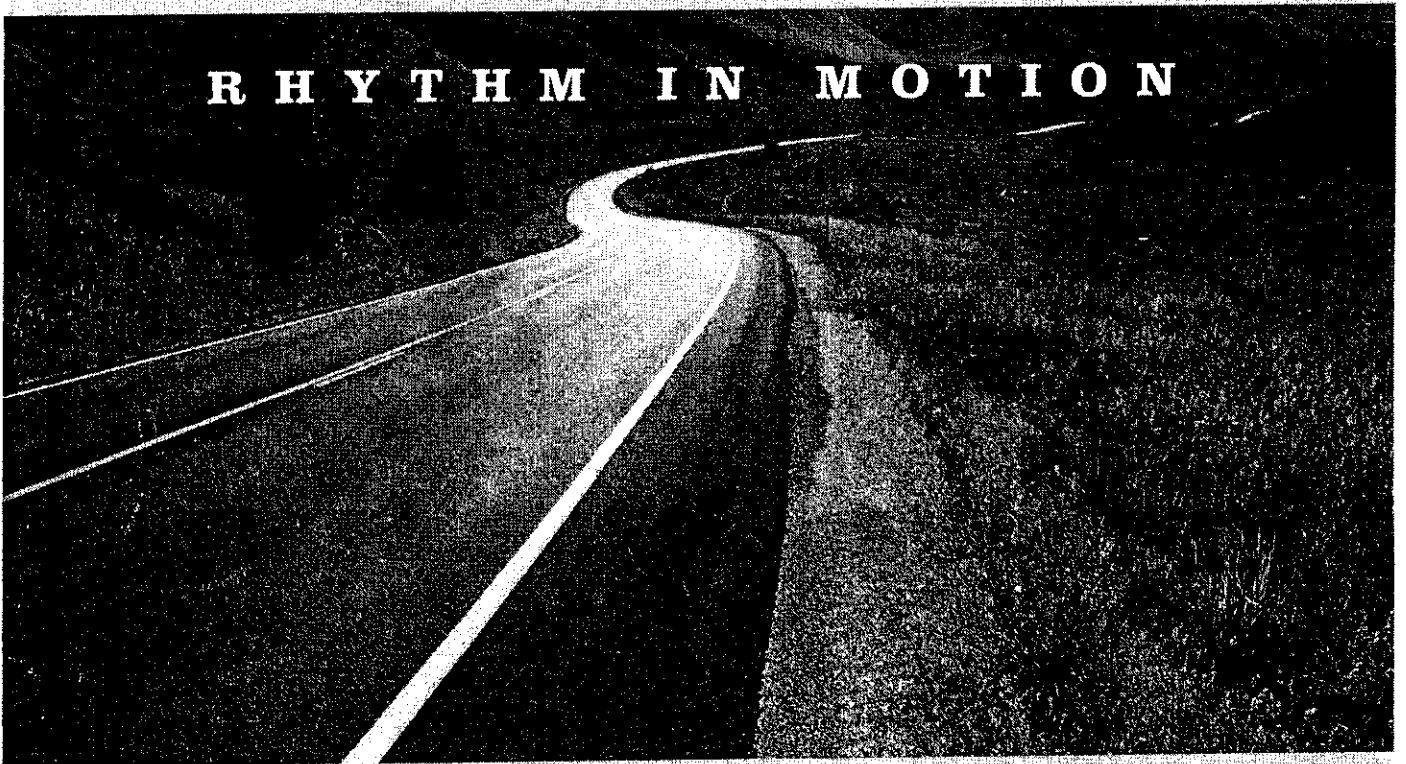




DUNLOP INDIA LIMITED

RHYTHM IN MOTION



ANNUAL
REPORT
11 12

**BOARD OF DIRECTORS**

Mr. Mohan Lall Chauhan
Mr. Subbaratnam Ravi
Mr. Damodar Prasad Dani

CHIEF FINANCIAL OFFICER

Mr. Soumitra Ghose

COMPANY SECRETARY

Mr. K. L. Sharma

REGISTERED OFFICE

Flat No. 1, Front Side, 5th Floor
9, Syed Amir Ali Avenue
Kolkata – 700 017

Telephone : (033) 22894747

Fax : (033) 22893433

E-mail : kanhaiya.sharma@dunlop.co.in

Web-site : www.dunlop.co.in

BANKERS

Central Bank of India
ICICI Bank
Indusind 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 / 6693 / 6694 / 2486, 40116700

