b>                 |                              |                              |
| - Goodyear Singapore Tyres                                  | 501                          | 707                          |
| - Goodyear (Thailand) Public Company Limited                | 7                            | -                            |
| - Goodyear Dalian Tire Company Limited                      | 44                           | 40                           |
| - Goodyear SA (Luxembourg)                                  | 57                           | 49                           |
| - Goodyear & Dunlop Tyres (Australia) Pty Limited           | -                            | 7                            |
| - PT. Goodyear Indonesia Tbk                                | 50                           | -                            |
| <b>Payment for deputation of employees</b>                  |                              |                              |
| - Goodyear De Chile S.A.I.C                                 | -                            | 148                          |
| - Goodyear Tire Management Company ( Shanghai) Ltd.         | 330                          | 401                          |
| <b>Sale of raw materials, spare parts and other charges</b> |                              |                              |
| - Goodyear South Asia Tyres Private Limited                 | 2,589                        | 259                          |
| <b>Expenses recovered from related parties</b>              |                              |                              |
| - Goodyear Dalian Tire Company Limited                      | 6                            | 1                            |
| - Goodyear Singapore Tyres                                  | 157                          | 43                           |
| - Goodyear South Asia Tyres Private Limited #               | 1,024                        | 1,003                        |
| - Goodyear SA (Luxembourg)                                  | 9                            | 7                            |
| - Goodyear Earthmover Pty Limited                           | 4                            | 1                            |
| - Goodyear Do Brasil Produtos De Borracha Ltda.             | -                            | 1                            |
| PT. Goodyear Indonesia TBK                                  | 1                            | -                            |
| # Net of reimbursement Rs. 5 (Rs. *)                        |                              |                              |
| <b>Reimbursement of expenses to related parties</b>         |                              |                              |
| - PT. Goodyear Indonesia TBK                                | -                            | 3                            |
| - Goodyear Regional Business Services Inc.                  | 232                          | 164                          |
| - Goodyear Dunlop Tires Operations SA                       | *                            | -                            |
| - Goodyear Japan Ltd.                                       | -                            | 2                            |
| - Goodyear Tire Management Company ( Shanghai) Ltd.         | 1                            | -                            |
| <b>Commission received</b>                                  |                              |                              |
| - Goodyear Earthmover Pty Limited                           | 443                          | 356                          |
| <b>Contribution of provident fund</b>                       |                              |                              |
| - Provident Fund of Goodyear India Limited                  | 663                          | 590                          |
| - Trustee Goodyear India Limited Factory Provident Fund     | 649                          | 575                          |



(d) Outstanding balances arising from sales/purchase of goods and services

The following balances are outstanding at the end of the reporting year in relation to transactions with related party:

|                                                                                | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Trade Payables</b>                                                          |                         |                         |
| <b>Ultimate holding company :</b>                                              |                         |                         |
| The Goodyear Tire & Rubber Company                                             | 1,408                   | 3,271                   |
| <b>Holding company :</b>                                                       |                         |                         |
| Goodyear Orient Company (Private) Limited                                      | 502                     | -                       |
| <b>Fellow subsidiaries :</b>                                                   |                         |                         |
| Goodyear South Asia Tyres Private Limited                                      | 6,856                   | 4,517                   |
| Goodyear Dunlop Tires Operations SA                                            | 16                      | 204                     |
| PT. Goodyear Indonesia TBK                                                     | 10                      | 353                     |
| Goodyear Regional Business Services Inc.                                       | 22                      | 49                      |
| Goodyear Dalian Tire Company                                                   | 32                      | 1,225                   |
| Goodyear (Thailand) Public Company Limited                                     | -                       | 18                      |
| Goodyear Malaysia Berhad                                                       | 6                       | 24                      |
| TC Debica S.A.                                                                 | -                       | 1                       |
| Goodyear Do Brasil Produtos De Borracha Ltda.                                  | 1                       | 1                       |
| Goodyear SA (Luxembourg)                                                       | -                       | 2                       |
| Goodyear Tire Management Company ( Shanghai) Ltd.                              | 14                      | 405                     |
| Goodyear Japan Ltd.                                                            | -                       | 2                       |
| <b>Total trade payables to related parties (refer note 10(b))</b>              | <b>8,867</b>            | <b>10,072</b>           |
| <b>Creditors for Capital items</b>                                             |                         |                         |
| <b>Ultimate holding company :</b>                                              |                         |                         |
| The Goodyear Tire & Rubber Company                                             | -                       | 64                      |
| <b>Fellow subsidiaries :</b>                                                   |                         |                         |
| Goodyear (Thailand) Public Company Limited                                     | 76                      | -                       |
| <b>Total payables for capital items to related parties ( refer note 10(a))</b> | <b>76</b>               | <b>64</b>               |
| <b>Trade Receivables</b>                                                       |                         |                         |
| <b>Fellow subsidiaries :</b>                                                   |                         |                         |
| Goodyear Middle East, FZE                                                      | 16                      | 26                      |
| Goodyear International Corporation                                             | 103                     | 7                       |
| Goodyear Philippines Inc.                                                      | 8                       | -                       |
| Goodyear Singapore Tyres                                                       | 55                      | 19                      |
| Goodyear South Asia Tyres Private Limited                                      | 236                     | 18                      |
| Goodyear South Africa (Pty) Limited                                            | 54                      | 88                      |
| Goodyear & Dunlop Tyres (Nz) Limited                                           | 18                      | -                       |
| Goodyear Dunlop Tires Operations Sa                                            | 7                       | -                       |
| Goodyear Japan Ltd.                                                            | -                       | *                       |
| <b>Total trade receivable from related parties ( refer note 5(b))</b>          | <b>497</b>              | <b>158</b>              |



