

GOODYEAR INDIA LIMITED

Regd. Office: Mathura Road, Ballabgarh, (Dist. Faridabad) - 121 004, Haryana

NOTICE

NOTICE is hereby given that the Fiftieth **ANNUAL GENERAL MEETING** of the Shareholders of **GOODYEAR INDIA LIMITED** will be held on Tuesday, the 21st day of June, 2011 at 3.30 P.M. at Magpie Tourism Complex, Sector 16A, Faridabad (Haryana) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at December 31, 2010 and the Profit & Loss Account for the year ended on that date along with the Reports of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a director in place of Mr Rajiv Lochan Jain, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. Messrs Price Waterhouse, Chartered Accountants, Gurgaon, (Firm Registration Number: FRN301112E) the existing Auditors of the Company are eligible for re-appointment.

SPECIAL BUSINESS:

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

5. As an Ordinary Resolution:

"RESOLVED THAT Mr Yashwant Singh Yadav be and is hereby appointed as a Director of the Company."

6. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, and other applicable provisions, if any, and subject to the limits laid down in Sections 198 and 309 read with Schedule XIII to the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Mr Yashwant Singh Yadav as wholetime Director of the Company with effect from November 1, 2010, at a salary, pay for performance bonus and perquisites, as specified in detail, in the agreement to be entered into between the Company and Mr Yashwant Singh Yadav (a draft whereof was placed before the meeting) and that the Board of Directors of the Company be and is hereby authorized to revise, amend, alter or otherwise vary the terms and conditions of his appointment from time to time as may be mutually agreed with Mr Yashwant Singh Yadav, but within and in accordance with the limits prescribed under Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re-enactment thereof or any other relevant laws/rules.

RESOLVED FURTHER THAT in the event of the company not earning profit or inadequacy of profits in any financial year, Mr Yashwant Singh Yadav would be entitled to receive the minimum remuneration as specified in the draft agreement referred to above by making such compliances as provided in Schedule XIII to the Companies Act, 1956 as existing or as amended from time to time and/or re-enactment thereof or any other relevant laws/rules."

7. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the revision in the remuneration payable to Mr Yashwant Singh Yadav as wholetime Director of the Company with effect from

May 1, 2011, as specified in detail, in the first supplemental agreement to be entered into between the Company and Mr Yadav (a copy whereof was placed before the meeting) subject to the condition that the Board of Directors of the Company is authorized to revise, amend, alter or otherwise vary the terms and conditions of his appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Yadav shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Yadav would be entitled to receive the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended."

8. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, and other applicable provisions, if any, and subject to the limits laid down in Sections 198 and 309 read with Schedule XIII to the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Mr Jean Philippe Lecerf as Director and wholetime Finance Director for the period effective from July 1, 2010 to October 31, 2010 at a salary, commission and perquisites, as specified in detail, in the agreement to be entered into between the company and Mr Jean Philippe Lecerf (a draft whereof was placed before the Meeting) and that for the said tenure the Board of Directors of the Company be and is hereby authorized to revise, amend, alter or otherwise vary the terms and conditions of the above appointment from time to time as may be mutually agreed with Mr Jean Philippe Lecerf but within and in accordance with the limits prescribed in Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re-enactment thereof or any other relevant laws/rules.

RESOLVED FURTHER THAT in the event of the Company not earning profit or inadequacy of profits in any financial year, Mr Jean Philippe Lecerf would be entitled to receive the minimum remuneration as specified in the draft agreement referred to above by making such compliances as provided in Schedule XIII to the Companies Act 1956 as existing or as amended from time to time and/or re-enactment thereof or any other relevant laws/rules."

9. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the revision in the remuneration payable to Mr Rajeev Anand as wholetime Managing Director of the Company with effect from May 1, 2010, as specified in detail, in the second supplemental agreement to be entered into between the Company and Mr Anand (a copy whereof was placed before the meeting) subject to the condition that the Board of Directors of the Company is authorized to revise, amend, alter or otherwise vary the terms and conditions of his appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Anand shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended."