Fax : (033) 22870263

E-mail : rta@cbmsl.com

AUDITORS

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

SOLICITORS

M/s. L. P. Agarwalla & Co, Kolkata
M/s Chowdhury's Law Offices, Kolkata

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**DUNLOP INDIA LIMITED**

Registered Office :
Flat No. 1, Front Side, 5th Floor
9, Syed Amir Ali Avenue, Kolkata - 700 017

NOTICE

NOTICE is hereby given that the **Eighty Fifth** Annual General Meeting of the Members of **Dunlop India Limited** will be held at Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017 on Wednesday, **18th July, 2012 at 11.00 a.m.** to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 2012 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 Mr. Damodar Prasad Dani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Messers 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 Resolution :

4. As an Ordinary Resolution :

"RESOLVED THAT Mr. Subbaratnam Ravi be and is hereby appointed a Director of the Company"

By Order of the Board

Place : Kolkata
Date : 19th May, 2012

K. L. Sharma
Company Secretary

NOTES :

1. 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.
2. 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.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 10th July, 2012 to 18th July, 2012 (both days inclusive).
4. 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.
5. **The Members, who are still holding the Company's equity shares in physical form and have not converted their shareholding in dematerialized form, are once again requested to convert their equity shares from physical form to dematerialized form as the same will provide adequate facility in trading in the Company's scrip at Stock Exchange in future.**
6. In view of the various Circulars issued by Central Government and in pursuance of "Green Initiative in the Corporate Governance", the Members are hereby requested to furnish and register their e-mail addresses either with the Company or its RTA to enable the Company to send the Notice / Documents / Communication in future to the Members directly at their registered e-mail addresses through electronic mode instead of sending the printed / hard copies of the same by post. Serving of documents to the Members through electronic mode ensures receipt of the Notice / Documents / Communication timely, promptly and without any loss in postal transit by them.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.****Item No. 4**

Mr. Subbaratnam Ravi (Mr. S. Ravi) was appointed as the Additional Director of the Company with effect from 10th September, 2012. In accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 91 of the Articles of Association of the Company, Mr. S. Ravi shall hold office up to the date of this Annual General Meeting. The Company has received Notice from a Member in writing under Section 257 of the Companies Act, 1956 separately signifying his intention to propose the appointment of Mr. S. Ravi as the Director at this Annual General Meeting.

Keeping in view the qualification and the experience possessed by Mr. S. Ravi, your Directors feel that the appointment of Mr. S. Ravi as Director of the Company will be beneficial to your Company and accordingly, recommend the Resolution set out in Item No. 4 of the Notice for your consideration and approval.



None of the Directors of the Company except Mr. S. Ravi is interested or concerned in the Resolution set out in Item No. 4 of the Notice.

Place : Kolkata
Date : 19th May, 2012

By Order of the Board
K. L. Sharma
Company Secretary

2. Name : Mr. S. Ravi
Age : 63 Years.
Qualifications : B. Tech (Hons)
Expertise : He has wide experience of more than 40 years and expertise in the field of administration and running Industries. He has worked with various reputed Industrial groups in key positions like President in Uniworth Limited, Kolkata etc.

