

**GOODYEAR**

GOODYEAR INDIA LIMITED  
ANNUAL REPORT 2003

Report

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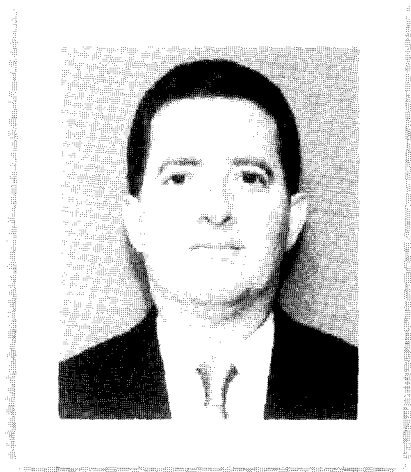
Leading the  
world  
in tyre technology

BUILT WITH  
**Trinum**  
TYRE TECHNOLOGY



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"Over a decade, the automotive industry has metamorphosed from a seller's market to a buyer's market. Today, there are 12 car companies offering more than 30 models in India and more are expected in the near future. The Indian market has transformed into a highly demanding market which seeks appropriate technology which is at the same time economical.

Goodyear India's products are all backed by its international R & D, manufacturing processes and practices. The Company is confident of staying one revolution ahead even as the market here evolves and adopts new performance standards across all automotive products."

**Antonio M Capellini**  
Chairman & Managing Director  
Goodyear India

## CAREFULLY BALANCED, PROPERLY ALIGNED

Without a doubt, recent years haven't been a joyride. They have posed challenges on many fronts. Events of turmoil such as 9/11, the uncertainties caused by developments in the Middle East, recessionary economic trends have all exacted their toll. Still, as the maxim goes, "tough times never last, tough people do". Our determination to leverage our global technological superiority to extend our marketshares has been keeping us in good stead for the future. The measures to streamline our departments, rationalise our distribution network, intensify our customer contact, and improve our accessibility have all contributed to better our standing. Indeed, these will fructify and the Company will reap their full rewards sooner than later.

*WBR Dealer Meet at Belgaum*



*WBR Dealer Meet - Bangalore*



## TECHNOLOGY WITH A TARGET

In fact, our entire range of products across applications and market segments derives mileage from this fact in terms of reputation for reliability. Which is why we have striven to carry this point home through road-shows, training sessions and other showcasing events. It eloquently testifies to our clear edge in research and product development.

In terms of new OE sign-ups in the passenger car segments as well as additional business from existing agreements, we can cite with pride, the new model of Honda City, the Chevrolet Optra, the Tata Rover and achieving sole status for Skoda cars. While Aquatred and GPS radials have been bywords among car owners, we have been improving on the customer preference rankings through better monitoring of standards at our Tyretech centres, as well as by encouraging our retailing associates to set higher goals.

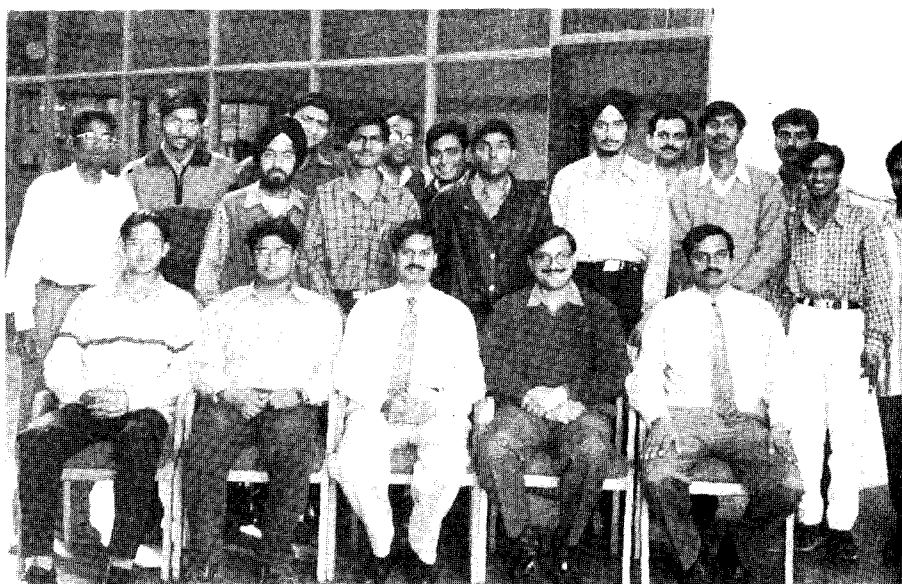
There has been an all-round furthering of our commitment to upkeep of a Total Quality Culture. We have been maintaining our manufacturing standards, both in quantity and quality. Our interactions with OEs, their personnel, garages, our retailing associates, our end-users, have all carried an impact of our time-honoured brand values and highlighted us as being different because of our strengths.

