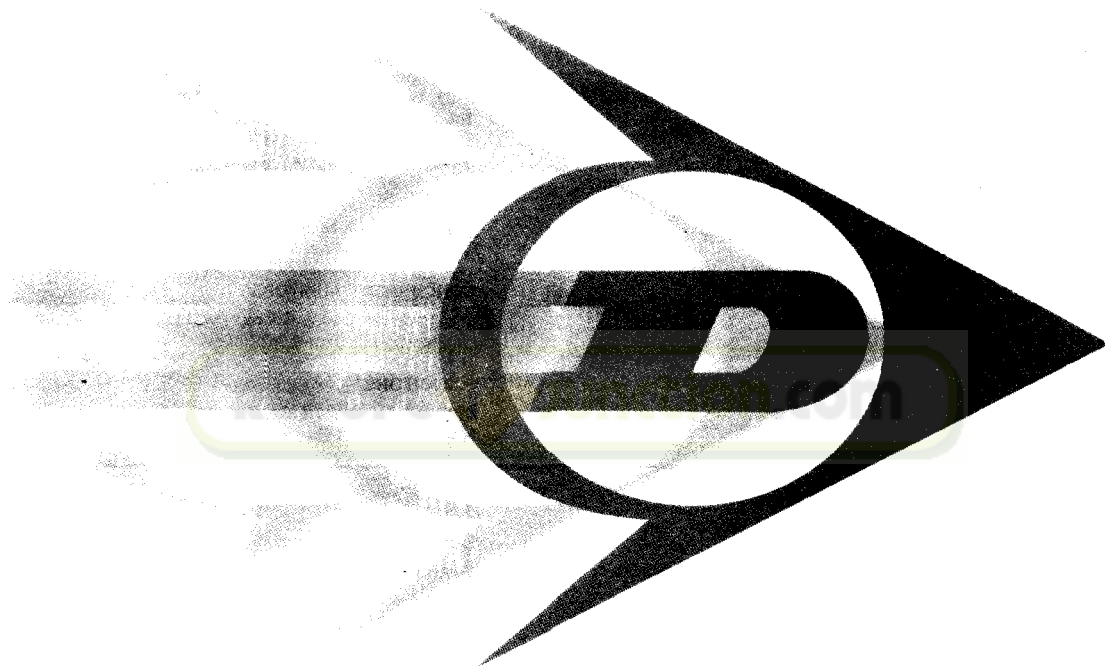


ANNUAL REPORT

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DUNLOP INDIA LIMITED**BOARD OF DIRECTORS**

Mr. Pawan Kumar Ruia *Chairman*
 Mr. Dipak Rudra
 Mr. Narayan Prasad Agarwalla
 Mr. Ram Krishen Sadhu
 Mr. Pratap Shanker Trivedi
 Mr. Mohan Lall *BIFR Nominee*

AUDIT COMMITTEE

Mr. Ram Krishen Sadhu *Chairman*
 Mr. Dipak Rudra *Alternate Chairman*
 Mr. Narayan Prasad Agarwalla

SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE

Mr. Narayan Prasad Agarwalla *Chairman*
 Mr. Dipak Rudra
 Mr. Ram Krishen Sadhu

REMUNERATION COMMITTEE

Mr. Narayan Prasad Agarwalla *Chairman*
 Mr. Dipak Rudra
 Mr. Ram Krishen Sadhu

VICE PRESIDENT - LEGAL & COMPANY SECRETARY

Mr. Ashok Kumar Agarwal

REGISTERED OFFICE

"King's Court", Flat Nos.14 & 18,
 46B, Chowringhee Road,
 Kolkata - 700 071.
 E-mail : info@dunlop.co.in

CORPORATE OFFICE

'Ruia Centre',
 46, Syed Amir Ali Avenue,
 4th Floor,
 Kolkata - 700 017.
 Telephone : (033) 22894747
 Fax : (033) 22893433
 E-mail : info@dunlop.co.in

BANKERS

Deutsche Bank AG
 IDBI Bank
 UTI Bank
 Kotak Mahindra Bank
 State Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services (P) Limited
 P-22, Bondel Road, Kolkata - 700 019
 Telephone : (033) 22806692-94 / 2486 / 2937
 Fax : (033) 22870263
 E-mail : cbmsl1@cal2.vsnl.net.in

AUDITORS

M/s. K. N. Gutgutia & Co.,
 Chartered Accountants, Kolkata

CONCURRENT AUDITORS

M/s. Pricewaterhouse Cooper Pvt. Ltd.,
 Chartered Accountants, Kolkata

SOLICITORS

M/s. L. P. Agarwalla & Co, Kolkata
 M/s. Mukherjee & Biswas, Kolkata

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TEN YEAR SUMMARY

| | 2006-07 | 2005-06 | 2004-05 | 2003-04 | 2002-03 | 2001-02 | 2000-01 | 1999-2000 | 1998-99 | 1997 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|
| | 12 months | 12 months | 12 months | 12 months | 12 months | 12 months | 12 months | 12 months | 15 months | 9 months |
| Income | Rs Crores | 341.42 | 4.06 | 37.16 | 9.19 | 28.68 | 6.08 | 102.61 | 6.67 | 207.77 |
| Operating Profit/(Loss) | Rs Crores | 335.99 | (6.09) | 14.08 | (10.99) | (0.26) | (41.89) | (58.93) | (33.31) | (78.38) |
| Profit before Tax | Rs Crores | 489.01 | 71.93 | (5.46) | 32.67 | (39.23) | (88.57) | (89.38) | (61.03) | (105.97) |
| Profit after Tax | Rs Crores | 488.81 | 71.88 | (5.46) | 32.67 | (39.23) | (88.57) | (89.38) | (61.03) | (105.97) |
| Earnings per Equity share | Rs. | 108.65 | 15.98 | (1.21) | 7.26 | - | - | - | - | - |
| Dividends per Equity share | Rs. | - | - | - | - | - | - | - | - | - |
| Net Worth per Equity share | Rs. | 302.02 # | (58.05) | (73.56) | (63.05) | (68.99) | (47.96) | (55.14) | (1.40) | 41.19 |
| Net Assets employed | Rs Crores | 1632.12 # | (98.42) | (160.25) | (115.14) | (83.55) | (21.71) | 59.05 | 141.69 | 192.10 |
| Shareholder's Funds | Rs Crores | 1358.77 # | (261.16) | (330.92) | (283.65) | (310.36) | (215.75) | (104.71) | (2.66) | 78.21 |
| Gearing | % | 20.12 # | 108.76 | 112.46 | 87.05 | 111.79 | 75.13 | 58.33 | 49.20 | 36.36 |