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

1. Name : Mr. Damodar Prasad Dani
Age : 58 Years.
Qualifications : M. Sc., MBA
Expertise : Associateed with Automotive Tyre Industry for over 35 years in various positions including serving as CEO as well as on the Board of a large Automotive Tyre Manufacturing Company.
Date of Appointment : 11th May, 2010
No. of Equity Shares held in the Co. : Nil
Other Directorships :
Name of the Public Ltd. Company : Committee Memberships, if any, with position
Dunlop Rubbers Ltd. : None
Dunlop East Ltd. : None
Dunlop South Ltd. : None

Date of Appointment : 10th September, 2011.
No. of Equity Shares held in the Co. : Nil.
Other Directorships :
Name of the Public Ltd. Company : Committee Memberships, if any, with position
Falcon Tyres Ltd. : None
Jessop & Co. Ltd. : None
Jessop Shipyard Ltd. : None
Monotona Tyres Ltd. : Audit Committee - Charman
Dunlop East Ltd. : None
Dunlop South Ltd. : None

HOLDING OF EQUITY SHARES

| Category | As on 31.03.2012 Equity Shares (Nos.) (%) | | As on 31.03.2011 Equity Shares (Nos.) (%) | |
|---|---|---------------|---|---------------|
| Promoters' Holding | | | | |
| Foreign Promoters | 26650085 | 37.02 | 33515229 | 46.56 |
| Promoters' Associates (Persons acting in concert) | 20130780 | 27.97 | 20109137 | 27.94 |
| Sub Total | 46780865 | 64.99 | 53624366 | 74.50 |
| Non-Promoters' Holding | | | | |
| Financial Institutions, Foreign Institutional Investors, Insurance Companies, Mutual Funds, Banks etc. | 8134655 | 11.30 | 8134855 | 11.30 |
| Non-Residents | 336627 | 0.47 | 86045 | 0.12 |
| Private Corporate Bodies | 6112989 | 8.49 | 5230619 | 7.27 |
| Indian Public | 10617739 | 14.75 | 4906990 | 6.81 |
| Sub Total | 25202010 | 35.01 | 18358509 | 25.50 |
| Grand Total | 71982875 | 100.00 | 71982875 | 100.00 |

**REPORT OF THE DIRECTORS**

Your Directors present the 85th Annual Report of the Company together with the audited accounts for the financial year ended 31st March, 2012.

SUMMARIZED FINANCIAL RESULTS

| | Rs. in Lacs | |
|---|-------------|----------|
| | 2011-12 | 2010-11 |
| Sales & other Income | 2001.79 | 17452.61 |
| Profit / (Loss) before Depreciation, Interest & Tax | (69.96) | 909.34 |
| Financial Charges | 937.67 | 574.21 |
| Depreciation | 146.68 | 143.88 |
| Profit / (Loss) before Exceptional Items | (1154.31) | 191.25 |
| Exceptional Item | — | — |
| Prior Period Adjustment | 7.95 | 10.44 |
| Profit before Tax | (1146.36) | 201.69 |
| Profit after Tax | (1146.36) | 201.69 |

OPERATIONS

The manufacturing operation in Sahaganj Plant could not be continued due to higher manufacturing cost and non remunerative selling prices. Coupled with agitation/non co-operation by workmen, the Management of the Company was forced to declare suspension of operations in October, 2011.

At Ambattur plant in Chennai, operations continued till February, 2012. However due to industrial relations issues with the unions, the Management had no option but to declare suspension of operation at Ambattur Factory also with effect from 21.2.2012.

Your Company now proposes to start production in phased manner at Sahaganj Plant initially for Industrial Products and then OTR. Your Company also plans to set up 50 MW power plant and start production of Truck Tyres when the Power Plant becomes operational. Recently discussions have been held through a tripartite meeting along with union and representative of Government of West Bengal and the Company has submitted detailed plan for consideration to the Government of West Bengal. The Company expects favorable response from the Government and the Unions considering long term survival of Your Company.

As regards, Ambattur plant, the Unions approached the management for a full and final settlement for all workmen for which negotiations are in process in consultation with the Government of Tamilnadu. Once such settlement is arrived at, Management will then plan for future course of action.

DIVIDEND

In view of Loss during the year, your Directors are unable to consider Dividend for the year.