10. As a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the revision in the remuneration payable to Mr Rajeev Anand as wholetime Managing Director of the Company with effect from May 1, 2011, as specified in detail, in the third supplemental agreement to be entered into between the Company and Mr Anand (a copy whereof was placed before the meeting) subject to the condition that the

Board of Directors of the Company is authorized to revise, amend, alter or otherwise vary the terms and conditions of his appointment from time to time as it deems fit, but at no time the remuneration payable to Mr Anand shall exceed the maximum limit prescribed in Section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the remuneration to the maximum extent prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended.”

By Order of the Board

Date: May 3, 2011
Place: New Delhi

Pankaj Gupta
Company Secretary

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend, and, on a poll to vote instead of himself/herself and such proxy need not be a member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.**
2. Register of Members and Share Transfer Books of the Company will remain closed from June 10, 2011 to June 21, 2011, both days inclusive.
3. Dividend on the shares, if declared by the Company at the meeting, will be paid on or after June 22, 2011 but within the statutory time limit, subject to the provisions of Section 206A of the Companies Act, 1956, to the members whose names appear on the Company's Register of Members as on June 9, 2011 or to their mandatees. In respect of shares held in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.
4. Shareholders of the Company are informed that pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend which remains unclaimed/unpaid for a period of 7 years would be transferred to the Investor Education & Protection Fund (IEPF) constituted by the Central Government and the shareholders would not be able to claim dividend so transferred to the Fund. As such, Shareholders who have not encashed their dividend warrant(s) are requested in their own interest to write to the Company immediately claiming the Dividend(s) declared by the Company during the years 2007, 2008, 2009 and 2010.
5. **The Members are encouraged to claim payment of dividend through Electronic Clearing Service (ECS). In response to the request made by the Company last year, some of the members had furnished the required details for claiming payment of dividend through ECS. Members holding shares in dematerialised form should approach the Depository Participant with whom they are maintaining account for change in address, bank mandate, nomination, if any. Other members, who have not furnished the details and/ or whose details have since changed are requested to forward the following details immediately under the signature of the named shareholder:**

Folio No.	No. of Shares
Bank Account No	Nature of Bank Account
.....
Bank name and address (with Pin Code)	Nine digit MICR code no. of the Bank & Branch as appearing in the cheque book (also attach a photo- copy of a cheque or a blank cancelled cheque).
.....

6. Pursuant to the directions of the Securities and Exchange Board of India (SEBI), trading in the shares of your Company is in compulsory de-materialised form. Members who have not yet got their shares dematerialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant (s) with whom they have opened the de-materialization account to the Company's Share Transfer Agent:

M/s Skyline Financial Services Pvt. Ltd.

(UNIT: Goodyear India Limited)

D – 153/A, 1st Floor, Okhla Industrial Area, Phase – I,

New Delhi – 110 020

Tel.: +91 11 30857575 (10 Lines), Fax: +91 11 30857562, www.skylinerta.com

7. As per Section 53 of the Companies Act, 1956, which provides for service of documents under 'Certificate of Posting' as one of the accepted mode of service, whereas the Department of Posts has recently discontinued the postal facility under 'Certificate of Posting' vide their letter dated February 23, 2011. The Information Technology Act, 2000 also permits service of documents etc., in electronic mode. Keeping this in view the Ministry of Corporate Affairs vide their circular no. 17/2011 dated April 21, 2011 clarified that a Company would have complied with Section 53 of the Companies Act, 1956, if the service of document has been made through electronic mode provided the Company has obtained email addresses of its members for sending the notice / documents through email by giving an advance opportunity to every shareholders to register their email address and changes therein from time to time with the Company.