Includes share application amounting to Rs. 20.00 crores.



DUNLOP INDIA LIMITED

Registered Office :
"King's Court", Flat Nos. 14 & 18,
46B, Chowringhee Road, Kolkata -700 071

NOTICE

NOTICE is hereby given that the **Eightieth** Annual General Meeting of the Members of **Dunlop India Limited** will be held at The Ballroom, The Oberoi Grand, 15 Jawaharlal Nehru Road, Kolkata - 700013 on **Thursday, 19th July, 2007 at 10.30 a.m.** to transact the following business :-

ORDINARY BUSINESS

- To consider and adopt the Profit & Loss Account for the year ended 31st March, 2007 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon
- To appoint a Director in place of Mr. Dipak Rudra, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Narayan Prasad Agarwalla, who retires by rotation and being eligible, offers himself for re-appointment
- To appoint Messrs K. N. Gutgutia & Co., Chartered Accountants, Kolkata, the retiring Auditors of the Company, who being eligible, offer themselves for re-appointment as the Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

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

- As an Ordinary Resolution :**
"RESOLVED THAT Mr. Pratap Shanker Trivedi be and is hereby appointed a Director of the Company."
- As an Ordinary Resolution :**
"RESOLVED THAT Mr. Damodar Prasad Dani be and is hereby appointed a Director of the Company."
- As Ordinary Resolutions :**
"RESOLVED THAT in accordance with and subject to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of the Central Government, the consent of the Company be and is hereby accorded for the appointment of Mr. Damodar Prasad Dani as the Executive Director (being the Whole-time Director) of the Company for a period of 3 (three) years from 28th May, 2007 till 27th May, 2010 on the terms and conditions including the remuneration as set out in the Agreement to be entered into between the Company and Mr. Damodar Prasad Dani, a draft of which is placed before this Meeting, which is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the aforesaid appointment and/or payment of remuneration and / or agreement subject to the condition that the said remuneration shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendment thereto and as may be agreed to between the Board and Mr. Damodar Prasad Dani."
"RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay remuneration to Mr. Damodar Prasad Dani by way of salary, perquisites and allowances not exceeding the ceiling limit and subject to compliance of the conditions prescribed under Section II of Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time."
"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board

Ashok Kumar Agarwal

Vice President - Legal & Company Secretary

Place : Kolkata
Date : 12th May, 2007

NOTES :

- Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business of the Meeting is annexed hereto and forms part of this Notice.
- 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 / CORPORATE OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- The Register of Members and Share Transfer Books of the Company will remain closed from 11th July, 2007 to 19th July, 2007 (both days inclusive).
- 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

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item Nos. 5 & 6.

Mr. Pratap Shanker Trivedi and Mr. Damodar Prasad Dani were appointed as the Additional Directors of the Company with effect from 12th May, 2007 and 28th May, 2007 respectively. In accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 91 of the Articles of Association of the Company, above Directors shall hold office up to the date of this Annual General Meeting. The Company has received Notices from two Members in writing under Section 257 of the Companies Act, 1956 separately signifying their intention to propose the appointment of the aforesaid persons as the Directors at this Annual General Meeting.

Keeping in view the qualifications and the experience possessed by the aforesaid persons, your Directors feel that the appointment of the said persons as Directors of the Company will be beneficial to your Company and accordingly, recommend the Resolutions set out in Item Nos. 5 & 6 of the Notice for your consideration and approval.

None of the Directors of the Company except Mr. Pratap Shanker Trivedi and Mr. Damodar Prasad Dani are interested or concerned in the Resolution set out in Item Nos. 5 & 6 of the Notice.

Item No. 7.

The Board of Directors of the Company at its Meeting held on 12th May, 2007 has appointed Mr. Damodar Prasad Dani as the Executive Director (being the Whole-time Director) of the Company w.e.f. 28th May, 2007 subject to the approval of the Shareholders at the ensuing Annual General Meeting and the approval of the Central Government for which the requisite application will be submitted by the Company to the Central Government within time. Mr. Damodar Prasad Dani will join as the Executive Director (being the Whole-time Director) of the Company on 28th May, 2007.

The broad particulars of the terms and conditions of the appointment including the remuneration payable to Mr. Damodar Prasad Dani is as under :

| Designation | Period of Appointment | Salary (Rs.) per month | Perquisites, Allowances & Re-imbursements (Rs.) per month |
|--|--|------------------------|---|
| Executive Director (being the Whole - time Director) | 3 (three) Years from 28.05.2007 to 27.05.2010. | 1,30,000/- | 2,03,333/- |

The perquisites and allowances payable to Mr. Damodar Prasad Dani include house rent allowance; special allowance; allowance/re-imbursement for newspaper, books and periodicals, entertainment, telephone, business attire etc; contribution to provident fund; ex-gratia; medical re-imbursement and insurance for self and family, and leave travel concession for self and family up to the amount specified above, subject to over all ceiling of remuneration stipulated in Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any Rule there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

DUNLOP INDIA LIMITED



The terms and conditions set out for the above appointment and payment of remuneration herein / or in the Agreement to be executed into between the Company and Mr. Damodar Prasad Dani upon his joining the office of the Executive Director (being the Whole-time Director) of the Company on 28th May, 2007 may be altered and varied from time to time by the Board of Directors of the Company as it may, at its discretion, deem fit.

