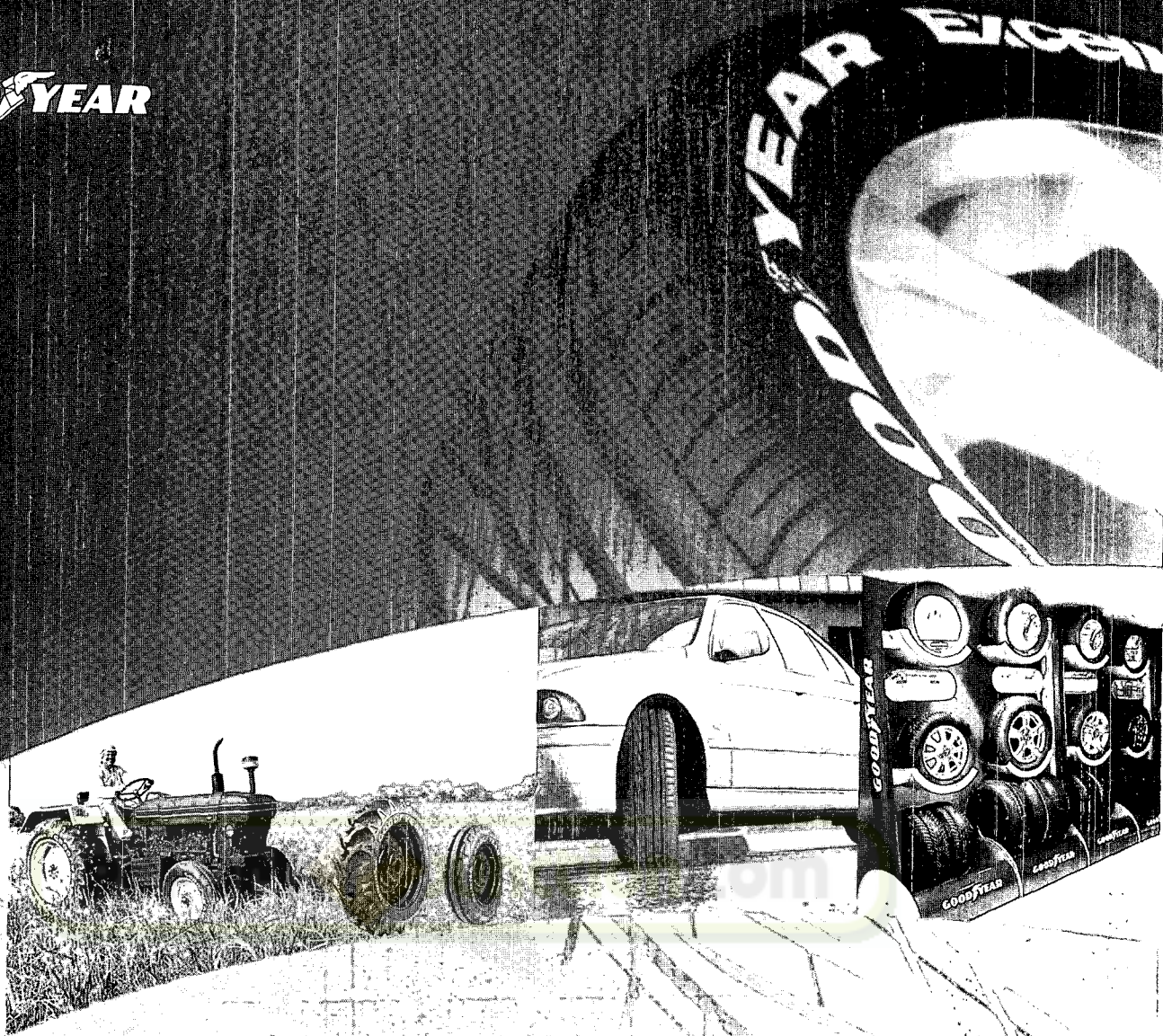


**GOODYEAR**

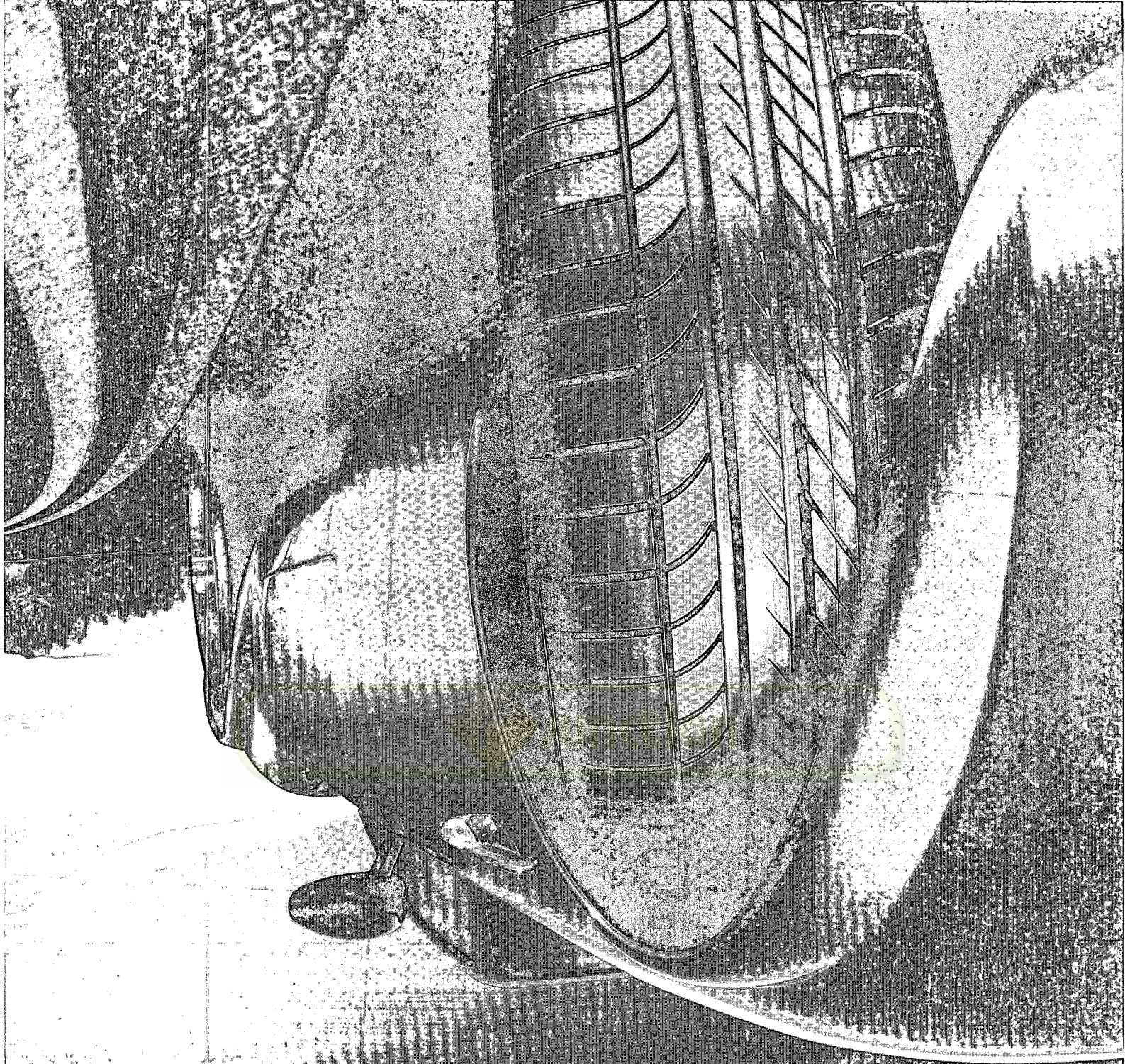


Rolling ahead with  
**Success**

**GOODYEAR INDIA LIMITED**  
**ANNUAL REPORT 2007**

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**GOODYEAR**  
*One Revolution Ahead*



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**Prabhakar Jain**  
Chairman &  
Managing Director  
Goodyear India Limited

*D*ear Shareholders,

In recent times, India has captured the imagination of the world through its steady economic growth. This growth in the economy has been matched by your Company as evidenced by its very impressive all-round performance.

I take this opportunity to express my sincere appreciation to my predecessor, Mr. Antonio Capellini, who during his five years in office gave the strategic direction to the Company. During his tenure, your Company steadily gained market share and consolidated its position as an important player in the tyre industry.