|                                                                       | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Other Receivables</b>                                              |                         |                         |
| <b>Ultimate holding company :</b>                                     |                         |                         |
| The Goodyear Tire & Rubber Company                                    | 9                       | 8                       |
| <b>Fellow subsidiaries :</b>                                          |                         |                         |
| Goodyear Singapore Tyres                                              | 46                      | 340                     |
| Goodyear (Thailand) Public Company Limited                            | 5                       | -                       |
| PT. Goodyear Indonesia Tbk                                            | 20                      | -                       |
| Goodyear SA (Luxembourg)                                              | 14                      | 14                      |
| Goodyear Earthmover Pty Limited                                       | 41                      | 19                      |
| Goodyear Dalian Tire Company                                          | 17                      | 9                       |
| Goodyear South Asia Tyres Private Limited                             | 203                     | 302                     |
| Goodyear Do Brasil Produtos De Borracha Ltda.                         | 1                       | 1                       |
| <b>Total other receivable from related parties ( refer note 5(a))</b> | <b>356</b>              | <b>693</b>              |

\* Amount below the rounding off norm adopted by the company.

(e) **Terms and conditions**

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

All other transactions were made on normal commercial terms and conditions and at arm's length.

All outstanding balances are unsecured and are repayable in cash.

|                                                                        | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>28 Contingent liabilities</b>                                       |                         |                         |
| i) Guarantee to Sarva Haryana Gramin Bank *                            | 198                     | 305                     |
| ii) Claims against the Company disputed and not acknowledge as debt ** |                         |                         |
| A. Excise duty and Service tax matters                                 | 1,647                   | 2,159                   |
| B. Income tax matters                                                  | 2,764                   | 3,516                   |
| C. Sales tax matters                                                   | 261                     | 270                     |
| D. Customs duty matter                                                 | 298                     | 298                     |
| E. Other matters                                                       | 156                     | 174                     |

**F. Haryana Local Area Development Tax (HLADT) :**

In 2008, the State of Haryana (the State) introduced the "Entry Tax Act" ("Act"), which the Punjab and Haryana High Court declared as 'Unconstitutional'. The State did not frame and notify enabling "Entry Tax Rules", and no notice or demand has been received to date by the Company. Accordingly, the amount of liability, if any, under the Entry Tax Act involved has not been quantified by the Company. On November 11, 2016, the nine Judges Bench of Hon'ble Supreme Court held that the State Governments do have right to levy an 'Entry Tax', however (i) whether States have enacted correct legislations in alignment with Indian Constitutional provisions (ii) whether such taxes demanded by State Governments were actually used for intended development of local area and (iii) the interpretation of the word "Local Area" were among questions not addressed by the November 11, 2016 ruling, but instead are to be heard by Hon'ble Divisional Bench of the Supreme Court individually for each state, on merits.

The above mentioned matter heard by the Hon'ble Divisional Bench of the Supreme Court and were remanded back to the Punjab and Haryana High Court and directed that fresh petitions should be filed by the parties, based on the above principles given by the nine Judges Bench of Supreme Court. The Company has filed its fresh petition in May 2017 and based on legal opinion have considered this as contingent liability at this stage.