The Board is also entitled to revise the salary, perquisites, allowances and reimbursements payable to Mr. Damodar Prasad Dani at any time, provided that the overall yearly remuneration payable to Mr. Damodar Prasad Dani shall not exceed the limits / ceiling in terms of the provisions of the Companies Act, 1956.

The Agreement may be terminated by either party (the Company or Mr. Damodar Prasad Dani) by giving 45 days' prior notice in writing on other.

The Agreement to be entered into between the Company and Mr. Damodar Prasad Dani incorporating the above particulars of remuneration, shall be available for inspection after its execution at the Corporate Office of the Company on all working days up to the date of the ensuing Annual General Meeting between 11:00 a.m. and 1:00 p.m.

The above may also be treated as an abstract of the terms of the contract / agreement to be entered into between the Company and Mr. Damodar Prasad Dani pursuant to Section 302 of the Companies Act, 1956.

Keeping in view the qualification and the experience possessed by Mr. Damodar Prasad Dani, your Directors feel that Mr. Dani's appointment as the Executive Director (being the Whole-time Director) of the Company will be beneficial to your Company and accordingly, recommend the Resolutions set out in Item No. 7 of the Notice for your consideration and approval.

None of the Directors of the Company except Mr. Damodar Prasad Dani are interested or concerned in the Resolutions set out in Item No. 7 of the Notice.

By Order of the Board

Place : Kolkata

Date : 12th May, 2007

Ashok Kumar Agarwal

Vice President - Legal & Company Secretary

Particulars Relating to the Directors proposed to be appointed/re-appointed :

| | |
|--------------------------------------|---|
| 1. Name | : Mr. Dipak Rudra. |
| Age | : 66 Years. |
| Qualifications | : B.A. (Hons. in Economics and Political Science). |
| Expertise | : Mr. Rudra has 37 years of rich experience as IAS in handling various portfolios in Central & State Ministries and 3 years experience in RBI including as the CMD of UCO Bank. |
| Date of Appointment | : 25th January, 2006. |
| No. of Equity Shares held in the Co. | : Nil. |

Other Directorships

Name of the Public Ltd. Company
Shailmar Wire Industries Ltd.

Committee Memberships, if any, with position
Audit Committee - Member.
Remuneration Committee - Member.
Shareholders' Grievance Committee - Member.
Committee of Directors - Member.
Audit Committee - Member.
Audit Committee - Chairman

India Power Corporation Ltd.
GTFS Multi Services Ltd.

Name
Age
Qualifications
Expertise

Mr. Narayan Prasad Agarwalla
59 Years.
Attorney at Law.
A Practising Advocate in the Supreme Court and High Courts for last 33 years.
25th January, 2006.

Date of Appointment
No. of Equity Shares held in the Co.

Nil.

Other Directorships

Name of the Public Ltd. Company
Jessop & Co. Ltd.

Committee Memberships, if any, with position
Audit Committee - Member.
Remuneration Committee - Member.
Share Transfer & Investor Grievances Committee - Member.
Committee of Directors (Special Purposes) - Member.

The Belsund Sugar & Industries Ltd.
Garima Leasing Co. Ltd.

None
None

3. Name
Age
Qualifications
Expertise

Mr. Pratap Shanker Trivedi.
63 Years.
B.Com.
Mr. Trivedi has 45 years of experience in handling various portfolios in many reputed Companies.

Date of Appointment
No. of Equity Shares held in the Co.

12th May, 2007.
Nil.

Other Directorships

Name of the Public Ltd. Company
None

Committee Memberships, if any, with position
None

4. Name
Age
Qualifications
Expertise

Mr. Damodar Prasad Dani.
53 Years.
M.Sc., M.B.A.
Associated with Automotive Tyre Industry for over 31 years in various portfolios including serving as CEO as well as on the board of a large Automotive Tyre Manufacturing Company.

Date of Appointment
No. of Equity Shares held in the Co.

28th May, 2007.
Nil.

Other Directorships

Name of the Public Ltd. Company
None

Committee Memberships, if any, with position
None

HOLDING OF EQUITY SHARES

| Category | As on 31.03.2007 Equity Shares | | As on 31.03.2006 Equity Shares | |
|---|-----------------------------------|---------------|-----------------------------------|---------------|
| | (Nos.) | (%) | (Nos.) | (%) |
| Promoters' Holding | | | | |
| Foreign Promoters | 33515229 | 74.50 | 33515229 | 74.50 |
| Promoters' Associates (Persons acting in concert) | Nil | Nil | Nil | Nil |
| Sub Total | 33515229 | 74.50 | 33515229 | 74.50 |
| Non-Promoters' Holding | | | | |
| Financial Institutions, Insurance Companies, Mutual Funds, Banks etc. | 6323790 | 14.05 | 6324669 | 14.06 |
| Non-Residents | 43954 | 0.10 | 43954 | 0.10 |
| Private Corporate Bodies | 1142992 | 2.54 | 1150792 | 2.55 |
| Indian Public | 3963332 | 8.81 | 3954653 | 8.79 |
| Sub Total | 11474068 | 25.50 | 11474068 | 25.50 |
| Grand Total | 44989297 | 100.00 | 44989297 | 100.00 |



DUNLOP INDIA LIMITED

REPORT OF THE DIRECTORS

Your Directors present the 80th Annual Report of the Company together with the audited accounts for the financial year ended 31st March, 2007.