PUBLIC DEPOSIT

During the year, Your Company repaid fixed deposits amounting to Rs. 1,39,000/- Fixed Deposits matured up to September, 2000 but not repaid up to 31st March, 2012 stand at Rs. 8,01,06,000/-.

DIRECTORS

During the year, Mr. Subbaratnam Ravi and Mr. Samir Kumar Paul were appointed as Additional Directors of the Company w.e.f. 10th September, 2011 and 10th October, 2011 respectively by the Board, who will hold Office upto the date of 85th Annual General Meeting and are eligible for re-appointment.

Mr. Shiv Narayan Maheshwari, Mr. Pawan Kumar Ruia, Mr. Virendra Kumar Agrawal, Mr. Dipak Rudra, Mr. Samir Kumar Paul and Mr. Ram Krishen Sadhu resigned from the Board w.e.f. 17th June, 2011, 10th August, 2011, 10th September, 2011, 12th September, 2011, 29th February, 2012 and 26th March, 2012 respectively. Mr. Shiv Narayan Maheshwari also ceased to be Executive Director (being Whole-time Director) of the Company w.e.f. 17th June, 2011. The Board placed on record its deep appreciation for the valuable services rendered by all the above Directors.

In accordance with Article 103 of the Articles of Association of your

Company and the applicable provisions of the Companies Act, 1956, Mr. Damodar Prasad Dani will retire from the Board by rotation at the 85th Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

M/s. K. N. Gutgutia & Co., Chartered Accountants, Kolkata, Auditors of your Company, will hold office until the conclusion of 85th 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.

COST AUDIT

The Board of Directors have appointed M/s. Mani & Co., Cost Accountants, Kolkata to carry out audit of the Cost Accounts of the Company relating to the manufacture of Tyres and Tubes products for the Financial Year ended 31st March, 2012 in compliance with the Central Government's Order in this regard. The due date of filing of Cost Audit Report for the Financial Year ended 31st March, 2012 is within 180 days from the date of close of the Company's Financial Year and the same will be filed within the due date. The Cost Audit Report for the Financial Year ended 31st March, 2011 has been filed on 21.09.2011, i.e. within due date of filing.

APPOINTMENT OF PROVISIONAL LIQUIDATOR

Some of the creditors of Company have filed winding-up proceedings before the Calcutta High Court. One of the creditors had preferred an application for appointment of a Provisional Liquidator, whereupon the Calcutta High Court had appointed the Official Liquidator, as the Provisional Liquidator vide an Order dated 26.03.2012 which was challenged by the Company before the Division Bench. The Division Bench vide its Order dated 29.03.2012 has stayed the operation of the said Order. In the Appeal, the Company has not only challenged the Order dated 26.03.2012, but has also questioned the maintainability of the winding-up petition filed by the creditor. The matter is still pending before the Court.

CONVERSION OF LOAN INTO EQUITY SHARES ON PREFERENTIAL BASIS

As the Members are aware, the Company has allotted 50,000,000 Equity Shares of Rs 10/- each fully paid up on preferential basis pursuant to Special Resolution passed by the Members at the Extraordinary General Meeting (EGM) held on 28th April, 2012, to the assignees who opted to convert their entire outstanding loan into Equity Shares of the Company. Necessary in principal approval is being obtained from Bombay Stock Exchange and the Members of the Company are hereby informed that relevant date for this purpose is 29th March, 2012.

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 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 the 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 confirms:

- That in the preparation of the Accounts for the Financial Year ended 31st March, 2012, 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 ;

- 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, 2012 have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE

In accordance with the Provisions under Clause 49 of the Listing Agreement with the Stock Exchange, a separate Report on Corporate Governance along with the Auditors' Certificate on its compliance and Management Discussion and Analysis Report are annexed to this Report.

PERSONNEL

The workers unrest in both the factories of the Company forced the Management to declare suspension of operation. However the management of the Company is in dialogue with unions and Government to arrive at an amicable settlement as well as for the earliest restart of the operations at both Plants.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation to the Governments of West Bengal and Tamil Nadu for providing support from time to time for the revival of Your Company, its Bankers and Employees and above all its Shareholders.