- G. The Hon'ble Supreme Court in a recent ruling has passed a judgement on the definition and scope of 'Basic Wages' under the Employees' Provident Funds and Miscellaneous Provision Act, 1952. The Company found numerous interpretation issues and thus is in the process of evaluating the impact of the same.
- \* The Company has given financial guarantee to Sarva Haryana Gramin Bank (Bank) in respect of loans taken by its employees. In case any employee on whose behalf a guarantee has been provided by the Company, opts to leave his/her employment, then the Company is required to pay the outstanding balance in his loan account to the Bank from the proceeds of the terminal benefits payable to him after adjusting the Company's dues. The Company is not exposed to any loss, further the fair value of financial guarantee is not material.
- \*\* These represent the best 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. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Amount of contingent liabilities are inclusive of Interest as per order.

## 29 Commitments

### (a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liability is as follows:

|                                 | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------|-------------------------|-------------------------|
| Property, plant and equipment * | 2,221                   | 1,348                   |

\* Net of advance Mar 31, 2019 - Rs.621, Mar 31, 2018 - Rs.257.

- (b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

### (c) Non-cancellable operating leases

Cancellable: The Company's cancellable operating lease arrangement mainly consists of residential premises, warehouses and offices taken on lease for periods between 1-10 years. Terms of lease include terms for renewal, increase in rents in future periods and terms of cancellation.

Non-cancellable: The Company has entered into a non-cancellable operating lease for office premises and certain vehicles. The schedule of future minimum lease payment which is set out below :

|                                                                                                       | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Commitment for minimum lease payments in relation to non-cancellable operating leases are as follows: |                         |                         |
| Within one year                                                                                       | 66                      | 236                     |
| Later than one year but not later than five years                                                     | 35                      | 96                      |

*Rental expense relating to operating leases*

|                                                   | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|---------------------------------------------------|------------------------------|------------------------------|
| Minimum lease payments                            | 788                          | 855                          |
| Total rental expense relating to operating leases | 788                          | 855                          |



### 30 Events occurring after the reporting period

Refer to note 25 for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

### 31 Share-based payments

The Goodyear Tire & Rubber Company, Akron, Ohio, USA (Ultimate holding company) issues stock-based awards to the Company's employees under their approved Performance Plan. The issue of grants of restricted stock units and stock appreciation rights to the employees of the Company are covered under the same Performance Plan as declared by the ultimate holding company.

#### Stock appreciation rights (SAR)

Grants of Stock Appreciation Right generally have a graded vesting period of four years whereby one-fourth of the awards vest on each of the first four anniversaries of the grant date, an exercise price equal to the fair market value of one share of the ultimate holding company on the date of grant (calculated as the average of the high and low price or the closing market price on that date depending on the terms of the related Plan) and a contractual term of ten years. Stock Appreciation Rights are cancelled on, or 90 days following, termination of employment unless termination is due to retirement, death or disability under certain circumstances, in which case, all outstanding options vest fully and remain outstanding for a term set forth in the related grant agreement. As the obligation to settle the share based transaction rests with the Company in cash, hence these are accounted for as cash-settled options. The Company has not granted any SAR after December 2014.

#### Restricted stock units (RSU)

Restricted stock units have vesting period of three years beginning on the date of grant. Restricted stock units will be settled through the issuance of an equivalent number of shares of The Goodyear Tire & Rubber Company, Akron, Ohio, USA common stock. The Company is required to reimburse the ultimate holding company the cost of the share issuance as on the date of vesting. As the obligation to settle the share based transaction rests with the Company in cash, hence these are accounted for as cash-settled options.

#### i. Description of share-based payments arrangements

Details of liabilities arising from SARs and RSUs were as follows:

|                                               | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------------------------------|-------------------------|-------------------------|
| Total carrying amount of liabilities for SARs | 19                      | 55                      |
| Total carrying amount of liabilities for RSUs | 69                      | 58                      |
| <b>Total</b>                                  | <b>88</b>               | <b>113</b>              |
| <i>Current</i>                                | 58                      | 78                      |
| <i>Non-current</i>                            | 30                      | 35                      |

#### ii. Expenses recognised in profit and loss account

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

|                                                                            | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|----------------------------------------------------------------------------|------------------------------|------------------------------|
| Share appreciation rights                                                  | (26)                         | (32)                         |
| Restricted stock units                                                     | 26                           | 25                           |
| <b>Expenses arising from cash-settled share based payment transactions</b> | <b>*</b>                     | <b>(7)</b>                   |

\* Amount below the rounding off norm adopted by the Company.



iii. **Measurement of fair values**

The fair value of SARs have been measured using the Black Scholes formula. Service and non-performance conditions attached to the arrangements were not taken into account in measuring fair value.

The fair value of grant of restricted stock unit is based on the closing market price of a share of The Goodyear Tire and Rubber Company, Akron's common stock on the date of grant, thereafter re-measuring the value on each reporting date at the closing market price of a share.