In view of the above, the Company requests all its shareholders to kindly provide their email addresses along with client ID / folio no. and number of shares as reference to the following email addresses with Subject as "Goodyear India Limited - Member Email ID" at:

a) 'goodyearindia_investorcell@goodyear.com'

b) 'admin@skylinerta.com'

8. In terms of Clause 5A of the Listing Agreement, in relation to "Unclaimed Shares" with the Company, it has been requested to concerned shareholders to provide correct particulars including addresses to the Company's Share Transfer Agent.
9. The Shareholders / Proxies are requested to produce at the Registration Counter(s) the attached attendance slip, duly completed and signed, for admission to the meeting hall. Photocopies of Attendance Slip will not be entertained for issuing Gate Pass for attending Annual General Meeting. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same.
10. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company or on Email Id 'goodyearindia_investorcell@goodyear.com' atleast 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
11. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.
12. All the documents referred to in the accompanying notice, explanatory statement and Register of Directors' Shareholding are open for inspection at the registered office of the Company on all working days between 10.30 am to 12.30 pm up to the date of Annual General Meeting. Register of Directors' Shareholding shall be open for inspection upto 3 days after the Annual General Meeting.
13. Members holding shares in physical form and desirous of making a nomination in respect of their

shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company's Share Transfer Agent in the prescribed Form 2B.

14. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is given below:

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956;

Item No. 5, 6 & 7

The Board of Directors of the Company in its meeting held on October 25, 2010 appointed Mr Yashwant Singh Yadav as an Additional Director, effective November 1, 2010. Mr Yashwant Singh Yadav was also unanimously appointed by the Board as wholetime Director of the Company designated as Director – HR & Corporate Affairs for a period of 5 years, effective November 1, 2010.

The abstract dated November 1, 2010 under Section 302 of the Companies Act, 1956 was circulated to the members.

Mr Yashwant Singh Yadav, aged 52 years, is a Bachelor in Law and an MBA with specialization in Human Resources. He has more than 28 years of professional and diverse experience in the entire gamut of Human Resources Management with large multi-national and Indian organizations including Ballarpur Industries, Goodyear India, Escorts Ltd. and General Motors India at Leadership levels.

A notice has been received by the Company from a member signifying his intention to propose the appointment of Mr. Yashwant Singh Yadav as a director of the company.

The details of remuneration of Mr Yashwant Singh Yadav, as approved by the Board of Directors are appended below:

SALARY: Rs. 2,50,000/- per month

PERQUISITES:

Category A

(i) Housing Facility: Accommodation to be provided by the Company, and if the Company's accommodation is not provided, the appointee shall be entitled to the House Rent Allowance subject to the ceiling of 60% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be on actuals subject to a ceiling of Rs.1,50,000/- in a year. (ii) Club Fee: Fee of one club. (iii) Personal Accident Insurance: Premium not to exceed Rs.4,000/-per annum. (iv) Medical Reimbursement / Insurance: Expenses actually incurred for self and family subject to a ceiling of four months salary for each completed year of service or twelve months salary over a period of three completed years of service. Medical Insurance as per the rules applicable for other senior management staff of the Company. (v) Recreation/holiday trip: Once in a year for self and family in accordance with the rules of the Company, subject to a ceiling of Rs.90,000/- in a year. (vi) Special Allowance: Rs. 2,70,000/- per month.

In addition to the above perquisites, Mr Yashwant Singh Yadav, wholetime Director shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration in case of inadequacy or absence of profit:

Category B

(i) Contribution to Provident Fund @12%: Contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income tax Act. Provided that any contribution made as per the Company's

rules applicable for other Senior Management Staff of the Company which is in excess of the exemption limit prescribed under the Income Tax Act would be included for computation of tax. (ii) Gratuity: One half month's salary for each completed year of service in the Company, as per the rules of the Company. (iii) Encashment of Leave: Encashment of leave at the end of the tenure, as per the rules of the Company

Category C

Car for use on Company's business and telephone at residence. Personal driver salary reimbursement not exceeding Rs.2,50,000/- in a year. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

Pay for Performance Bonus: Payable annually as determined by the Board based on the net profits of the Company in the relevant calendar year subject to the overall ceilings laid down under Sections 198 and 309 of the Companies Act, 1956 but not exceeding Rs. 26,96,994/- in a year.

The Board of Directors in its meeting held on May 3, 2011 revised the remuneration payable to Mr Yadav, wholetime Director, effective May 1, 2011.

