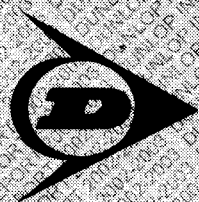
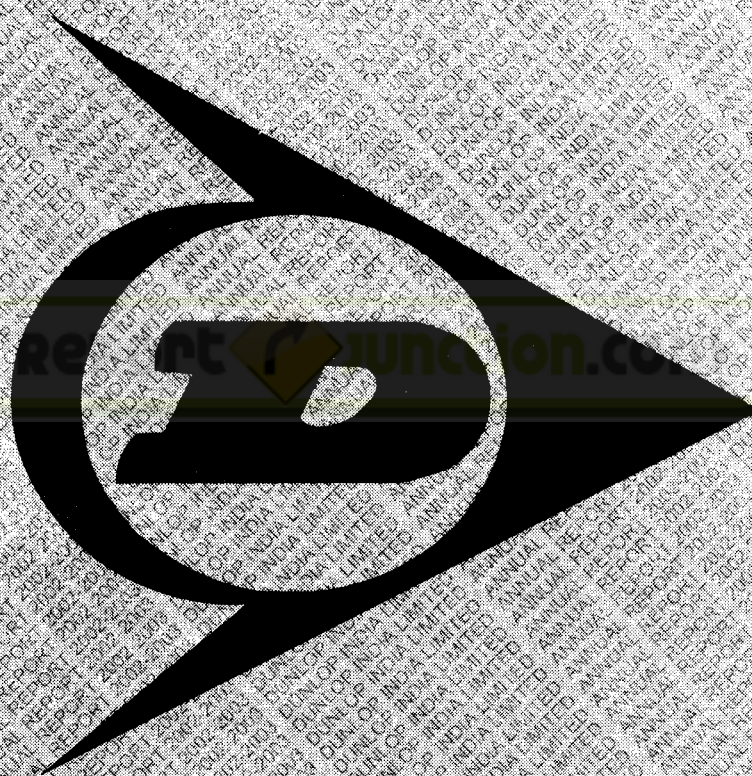


Annual Report *2002-2003*



DUNLOP INDIA LIMITED

**BOARD OF DIRECTORS**

Mrs. Komal C Wazir

Mr. T S Shettigar

Mr. R K Sadhu

Mr. T C Goel *Whole-time Director*Mr. P Balakrishnan *Executive Director*

Mr. R Gupta

AUDIT COMMITTEEMr. T S Shettigar *Chairman*Mr. P Balakrishnan *Alternate Chairman*

Mr. R K Sadhu

Mr. T C Goel

SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE

Mrs. Komal C Wazir

Mr. T C Goel

Mr. P Balakrishnan

MANAGEMENT COMMITTEE

Mr. R K Sadhu

Mr. T C Goel

Mr. P Balakrishnan

COMPANY SECRETARY & CHIEF LEGAL OFFICER

Mr. Ashok Kumar Agarwal

REGISTERED OFFICE

"King's Court", Flat Nos. 14 & 18,

46B, Chowringhee Road,

Kolkata-700 071.

Telephone : (033) 22821773

Fax : (033) 22821551

E-mail : dildmirp@vsnl.net

BANKERS

State Bank of India

United Bank of India

Standard Chartered Bank

Allahabad Bank

The Hongkong & Shanghai Banking Corporation Ltd

The Bank of Tokyo-Mitsubishi Ltd

The Catholic Syrian Bank Ltd

The Federal Bank Ltd

AUDITORS

M/s. Lodha & Co.

Chartered Accountants, Kolkata

SOLICITORS

M/s. Mukherjee & Biswas, Kolkata

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HOLDING OF EQUITY SHARES

	As on 31.03.2003		As on 31.03.2002	
	Equity Shares		Equity Shares	
	(Nos.)	(%)	(Nos.)	(%)
Promoters' Holding				
Foreign Promoters	7515229	16.70	7515229	16.70
Promoters' Associates (Persons acting in concert)	26892568	59.78	26892568	59.78
Sub Total	34407797	76.48	34407797	76.48
Non-Promoters' Holding				
Financial Institutions, Insurance Companies, Mutual Funds, Banks etc.	6342391	14.10	6342391	14.10
Non-Residents	43914	0.10	43914	0.10
Private Corporate Bodies	292042	0.65	292042	0.65
Indian Public	3903153	8.67	3903153	8.67
Sub Total	10581500	23.52	10581500	23.52
Grand Total	44989297	100.00	44989297	100.00