SUBSIDIARY COMPANIES

As required under Section 212 of the Companies Act, 1956, the Reports and Accounts of the Subsidiaries of your Company, M/s. Ebony Commercials Private Limited, M/s Dunlop East Limited and M/s Dunlop South Limited are attached.

Place : Kolkata
Date : 19th May, 2012

For and on behalf of the Board
D. P. Dani
Director

M. L. Chauhan
Director

ANNEXURE TO THE DIRECTORS' REPORT DATED 19th May, 2012 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 Notes 2 on Financial Statements, which are self explanatory.

Place : Kolkata
Date : 19th May, 2012

For and on behalf of the Board
D. P. Dani
Director

M. L. Chauhan
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, 2012.

A. Conservation of Energy and Technology Absorption :

Form A, disclosure of particulars with respect to Conservation of Energy is enclosed.

B. Foreign Exchange Earnings and Outgo :

Earnings - Rs. Nil
Outgo - Rs. Nil

Place : Kolkata
Date : 19th May, 2012

For and on behalf of the Board
D. P. Dani
Director

M. L. Chauhan
Director

FORM A DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

| | | 31.03.2012 | 31.03.2011 | | | 31.03.2012 | 31.03.2011 |
|--------------------------------------|-----------|------------|------------|---|-----------|------------|------------|
| Unit | | Total | Total | Unit | | Total | Total |
| A. Power and Fuel Consumption | | | | b) Furnace Oil (Boiler) | | | |
| 1 Electricity | | | | Qty | TON / KL | Nil | 392.57 |
| a) Purchased : | | | | Total Amount | RS (LACS) | Nil | 138.70 |
| Unit | MWH | 7931.74 | 9256.76 | Average Rate | RS / KG | Nil | 35.33 |
| Total Amount | RS (LACS) | 343.47 | 650.01 | 4 Others/Int.Gen (D.Oil) | | | |
| Rate / Unit | RS / KWH | 4.33 | 7.02 | Qty | KLTR | Nil | 21.30 |
| b) Own Generation : | | | | Total Amount | RS (LACS) | Nil | 8.81 |
| (i) Diesel Gen Unit | | | | Rate/Unit | RS / LTR | Nil | 41.35 |
| Unit / Ltr of D.Oil | KWH / LTR | Nil | 1.83 | B. Consumption / Ton of Production | | | |
| Cost / Unit | RS / KWH | Nil | 22.93 | Purchased | MWH | 7931.74 | 9256.86 |
| (ii) F.Oil Gen. Unit | | | | Generated | MWH | Nil | 38.69 |
| Unit / Kg. of F.Oil | KWH / KG | NA | NA | Electricity | KWH / TON | Nil | 7048.58 |
| Cost / Unit | RS / KWH | NA | NA | F.Oil (Elec. Gen) Qty | TON | NA | NA |
| 2 Coal | | | | F.Oil (Elec. Gen) | KG / TON | NA | NA |
| Qty | TON | Nil | 2200.80 | F.Oil (Steam Gen) Qty | TON | NA | 392.57 |
| Total Cost | RS (LACS) | Nil | 90.74 | F.Oil (Steam Gen) | KG / TON | Nil | Nil |
| Average Rate | RS / TON | Nil | 4123.16 | Coal (Steam Gen) Qty | TON | Nil | 2200.80 |
| 3 a) Furnace Oil (Generator) | | | | Coal (Steam Gen) | KG / TON | Nil | 2665.89 |
| Qty | TON | NA | NA | D. Oil (Elec. Gen) Qty | KLTR | Nil | 21.30 |
| Total Amount | RS (LACS) | NA | NA | D.Oil (Elec.Gen) Qty | LTR / TON | Nil | Nil |
| Average Rate | RS / KG | NA | NA | | | | |
| | | | | | | | |
| Annual Report 2011-2012 | | | | 5 | | | |



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, 2012, your board had three non-executive 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 – 21st May, 2011, 11th August, 2011, 10th September, 2011, 21st October, 2011, 1st February, 2012 and 30th March, 2012.

