

**BOARD OF DIRECTORS**

Mr. Pawan Kumar Ruia *Chairman*  
 Mr. Ram Krishen Sadhu  
 Mr. Dipak Rudra  
 Mr. Mohan Lall Chauhan  
 Mr. Virendra Kumar Agrawal  
 Mr. Damodar Prasad Dani

**BANKERS**

Central Bank of India  
 State Bank of India  
 Kotak Mahindra Bank  
 Indusind Bank  
 Axis Bank

**CHIEF FINANCIAL OFFICER**

Mr. Raj Kumar Gupta

**REGISTRAR AND SHARE TRANSFER AGENT**

CB Management Services (P) Limited  
 P-22, Bondel Road, Kolkata - 700 019  
 Telephone : (033) 22806692/6693/6694/2486  
 (033) 40116700  
 Fax : (033) 22870263  
 E-mail : rta@cbmsl.com

**VICE PRESIDENT – LEGAL & COMPANY SECRETARY**

Mr. Ashok Kumar Agarwal

**REGISTERED OFFICE**

“King’s Court”, Flat Nos.14 & 18  
 46B, Chowringhee Road,  
 Kolkata - 700 071.

**AUDITORS**

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

**CORPORATE OFFICE**

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

**SOLICITORS**

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

**CONTENTS**

Notice	...	2	Schedule to the Accounts	...	19
Holding of Equity Shares	...	4	Balance Sheet Abstract &		
Report of the Directors	...	5	Company's General Business Profile	...	27
Report on Corporate Governance	...	7	Statement regarding Subsidiary Companies	...	28
Management Discussion & Analysis Report	...	12	Auditors' Report on Consolidated Financial Statements	...	29
Auditors' Report	...	14	Consolidated Balance Sheet and Profit and Loss Account	...	30
Balance Sheet	...	16	Consolidated Cash Flow Statement	...	31
Profit and Loss Account	...	17	Schedules to the Consolidated Accounts	...	32
Cash Flow Statement	...	18	Subsidiary Companies	...	39

**TEN YEAR SUMMARY**

		2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
		12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Income	Rs Crores	180.70	183.01	122.16	341.42	4.06	37.16	9.19	28.68	6.08	102.61
Operating Profit/(Loss)	Rs Crores	5.63	9.75	7.36	335.99	(6.09)	14.08	(10.99)	(0.26)	(41.89)	(58.93)
Profit before Tax	Rs Crores	1.27	1.36	4.85	489.01	71.93	(5.46)	32.67	(39.23)	(88.57)	(89.38)
Profit after Tax	Rs Crores	1.27	1.36	4.85	488.81	71.88	(5.46)	32.67	(39.23)	(88.57)	(89.38)
Earnings per Equity share	Rs.	0.18	0.19	0.69	108.65	15.98	(1.21)	7.26	-	-	-
Dividends per Equity share	Rs.	-	-	-	-	-	-	-	-	-	-
Net Worth per Equity share	Rs.	157.68	158.06	182.52	302.02	(58.05)	(73.56)	(63.05)	(68.99)	(47.96)	(55.14)
Net Assets employed	Rs Crores	1409.27	1342.67	1499.44	1632.12	(98.42)	(160.25)	(115.14)	(83.55)	(21.71)	59.05
Shareholder's Funds	Rs Crores	1135.02	1137.74	1312.73	1358.77	(261.16)	(330.92)	(283.65)	(310.36)	(215.75)	(104.71)
Gearing	%	24.16	17.73	14.22	20.12	108.76	112.46	87.05	111.79	75.13	58.33

**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 **Eighty Third** 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 **Tuesday, 15th June, 2010 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, 2010 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. Pawan Kumar Ruia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ram Krishen Sadhu, who retires by rotation and being eligible, offers himself for re-appointment.
4. 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 Resolutions :

5. **As an Ordinary Resolution :**  
"RESOLVED THAT Mr. Virendra Kumar Agrawal be and is hereby appointed a Director of the Company."
6. **As an Ordinary Resolution :**  
"RESOLVED THAT Mr. Damodar Prasad Dani be and is hereby appointed a Director of the Company."
7. **As Special 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. Rakesh Kumar Budhiraja as the Executive Director (being the Whole-time Director) & CEO of the Company for the period commencing from 28th December, 2009 till 10th May, 2010 on the terms and conditions including

the remuneration as are set out in the Agreement already been entered into between the Company and Mr. Rakesh Kumar Budhiraja, original of which is placed before this Meeting, which is hereby specifically sanctioned 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."