TEN YEAR SUMMARY

		2002-2003	2001-2002	2000-2001	1999-2000	1998-1999	1997	1996-97	1995-96	1994	1992-93
		12	12	12	12	15	9	12	15	12	18
		months	months	months	months	months	months	months	months	months	months
Income	Rs. Crores	28.68	6.08	102.61	6.67	26.87	207.77	562.99	824.03	751.82	884.35
Operating Profit / (Loss)	Rs. Crores	(0.26)	(41.89)	(58.93)	(33.31)	(78.38)	(44.06)	33.19	68.79	45.71	47.93
Profit before Tax	Rs. Crores	(39.23)	(88.57)	(89.38)	(61.03)	(105.97)	(231.84)	5.80	39.00	12.56	13.18
Profit after Tax	Rs. Crores	(39.23)	(88.57)	(89.38)	(61.03)	(105.97)	(231.84)	5.14	39.00	12.56	7.67
Earnings per Equity share	Rs.	—	—	—	—	—	—	1.67	20.54	6.61	4.01
Dividend per Equity share	Rs.	—	—	—	—	—	—	1.00	2.00	2.00	2.00
Net Worth per Equity share	Rs.	(68.99)	(47.96)	(55.14) *	(1.40) #	41.19	110.91	232.90	234.10	177.21	184.39
Net Assets employed	Rs. Crores	(83.55)	(21.71)	59.05 *	141.69 #	192.10	294.90	532.85	542.81	446.59	448.08
Shareholders' Funds	Rs. Crores	(310.36)	(215.75)	(104.71) *	(2.66) #	78.21	210.60	442.25	444.53	336.50	350.13
Gearing	%	111.79	75.13	58.33 *	49.20 #	36.36	24.34	20.49	22.11	32.72	28.00

* Includes advance against share capital amounting to Rs.26.00 crores

Includes advance against share capital amounting to Rs.1.70 crores

**DUNLOP INDIA LIMITED**

Registered Office :

"King's Court", Flat Nos. 14 & 18

46B, Chowringhee Road, Kolkata-700071

NOTICE

NOTICE is hereby given that the **Seventy-Sixth** Annual General Meeting of the Members of **Dunlop India Limited** will be held at "Mini Auditorium", Science City, JBS. Haldane Avenue, Kolkata-700046 on **Monday, 29th September, 2003 at 10.30 a. m.** to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 2003 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs Komal C Wazir, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr T C Goel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors and fix their remuneration and in that connection, to consider and, if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, Messrs Lodha & Co., Chartered Accountants, Kolkata, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company."

By Order of the Board

Ashok Kumar AgarwalCompany Secretary &
Chief Legal Officer

Place : Kolkata

Date : 31st July, 2003

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2003 to 29th September, 2003 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report and the Admission Slip at the Meeting. Annual Report will not be distributed at the Meeting. No Food Packet will be served at the AGM.

ANNEXURE TO THE NOTICE**Particulars Relating to the Directors proposed to be re-appointed :**

1. Name	:	Mrs. Komal Chhabria Wazir
Age	:	31 Years
Qualifications	:	B.Com.
Expertise	:	Mrs. Wazir is on the Board of various Public Limited Companies which are engaged in diverse activities.

Other Directorships :

Name of CompanyCommittee Memberships, if any, with position

Shaw Wallace & Co. Ltd.

Shareholders'/Investors' Grievances Committee, Member

Shaw Wallace Distilleries Ltd.

Shaw Wallace Breweries Ltd.

Lee Hedges & Co. Ltd., Sri Lanka.

Mather & Platt (India) Ltd.

Shareholders'/Investors' Grievances Committee, Chairperson

Mather & Platt Pumps Ltd.

Shareholders'/Investors' Grievances Committee, Chairperson

Mather & Platt Fire Systems Ltd.:

Shareholders'/Investors' Grievances Committee, Chairperson

Hindustan Dorr - Oliver Ltd.

Audit Committee, Member
Shareholders'/Investors' Grievances Committee, Member
Remuneration Committee, Member

Falcon Tyres Ltd.

Shareholders'/Investors' Grievances Committee, Chairperson

Gordon Woodroffe Ltd.