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 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, 2012 | No. of other Directorships & Committee Memberships/ Chairmanships as on 31.03.2012 | | |
|---|--|-----------------------|-------------------------|
| | Other Directorships | Committee Memberships | Committee Chairmanships |
| Mr. M. L. Chauhan Non-executive / Independent Director | 3 | 4 | 2 |
| Mr. S. Ravi Non-executive Director / Independent Director | 6 | 3 | 1 |
| Mr. D. P. Dani Non-executive Director / Independent Director | 3 | 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 01.04.2011 to 31.03.2012 | | |
|--|--|--|------------------------------------|
| | 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 10.09.2011 |
| Mr. P. K. Ruia (resigned w.e.f. 10.08.2011) | 1 | 1 | N.A. |
| Mr. R.K.Sadhu (resigned w.e.f. 26.03.2012) | 5 | 4 | Yes |
| Mr. D. Rudra (resigned w.e.f. 12.09.2011) | 3 | 3 | Yes |
| Mr. M. L. Chauhan | 6 | 6 | Yes |
| Mr. V. K. Agrawal (resigned w.e.f. 10.09.2011) | 2 | 1 | No |
| Mr. D. P. Dani | 6 | 6 | Yes |
| Mr. S. Ravi (appointed w.e.f. 10.09.2011) | 4 | 3 | N.A. |
| Mr. S. K. Paul (appointed w.e.f. 10.10.2011 & resigned w.e.f. 29.02.2012) | 2 | 1 | N.A. |
| Mr. S. N. Maheshwari (resigned w.e.f. 17.06.2011) | 1 | 1 | NA |



During the year under review, Mr. S. Ravi and Mr. S. K. Paul were appointed as Additional Directors of the Company w.e.f. 10th September, 2011 and 10th October, 2011 respectively.

Mr. S. N. Maheshwari, Mr. P. K. Ruia, Mr. V. K. Agrawal, Mr. D. Rudra, Mr. S. K. Paul and Mr. R. K. Sadhu resigned from the Board w.e.f. 17th June, 2011, 10th August, 2011, 10th September, 2011, 12th September, 2011, 29th February, 2012 and 26th March, 2012 respectively. Mr. Shiv Narayan Maheshwari also ceased to be the Executive Director (being the Whole-time Director) of the Company w.e.f. 17th June, 2011.

3. Audit Committee

The audit committee constituted by the board of directors of the company had three non-executive / independent directors as on 31st March, 2012.

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, 2012 | Category |
|--|-------------------------------------|
| Mr. R. K. Sadhu, Member & Chairman | Non-Executive/ Independent Director |
| Mr. M. L. Chauhan, Member & Alternate Chairman | Non-Executive/Independent Director |
| Mr. S. Ravi, Member | Non-Executive/Independent Director |

Mr. D. Rudra ceased to be the member of the committee w.e.f. 12th September, 2011. Mr. S. Ravi was appointed as the member of the committee w.e.f. 12th September, 2011 in place of Mr. D. Rudra.

During the year under review, four meetings of the audit committee were held. The committee met on 21st May, 2011, 11th August, 2011, 21st October, 2011 and 1st February, 2012 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 01.04.2011 to 31.03.2012 | |
|--------------------|--|--|
| | 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 | 3 |
| Mr. D. Rudra | 2 | 2 |
| Mr. M. L. Chauhan | 4 | 4 |
| Mr. S. Ravi | 2 | 1 |

The Company Secretary shall act as Secretary of the Audit Committee.

4. Remuneration Committee

The remuneration committee constituted by the board of directors of the company had three non-executive / independent directors for consideration of the appointment of managerial personnel and payment of remuneration to such managerial personnel and various matters as required under Clause 49 of the Listing Agreement.