Widely hailed across the industry for pioneering the unique Tubeless Radial technology, Goodyear has initiated the market's transition process towards this product. An on-road demonstration of technological prowess, these tyres use Trinium know-how which was developed through collaborative efforts across America, Europe and Japan. They reiterate our position of 'leading the world in tyre technology'.



## TRANSLATING QUALITY STANDARDS INTO MARKET SHARES

A lot of force of conviction is called upon to vividly transmit our product superiority at the retail level, as customers do a major part of their evaluation and also make their decision here. After all, not everyone can visit the Plant to be persuaded, and yet they must see, hear, understand and experience enough to base their preference for Goodyear. This is where our Workshop sessions that disseminate such knowledge and impart these skills play a critical role in gearing the entire market interface towards this objective.



*Participants of a Refresher Course for Dealer Mechanics at Escorts, Faridabad*



*OE Training for Maruti Dealers at the Regional Training Centres at Kochi (left) and Chennai (right)*

*Farm Tyre Adjuster Program for Eicher Business Associates*

### FARM TYRE ADJUSTER PROGRAM FOR EICHER BUSINESS ASSOCIATES

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INDIA 2004

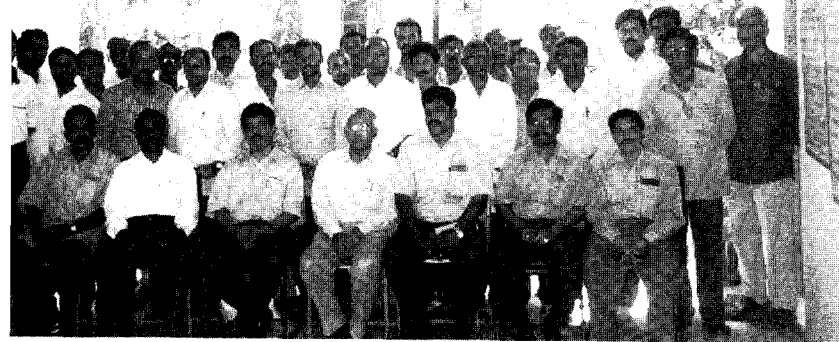
Even as we strengthen every link in the chain to extend our values to the market, there is a simultaneous raising of standards within the organization. The spread of the Six Sigma program for business success through orientation at different executive levels, has helped everyone to understand processes and accomplish specific projects. The Six Sigma Steering Committee comprising all EC members and headed by the Chairman & Managing Director, ensures its priority on our corporate agenda.

As the market conditions indicate substantial improvement in the coming months, each one of

such initiatives at Goodyear India will have poised to seize the advantage and translate opportunities into results. As EMIs (car loan instalments) are dropping, an auto boom is underway, expanding the volume in the passenger car radial segment. The domestic rate of economic growth also hovers around 8% which induces investor confidence and signals favourable consumer trends.

Peak functioning of our people and processes will enable us to capitalise better in the emerging scenario than our competitors. It will also pave the way towards a fresh chapter of rewards for the stakeholders.





*Tyre Maintenance Seminar for the APSRTC employees - 6 ways to reduce tyre cost*

## COMPETITIVE EDGE SHOWS UP IN THE CUSTOMER'S EXPERIENCE

As our products set performance norms for dry as well as wet traction, treadwear, comfort of ride, and tyre life - they earn brand loyalty which is reinforced even further by our programmes such as Customer Meets and Special Tyre Clinics.

*Associates on the successful completion of Field Staff Orientation Course*



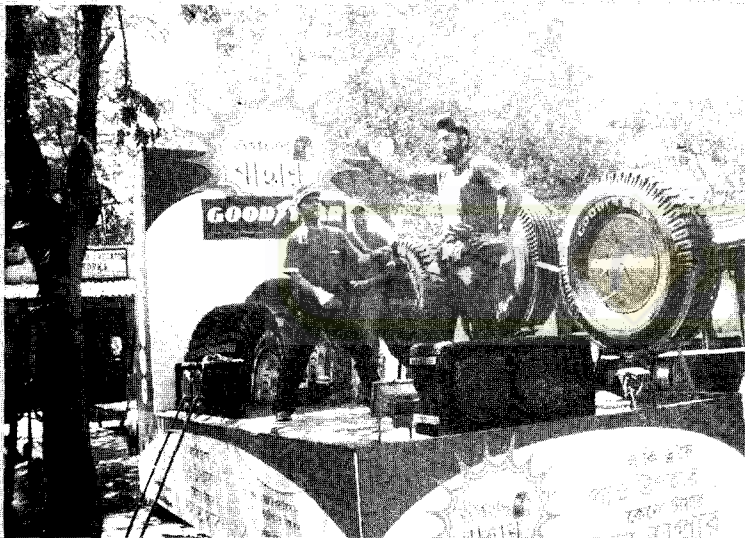
*A Truck Tyre Clinic in progress*

Goodyear India actively supports its customers in getting the best value by means of Training that focusses on their specialised application. Whether it be Earthmover Seminars for heavy industry and mining sector, or the Farm Tyre Adjuster Program, guidelines are imparted on load, safety precautions and defect analysis, thus directly impacting the usage and benefits for the customer.