Further, it gives me immense pleasure and pride to be back in India and at the helm of affairs of such a renowned organisation. I will endeavour to lead your Company to even greater success and further consolidate its position in the industry as a technologically advanced, innovative and responsible corporate citizen. The Indian market today is offering us opportunities to take a market leadership role. With continued support from our Parent Company, The Goodyear Tire & Rubber Co., USA, we are confident of maximizing on this opportunity.

The continuing success of Goodyear India should be a matter of great joy and satisfaction for all stakeholders: you the shareholders, employees, our trade partners, consumers, financial institutions, government & non-government agencies and the management.

With our technology leadership, we are confident of staying one revolution ahead of the competition in all respects. We will also continue to be the forerunner in bringing product innovations across segments, thereby setting performance standards for others to emulate.

I am thankful for this opportunity to lead your Company.

## The Company on the Move...



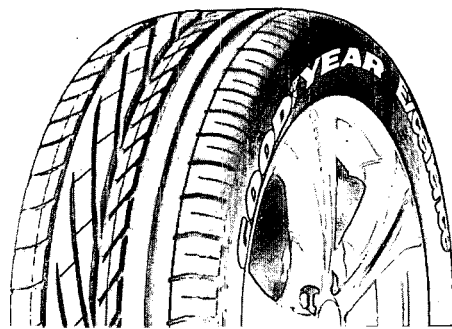
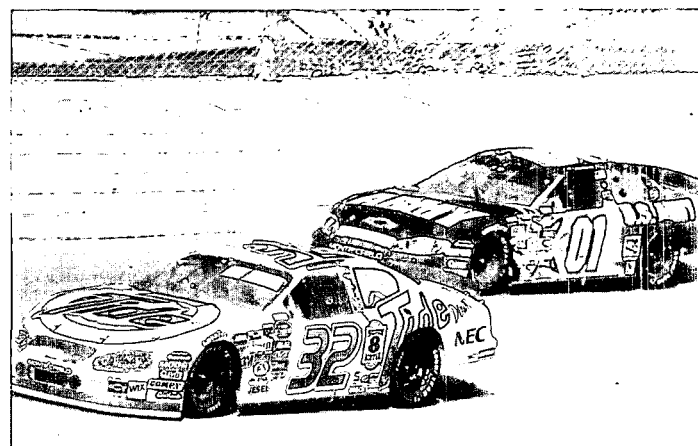
The 8.5% GDP growth in India's economic environment has had a positive rub-off on both rural and urban markets. The recent budget proposal of decreasing the excise duty on tyres from 16% to 14% will positively impact the automotive and steel industries.

The sharp spur in demand anticipated from both metropolitan and agrarian markets can be attributed to a host of factors like increasing vehicle population, growing

replacement market, and the need for more technologically advanced products and strong customer support.

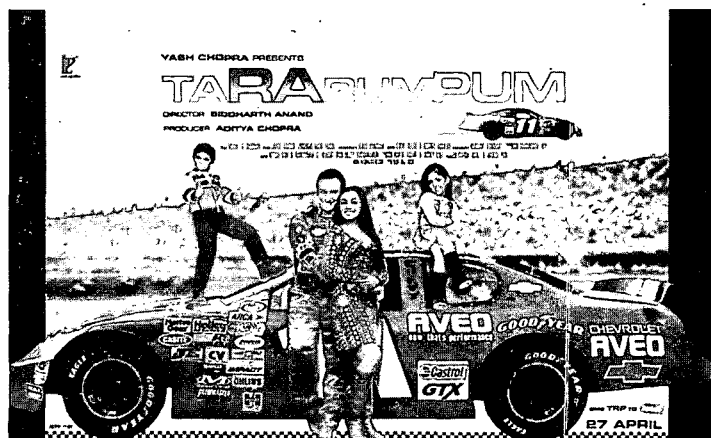
This is where our product development and customer reach initiatives have delivered results. In tandem with our higher internal efficiencies, they have enabled us to significantly raise our operating profits. Our world class technology and global experience, combined

with local reach, provides us with a decisive quality edge in terms of performance and service.