SUMMARIZED FINANCIAL RESULTS

| | Rs. in Crores |
|--|---------------|
| Gross Profit | 335.99 |
| Financial Charges | 3.46 |
| Depreciation | 0.95 |
| Profit before exceptional Item | 331.58 |
| Exceptional Item | 149.22 |
| Prior Period Adjustment | (2.29) |
| Profit after Exceptional Item before Tax | 478.51 |
| Provision for Tax W/Back | 10.50 |
| Provision for Fringe Benefit Tax | 0.20 |
| Profit after Tax | 488.81 |

CURRENT STATUS

Refurbishment & Renovation of both the manufacturing units is progressing as per schedule. Production was commenced on trial basis and both the plants achieved refurbished capacity. Tyres produced have been well received by the market.

In terms of financial restructuring plan of the company, certain Non - Core assets were transferred to wholly owned subsidiaries. Profit on sale of these assets has been adjusted against accumulated losses and net worth of the company has become positive. Company has submitted an application to Hon'ble BIFR for deregistration of the company.

Company has repaid most of the secured creditors and negotiation is in progress for balance secured creditors for repayment of their dues. Directors are hopeful that these dues would be settled & paid shortly.

Company offered 2,69,93,578 equity shares of Rs.10/- each at par on right basis to existing equity shareholders in terms of order of Hon'ble BIFR. The issue commenced on 2nd April, 2007 and was oversubscribed. Allotment of shares has been made in terms of letter of offer.

Company is in process of organizing working capital for regular operations. Directors are hopeful of achieving substantial capacity utilisation and improved operational results during the current financial year.

DIVIDEND

Your Directors have decided to retain the internal accruals and therefore do not recommend any dividend for the financial year 2006-07.

PUBLIC DEPOSIT

Fixed Deposits matured up to September, 2000 but not paid up to 31st March, 2007 amount to Rs.11,07,08,000/- out of which claim for repayment of Rs. 9,63,26,000/- has been received from the Depositors. Matured Deposits amounting to Rs. 1,43,82,000/- remained unclaimed at the end of the financial year.

DIRECTORS

Mr. Samir Kumar Paul, Mr. Sajjid Amir Khan and Mr. Ashok Kumar Jajodia resigned from the Board w.e.f. 15th March, 2007, 14th April, 2007 and 21st April, 2007 respectively. Mr. Samir Kumar Paul and Mr. Ashok Kumar Jajodia also ceased to be the Managing Director and Whole-time Director of the Company w.e.f. 15th March, 2007 and 21st April, 2007 respectively. The Board placed on record its deep appreciation for the valuable services rendered by all the above Directors.

Mr. Pratap Shanker Trivedi and Mr. Damodar Prasad Dani were appointed as Additional Directors of the Company w.e.f. 12th May, 2007 and 28th May, 2007 respectively by the Board, who will hold Office upto the date of ensuing Annual General Meeting and are eligible for re-appointment. Mr. Damodar Prasad Dani was also appointed as Executive Director (being a Whole-time Director) for 3 years w.e.f. 28th May, 2007 till 27th May, 2010.

In accordance with Article 103 of the Articles of Association of your Company and the applicable provisions of the Companies Act, 1956, Mr. D. Rudra and Mr. N. P. Agarwalla 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 resigned as Statutory Auditors of the Company. The Board placed on record its deep appreciation for the valuable services rendered by M/s. Lodha & Co., Chartered Accountants, Kolkata.

The casual vacancy caused by the resignation by M/s. Lodha & Co., Chartered Accountants, Kolkata was filled up by appointment of M/s. K. N. Gutgutia & Co. Chartered Accountants, Kolkata, in accordance with the approval by the shareholders in the Extra-Ordinary General Meeting held on 14th April, 2007. M/s. K. N. Gutgutia & 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 re-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 and Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are attached to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- That in the preparation of the Accounts for the Financial Year ended 31st March, 2007, the applicable Accounting Standards have been followed and proper explanations have been provided for material departures, wherever applicable;
- 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;
- 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
- That the Accounts for the Financial Year ended 31st March, 2007 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 Auditors' Certificate on its compliance as per Annexure - IC and Management Discussion and Analysis Report are annexed to this Report.

PERSONNEL

Your Company continues to nurture a positive organizational atmosphere and has recruited fresh talents to strengthen its human resources to meet requirements of the operations.

SUBSIDIARY COMPANIES

As required under Section 212 of the Companies Act, 1956, the Reports and Accounts of the Subsidiaries of your Company, M/s. Dunlop Investments Limited, M/s. Bhariya Hotels Limited, M/s. Dunlop Properties Private Limited, M/s. Dunlop Infrastructure Private Limited and M/s. Dunlop Estates Private Limited are attached.

For and on behalf of the Board

Place : Kolkata
Date : 12th May, 2007

Pawan Kumar Ruia
Chairman



DUNLOP INDIA LIMITED

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, 2007.

A Conservation of Energy and Technology Absorption :

There was no commercial production in the Factories for the year under review. However, the refurbishment exercise partly undertaken and planned for both the Factories prior to re-commencement of production, the Company has deliberately sought to strengthen all such areas related to energy conservation.