"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 : 11th May, 2010

**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 / CORPORATE 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 8th June, 2010 to 15th June, 2010 (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.

**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.****Item Nos. 5 & 6**

Mr. Virendra Kumar Agrawal and Mr. Damodar Prasad Dani were appointed as the Additional Directors of the Company with effect from 11th May, 2010. 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 Ordinary 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. Virendra Kumar Agrawal and Mr. Damodar Prasad Dani are interested or concerned in the Ordinary Resolutions 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 28th December, 2009 has appointed Mr. Rakesh Kumar Budhiraja as the Executive Director (being the Whole-time Director) & CEO of the Company for 3 years commencing from 28th December, 2009 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 has already been submitted by the Company to the Central Government within time. Mr. Rakesh Kumar Budhiraja has joined as the Executive Director (being the Whole-time Director) & CEO of the Company on 28th December, 2009. Mr. Rakesh Kumar Budhiraja ceased to be the Executive Director (being the wholetime Director) & CEO of the Company w.e.f. 11th May, 2010.

The broad particulars of the terms and conditions of the appointment including the remuneration payable to Mr. Rakesh Kumar Budhiraja are as under :

Designation	Period of Appointment	Salary (Rs.) per month	Perquisites, Allowances & Re-imburements (Rs.) per month
Executive Director (being the Whole - time Director) & CEO	Period commencing from 28.12.2009 to 10.05.2010	1,80,000/-	3,53,250/-

The perquisites and allowances payable to Mr. Rakesh Kumar Budhiraja include house rent allowance, special pay and medical reimbursement 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).

The terms and conditions set out for the above appointment and payment of remuneration herein / or in the Agreement already been entered into between the Company and Mr. Rakesh Kumar Budhiraja.

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

The Agreement entered into between the Company and Mr. Rakesh Kumar Budhiraja on 28th December, 2009 incorporating the above particulars of remuneration is available for inspection 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 entered into between the Company and Mr. Rakesh Kumar Budhiraja pursuant to Section 302 of the Companies Act, 1956.

Keeping in view the qualification and the experience possessed by Mr. Rakesh Kumar Budhiraja, your Directors feel that Mr. Rakesh Kumar Budhiraja's appointment as the Executive Director (being the Whole-time Director) & CEO of the Company for the aforesaid period was beneficial to your Company and accordingly, recommend the Special Resolutions set out in Item No. 7 of the Notice for your consideration and approval as Mr. Budhiraja's above appointment and payment of remuneration requires your approval.

None of the Directors of the Company except Mr. Rakesh Kumar Budhiraja are interested or concerned in the Resolutions set out in Item No. 7 of the Notice.

By Order of the Board  
**Ashok Kumar Agarwal**  
Vice President - Legal &  
Company Secretary

Place : Kolkata  
Date : 11th May, 2010

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

- Name : Mr. Pawan Kumar Ruia.  
Age : 51 Years.  
Qualifications : B.Com (Hons.), AICWA, FCA, LLB, AASM, MIIA (USA).  
Expertise : Mr Ruia has 25 years of rich experience in running Business and Industries.  
Date of Appointment : 25th January, 2006.  
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.