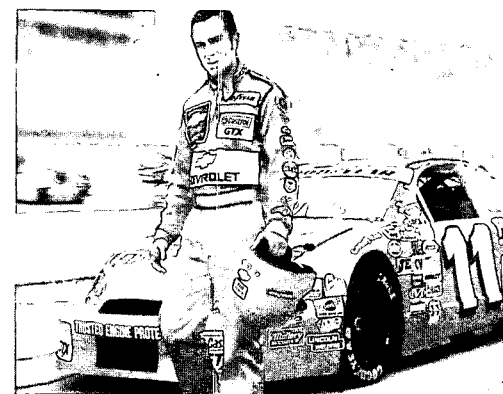


## Goodyear's Association with Bollywood

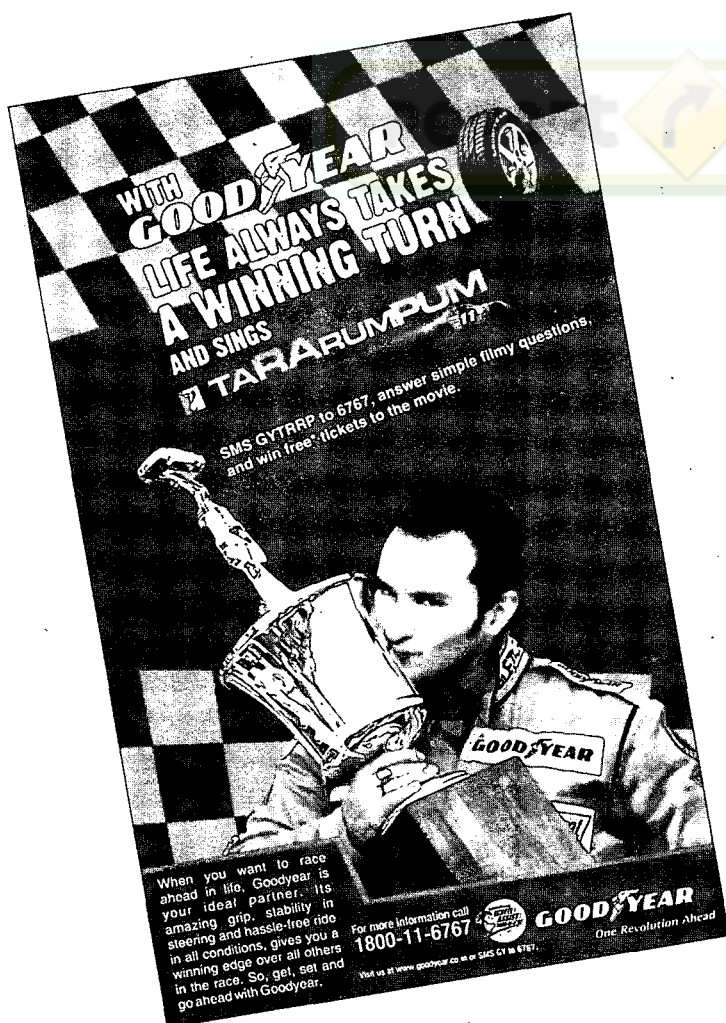
The year was not only about timely measures but also securing visibility and widespread recognition for the Goodyear brand. The company focused sharply on strengthening the brand awareness and recall amongst



Goodyear managed strong brand visibility in the movie and combined with category relevance, this resulted in higher brand recall. Media amplification generated market buzz, which helped boost sales, morale of trade partners and excitement in the category.



diverse customer segments. Goodyear India undertook a significant initiative through its tie-up with "Yashraj Productions", to produce a movie with storyline that revolves around 'NASCAR' racing. The movie - 'Tara Rump', features megastars of Indian cinema, Saif Ali Khan and Rani Mukherjee.





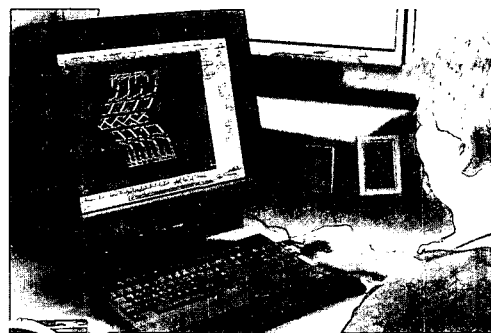
### Goodyear Wheel Assist

With an objective to provide a single point of contact for all information pertaining to the company, a call center 'Wheel Assist' was put into operation this year. The primary role of Goodyear Wheel Assist is to provide product related information, to formally record and maintain all queries, suggestions and complaints and to support marketing initiatives.