B. Foreign Exchange Earnings and Outgo :

Earnings - Rs. Nil.
Outgo - Rs. 1.28 crores

For and on behalf of the Board

Place : Kolkata
Date : 12th May, 2007

Pawan Kumar Ruia
Chairman

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

| Unit | | 31.03.2007 Total | 31.03.2006 Total | Unit | | 31.03.2007 Total | 31.03.2006 Total |
|--------------------------------------|-----------|---------------------|---------------------|---|-----------|---------------------|---------------------|
| A. Power and Fuel Consumption | | | | b) Furnace Oil (Boiler) | | | |
| 1. Electricity | | | | Qty | TON | Nil | Nil |
| a) Purchased : | | | | Total Amount | RS / LACS | Nil | Nil |
| Unit | MWH | Nil | Nil | Average Rate | RS / KG | Nil | Nil |
| Total Amount | RS / LACS | Nil | Nil | | | | |
| Rate / Unit | RS / KWH | Nil | Nil | 4 Others/Int.Gen (D.Oil) | | | |
| b) Own Generation : | | | | Qty | KLTR | Nil | Nil |
| (i) Diesel Gen Unit | MWH | Nil | Nil | Total Amount | RS / LACS | Nil | Nil |
| Unit / Ltr of D.Oil | KWH / LTR | Nil | Nil | Rate/Unit | RS / LTR | Nil | Nil |
| Cost/Unit | RS / KWH | Nil | Nil | | | | |
| (ii) F.Oil Gen. Unit | MWH | Nil | Nil | B. Consumption / Ton of Production | | | |
| Unit / Kg. of F.Oil | KWH / KG | Nil | Nil | Purchased | MWH | Nil | Nil |
| Cost / Unit | RS / KWH | Nil | Nil | Generated | MWH | Nil | Nil |
| | | | | Electricity | KWH / TON | Nil | Nil |
| 2. Coal | | | | F. Oil (Elec. Gen) Qty | TON | Nil | Nil |
| Qty | TON | Nil | Nil | F. Oil (Elec. Gen) | KG / TON | Nil | Nil |
| Total Cost | RS / LACS | Nil | Nil | F. Oil (Steam Gen) Qty | TON | Nil | Nil |
| Average Rate | RS / TON | Nil | Nil | F. Oil (Steam Gen) | KG / TON | Nil | Nil |
| 3. a) Furnace Oil (Generator) | | | | Coal (Steam Gen) Qty | TON | Nil | Nil |
| Qty | TON | Nil | Nil | Coal (Steam Gen) | KG / TON | Nil | Nil |
| Total Amount | RS / LACS | Nil | Nil | D. Oil (Elec. Gen) Qty | KLTR | Nil | Nil |
| Average Rate | RS / KG | Nil | Nil | D. Oil (Elec.Gen) | LTR / TON | Nil | Nil |

Statement of Particulars of Employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forming part of the Directors' Report for the year ended March 31, 2007.

| Sl. No. | Name of the Employee | Designation | Remuneration (Rs.) | Qualification and experience | Date of Commencement of Employment | Age (in years) | Last Employment held |
|---------|-----------------------|-------------------------------|--------------------|------------------------------|------------------------------------|----------------|-----------------------------|
| 1 | Samir Kumar Paul | * Managing Director | 3,543,922.00 | M.Com, FCA. 30 Years | 3-Aug-06 | 62 | Professional |
| 2 | Ashok Kumar Jajodia | Whole-time Director | 3,813,650.00 | B.Sc.(Engg) USA 43 Years | 1-Feb-06 | 69 | Jessop & Co. Ltd. |
| 3 | Raman Kumar Dhawan | * Head - Manufacturing | 893,350.00 | B. Sc. 38 Years | 6-Feb-06 | 62 | Aban Exim Pvt. Ltd. |
| 4 | Suresh Kumar Kothari | President | 3,270,800.00 | FCA | 16-Feb-06 | 41 | Gordon Woodroffe Ltd |
| 5 | Swarajit Mazumdar | * Vice President-HRD | 712,017.00 | PGP-PM & IR 29 Years | 6-Jun-06 | 53 | Phillips Carbon Black Ltd. |
| 6 | Pradip Kumar Routh | * President- Manufacturing | 1,789,817.00 | MEE 30 Years | 30-Aug-06 | 58 | Iskraeme Co. Sea Horse Ltd. |
| 7 | Pradeep Suresh Shukla | Sr. Vice President- Marketing | 2,956,300.00 | PGDM 22 Years | 1-Mar-06 | 53 | Ceat Ltd. |
| 8 | Shashi Gulati | * Sr. Vice President- HRD | 771,823.00 | MBA, PGDM 26 Years | 25-Sep-06 | 49 | Lymbha Laboratories Ltd. |
| 9 | P K Thimmayya | * Vice President- Marketing | 260,288.00 | MBA 20 Years | 20-Nov-06 | 43 | J K Industries Ltd. |
| 10 | Amit Kumar Chowdhury | * Sr. Vice President- R & D | 2,111,021.00 | B. Tech 20 Years | 18-May-06 | 52 | Birla Tyres |

* Part employment during the financial year.

DUNLOP INDIA LIMITED



REPORT ON CORPORATE GOVERNANCE

In compliance with the provisions of Clause 49 of the Listing Agreement, 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. The committees such as audit, shareholders' / investors' grievances and remuneration meet regularly to consider aspects relevant to each committee. Your directors are happy to inform you that your company's existing practices and policies are in conformity with the requirements stipulated by Securities and Exchange Board of India (SEBI). Your company is committed to achieving international standards of corporate governance.

Your company has already implemented the revised provisions of Clause 49 of the Listing Agreement. Your board has adopted a code of conduct and made it applicable to all the members of the board and to the senior management.

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

In terms of the company's corporate governance policy, all statutory and other significant and material information including information mentioned in Annexure-IA of Clause 49 of the Listing Agreement are placed before the board on regular basis to enable it to discharge its responsibilities of strategic supervision of your company and as the trustees of stakeholders. As on 31st March, 2007, your board had seven Directors comprised of: one non-executive chairman, one whole-time director and five independent directors, who were professionals, with expertise and experience in general corporate management, legal, finance, technical, engineering and other allied fields.

None of the aforesaid directors is a member in more than ten committees nor acts as the chairman of more than five committees constituted by the board of directors of the company, in which they are directors.