- |   |   |
|---|---|
| <p>2. Name : Mr. Ram Krishen Sadhu.<br/>           Age : 73 Years.<br/>           Qualifications : M.A.<br/>           Expertise : Mr. Sadhu has over 45 years of varied experience in the fields of Administration, Finance, Banking and Industry. Earlier been Directors on the Board of several Companies including BIFR Nominee Director under SICA.<br/><br/>           Date of Appointment : 28th January, 2005.<br/>           No. of Equity Shares held in the Co. : Nil.<br/>           Other Directorships :<br/> <u>Name of the Public Ltd. Company</u> : <u>Committee Memberships, if any, with position</u><br/>           None None</p> | <p>4. Name : Mr. Virendra Kumar Agrawal.<br/>           Age : 57 years.<br/>           Qualifications : B.Com, FCA.<br/>           Expertise : Mr. Agrawal has an experience over 33 years in the field of Finance, Commercial and General management.<br/><br/>           Date of Appointment : 11th May, 2010.<br/>           No. of Equity Shares held in the Co. : Nil.<br/>           Other Directorships :<br/> <u>Name of the Public Ltd. Company</u> : <u>Committee Memberships, if any, with position</u><br/>           None None</p>   |
| <p>3. Name : Mr. Rakesh Kumar Budhiraja.<br/>           Age : 55 Years.<br/>           Qualifications : FCA, LLB, MBA, FCS.<br/>           Expertise : Mr. Budhiraja has 30 years of experience in Finance &amp; General Management.<br/><br/>           Date of Appointment : 28th December, 2009.<br/>           No. of Equity Shares held in the Co. : Nil.<br/>           Other Directorships :<br/> <u>Name of the Public Ltd. Company</u> : <u>Committee Memberships, if any, with position</u><br/>           None None</p>  | <p>5. Name : Mr. Damodar Prasad Dani.<br/>           Age : 56 years.<br/>           Qualifications : M.Sc., MBA.<br/>           Expertise : Associated with Automotive Tyre Industry for over 33 years in various positions including serving as CEO as well as on the Board of a large Automotive Tyre Manufacturing Company.<br/><br/>           Date of Appointment : 11th May, 2010.<br/>           No. of Equity Shares held in the Co. : Nil.<br/>           Other Directorships :<br/> <u>Name of the Public Ltd. Company</u> : <u>Committee Membership, if any, with position</u><br/>           Dunlop Rubbers Ltd. None</p> |

## HOLDING OF EQUITY SHARES

Category	As on 31.03.2010 Equity Shares		As on 31.03.2009 Equity Shares	
	(Nos.)	(%)	(Nos.)	(%)
<b>Promoters' Holding</b>				
Foreign Promoters	33515229	46.56	33515229	46.56
Promoters' Associates (Persons acting in concert)	20109137	27.94	20109137	27.94
<b>Sub Total</b>	<b>53624366</b>	<b>74.50</b>	<b>53624366</b>	<b>74.50</b>
<b>Non-Promoters' Holding</b>				
Financial Institutions, Insurance Companies, Mutual Funds, Banks etc.	8452292	11.74	10116463	14.05
Non-Residents	46879	0.06	42354	0.06
Private Corporate Bodies	5246385	7.29	3733957	5.18
Indian Public	4612953	6.41	4465735	6.21
<b>Sub Total</b>	<b>18358509</b>	<b>25.50</b>	<b>18358509</b>	<b>25.50</b>
<b>Grand Total</b>	<b>71982875</b>	<b>100.00</b>	<b>71982875</b>	<b>100.00</b>

**REPORT OF THE DIRECTORS**

Your Directors present the 83rd Annual Report of the Company together with the audited accounts for the financial year ended 31st March, 2010.

**SUMMARIZED FINANCIAL RESULTS**

	Rs. in Lacs	
	2009-10	2008-09
Sales & other Income	18070.21	18300.73
Profit before Depreciation, Interest & Tax	563.47	975.31
Financial Charges	281.47	701.90
Depreciation	140.72	135.94
Profit before exceptional Items	141.28	137.47
Exceptional Item	-	(55.51)
Prior Period Adjustment	(14.57)	54.27
Profit before Tax	126.71	136.23
Profit after Tax	126.71	136.23

**OPERATIONS**

During the period, the plants were opened and production is getting stabilized.

**DIVIDEND**

Your Directors have decided to retain the internal accruals and therefore do not recommend any dividend for the financial year 2009-10.

**PUBLIC DEPOSIT**

During the year under review, the Company paid fixed deposit of Rs. 1,04,000/-. Fixed Deposits matured up to September, 2000 but not paid up to 31st March, 2010 amount to Rs. 8,92,14,000/-.