Goodyear 'Wheel Assist' is available on a toll free number 1800-11-6767, which can be accessed by MTNL, BSNL, Tata, Airtel and Reliance landline subscribers all across India. The call center runs on a strong back end which ensures that each customer query is handled and closed post resolution. For all queries that remain unresolved by



the call centre agent, the call is forwarded to internal assignees at Goodyear.



Each assignee can resolve and update the query status directly on a web based model. For each marketing & promotional initiatives the 'Wheel Assist' agents are well trained to engage and encourage participation from the callers. SMS is an alternate mode of communication.

A customer can contact Goodyear by sending a SMS at 56767.

### Mobile Training Unit (MTU)

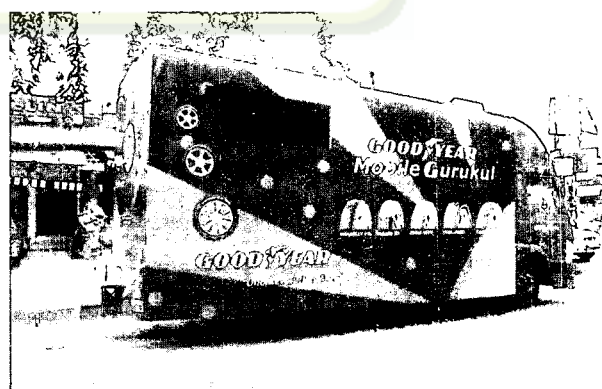
Mobile Training Unit is an unique initiative to empower dealer sales staff on the subjects of technical training and customer handling. Two buses with Goodyear branding trained more than 600 sales staff, across 250 dealers, in more than 35 cities covering the length and breadth of the country.

This resulted in generating high

impact visibility for Goodyear. The buses were developed on the concept of unique mobile school with trained personnel and training booklets on board. Dealer staff were trained on tyre design,



safety, technology, and customer handling. The MTU was also responsible for motivating our dealer sales force, better trade relations and build loyalty at dealer level. Extensive planning, cross functional teams from field,



technical, customer service and marketing worked collectively on this initiative.

The continuous feedback mechanism from field and event management companies helped in the successful implementation of this activity.



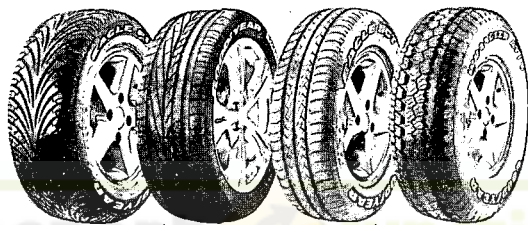
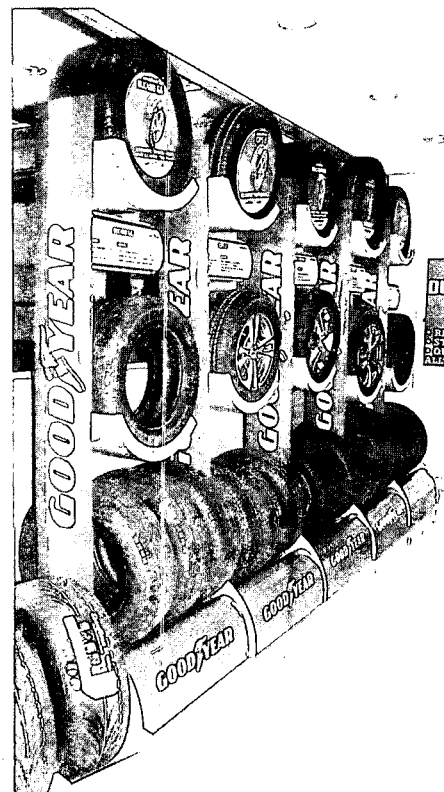


### Branded Retail Stores

Goodyear successfully launched 25 new Branded Retail Stores in major metros in the year 2007. The total tally has now gone up to 50 stores across India. All these stores launches were supported by promotional activities to drive footfalls and maximize sales. These stores have been designed and developed to provide a conducive shopping environment where customers can take an informed decision.

All these stores are multi-branded wherein a customer can touch and feel each every tyre for pattern, quality and understand the difference in price and services offered to him.