During the year under review, no meeting of the remuneration committee was held.

Independent directors and 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. 5,000/- for every meeting. However, no sitting fees were paid to Mr. V. K. Agrawal, Mr. D. P. Dani and Mr. S. Ravi, non-executive directors, for the board and committee meetings who are in the employment with Ruia Group of Companies.

The details of remuneration paid to the directors during the year 2011-12 are given below :

| Name of the Director | Salary (Rs.) | Perquisites (Rs.) | Sitting Fees (Rs.) | Total (Rs.) |
|---|--------------|-------------------|--------------------|-------------|
| Mr. P. K. Ruia | - | - | 5000 | 5000 |
| Mr. R. K. Sadhu | - | - | 50000 | 50000 |
| Mr. D. Rudra | - | - | 35000 | 35000 |
| Mr. M. L. Chauhan | - | - | 60000 | 60000 |
| Mr. V. K. Agrawal (resigned w.e.f. 10.09.2011) | - | - | - | - |
| Mr. D. P. Dani | - | - | - | - |
| Mr. S. Ravi | - | - | - | - |
| Mr. S. N. Maheshwari (resigned w.e.f. 17.06.2011) | 633333 | 380000 | - | 1013333 |

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 director. None of the directors of the company hold any equity share in the company. The Company Secretary shall act as Secretary of the Remuneration Committee.

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 as on 31st March, 2012.

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

| Name of the Committee Members as on 31st March, 2012 | Category | No. of Meetings attended during the year under review |
|--|---------------------------------------|---|
| Mr. M. L. Chauhan, Member & Chairman | Non-Executive / Independent Director | 2 |
| Mr. R. K. Sadhu, Member | Non-Executive / Independent Director | 3 |
| Mr. S. Ravi, Member | Non- Executive / Independent Director | 1 |

Mr. V. K. Agrawal ceased to be the member of the committee w.e.f. 10th September, 2011. Mr. S. Ravi was appointed as the member of the committee w.e.f. 10th September, 2011 in place of Mr. V.K. Agrawal.

The committee is headed by Mr. M. L. Chauhan. The committee meets to consider, inter-alia, shareholders' / investors' complaints etc.

During the year under review, four meetings of the shareholders' / investors' grievances committee were held. The committee met on 21st May, 2011, 11th August, 2011, 21st October, 2011 and 1st February, 2012.

At the beginning of the year (i.e. on 1st April, 2011), there was 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, 23 (twenty three) 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, 2012, there was 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 with the Stock Exchanges, Mr. A. K. Agarwal was the Vice President - Legal & Company Secretary and Compliance Officer till 6th May, 2012. Mr. K. L. Sharma, Company Secretary of the Company, is the Compliance Officer w.e.f. 9th May, 2012.

6. General Body Meetings :

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

| AGM | YEAR | VENUE | DATE | TIME |
|------|-----------|--|------------|------------|
| 82nd | 2008-2009 | 'Crystal Room', Hotel Taj Bengal 34B, Belvedere Road Kolkata - 700 027 | 25.07.2009 | 11.00 a.m. |
| 83rd | 2009-2010 | 'The Ballroom', The Oberoi Grand, 15, J. L. Nehru Road, Kolkata - 700 013 | 15.06.2010 | 11.00 a.m. |
| 84th | 2010-2011 | 'The Ballroom', The Oberoi Grand, 15, J. L. Nehru Road, Kolkata - 700 013 | 10.09.2011 | 11.30 a.m. |

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 2.30(b) appearing in Notes 2 on Financial Statements of the company for the financial year ended 31st March, 2012.

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 / The Bengal Post' in English Newspaper and in 'Ekdin' in Bengali Newspaper, circulated in the State of West Bengal.

Your company has a web-site. All quarterly results and important information are being regularly sent to the Stock Exchange(s), 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 : Wednesday, 18th July, 2012
Venue and Time : At 'Kala Mandir',
48, Shakespeare Sarani,
Kolkata - 700 017 at 11.00 a.m.

ii) Financial Calendar : 1st April to 31st March.