The board meets at least once in a quarter inter-alia to review the company's performance and financial results and more often, if considered necessary, to transact other business.

During the financial year under review, six meetings of the board of directors were held on the following dates - 14th May, 2006, 3rd August, 2006, 31st October, 2006, 12th November, 2006, 29th January, 2007 and 16th March, 2007.

The following tables and the notes below the tables give 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 as on 31st March, 2007 | No. of other Directorships & Committee Memberships/ Chairmanships as on 31.03.2007 | | |
|---|--|-----------------------|-------------------------|
| | Other Directorships | Committee Memberships | Committee Chairmanships |
| Mr. P. K. Ruia Non-executive Chairman | 4 | 1 | None |
| Mr. Ashok K. Jajodia Whole-time Director | 4 | 2 | None |
| Mr. R. K. Sadhu Independent Director | 1 | 2 | 1 |
| Mr. D. Rudra Independent Director | 3 | 6 | 1 |
| Mr. N. P. Agarwalla Independent Director | 3 | 4 | 1 |
| Mr. Mohan Lall (BIFR Nominee) Independent Director | 2 | None | None |
| Mr. S. A. Khan Independent Director | None | None | 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 and shareholders' / investors' grievances committee constituted by the board of directors of the respective companies have been considered.

Attendance of each director at the board meetings and at the last annual general meeting

| Name of the Directors | Attendance Particulars from 01.04.2006 to 31.03.2007 | | |
|--|--|--|------------------------------------|
| | No. of Board Meetings held during the tenure of the Director | No. of Board Meetings attended during the tenure of the Director | in the last AGM held on 20.12.2006 |
| Mr. P. K. Ruia | 6 | 6 | Yes |
| Mr. Ashok K. Jajodia | 6 | 6 | Yes |
| Mr. R. K. Sadhu | 6 | 4 | Yes |
| Mr. D. Rudra | 6 | 6 | Yes |
| Mr. N. P. Agarwalla | 6 | 6 | Yes |
| Mr. S. A. Khan | 6 | 2 | No |
| Mr. S. K. Paul (appointed w.e.f. 03.08.2006 and resigned w.e.f. 15.03.2007) | 4 | 4 | Yes |
| Mr. Mohan Lall appointed w.e.f. 31.10.2006 | 4 | 2 | No |

During the year under review, Mr. Samir Kumar Paul and Mr. Mohan Lall (inducted as a special director on the board by Hon'ble BIFR) were appointed as the directors, not liable to retire by rotation, by the board on 3rd August, 2006 and 31st October, 2006 respectively. Mr. S.K.Paul was also appointed as the managing director of the company for a period of three years from 3rd August, 2006 till 2nd August, 2009.

Mr. S. K. Paul resigned as a director and also as the managing director w.e.f. 15th March, 2007 and Mr. Ashok K Jajodia resigned as a director and also the whole-time director w.e.f. 21st April, 2007.

Mr. P. S. Trivedi and Mr. D. P. Dani were appointed as additional directors w.e.f. 12th May, 2007 and 28th May, 2007 respectively. Mr. D. P. Dani was also appointed as executive director (being a whole-time director) of the company from 28th May, 2007.

3. Audit Committee

The audit committee constituted by the board of directors of the company had three non-executive / independent directors and one whole-time director as on 31st March, 2007.

The Terms of Reference of the Audit Committee are comprehensive and are in conformity with the matters specified in the Stock Exchange Listing Agreement and under Section 292A of the Companies Act, 1956. The Company Secretary is the Secretary of the Audit Committee.

Constitution of the Audit Committee and related information :

| Name of the Committee Members as on 31st March, 2007 | Category |
|--|---|
| Mr. R. K. Sadhu | Chairman and Non-Executive/ Independent Director |
| Mr. D. Rudra | Alternate Chairman and Non-Executive / Independent Director |
| Mr. N. P. Agarwalla | Non- Executive / Independent Director |
| Mr. Ashok K. Jajodia | Whole-time Director |



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During the financial year under review, the audit committee met on 3rd August, 2006, 31st October, 2006, 12th November, 2006 and 29th January, 2007 and considered various financial and audit related matters and other matters as required under Clause 49 of the Listing Agreement.

Attendance of the members at the audit committee meetings :

| Name of the Member | Attendance Particulars from 01.04.2006 to 31.03.2007 | |
|----------------------|--|--|
| | No. of Audit Committee Meetings held during the tenure of the Member | No. of Audit Committee Meetings attended during the tenure of the Member |
| Mr. R. K. Sadhu | 4 | 4 |
| Mr. D. Rudra | 4 | 4 |
| Mr. N. P. Agarwalla | 4 | 4 |
| Mr. Ashok K. Jajodia | 4 | 4 |

Mr. Ashok Kumar Jajodia ceased to be the member of the committee w.e.f. 21st April, 2007.

4. Remuneration Committee

The remuneration committee constituted by the board of directors of the company had three non-executive / independent directors

During the year under review, two meetings of the remuneration committee were held. The committee met on 14th May, 2006 and 3rd August, 2006 and considered appointment of managerial personnel / senior executives and payment of remuneration to such managerial personnel / senior executives and various matters as required under Clause 49 of the Listing Agreement.

Constitution of the Remuneration Committee and related information :

| Name of the Committee Members as on 31st March, 2007 | Category | No. of Meetings attended during the year under review |
|--|--|---|
| Mr. N. P. Agarwalla | Chairman and Non-Executive/ Independent Director | 2 |
| Mr. D. Rudra | Non-Executive / Independent Director | 2 |
| Mr. R. K. Sadhu | Non- Executive / Independent Director | 1 |

During the year under review, Mr. Samir Kumar Paul was appointed as the managing director of the company for 3 (three) years from 3rd August, 2006 to 2nd August, 2009. Mr. Ashok Kumar Jajodia continued to act as the whole-time director of the company during the year 2006-07.