**DIRECTORS**

During the year under review, Mr. Damodar Prasad Dani, resigned from the Directorship w.e.f. 4<sup>th</sup> November, 2009. Mr. Damodar Prasad Dani also ceased to be the Executive Director and CEO of the Company w.e.f. 4<sup>th</sup> November, 2009. The Board placed on record its deep appreciation for the valuable services rendered by Mr. D. P. Dani.

Mr. Rakesh Kumar Budhiraja was appointed as Additional Director of the Company w.e.f. 28<sup>th</sup> December, 2009 by the Board, who will hold Office upto the date of the 83<sup>rd</sup> Annual General Meeting and is eligible for re-appointment. Mr. Rakesh Kumar Budhiraja was also appointed as the Executive Director (being the Whole-time Director) and CEO of the Company for 3 years w.e.f. 28<sup>th</sup> December, 2009 till 27<sup>th</sup> December, 2012.

In accordance with Article 103 of the Articles of Association of your Company and the applicable provisions of the Companies Act, 1956, Mr. Pawan Kumar Ruia and Mr. Ram Krishen Sadhu will retire from the Board by rotation at the 83<sup>rd</sup> Annual General Meeting and being eligible, offer themselves for re-appointment.

**AUDITORS**

M/s. K. N. Gutgutia & Co., Chartered Accountants, Kolkata, Auditors of your Company, will hold office until the conclusion of 83rd 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 and Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 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, 2010, the applicable Accounting Standards 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 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, 2010 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 Management of the Company and its Unions have cordial and healthy relationship. After a tripartite meeting in November, 2009 between the Unions, Management and the Labour Minister, the Management has lifted the suspension of operations at its Sahaganj Plant.

At the Ambattur Factory, the Union and the Management have entered into a Memorandum of Settlement for a period of three years and thereafter, the Plant has opened in October, 2009.

**ACKNOWLEDGEMENT**

Your Directors placed on record their appreciation to the Governments of West Bengal and Tamil Nadu for providing support from time to time for the revival of Dunlop, its Bankers and Employees and above all to 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. Wizer Advertising Private Limited and M/s. Ebony Commercials Private Limited are attached.

For and on behalf of the Board

Place : Kolkata  
Date : 22nd April, 2010

**Pawan Kumar Ruia**  
Chairman



**ANNEXURE TO THE DIRECTORS' REPORT DATED 22ND APRIL, 2010 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(d), 11 and 12 of Schedule 19B to the Accounts, which are self explanatory.

For and on behalf of the Board

Place : Kolkata  
Date : 22nd April, 2010

**Pawan Kumar Ruia**  
Chairman

**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, 2010.**

**A. Conservation of Energy and Technology Absorption :**

Your Company has taken steps to improve efficiency by reduction of Boiler Blowdown time, controlling consumption of coal by installing Belt Wigher, installation of new Capacitors to improve power factor and replacement of standard lighting set by energy efficient lighting system.