Audit Committee, Member

Gordon Woodroffe Logistics Ltd.

Maharashtra Distilleries Ltd.

Shaw Wallace Overseas Ltd. UK.

Jumbo World Holdings (India) Ltd.

2. Name	:	Mr. Trilok Chand Goel
Age	:	53 Years
Qualifications	:	B.Tech (in Electrical Engineering)
Expertise	:	An eminent technocrat and professional having 32 years of wide experience in various aspects of industrial technology, marketing management, corporate affairs and managing diverse industries.

Other Directorships :

Name of CompanyCommittee Memberships, if any, with position

Falcon Tyres Ltd.

Shareholders'/Investors' Grievances Committee, Member

India Tyre & Rubber Co (I) Ltd.

Dunlop Investments Ltd.



REPORT OF THE DIRECTORS

Your Directors present the 76th Annual Report of the Company together with the audited accounts for the financial year ended 31st March, 2003.

Summarised Financial Results

Rs. in Crores

Gross Profit / (Loss)	(0.26)
Financing Charges	35.90
Depreciation	2.99
Profit / (Loss) Before Tax	(39.15)
Prior Period Income / (Loss)	(0.08)
Tax	-
Profit / (Loss) After Tax	(39.23)

CURRENT STATUS

The Members are aware that consequent to the Application made by the Company, Hon'ble Board for Industrial and Financial Reconstruction ('BIFR'), vide its Order dated 22nd June, 1998, declared the Company a 'sick industrial company' within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ('SICA') and appointed Industrial Development Bank of India ('IDBI') as the Operating Agency ('OA') under Section 17(3) of SICA. The Hon'ble Appellate Authority for Industrial & Financial Reconstruction ('AAIFR') vide their Order dated 28th November, 2002 has appointed State Bank of India ('SBI') as OA in place of IDBI.

It may be recapitulated that your Company had submitted the first Draft Rehabilitation Scheme ('DRS') to the Hon'ble BIFR in September, 1999. After several hearings and discussions held between the Company and its creditors, the DRS was circulated by the Hon'ble BIFR on 3rd August, 2001. At the BIFR's subsequent hearing held on 19th October, 2001, the circulated DRS was not sanctioned and the same was reverted to your Company to negotiate the terms of such DRS with its stakeholders. In order to expedite the sanction of the DRS, your Company filed an appeal with the Hon'ble AAIFR. The Hon'ble AAIFR at its hearing on 7th March, 2002, sought certain clarifications from the Company, gave approval for the expeditious disposal of the Company's surplus assets, approved conversion into equity share capital the amount of Rs 26 crores infused by the Promoters and directed the Company to submit a fresh DRS.

The Board of Directors of your Company at its Meeting held on 13th July, 2002 has recorded conversion of Rs.26 Crores into 2,60,00,000 nos. of equity shares of the face value of Rs.10/- each, fully paid-up at par, to Gordon Woodroffe Limited (Associates of the Promoters) in compliance with the Hon'ble AAIFR's aforesaid Order. Consequently, with effect from 1st January, 2002, the paid-up equity capital of the Company has increased from Rs.18.99 Crores to Rs.44.99 Crores and your Company has become a Subsidiary of Gordon Woodroffe Limited who holds 2,60,00,000 nos. of equity shares equivalent to 57.79% of total paid-up equity capital of your Company.

Pursuant to the directions of the Hon'ble AAIFR, your Company submitted fresh DRS which was circulated by Hon'ble AAIFR as DRS-02 on 17th May, 2002. At the next 2 days' continuous hearings held on 27th and 28th November, 2002, Hon'ble AAIFR, after hearing the objections and suggestions of all concerned including the Company, reserved the judgment in the circulated DRS. In the opinion of the Company, there were no material objections to the circulated Scheme.

Thereafter, the Hon'ble AAIFR has held three hearings on 25th February, 2003, 13th March, 2003 and 20th May, 2003. At these hearings, the Hon'ble AAIFR has sought to assess the progress on sale of assets made by the Company's Assets Sales Committee ('ASC') and has also taken up an application made by the Company to deploy the sales proceeds for the commencement of operations at the factories. The Company has so far mobilized funds to the tune of Rs. 30.65 crores from sale of certain surplus assets. However, conveyancing of these assets is subject to release of charge by the debenture - holders. The amounts mobilized so far could not be deployed for the re-commencement of operations of the Company pending a direction from the Hon'ble AAIFR.