The details of remuneration of Mr Yashwant Singh Yadav, as approved by the Board of Directors unanimously are appended below:

SALARY: Rs.3,00,000/- per month

PERQUISITES:

Category A

(i) Housing Facility: Accommodation to be provided by the Company, and if the Company's accommodation is not provided, the appointee shall be entitled to the House Rent Allowance subject to the ceiling of 60% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be on actuals subject to a ceiling of Rs.2,00,000/- in a year. (ii) Club Fee: Fee of one club. (iii) Personal Accident Insurance: Premium not to exceed Rs.5,000/-per annum. (iv) Medical Reimbursement / Insurance: Expenses actually incurred for self and family subject to a ceiling of four months salary for each completed year of service or twelve months salary over a period of three completed years of service. Medical Insurance as per the rules applicable for other senior management staff of the Company. (v) Recreation/holiday trip: Once in a year for self and family in accordance with the rules of the Company, subject to a ceiling of Rs.1,50,000/- in a year. (vi) Special Allowance: Rs. 2,70,000/- per month.

In addition to the above perquisites, Mr Yashwant Singh Yadav, wholetime Director shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration in case of inadequacy or absence of profit:

Category B

(i) Contribution to Provident Fund @ 12%: Contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income tax Act. Provided that any contribution made as per the Company's rules applicable for other Senior Management Staff of the Company which is in excess of the exemption limit prescribed under the Income Tax Act would be included for computation of tax. (ii) Gratuity: One half month's salary for each completed year of service in the Company, as per the rules of the Company. (iii) Encashment of Leave: Encashment of leave at the end of the tenure, as per the rules of the Company

Category C

Car with driver for use on Company's business and telephone at residence. Personal driver salary reimbursement not exceeding Rs.2,50,000/- in a year. Personal long distance calls on telephone and use of car

for private purpose shall be billed by the Company.

Pay for Performance Bonus: Payable annually as determined by the Board based on the net profits of the Company in the relevant calendar year subject to the overall ceilings laid down under Sections 198 and 309 of the Companies Act, 1956 but not exceeding Rs. 33,75,000/- in a year.

The above remuneration as approved unanimously by the Board of Directors has been incorporated in the draft Agreement and draft first supplemental agreement referred to in resolution No. 6 & 7 respectively, and the same would be available for inspection by the members at the Registered Office of the Company on any working day between 10.30 A.M. to 12.30 P.M. As stated in the resolution, the Board of Directors of the Company is also authorised to revise or vary the terms as may be mutually agreed with Mr Yadav but within the limits prescribed in Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re-enactment thereof or any other relevant laws/rules. The draft agreement referred above also provides that in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Yadav would be entitled to receive the minimum remuneration as specified above. The said appointment & remuneration payable to Mr Yashwant Singh Yadav is subject to the approval of the Shareholders of the Company and the approval, as required, is hereby sought.

The explanatory statement together with the accompanying notice may also be treated as an abstract under section 302 of the Companies Act, 1956.

The General Information as required pursuant to Notification No.G.S.R.36(E) dated January 16, 2002 is contained in the statement annexed hereto.

None of the Directors of the Company except Mr Yashwant Singh Yadav is concerned or interested in the above resolutions.

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

Item No. 8

The Board of Directors of the Company in its meeting held on June 8, 2010 appointed Mr Jean Philippe Lecerf as Director and wholetime Finance Director, effective July 1, 2010 for a period of 3 years.

The abstract dated June 8, 2010 under Section 302 of the Companies Act, 1956 was circulated to the members.

Mr Jean Philippe Lecerf resigned from the Directorship of the Company effective the close of business hours on October 31, 2010; however, he would continue to head the finance functions of the Company as Chief Financial Officer of the Company.

Mr. Lecerf is a Finance Executive with over 23 year of experience in 7 countries. He is a Certified Public Accountant with broad international background Mr. Lecerf has combination of strong accounting and finance expertise with in depth knowledge of business dynamics. He has balance exposure to both start up businesses & large established operations and excellent ability to adapt to complex, demanding & volatile environments.

