

# GOODYEAR INDIA LIMITED

CIN: L25111HR1961PLC008578

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## STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Sr. No.	Particulars	(Rs. in Lakhs)				
		Current 3 months ended (30/09/2019)	Preceding 3 months ended (30/06/2019)	Corresponding 3 months ended in the previous year (30/09/2018)	Year to date figures for current period ended ( 6 Months) (30/09/2019)	Year to date figures for corresponding period ended ( 6 Months) (30/09/2018)
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	45,408	49,028	48,932	94,436	102,395
2	Other Income	853	897	980	1,750	1,860
	<b>Total Income</b>	<b>46,261</b>	<b>49,925</b>	<b>49,912</b>	<b>96,186</b>	<b>104,255</b>
3	<b>Expenses</b>					
	(a) Cost of materials consumed	19,363	19,119	21,630	38,482	42,375
	(b) Purchase of stock-in-trade	12,557	12,812	12,913	25,369	24,419
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,618)	2,198	(811)	580	4,503
	(d) Employee benefits expense	3,702	3,395	2,780	7,097	5,951
	(e) Finance costs	99	102	74	201	149
	(f) Depreciation and amortisation expense	1,217	1,185	1,015	2,402	2,013
	(g) Other expenses	6,640	7,077	7,893	13,717	16,617
	<b>Total expenses</b>	<b>41,960</b>	<b>45,888</b>	<b>45,494</b>	<b>87,848</b>	<b>96,027</b>
4	<b>Profit before tax</b>	<b>4,301</b>	<b>4,037</b>	<b>4,418</b>	<b>8,338</b>	<b>8,228</b>
5	<b>Tax expense</b>					
	- Current tax	760	1,458	1,665	2,218	3,096
	- Deferred tax	(238)	(46)	(121)	(284)	(220)
6	<b>Profit for the period/year</b>	<b>3,779</b>	<b>2,625</b>	<b>2,874</b>	<b>6,404</b>	<b>5,352</b>
7	<b>Other comprehensive income</b>					
	A. Items that will not be reclassified to profit or loss					
	(i) Remeasurement of defined benefit plans	(31)	(198)	(31)	(229)	(89)
	(ii) Income tax related to above item	11	69	11	80	31
	B. Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income (loss), net of income tax</b>	<b>(20)</b>	<b>(129)</b>	<b>(20)</b>	<b>(149)</b>	<b>(58)</b>
8	<b>Total comprehensive income for the period/year</b>	<b>3,759</b>	<b>2,496</b>	<b>2,854</b>	<b>6,255</b>	<b>5,294</b>
9	<b>Paid up equity share capital (Face value of Rs.10 each fully paid up)</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>	<b>2,307</b>
10	<b>Earnings per share (of Rs.10/- each) (not annualised):</b>					
	(a) Basic (Rs.)	16.38	11.38	12.46	27.76	23.20
	(b) Diluted (Rs.)	16.38	11.38	12.46	27.76	23.20
	Nominal value per Equity Share (Rs.)	10	10	10	10	10
	See accompanying notes to the financial results					



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## Statement of Assets and Liabilities :-

Particulars	(Rs. In Lakhs)	
	As at September 30, 2019	As at March 31, 2019
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	29,075	25,089
Capital work in progress	3,254	5,029
Intangible assets	6	6
Financial Assets		
i. Other financial assets	652	624
Other non-current assets	1,144	1,542
Current tax assets (net)	1,416	1,257
<b>Total non-current assets</b>	<b>35,547</b>	<b>33,547</b>
<b>Current assets</b>		
Inventories	15,872	16,725
Financial assets		
i. Trade receivables	24,341	24,349
ii. Cash and cash equivalents	27,579	30,086
iii. Bank balances other than (ii) above	29,783	25,795
iv. Other financial assets	1,166	964
Other current assets	1,040	1,587
<b>Total current assets</b>	<b>99,781</b>	<b>99,506</b>
<b>Total assets</b>	<b>135,328</b>	<b>133,053</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,307	2,307
Other Equity	87,045	84,405
<b>Total Equity</b>	<b>89,352</b>	<b>86,712</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions	2,261	2,158
Deferred tax liabilities (net)	305	670
Other non-current liabilities	59	34
Other financial liabilities	957	-
<b>Total non-current liabilities</b>	<b>3,582</b>	<b>2,862</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	347	256
- Total outstanding dues of creditors other than micro enterprises and small enterprises	31,612	33,959
ii. Other financial liabilities	5,952	6,075
Provisions	1,345	1,105
Other current liabilities	3,138	2,084
<b>Total current liabilities</b>	<b>42,394</b>	<b>43,479</b>
<b>Total liabilities</b>	<b>45,976</b>	<b>46,341</b>
<b>Total equity and liabilities</b>	<b>135,328</b>	<b>133,053</b>



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Statement of Cash Flows is as follows :-

Particulars	(Rs. In Lakhs)	
	Half year ended September 30, 2019	Half year ended September 30, 2018
	(Unaudited)	(Unaudited)
A. Cash flow from operating activities		
- Profit before taxation	8,338	8,228
Cash flow from/(used in) operating activities	6,933	4,695
B. Cash flow from/(used in) investing activities	(5,672)	(914)
C. Cash flow from/(used in) financing activities	(3,768)	(3,727)
Net increase/(decrease) in cash and cash equivalents	(2,507)	54
Cash and cash equivalents at beginning of the year	30,086	31,872
Cash and cash equivalents at end of the year	27,579	31,926
Components of cash and cash equivalents		
Balance with banks		
- Cash on hand	-	1
- Cheques on hand	564	456
- Current accounts	2,949	4,119
- Exchange Earner Foreign Currency (EEFC) account	166	*
- Deposits with original maturity of less than three months	23,900	27,350
Total cash and cash equivalents	27,579	31,926

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

**Notes to the financial results:**

- 1) The Statement has been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 2) 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 Chief Operating Decision Maker (CODM), Managing Director, performs a detailed review of the operating results, thereby makes decisions about the allocation of resources among the various functions. 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".
- 3) 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.
- 4) Effective April 1, 2019 being the transition date, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right of use asset (ROU) and equivalent lease liability of Rs.1,129 Lakhs. In the statement of profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
- 5) The Company has elected to exercise the option permitted under section 115BAA of the Income - tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognised provision of Income tax and remeasured its deferred tax asset basis the rate prescribed in the said section and taken the full effect to Statement of profit and loss in the current quarter.
- 6) This Statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 13, 2019.

Place: New Delhi  
Date: November 13, 2019



  
(Rajeev Anand)  
Chairman & Managing Director

For GOODYEAR INDIA LIMITED

  
(Mitesh Mittal)  
Chief Financial Officer  
& Finance Director





## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF GOODYEAR INDIA LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **GOODYEAR INDIA LIMITED** ("the Company"), for the quarter and six months ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



We draw attention to Note 3 to the Statement 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

**Deloitte  
Haskins & Sells LLP**

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 conclusion on the Statement is not modified in respect of this matter.

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

A handwritten signature in black ink, appearing to read "Vijay Agarwal".

Vijay Agarwal  
(Partner)

(Membership No. 094468)

(UDIN: 19094468 AAAAHF3198)

Place: New Delhi  
Date: November 13, 2019

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