Aforesaid managerial appointments and payment of remuneration to above managerial personnel had been determined considering the prevalent remuneration for managerial personnel of companies of similar size and stature and were approved by the board of directors and by the shareholders at the 79th annual general meeting subject to the approval of the central government. The company has already filed Form 25A within time to the central government seeking their approval for the appointments and payment of remuneration to the aforesaid managerial personnel.

Mr. Samir Kumar Paul resigned as managing director w.e.f. 15th March, 2007 and Mr. Ashok Kumar Jajodia resigned as whole-time director w.e.f. 21st April, 2007.

Non-executive directors of the company do not receive any remuneration from the company except the sitting fees for the board and committee meetings @ Rs. 2,000/- for every meeting. The details of remuneration paid to the directors during the year 2006-07 are given below :

| Name of the Director | Salary (Rs.) | Perquisites (Rs.) | Sitting Fees (Rs.) | Total (Rs.) |
|----------------------|--------------|-------------------|--------------------|-------------|
| Mr. P. K. Ruia | - | - | 12,000 | 12,000 |
| Mr. Ashok K. Jajodia | 36,00,000 | 2,13,650 | - | 38,13,650 |
| Mr. R. K. Sadhu | - | - | 24,000 | 24,000 |
| Mr. D. Rudra | - | - | 32,000 | 32,000 |
| Mr. N. P. Agarwalla | - | - | 32,000 | 32,000 |
| Mr. S. A. Khan | - | - | 4,000 | 4,000 |
| Mr. S. K. Paul | 30,00,000 | 5,43,922 | - | 35,43,922 |
| Mr. Mohan Lall | - | - | 4,000 | 4,000 |

The company has not entered into any pecuniary relationship or transactions with the non-executive directors. The company has so far not issued any stock options to any of its directors including its executive directors. None of the directors of the company hold any equity share in the company.

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 and investors related issues and to redress their grievances.

The committee had three non-executive / independent directors and one whole-time director as on 31st March, 2007.

Constitution of the Shareholders' / Investors' Grievances Committee and related information :

| Name of the Committee Members as on 31st March, 2007 | Category |
|--|--|
| Mr. N. P. Agarwalla | Chairman and Non-Executive/ Independent Director |
| Mr. D. Rudra | Non-Executive/Independent Director |
| Mr. R. K. Sadhu | Non- Executive/Independent Director |
| Mr. Ashok K. Jajodia | Whole-time Director |

The committee is headed by Mr. N. P. Agarwalla. The committee meets to consider, inter-alia, shareholders' / investors' complaints etc.

During the year under review, the committee met four times on 14th May, 2006, 3rd August, 2006, 31st October, 2006 and 29th January, 2007.

At the beginning of the year (i.e. on 1st April, 2006), there were no transfer pending for registration and no grievance/complaint was pending for redressal by the company's Registrar and Share Transfer Agent (RTA)-M/s. C B Management Services (P) Ltd., Kolkata. During the year under review, 51 (fifty one) grievances/complaints were received from the shareholders and all such grievances/complaints were resolved by the company's RTA on time. As on 31st March, 2007, there were no transfer pending for registration and also no grievance/complaint was pending for redressal by the company's RTA.

There are no outstanding GDRs/ADRs/Warrants or any Convertible Instruments. In terms of Clause 47 of the Listing Agreement of the Stock Exchanges, Mr. Ashok Kumar Agarwal, Vice President -Legal & Company Secretary of the Company, is the Compliance Officer.

6. General Body Meetings

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

| AGM | YEAR | VENUE | DATE | TIME |
|------|-----------|---|------------|------------|
| 77th | 2003-2004 | 'Mini Auditorium', Science City, J.B.S.Halden Avenue Kolkata - 700 046 | 29.09.2004 | 10.30 a.m. |
| 78th | 2004-2005 | 'Mini Auditorium', Science City, J.B.S.Halden Avenue Kolkata - 700 046 | 26.09.2005 | 10.30 a.m. |
| 79th | 2005-2006 | 'Terrace Garden', Hotel Taj Bengal, 34B, Belvedere Road Kolkata - 700 027 | 20.12.2006 | 10.30 a.m. |

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During the year under review, there was no special resolution, which required voting through postal ballot.

7. Disclosures

The disclosures on materially significant related party transactions as compiled by the management and relied upon by the Auditors is given in note 11 of the notes on account appearing in schedule 17 to the accounts of the company for the financial year ended 31st March, 2007.

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 normally published in 'Business Standard' in English Newspaper and either in 'Dainik Statesman' or in 'Aajkal' in Bengali Newspaper, 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. No presentations were made to the institutional investors or to an analyst other than the published information/press releases. A Report on Management Discussion & Analysis has been attached to this Annual Report.

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

Date of AGM : Thursday, 19th July, 2007
Venue and Time : At Ballroom, The Oberoi Grand,
15 Jawaharlal Nehru Road,
Kolkata - 700013 at 10.30 a.m.

ii) Financial Calendar : 1st April to 31st March.**Financial Reporting for the Financial Year 2007 - 2008 :**

First Quarter Results - end of July, 2007
Second Quarter and Half Yearly Results - end of October, 2007
Third Quarter Results - end of January, 2008
Fourth Quarter and Yearly Results - end of April, 2008

iii) Dates of Book Closure : from 11th July, 2007 to 19th July, 2007 (both days inclusive).**iv) Proposed Date of Dividend Payment : N.A.****v) Listing of Equity Shares on Stock Exchanges :**

Equity shares of the face value of Rs.18.99 crores of the company are already listed at the Stock Exchanges at Bombay, Calcutta, Delhi, Madras and Ahmedabad. However, all above stock exchanges have suspended trading on the company's equity shares at the exchanges. The company's application for enlistment of its equity shares of the face value of Rs.26 crores (issued w.e.f. 1st January, 2002) are lying with the aforesaid five stock exchanges. The company has filed a Writ Petition on 18th April, 2006 in the Hon'ble Calcutta High Court for restoration of trading of the company's equity shares at the said stock exchanges and also for enlistment of equity shares for Rs. 26 crores. The Writ Petition is before the Hon'ble Bench. Beside above, Hon'ble BIFR, vide its Order dated 16th March, 2007, has directed all the aforesaid stock exchanges to lift suspension on trading of the company's equity shares and also to enlist the company's aforesaid equity shares.