The details of remuneration of Mr Jean Philippe Lecerf, as approved by the Board of Directors are appended below:

SALARY:

Salary: Rs 1,00,000/- per month

PERQUISITES:

Category A

(i) Housing Facility: Furnished accommodation to be provided by the Company, and if the Company's

accommodation is not provided, the appointee shall be entitled to the House Rent Allowance of Rs. 5,60,000/- per month. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962. (ii) Club Fees: Fees of clubs subject to a maximum of two clubs. (iii) Personal Accident Insurance: Premium not to exceed Rs.4000/- per annum. (iv) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of four months' salary in one year and twelve month's salary over a period of three years. (v) Recreation/holiday trip once in a year for self and family in accordance with the rules of the Company

In addition to the above perquisites, Mr Lecerf, Finance Director shall also be eligible to the following:

Category B

a) Children Education Expense: In case of children studying in or outside India, an actual expense limited to Rs. 6,00,000/- per annum per child. Such allowance is admissible upto a maximum of two children, b) Holiday passage for children studying outside India / family staying abroad. Return Holiday passage once in a year by economy class to children from their place of study abroad to India and to the members of the family from the place of their stay abroad to India, if they are not residing in India with Mr Lecerf, c) Contribution to Provident Fund: Contribution to Provident Fund as per the applicable laws. In addition, employee's contribution towards Provident Fund would also be made by the Company, d) Leave Travel Concession: Return Passage for home country for self and family incurred in accordance with the rules of the Company.

Category C

Car for use on Company's business and telephone at residence. Personal driver salary reimbursement not exceeding Rs. 2,50,000/- in a year. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

Actual expenses incurred on travel and on packing, forwarding, loading or unloading as well as freight, insurance, customs duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal effects for self and family for joining duty in India in case these have not been claimed from the previous employer. Such expenses would also be allowed on finally leaving the employment of the Company, if Mr Lecerf is not joining any other branch of the Company or related Company.

Commission: 100% of the annual salary based on the net profits of the Company in the relevant year subject to the overall ceilings laid down under Sections 198 and 309 of the Companies Act, 1956.

The above remuneration as approved unanimously by the Board of Directors has been incorporated in the draft Agreement referred to in resolution No.8 and the same would be available for inspection by the members at the Registered Office of the Company on any working day between 10.30 A.M. to 12.30 P.M. As stated in the resolution, the Board of Directors of the Company is also authorised to revise or vary the terms as may be mutually agreed with Mr Lecerf but within the limits prescribed in Schedule XIII to the Companies Act, 1956 as existing or as may be amended and/or re-enactment thereof or any other relevant laws/rules. The draft agreement referred above also provides that in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr Lecerf would be entitled to receive the minimum remuneration as specified above.

Since Mr Jean Philippe Lecerf, a non resident & was not residing in India for a continuous period of twelve months immediately preceding the date of his appointment, the Central Government approval, as required under the provisions of Clause 'e' of the Part I of Schedule XIII to the Companies Act, 1956, was approved by the Central Government approval letter no. A93217867 / 4 / 2010 - CL VII dated February 22, 2011. Hence, Shareholders' approval, as required, is being sought vide item 8 of the Notice for the above appointment and payment of remuneration for the period of July 1, 2010 to October 31, 2010.

The General Information as required pursuant to Notification No.G.S.R.36 (E) dated January 16, 2002 is contained in the statement annexed hereto.

None of the Directors of the Company except Mr Jean Philippe Lecerf is concerned or interested in the above resolution.

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

Item No.9 & 10

As the Members are aware, Mr Rajeev Anand was appointed as wholetime Managing Director of the Company for a period of five years, effective February 20, 2009 and the Shareholders had also accorded their approval for Mr Anand's appointment and payment of remuneration in the Annual General Meeting held on June 19, 2009. Thereafter, the Board of Directors in its meeting held on July 31, 2009 revised Mr Anand's remuneration and the shareholder's had also accorded their approval for revision in remuneration of Mr Anand's in the Annual General Meeting held on June 4, 2010. Subsequent thereto, the Board of Directors at its meeting held on June 8, 2010 had further revised the remuneration payable to Mr Rajeev Anand, wholetime Managing Director, effective May 1, 2010.

The abstract dated June 8, 2010 under Section 302 of the Companies Act, 1956 was circulated to the members.

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

SALARY:

Salary: Rs. 2,91,944/- per month.