As Members are aware, the Company had entered into a settlement with the Workers' Union at Ambattur on the 1st October, 2002. This settlement envisaged major sacrifices by the workmen and early commencement of operations at the factory. However, for reasons mentioned above, the funds could not be deployed and the operations have not yet commenced; and this is a major disappointment for the workmen and all other stakeholders.

The next hearing of the Hon'ble AAIFR is currently scheduled to be held on 28th August, 2003.

As reported last year, the Union at the Company's Head Office at Kolkata has opposed the shifting of the registered office of the Company from 'Dunlop House', Kolkata to 'King's Court', Kolkata and continues to prevent free access to the books and records at the premises. This situation remains unresolved, however with the intervention of the Calcutta High Court, the Company has recently been able to remove certain statutory records from the premises. Efforts to remove the remaining records with the intervention of the Calcutta High Court continue. Due to the prevailing situation, the accounts of the Company continue to carry certain qualifications by the Auditors.

Members are hereby informed that on 13th March, 2003, a major portion of the Company's unoccupied property at 62A, Mirza Ghalib Street, Kolkata was destroyed by a fire. The Company has filed an FIR with the Police, intimated the incident to the Insurance Company but is yet to file an insurance claim for the loss, pending receipt of reports from the concerned Authorities.

DIVIDEND

In view of the Company's deteriorated financial health and the Company being a sick industrial company under the provisions of



SICA, your Directors regret that they are unable to recommend payment of dividend for the year under review.

PUBLIC DEPOSIT

Fixed Deposit matured up to 31st March, 2003 but not paid amount to Rs.11,52,35,000/- out of which claim for repayment of Rs.10,08,53,000/- has been received from the Depositors. Matured Deposits amounting to Rs.1,43,82,000/- remained unclaimed at the end of the Financial year.

The above amount has been included in the last rehabilitation scheme submitted by the Company to Hon'ble AAIFR and repayment shall be made in accordance with and in terms of approval of the Hon'ble BIFR/AAIFR.

AUDITORS' REPORT

In regard to the reservations/qualifications/adverse remarks in the Auditors' Report, the information/explanations are given in the Annexure appended hereto. The relevant notes on the accounts are self-explanatory.

DIRECTORS

In accordance with Article 103 of the Articles of Association of your Company and the applicable provisions of the Companies Act, 1956, Mrs. Komal. C. Wazir and Mr.T.C. Goel will retire from the Board by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

M/s.Lodha & Co., Chartered Accountants, Kolkata, Auditors of your Company, will hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The Statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as amended is attached to this Report.

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Board of Directors hereby confirm :

- i) That in the preparation of the Accounts for the Financial Year ended 31st March, 2003, the applicable Accounting Standards have been followed and proper explanations have been provided for material departures, wherever applicable;
- ii) That the Board of Directors have selected such Accounting

Policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review;

- iii) That the Board of Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the Accounts for the Financial Year ended 31st March, 2003 were prepared on a "going concern" basis.

CORPORATE GOVERNANCE

In accordance with the Provisions under Clause 49 of the Listing Agreement with the Stock Exchanges, a separate Report on Corporate Governance along with the Auditor's Certificate on its compliance as per Annexure - I and Management Discussion and Analysis Report are annexed to this Report.

PERSONNEL

Despite all odds, your Company continues to nurture a positive organizational atmosphere and has ambitious plans of recruiting fresh talents to strengthen its human resources to meet its future requirement upon re-commencement of operations and in order to dove-tail smoothly into the Revival Plan as and when approved.

SUBSIDIARY COMPANY

As required under Section 212 of the Companies Act, 1956, the Reports and Accounts of the subsidiary of your Company, M/s. Dunlop Investments Limited are attached.

For and on behalf of the Board

T.C.Goel **P.Balakrishnan**

Date : 31st July, 2003 Whole-time Director Executive Director

ANNEXURE TO THE DIRECTORS' REPORT DATED 31st JULY, 2003 PURSUANT TO SECTION 217(3) OF THE COMPANIES ACT, 1956.

Reference is made to the comments of the Auditors in respect of certain records and information. In this regard, attention is drawn to Note 4(a) of Schedule 17 to the Accounts.