**Stock appreciation rights**

The inputs used in measurement of the fair value at grant date and measurement date of the SARs were as follows:

|                                                     | Measurement<br>date,<br>Mar 31, 2019 | Measurement<br>date,<br>Mar 31, 2018 |
|-----------------------------------------------------|--------------------------------------|--------------------------------------|
| Dividend yield (%)                                  | 1.13%                                | 1.13%                                |
| Expected Volatility (weighted average)              | 33.63%                               | 33.63%                               |
| Expected Life (weighted average)                    | 7.2                                  | 7.2                                  |
| Risk-free interest rate (based on government bonds) | 2.13%                                | 2.13%                                |
| Model used                                          | Black Scholes                        |                                      |

Expected volatility has been based on an evaluation of the historical volatility of the ultimate holding company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments have been based on historical experience and general option holder behavior.

32 **Earnings Per Share**

|                                                                                                                                              | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) <b>Basic earnings per share (Rs.)</b>                                                                                                    | 44.25                        | 56.34                        |
| (b) <b>Diluted earnings per share (Rs.)</b>                                                                                                  | 44.25                        | 56.34                        |
| (c) <b>Reconciliations of earnings used in calculating earnings per share</b>                                                                |                              |                              |
| <b>Basic earnings per share</b>                                                                                                              |                              |                              |
| Profit attributable to the equity holders of the Company used in calculating basic earnings per share:                                       | 10,207                       | 12,996                       |
| <b>Diluted earnings per share</b>                                                                                                            |                              |                              |
| Profit attributable to the equity holders of the Company used in calculating diluted earnings per share:                                     | 10,207                       | 12,996                       |
| (d) <b>Weighted average number of shares used as the denominator</b>                                                                         |                              |                              |
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share (Nos)                               | 23,066,507                   | 23,066,507                   |
| Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (Nos) | 23,066,507                   | 23,066,507                   |

Note: There are no dilutive instruments.



33 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on the information available with the Company:

|                                                                                                                                                    | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end*                                           | 276                          | 140                          |
| ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end                                                   | -                            | 1                            |
| iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year                                  | 256                          | 91                           |
| iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | -                            | -                            |
| v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year             | 2                            | -                            |
| vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made                                               | -                            | -                            |
| vii) Further interest remaining due and payable for earlier years                                                                                  | -                            | -                            |

\*Principal amount due to supplier includes 'Creditors for capital items' and 'Trade payables' as follows:

Creditors for capital items: Mar 31, 2019 - Rs.20 (Mar 31, 2018- NIL) [Refer Note - 10 (a)]

Trade payable: Mar 31, 2019 - Rs.256 (Mar 31, 2018 - 140) [Refer Note - 10 (b)]

34 Standards issued but not yet effective

**Ind AS 116 - Leases**

Ministry of Corporate affairs has notified Ind AS 116 - Leases, which is effective from April 1, 2019, which will replace the existing lease standard, Ind AS 17 Leases and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of lease for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward lessor accounting requirements. The Company is evaluating the impact of Ind AS 116 and its effect on the financial statements.

**Appendix C to Ind AS 12 - Income Taxes**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements and its effect on the financial statements.

**Ind AS 19 - Employee Benefits**

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- 1) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- 2) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is evaluating the requirements and its effect on the financial statements.



## Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

For Deloitte Haskins & Sells LLP  
Firm Registration No. 117366W/W-100018  
Chartered Accountants

Vijay Agarwal  
Partner  
Membership Number: 094468

Place: New Delhi  
Date: May 29, 2019

### For and on behalf of the Board

Rajeev Anand  
Chairman & Managing Director  
DIN: 02519876

Sudha Ravi  
Director  
DIN: 06764496

Rajiv Lochan Jain  
Director  
DIN: 00161022

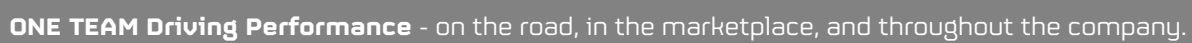
Anup Karnwal  
Company Secretary

Mitesh Mittal  
Chief Financial Officer & Finance Director  
DIN: 05231968

C Dasgupta  
Director  
DIN: 00381799

Nicole Amanda Nuttall  
Director  
DIN: 08164858



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# WATERSHED DEVELOPMENT PROJECT

A CSR initiative of Goodyear to increase water availability in  
village of Maharashtra, in collaboration with IAHV



# SAFER ROADS, SAFER YOU

A CSR initiative of Goodyear on road safety of school children,  
in collaboration with IRTE



**GOODYEAR**



## Goodyear India Limited

CIN: L25111HR1961PLC008578

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

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