Responding to the warm reception from the agricultural sector, the Company has vigorously spread its network of Farm Tyre Centres and deployed Farm Vans. Its string of Tractor Owner Meets strengthens the brand presence across the vast hinterland.

## A REPUTATION REACHING OUT

In line with the reputation gained by Goodyear Eagle racing radials among the Grand Prix drivers and participant teams, a number of the most prestigious automobile models ranging from Ferrari, Porsche, and Cadillac to Nissan roll out fitted with Goodyear Tyres.



*Reaching out to customers - a Road show as a part of Customer Awareness Programme*

Coupled with having the most numerous types and sizes of tyres in its range, this builds a ready brand confidence among our customers worldwide. In certain markets, this is latent and has to be tapped effectively to reflect more in the sales graphs.

Also as the number of SUVs in the market has gone up, with several spectacular launches in recent times, the Trinum-based Fortera is well placed to conquer this segment on Indian roads.



## CHANNELISING THE BRAND PULL

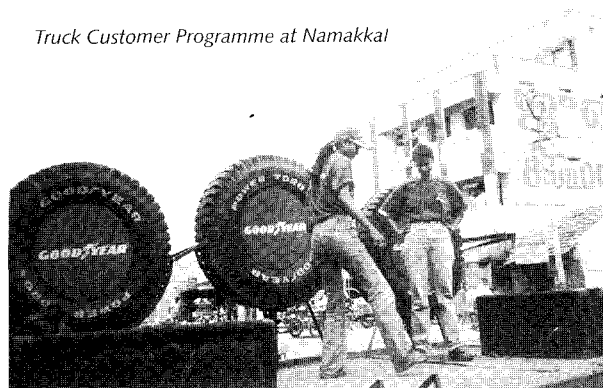
The number of dealer meets convened right through the year has served to keep up a healthy circulation of information and ideas.

While valuable customer feedback is obtained through these interactions, the meets are crucial for disseminating the Company's policies on competitive pricing, product availability and about new developments on the anvil.

With the active support from local and regional dealers, contact between customers and senior company executives was also facilitated at various venues across the country. This is yet another initiative that consolidates the customer goodwill for the brand, and generates independent and invaluable word-of-mouth as endorsement for Goodyear values.

Our channel partners were also exposed to training sessions focussed on selling to different market

*Truck Customer Programme at Namakkal*



segments, updating the skills of the participants, and comprehensively covering the aspects of tyre storage, maintenance, and servicing parameters.

To augment the channel push, the Company also has an extensive drive to establish contact with purchase influencers.

We go to the places they operate from and seek their cooperation. Car mechanics, garage-owners, taxi operators, LCV transporters etc. have all been targetted with specific campaigning which emphasizes Goodyear's edge in technology and its customer benefits.

*Maintaining customer relationship  
- Tractor Owners' Meet*





## KEEPING THE TRUST - VALUES FOR SOCIETAL ADVANCEMENT

As a contemporary corporate citizen, Goodyear evinces its concern for the environment and actively promotes greening in the vicinity all around its manufacturing facilities. Equally, it attaches importance to safety norms, as well as storage and handling procedures at various locations. In addition, the Company is constantly seeking ways to reduce process waste, lower energy consumption, and increase productivity.



*Tractor Customer Meet at Gwalior*

Goodyear India also undertakes to contribute to social welfare projects which improve the quality of life for people living in the local neighbourhoods where we have manufacturing infrastructure. It also fosters academic excellence among children through award of merit scholarships and this has enabled several youngsters to pursue higher education.

It is perseverance in the pursuit of values and quality processes, both in our businesses and social transactions, which foster respect and goodwill at large for our brand. "Protect Our Good Name" has always been an inspiring refrain in the annals of our 107-year old institution.

**Board of Directors**

**Antonio M Capellini**  
*Chairman & Managing Director*

**Alberto Aguirre Rivera**  
*Finance Director*

**R V Gupta**  
**C Dasgupta**  
**Luis C Ceneviz**

**Company Secretary**

**S K Jain**

**Auditors**

**A F Ferguson & Co.**  
*Chartered Accountants*

**Registered & Corporate Office  
and Works**

Mathura Road  
Ballabgarh (Dist. Faridabad)  
Haryana - 121 004  
Tel. No. 0129-5069000

**43rd Annual General Meeting May 14, 2004**