For and on behalf of the Board

T.C.Goel **P.Balakrishnan**

Date : 31st July, 2003 Whole-time Director Executive Director



Statement of Particulars under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Directors' Report for the year ended 31st March, 2003.

A. Conservation of Energy and Technology Absorption :

There continues to be no commercial production in the Factories for the year under review. The Company, however, as stated in our earlier Reports, intends to pursue an aggressive proactive Energy Conservation Action Plan involving the following areas :

1. High Tension Electricity Consumption by refurbishment of Heavy Duty Motors in the Compound Mixing Section.
2. Incorporating additional capacitors loads. Target power factor 0.98.
3. Improvement to generation efficiencies of Wartsila and Skoda Captive Gen. Set in line with manufacturers' recommendation.
4. Maximisation of captive generation power supply in order to offset higher State Electricity tariffs.

5. Refurbishment of Cold Fired Boilers and Burners of Oil Fired Boilers in the Factories. Installation of Economizers in Sahaganj D-Boiler to improve High Pressure Steam generation efficiencies.

6. Pursue WBSEB to separate the power supply for the Residential Township from the Factory Supply so that better control of Maximum Demand and Power Factor can be exercised at the Factory level at Sahaganj Factory. Presently that condition exists in the Ambattur Factory.

Adequate provisions are being made to action these areas prior to re-commencement of production.

The Company has already assimilated the technology transfer potential of earlier collaboration agreements in various products. For reaching targeted benchmark of productivity, quality and costs, the Company is exploring fresh collaboration initiatives.

B. Foreign Exchange Earnings and Outgo :

Earnings	-	Rs. NIL
Outgo	-	Rs. NIL

FORM A DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

31.03.2003				31.03.2002			
Unit		Total	Total	Unit		Total	Total
A. Power and Fuel Consumption				3.b) Furnace Oil (Boiler)			
1. Electricity				Qty	TON	Nil	Nil
a) Purchased :				Total Amt.	RS/LAC	Nil	Nil
Unit	MWH	3800.73	4586.50	Avg. Rate	RS/KG	Nil	Nil
Total Amt.	RS/ LAC	181.99	** 200.43	4. Others/Int. Gen (D. Oil)			
Rate/Unit	RS/KWH	4.79	4.37	Qty	KLTR	Nil	Nil
b) Own Generation :				Total Amt.	RS/LAC	Nil	Nil
(i) Diesel Gen Unit	MWH	Nil	Nil	Rate / Unit	RS/LTR	Nil	Nil
Unit/Ltr of D. Oil	KWH/LTR	Nil	Nil	B. Consumption/Ton of Production			
Cost/Unit	RS/KWH	Nil	Nil	Purchased	MWH	3800.73	4586.50
(ii) F. Oil Gen. Unit	MWH	Nil	Nil	Generated	MWH	Nil	Nil
Unit/Kg. of F. Oil	KWH/KG	Nil	Nil	Electricity	KWH/TON	Nil	Nil
Cost/Unit	RS/KWH	Nil	Nil	F. Oil (Elec. Gen) Qty	TON	Nil	Nil
2. Coal				F. Oil (Elec. Gen)	KG/TON	Nil	Nil
Qty	TON	Nil	Nil	F. Oil (Steam Gen) Qty	TON	Nil	Nil
Total Cost	RS/LAC	Nil	Nil	F. Oil (Steam Gen)	KG/TON	Nil	Nil
Avg. Rate	RS/TON	Nil	Nil	Coal (Steam Gen) Qty	TON	Nil	Nil
3.a)Furnace Oil (Generator)				Coal (Steam Gen)	KG/TON	Nil	Nil
Qty	TON	Nil	Nil	D. Oil (Elec. Gen) Qty	KLTR	Nil	Nil
Total Amt.	RS/LAC	Nil	Nil	D. Oil (Elec. Gen)	LTR/TON	Nil	Nil
Avg. Rate	RS/KG	Nil	Nil				

** Note : The value is inclusive of arrear @ 2% on net Tariff for 2000-2001 and of revised Tariff (2001-2002) from 04/01 to 12/01.



ANNEXURE - I

REPORT ON CORPORATE GOVERNANCE

In Compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, your Directors present the Company's Report on Corporate Governance on the matters mentioned in the said Clause and the practice followed by your Company in this regard.