Goodyear India is planning to launch 40 new retail stores in 2008, with primary focus on brand visibility, sales maximization and customer delight.



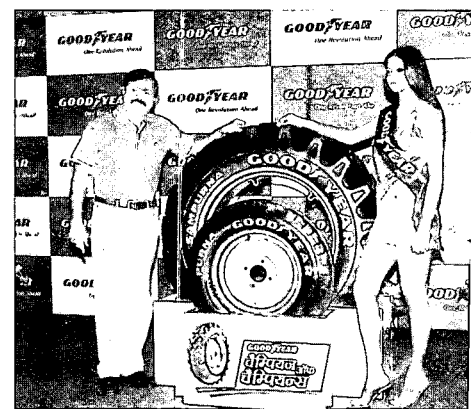
### Farm Public Relations Campaign

The year 2007 witnessed Goodyear India's farm public relations campaign across three major cities of Ahmedabad, Jalandhar and Lucknow. All these three locations witnessed significant media presence resulting in widespread coverage and publicity.

Since a majority of India's GDP is dependent on the agricultural sector, farmers form a very important target audience for us. Goodyear sent a strong message

through this campaign, focused on the company's leadership in the farm category. Goodyear's farm tyres have redefined and set new standards in farm tyre designing and manufacturing along with excellent customer response systems.

Goodyear also highlighted its innovations in rural marketing which have helped the company to achieve its strong market position. This year also witnessed the successful implementation of farm van campaign. This was a 240-day campaign across 700

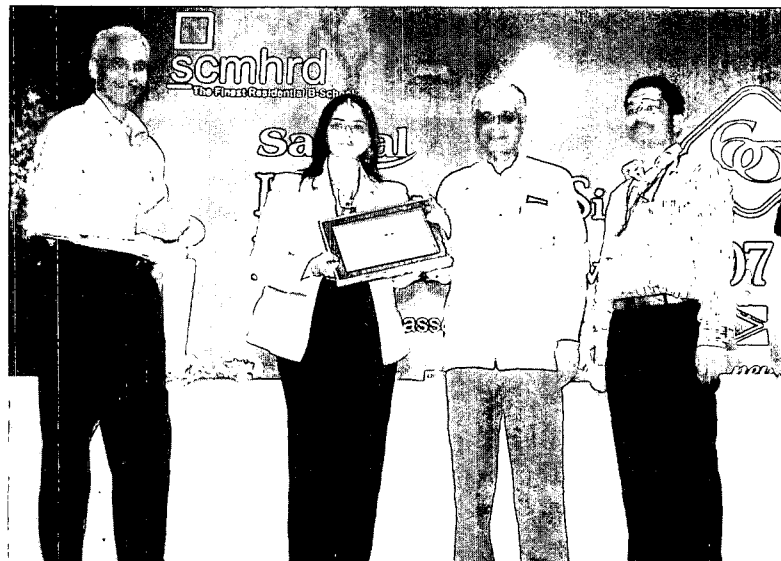


villages in 13 states, which enabled your company to educate over 20,000 tractor-owners and 1000 mechanics on the advantages of Goodyear farm tyres.



## National Level Six Sigma Competition

Goodyear India participated in the "SCMHRD Sakaal Lean & Six Sigma Excellence Awards 2007"; an event organized by Symbiosis Center for Management and Human Resource development, Pune. Goodyear won the first prize for the second consecutive time for their Lean Six Sigma project on "Improving BTA (Preparatory Area) Efficiency". Goodyear was adjudged the winner, in the midst of stiff competition.



## Green Belt Recognition Events



The winners were duly recognized on various parameters like "highest savings", "best velocity" and "highest number of projects" for the assessment period- July 2006 to June 2007. The green belt event went a long way in motivating the team to excel and deliver.

Goodyear India witnessed a grand celebration of its success with the Six Sigma "Green Belt Recognition Event", which was organized again this year. The event witnessed participation from all black belts, green belts, sponsors and champions.



## Safety Award to Ballabgarh Plant

The Chief Minister of Haryana, Mr. Bhupinder Singh Hooda awarded Goodyear India Ltd, Ballabgarh plant the 'Haryana State Safety Award' for lowest accident frequency rate and longest accident free period. The plant was declared first amongst large scale rubber factories during the year 2006.