PERQUISITES:

Category A

Housing Facility: Accommodation to be provided by the Company, and if the Company's accommodation is not provided, the appointee shall be entitled to the House Rent Allowance of Rs. 2,32,385/- per month. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be subject to a ceiling of Rs. 2,50,000/- in a year; (ii) Fee of one club; (iii) Personal Accident Insurance premium not to exceed Rs. 4,000/- per annum; (iv) Medical Reimbursement / Insurance: Expenses actually incurred for self and family subject to a ceiling of four months' salary for each completed year of service or twelve months' salary over a period of three completed years of service. Medical Insurance as per the rules applicable for other senior management staff of the Company; (v) Recreation/holiday trip once in a year for self and family in accordance with the rules of the Company, subject to a ceiling of Rs. 90,000/- in a year; (vi) Special Allowance: Rs. 3,42,158/- per month.

In addition to the above, Mr Anand, shall also be eligible to the following, which shall not be included in the computation of the ceiling on remuneration in case of inadequacy or absence of profit:

Category B

(a) Contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income tax Act. Provided that any contribution made as per the Company's rules applicable for other Senior Management Staff of the Company, which is in excess of the exemption limit prescribed under the Income Tax Act would be included for computation of tax. (b) Gratuity at the rate of one half month's salary for each completed year of service in the Company, as per the rules of the Company; and (c) Encashment of leave at the end of the tenure, as per the rules of the Company.

Category C

Car for use on Company's business and telephone at residence. Personal driver salary reimbursement not exceeding Rs. 2,50,000/- in a year. Personal long distance calls on telephone and use of car for private purpose

shall be billed by the Company.

Pay for Performance Bonus: Payable annually as determined by the Board based on the net profits of the Company in the relevant calendar year subject to the overall ceilings laid down under Sections 198 and 309 of the Companies Act, 1956 but not exceeding Rs. 56,06,911/- in a year.

Subsequent thereto, the Board of Directors at its meeting held on May 3, 2011 had further revised the remuneration payable to Mr Rajeev Anand, wholetime Managing Director, effective May 1, 2011.

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

SALARY:

Salary: Rs. 4,25,000/- per month.

PERQUISITES:

Category A

Housing Facility: Accommodation to be provided by the Company, and if the Company's accommodation is not provided, the appointee shall be entitled to the House Rent Allowance subject to the ceiling of 60% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall be subject to a ceiling of Rs. 3,00,000/- in a year; (ii) Fee of one club; (iii) Personal Accident Insurance premium not to exceed Rs. 5,000/- per annum; (iv) Medical Reimbursement / Insurance: Expenses actually incurred for self and family subject to a ceiling of four months' salary for each completed year of service or twelve months' salary over a period of three completed years of service. Medical Insurance as per the rules applicable for other senior management staff of the Company; (v) Recreation/holiday trip once in a year for self and family in accordance with the rules of the Company, subject to a ceiling of Rs. 1,50,000/- in a year; (vi) Special Allowance: Rs. 3,60,500/- per month.

In addition to the above, Mr Anand, shall also be eligible to the following, which shall not be included in the computation of the ceiling on remuneration in case of inadequacy or absence of profit:

Category B

(a) Contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income tax Act. Provided that any contribution made as per the Company's rules applicable for other Senior Management Staff of the Company, which is in excess of the exemption limit prescribed under the Income Tax Act would be included for computation of tax. (b) Gratuity at the rate of one half month's salary for each completed year of service in the Company, as per the rules of the Company; and (c) Encashment of leave at the end of the tenure, as per the rules of the Company.

Category C

Car with driver for use on Company's business and telephone at residence. Personal driver salary reimbursement not exceeding Rs. 2,50,000/- in a year. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

Pay for Performance Bonus: Payable annually as determined by the Board based on the net profits of the Company in the relevant calendar year subject to the overall ceilings laid down under Sections 198 and 309 of the Companies Act, 1956 but not exceeding Rs. 65,55,150/- in a year.