1. Philosophy of the Company on Code of Corporate Governance

The philosophy of your company on corporate governance envisages the attainment of high levels of transparency, accountability and equity in all facets of its operations and in all interactions with stakeholders, including, inter-alia, the shareholders, employees, the government and lenders. Your company is committed to achieving international standards of corporate governance.

Your company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value over a sustained period of time.

2. Board of Directors

As on 31st March, 2003, your Board had six Directors comprised of one Whole-time Director, one Executive Director (not being a Whole-time Director of the Company), one Non-Executive Director and three Independent Directors, who were professionals, with expertise and experience in general corporate management, legal, finance, technical, engineering and other allied fields.

During the financial year under review, six Meetings of the Board of Directors had been held (as against the minimum requirement of 4 Meetings in a year) on the following dates -

30th April, 2002, 13th July, 2002, 29th July, 2002, 17th August, 2002, 15th November, 2002 and 21st January, 2003.

None of the aforesaid Directors is a Member in more than ten Committees nor acts as the Chairman/ Chairperson of more than five Committees constituted by the Board of Directors of the Companies, in which they are Directors.

The following table gives details of the attendance of Directors at Board Meetings held on the aforesaid dates and the dates for appointment / cessation of Directorship, if any, during the year under review and the last Annual General Meeting, number of memberships held by each Director in the Board / Committees of various Companies including Committee Chairmanships, which are statutorily required to be constituted by the respective Companies :

Name of the Directors and the Category	Attendance Particulars		No. of other Directorships & Committee Membership/ Chairmanship		
	Board Meetings	AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Late M R Chhabria (Non-Executive Chairman, expired on 06.04.2002)	Nil	No	-	-	-
Mrs K C Wazir Non-Executive Director	5	No	13	10	4
Mr T S Shettigar Independent Director	1	No	6	6	2
Mr R K Sadhu Independent Director	6	Yes	Nil	1	None

Mr T C Goel Whole-time Director	4	No	4	3	None
Mr P Balakrishnan Executive Director (Not being whole-time Director)	6	Yes	None	2	None
Mr Ram Gupta Independent Director (Appointed a Director w.e.f. 17.08.2002)	2	Yes	2	Nil	None

Note : 1. Directorship in Private Limited Companies, Foreign Companies and Companies Registered under Section 25 of the Companies Act, 1956 have not been considered.

2. Only the Audit Committee, Shareholders' / Investors' Grievances Committee and Remuneration Committee constituted by the Board of Directors of the respective Companies have been considered.

3. Audit Committee

The Audit Committee constituted by the Board of Directors consists of two Non-Executive / Independent Director (Mr. T.S.Shettigar, Chairman and Mr. R.K. Sadhu), one Whole-time Director (Mr. T.C. Goel) and one Executive-Director but not being a whole-time Director (Mr. P. Balakrishnan, Alternate Chairman).

During the financial year under review, the Audit Committee met on 30th April, 2002, 29th July, 2002, 17th August, 2002, 15th November, 2002 and 21st January, 2003 and considered various Financial and Audit related matters.

Constitution of the Audit Committee and related information

Name of the Director	Category	No. of Meetings attended during the year under review
Mr T S Shettigar	Chairman and Non-Executive/ Independent Director	1
Mr P Balakrishnan	Alternate Chairman and Executive Director (not being a whole-time Director)	5
Mr R K Sadhu	Non-Executive / Independent Director	5
Mr T C Goel	Whole-time Director	3

Terms of Reference of the Audit Committee constituted by the Board of Directors are as under-

To review Half Yearly and Annual Financial Results of the Company. However, all Financial Results including Quarterly Results were reviewed by the Audit Committee.

To meet and review with External and Internal Auditors regarding the Internal Control Systems, Accounting Policies, Internal Audit Programmes and Important Audit Findings to ensure their due compliance.

To investigate matters referred to it by the Board or as specified under the Companies Act, 1956 / Listing Agreement to review matters as required in terms of the Listing Agreement.

**4. Remuneration Committee (a non-mandatory)**

- a) In view of your Company being a Sick Industrial Company and none of its Director, whether Executive or Non-Executive, are drawing any remuneration, your Company has not constituted a Remuneration Committee.
- b) Independent / Non-Executive Directors are paid a Sitting Fees of Rs.2000/- for every Board Meeting and for every Audit Committee Meeting attended by them.