The company, despite its severe financial constraints, has paid outstanding listing fees to Bombay Stock Exchange, Calcutta Stock Exchange, Delhi Stock Exchange and Ahmedabad Stock Exchange upto 31st March, 2006 and to Madras Stock Exchange upto 31st March, 2005. The Company is yet to pay listing fees to Madras Stock Exchange from 1st April, 2005 and to other four Stock Exchanges from 1st April, 2006.

vi) Address for correspondence :**Registrar and Share Transfer Agent :**

C B Management Services (P) Ltd
P-22, Bondel Road,
Kolkata - 700019
Telephone : (033) 22806692-94 / 2486 / 2937
Fax : (033) 22870263
E-mail : cbmsl1@cal2.vsnl.net.in

Corporate Office :

'Ruia Centre',
46 Syed Amir Ali Avenue,
Kolkata - 700 017.
Telephone : (033) 22894747
Fax : (033) 22893433
E-mail : info@dunlop.co.in

Any communication or paper for the share related work may please be sent either directly to the company's aforesaid Registrar and Share Transfer Agent or to the company at their aforesaid address.

vii) Stock Market Price Data :

Trading of the company's shares on the stock exchanges remains suspended and as such there are no high and low quotations of your company's shares.

viii) Distribution of Equity Shareholding as on 31st March, 2007 :

| Range of Shares | No. of Shareholders | % | Number of Shares | % |
|-----------------|---------------------|---------------|------------------|---------------|
| Upto 500 | 33,883 | 97.02 | 2855570 | 6.35 |
| 501-1000 | 691 | 1.98 | 521517 | 1.16 |
| 1001-2000 | 222 | 0.64 | 304300 | 0.68 |
| 2001-3000 | 42 | 0.12 | 102514 | 0.23 |
| 3001-4000 | 29 | 0.08 | 101442 | 0.22 |
| 4001-5000 | 9 | 0.03 | 41803 | 0.09 |
| 5001-10000 | 24 | 0.07 | 168051 | 0.37 |
| 10001 & Above | 23 | 0.06 | 40894100 | 90.90 |
| Total | 34923 | 100.00 | 44989297 | 100.00 |

ix) Geographical Distribution of Shareholding as on 31st March, 2007 :

| Sl. No. | City / Location | No. of Folios | % |
|---------|---------------------------|---------------|---------------|
| 1 | Kolkata & Adjacent places | 7,862 | 22.51 |
| 2 | Mumbai | 8,085 | 23.15 |
| 3 | Delhi | 2,510 | 7.19 |
| 4 | Chennai | 1,542 | 4.42 |
| 5 | Bangalore | 1,032 | 2.95 |
| 6 | Ahmedabad | 1,370 | 3.92 |
| 7 | Hyderabad | 576 | 1.65 |
| 8 | Places other than above | 11,946 | 34.21 |
| | TOTAL | 34,923 | 100.00 |



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x) Shareholding Pattern as on 31st March, 2007 in terms of Clause 35 of the Listing Agreement with Stock Exchanges :

| Category | Nos. | % |
|---|-----------------|---------------|
| Promoters' Holding | | |
| - Foreign Promoters | 33515229 | 74.50 |
| - Promoters' Associates (Persons acting in concert) | Nil | Nil |
| Sub-total | 33515229 | 74.50 |
| Non-Promoters' Holding | | |
| - Financial Institutions, Insurance Companies Mutual Funds, Banks etc. | 6323790 | 14.05 |
| - Others (including Bodies Corporate, Non-Residents & Indian Public) | 5150278 | 11.45 |
| Sub-total | 11474068 | 25.50 |
| GRAND TOTAL | 44989297 | 100.00 |

xi) Dematerialisation of Equity Shares :

The company's applications for obtaining International Securities Identification Number (ISIN), being permission required for providing dematerialized trading facilities on the company's equity shares at the stock exchanges to the shareholders / investors, are lying with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL).

The company has filed a Writ Petition on 18th April, 2006 in the Hon'ble Calcutta High Court for allotment of ISIN by NSDL and CDSL so that dematerialized trading facilities on the company's equity shares can be provided to the shareholders / investors. The Writ Petition is before the Hon'ble Bench. Beside above, Hon'ble BIFR, vide its Order dated 16th March, 2007, has directed both NSDL and CDSL to allot ISIN so that the company's entire equity shares can be traded in the dematerialized form.

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.

CERTIFICATE

The Board of Directors
Dunlop India Limited.

We certify that -

- We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2007 and that to the best of our knowledge and belief :
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that there were :

- no significant changes in internal control over financial reporting during the year.
- no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

Kolkata, 12th May, 2007

P. S. Trivedi
Director

R. K. Sadhu
Director

CERTIFICATE

The Shareholders
Dunlop India Limited.

We, R K Sadhu and P S Trivedi, Directors of the Company, hereby confirm that all the Members of your Board and the Senior Management Personnel of your Company have confirmed the compliance to the Code of Conduct of the Company, during the year ended 31st March, 2007.

Kolkata, 12th May, 2007

P. S. Trivedi
Director

R. K. Sadhu
Director