The above terms have been incorporated in the second supplemental agreement and third supplemental agreement to be entered into with Mr Rajeev Anand as referred to in the resolution vide Item No. 9 & 10 respectively of the Notice with the authority to the Board of Directors to revise, amend, alter or modify the

remuneration from time to time, as it deems fit, but at no time, the remuneration payable to Mr Rajeev Anand shall exceed the maximum limit stipulated in Schedule XIII to the Companies Act, 1956, as existing or as may be amended. The second supplemental agreement, referred as above, also provides that in the event of the company not earning profit or inadequacy of profit in any financial year, Mr Anand would be entitled to receive the minimum remuneration as specified above. The revision of remuneration payable to Mr Rajeev Anand is subject to the approval of the Shareholders of the Company and the approval, as required, is hereby sought.

The second supplemental agreement and third supplemental agreement referred to in resolution No. 9 & 10 would be available for inspection by the members at the Registered Office of the Company on any working day between 10.30 A.M. to 12.30 P.M.

The explanatory statement together with the accompanying notice may also be treated as an abstract under section 302 of the Companies Act, 1956.

The General Information as required pursuant to Notification No.G.S.R.36(E) dated January 16, 2002 is contained in the statement annexed hereto.

None of the Directors of the Company except Mr Rajeev Anand, wholetime Managing Director to the extent of revision in remuneration vide item No. 8 may deem to be interested or concerned in the said resolution.

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

Annexure referred to in the Explanatory Statement

Statement containing the information as required per Notification No.GSR 36(E) dated January 16, 2002 amending Schedule XIII to the Companies Act, 1956, is given below:-

I GENERAL INFORMATION:

- (1) Nature of Industry:
Tyre Industry.
- (2) Date or expected date of commencement of commercial production:
It is an established Company and the commercial production at its Ballabgarh plant commenced in 1961.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:
Not applicable
- (4) Financial Performance based on given indicators:

Particulars for the financial year ended December 31, 2010	(Rs.) in Million
- Net Sales and other Income	13143
- Operating Profit (before Interest, Depreciation and Tax)	1298
- Profit before tax	1109

The effective capital of the Company based on the last audited accounts of the Company for the year ended December 31, 2010 is over Rs.100 crores.

The Company has not made any default in repayments of its dues (including public deposits) or interest payments thereon. The Company has not issued any debentures.

- (5) Export performance and net foreign exchange collaborations:

As at December 31, 2010, the export sales stood at Rs 594 Million Company does not have any foreign exchange collaboration.

(6) Foreign investments or collaborators, if any:

The Goodyear Tire & Rubber Company, Akron, Ohio, USA is holding 74% equity share capital in the Company.

II INFORMATION ABOUT THE APPOINTEES

A) Mr Yashwant Singh Yadav

Vide Item No. 5, 6 & 7 including explanatory statement of the notice of this Annual General Meeting of the Company, the approval of members is being sought for appointment and payment of remuneration to Mr Yashwant Singh Yadav, wholetime Director designated as Director – HR & Corporate Affairs effective November 1, 2010 and revision effective May 1, 2011.

B) Mr Jean Philippe Lecerf

Vide Item No. 8 including explanatory statement of the notice of this Annual General Meeting of the Company the approval of members is being sought for appointment and payment of remuneration to Mr Jean Philippe Lecerf for the period from July 1, 2010 to October 31, 2010.

III OTHER INFORMATION:

1) Reasons of loss or inadequate profits

Not Applicable. At present the company is having adequate profits and the future trend in profitability largely depend on business environment in the domestic and global markets, cost of inputs and general affairs of the Company as a whole.

2) Steps taken or proposed to be taken for improvement

As stated above the Company's plan is to maintain its profitability trend and to improve further. Supply of farm tyres to replacement and original equipment segment, wherein your Company holds a key position, continued to be an area of focus of your Company.

3) Expected increase in productivity and profits in measurable terms

The performance of the tyre industry is linked to the automobile & infrastructure sectors. The growth of these sectors is dependent on the performance of the economy. Considering the measures taken by your Company and further plans and strategies drawn, the Company is expected to improve its performance barring unprecedented increase in cost of inputs/ market setback.

By Order of the Board

Place: New Delhi
Date: May 3, 2011

Pankaj Gupta
Company Secretary