During the year under review, Mr. R.K. Sadhu had been paid Sitting Fees of Rs. 22,000/- (Rs. 12, 000/- for Board Meeting + Rs. 10,000/- for Audit Committee Meeting). In view of the Company's financial position, the remaining Independent / Non-Executive Directors have decided not to claim their Sitting Fees.

5. Shareholders' / Investors' Grievances Committee:

The Company has constituted a Shareholders' / Investors' Grievances Committee of the Board of Directors to ensure effective monitoring of Shares / Debentures / Fixed Deposits related issues and to redress the grievances of Shareholders / Debentureholders / Fixed Depositors / Investors. The existing Shareholders' / Investors' Grievances Committee consists of the following Members of the Board of Directors:

Mrs. Komal C. Wazir

Mr. T. C. Goel

Mr. P. Balakrishnan

Due to the IR situation prevailing in the erstwhile Registered Office at 'Dunlop House', 57B, Mirza Ghalib Street, Kolkata - 700 016, the Management, despite its best intention and efforts, could not take out the statutory records of the Company lying therein including the relevant records pertaining to shares, debentures and fixed deposits work during the year under review. In absence of relevant documents, the Company could neither carry out its day-to-day Share, Debenture and Fixed Deposit related activities, nor redress the Shareholders' / Debenture holders' / Depositors' / Investors' grievances.

Pursuant to the Order passed by the Division Bench of Hon'ble Calcutta High Court on 11th April, 2003, with the help of the Special Officer appointed by the Hon'ble High Court in the Company's Writ Petition, the Company could take out part of relevant records pertaining to shares, debentures and fixed deposits work from Dunlop House, Kolkata in between 26th April, 2003 and 27th June, 2003. The Company has also filed a fresh application in Calcutta High Court to enable the Company to bring all remaining relevant records lying therein as early as possible to commence related activities.

Due to non-availability of requisite records, the numbers of outstanding grievances of the Shareholders / Debenture holders / Fixed Depositors / Investors can not be ascertained.

However, your Company / Committee commits to clear all backlogs arising out of the aforesaid dispute and to commence Shares / Debentures/ Fixed Deposits related work and / or redress the grievances of the Shareholders / Debenture holders / Fixed Depositors / Investors on priority basis immediately upon bringing relevant complete records from the erstwhile Registered Office.

In terms of Clause 47 of the Listing Agreement of the Stock Exchanges, Mr. Ashok Kumar Agarwal, Company Secretary & Chief Legal Officer, has been appointed as Compliance Officer.

6. General Body Meetings:

Details of the Annual General Meeting held in the past 3 years:

AGM	YEAR	VENUE	DATE	TIME
73rd	1999-2000	Vidyamandir, 1, Moira Street, Kolkata-700 017	25.09.2000	12:00 noon
74th	2000-2001	G D Birla Sabhagar, 29 Ashutosh Chowdhury Avn. Kolkata-700 019	27.09.2001	10:30 a.m.
75th	2001-2002	'Mini Auditorium', Science City, JBS Haldane Avenue, Kolkata-700 046	23.12.2002	10.30 a.m.

There was no Special Resolution which required voting through postal ballot.

7. Disclosures:

The disclosures on materially significant related party transactions could not be compiled as explained in Note 33 of the Notes on Accounts appearing in Schedule 17 to the Accounts of the Company for the Financial year, ended 31st March 2003.

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

8. Means of Communication :

-The Quarterly Results of your Company are published in The Financial Express (English) and Aikal (Bengali) Newspapers, circulated in the State of West Bengal. Your Company currently does not have a web-site. All quarterly results and important information are being regularly sent to the Stock Exchanges, where your Company's Shares are listed. Your Company is not sending a Half Yearly Report to each household of Shareholders.

A Report on Management Discussion & Analysis has been attached to this Annual Report.

9. General Shareholders' Information:**i) Annual General Meeting:**

Date of AGM : 29th September, 2003
Venue and Time : At "Mini Auditorium", Science City, JBS Haldane Avenue, Kolkata - 700 046 at 10.30 a.m.

ii) Financial Calendar :**Financial Reporting for the Financial Year 2003 - 2004 :**

First Quarter Results - on 31st July, 2003
Second Quarter and Half Yearly Results - end of November, 2003
Third Quarter Results - end of January, 2004
Fourth Quarter and Yearly Results - end of April, 2004

iii) Dates of Book Closure :

: 24th September, 2003 to
29th September, 2003
(both days inclusive)

iv) Proposed Date of Dividend Payment :

: Nil

v) Listing of Equity Shares on Stock Exchanges :

Equity Shares of the Company are listed on the Stock Exchanges at Kolkata, (Principal Stock Exchange), Mumbai, New Delhi, Chennai and Ahmedabad.