Financial Reporting for the Financial Year 2012 – 2013 :

| | |
|--|-------------------------|
| First Quarter Results | - mid of August, 2012 |
| Second Quarter and Half Yearly Results | - mid of November, 2012 |
| Third Quarter Results | - mid of February, 2013 |
| Fourth Quarter and Yearly Results | - end of May, 2013 |

- iii) **Dates of Book Closure** : from 10th July, 2012 to 18th July, 2012 (both days inclusive).

- iv) **Proposed Date of Dividend Payment** : N.A.

- v) **Listing of Equity Shares on Stock Exchange(s)** :

Prior to allotment of 5,00,00,000 Equity Shares of Rs. 10/- each fully paid up at a Premium of Rs. 2/- on preferential basis to the allottees on 28.04.2012, the company's entire 7,19,82,875 nos. equity shares of Rs. 10/- each fully paid-up are listed and frequently traded at Bombay Stock Exchange (BSE). The Company has already applied BSE for its In-principal approval prior to issue and allotment of said 5,00,00,000 equity shares. The Company has received an e-mail on 11th May, 2012 from BSE requesting the Company to pay the processing fees and other information, which the Company has already sent. The scrip code for the company's equity shares at BSE is 509130 and ISIN is INE 509A01012.

The Company has submitted delisting application under SEBI (Delisting of Equity Shares) Regulations, 2009 to other 4 Recognized Stock Exchanges – Calcutta Stock Exchange Limited, Ahmedabad Stock Exchange Limited, Delhi Stock Exchange Limited and Madras Stock Exchange Limited in February, 2010 as because despite listing, trading on the company's equity shares were not available at any of the above stock exchanges and none of the above stock exchanges had nation-wide trading terminals. Calcutta Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited have already delisted the company's equity shares and removed the company's equity shares from the official list of their exchanges w.e.f. 29th March, 2010, 31st March, 2010 and 6th January, 2011 respectively. The company is still awaiting confirmation of delisting of its shares from Delhi Stock Exchange Limited. The company's equity shares continue to remain listed and traded at BSE.

Listing fees to Bombay Stock Exchange Limited up to 31st March, 2012 has been paid by the company.

The company's application submitted to National Stock

Exchange Limited (NSE) for listing and trading of 7,19,82,875 nos. equity shares of Rs. 10/- each fully paid-up thereat is yet to consider by NSE.

- vi) **Address for Correspondence :**

Registrar and Share Transfer Agent :

C B Management Services (P) Ltd.
P-22, Bondel Road
Kolkata - 700019.
Telephone : (033) 22806692 / 6693 / 6694 / 2486
(033) 40116700

Fax : (033) 22870263

E-mail : rta@cbmsl.com

Registered Office :

Flat No. 1, Front Side, 5th Floor
9 Syed Amir Ali Avenue
Kolkata - 700 017.
Tel : (033) 22894747
Fax : (033) 22893433
E-mail : kanhaiya.sharma@dunlop.co.in
Web-site : www.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 :**

High and low month-wise quotations of the company's equity shares at BSE during the financial year 2011-12 were as follows :

| Month | Share Price (Rs.) | |
|-----------------|-------------------|-----------|
| | High (Rs.) | Low (Rs.) |
| April, 2011 | 64.90 | 52.60 |
| May, 2011 | 66.00 | 40.00 |
| June, 2011 | 50.50 | 37.60 |
| July, 2011 | 46.35 | 34.90 |
| August, 2011 | 37.80 | 13.15 |
| September, 2011 | 16.81 | 13.01 |
| October, 2011 | 16.35 | 13.60 |
| November, 2011 | 15.20 | 9.90 |
| December, 2011 | 11.09 | 9.15 |
| January, 2012 | 11.98 | 9.50 |
| February, 2012 | 14.50 | 10.79 |
| March, 2012 | 13.00 | 8.85 |