DUNLOP INDIA LIMITED

Due to financial constraints, the Company has defaulted in making payment of Annual Listing Fees to the above-mentioned Stock Exchanges and is committed to pay such dues in terms of the Draft Rehabilitation Scheme (DRS) after the DRS is approved by Hon'ble AAIFR.

vi) Address for Correspondence:

Registered Office : "King's Court", Flat Nos. 14 & 18,
46B, Chowringhee Road, Kolkata - 700 071.
Tel: (033) 2282-1773 ; Fax: (033) 2282-1551;
E-mail: dildmirp@vsnl.net

Your Company has not appointed any Registrar and Transfer Agent. Any communication or paper for the share / debenture / fixed deposit work may please be sent directly to the Company at its aforesaid address.

vii) Stock Market Price Data :

High and low quotations of your Company's Shares on the following Stock Exchanges during the year : 2002-2003 (from 1st April, 2002 to 31st March, 2003).

Month	Calcutta		New Delhi		Mumbai		Ahmedabad		Chennai	
	Share Price (Rs.)		Share Price (Rs.)		Share Price (Rs.)		Share Price (Rs.)		Share Price (Rs.)	
	High	Low	High	Low	High	Low	High	Low	High	Low
April, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
May, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
June, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
July, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Aug, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sept, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Oct, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nov, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dec, 02	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jan., 03	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Feb, 03	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mar, 03	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

viii) Distribution of Equity Shareholding as on 31st March, 2003

Range of Shares	No. of Shareholders	%	Number of Shares	%
Upto 500	34029	97.14	2835664	6.30
501-1000	662	1.89	499750	1.11
1001-2000	213	0.61	295991	0.66
2001-3000	41	0.12	99310	0.22
3001-4000	28	0.08	99242	0.22
4001-5000	8	0.02	37577	0.09
5001-10000	24	0.07	166606	0.37
Above 10000	26	0.07	40955157	91.03
	35031	100.00	44989297	100.00

ix) Geographical Distribution of Shareholding as on 31.03.2003

Sl. No.	City / Location	No. of Folios	%
1	Kolkata & Adjacent places	7,191	20.53
2	Mumbai	7,406	21.14
3	Delhi	2,187	6.24
4	Chennai	1,457	4.16
5	Bangalore	966	2.76
6	Ahmedabad	2,414	6.89
7	Hyderabad	535	1.53
8	Places other than above	12,875	36.75
	TOTAL	35,031	100.00

x) Shareholding Pattern as on 31st March, 2003, in terms of Clause 35 of the Listing Agreement with Stock Exchanges.

Promoters' Holding	Nos.	%
Foreign Promoters	7515229	16.70
Promoters' Associates (Persons Acting in Concert)	26892568	59.78
Sub-total	34407797	76.48
Non-Promoters' Holding		
Financial Institutions, Insurance Companies, Mutual Funds, Banks etc.	6342391	14.10
Others (including Bodies Corporate, Non-Residents & Indian Public)	4239109	9.42
Sub-total	10581500	23.52
GRAND TOTAL	44989297	100.00

In absence of the relevant statutory records for the reason stated hereinbefore, above figures of equity shareholding pattern has been shown as per the copies of the distribution of equity shareholdings filed with the various Authorities, Stock Exchanges etc.

xi) Dematerialisation of Equity Shares:

In view of the industrial sickness and financial constraints prevailing for the past few years, as also due to inadequate existing in-house computer infrastructure and due to non-availability of complete relevant statutory records as mentioned hereinbefore, your Company could neither appoint any Registrar & Transfer Agent nor undertake in-house activities to provide dematerialisation facilities to its Shareholders to enable the Shareholders / Investors to hold the Company's equity shares in electronic form. However, your Company is committed to providing such dematerialisation facility upon commencement of its revival process and availability of the required funds and complete relevant records.

xii) Plant Locations:

- P.O. Sahaganj, P.S. Chinsurah, Dist. Hooghly, West Bengal.
- No. 512, M.T.H. Road, Ambattur, Chennai, Pin 600053, Tamil Nadu.