**B. Foreign Exchange Earnings and Outgo :**

Earnings - Rs. 18.63 Lacs  
Outgo - Rs. 1.72 Lacs

For and on behalf of the Board

Place : Kolkata  
Date : 22nd April, 2010

**Pawan Kumar Ruia**  
Chairman

**FORM A  
DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

		31.03.2010		31.03.2009				31.03.2010		31.03.2009	
Unit		Total	Total			Unit		Total	Total		
<b>A. Power and Fuel Consumption</b>											
<b>1 Electricity</b>											
a) Purchased :											
Unit	MWH	5007.14	4664.55								
Total Amount	RS / LACS	308.43	265.02								
Rate / Unit	RS / KWH	6.16	5.68								
b) Own Generation :											
(i) Diesel Gen Unit											
Unit / Ltr of D.Oil	MWH	13.59	1.15								
Cost / Unit	KWH / LTR	3.18	2.80								
(ii) F.Oil Gen. Unit											
Unit / Kg. of F.Oil	MWH	NA	NA								
Cost / Unit	KWH / KG	NA	NA								
2 <b>Coal</b>											
Qty	TON	1619.50	3823.41								
Total Cost	RS / LACS	72.88	169.04								
Average Rate	RS / TON	4500.15	4421.28								
3 a) <b>Furnace Oil (Generator)</b>											
Qty	TON	NA	NA								
Total Amount	RS / LACS	NA	NA								
Average Rate	RS / KG	NA	NA								
b) <b>Furnace Oil (Boiler)</b>											
Qty	TON	148.50	Nil								
Total Amount	RS / LACS	45.26	Nil								
Average Rate	RS / KG	30.48	Nil								
4 <b>Others/Int.Gen (D.Oil)</b>											
Qty	KLTR	47.55	23.69								
Total Amount	RS / LACS	16.91	8.44								
Rate/Unit	RS / LTR	35.56	35.60								
<b>B. Consumption / Ton of Production</b>											
Purchased	MWH	5007.14	4664.55								
Generated	MWH	13.59	1.15								
Electricity	KWH / TON	3759.07	3542.67								
F.Oil (Elec. Gen) Qty	TON	NA	NA								
F.Oil (Elec. Gen)	KG / TON	NA	NA								
F.Oil (Steam Gen) Qty	TON	148.50	Nil								
F.Oil (Steam Gen)	KG / TON	Nil	Nil								
Coal (Steam Gen) Qty	TON	1619.50	3823.41								
Coal (Steam Gen)	KG / TON	2696.83	5215.00								
D. Oil (Elec. Gen) Qty	KLTR	47.55	23.69								
D.Oil (Elec.Gen) Qty	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, 2010.**

Sl. No.	Name of the Employee	Designation	Remuneration (Rs.)	Qualification	Experience	Date of Commencement of Employment	Age (in years)	Last Employment held
1.	Rakesh Kumar Budhiraja*	Executive Director & CEO	1,668,556	FCA, FCS, MBA, LLB	28 yrs	28th December, 2009	55	Escorts Ltd.
2.	Damodar Prasad Dani*	Executive Director & CEO	2,366,664	M.Sc., MBA	32 yrs	28th May, 2007	56	Modi Rubber Ltd.
3.	Pradeep Suresh Shukla*	Sr. Vice President - Marketing	2,394,952	B.Sc., PGDM	32 yrs	1st March, 2006	56	Ceat India Ltd.

\* Part employment during the financial year.





**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, 2010, your board had five directors comprised of one non-executive chairman (being the promoter), one executive director (being the whole-time director) and three 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 – 30th April, 2009, 9th June, 2009, 25th July, 2009, 24th October, 2009, 28th December, 2009 and 29th January, 2010.

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, 2010	No. of other Directorships & Committee Memberships/ Chairmanships as on 31.03.2010		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. P. K. Ruia Non-executive Chairman	1	None	None
Mr.R.K.Sadhu Independent Director	None	2	1
Mr. D. Rudra Independent Director	5	7	3
Mr. M. L. Chauhan Independent Director	4	2	None
Mr. R. K. Budhiraja Executive Director & CEO	None	1	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 01.04.2009 to 31.03.2010		
	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 25.07.2009
Mr. P. K. Ruia	6	6	Yes
Mr. R.K.Sadhu	6	5	Yes
Mr. D. Rudra	6	6	Yes
Mr. M. L. Chauhan	6	4	Yes
Mr. D. P. Dani (resigned w.e.f. 04.11.2009)	4	4	Yes
Mr. R. K. Budhiraja (appointed w.e.f. 28.12.2009)	2	2	NA

During the year under review, Mr. D. P. Dani resigned from the directorship w.e.f. 4th November, 2009. Mr. D. P. Dani also ceased to be the executive director (being the whole-time director) & CEO of the Company w.e.f. 4th November, 2009.

Mr. R. K. Budhiraja was appointed as additional director of the company w.e.f. 28th December, 2009 and also as the executive director (being the whole-time director) & CEO of the company for 3 Years w.e.f. 28th December, 2009.



**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, 2010.

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, 2010	Category
Mr.R.K.Sadhu, Chairman	Non-Executive/ Independent Director
Mr.D.Rudra, Alternate Chairman	Non-Executive/Independent Director
Mr.M. L. Chauhan, Member	Non-Executive/Independent Director

During the year under review, four meetings of the audit committee were held. The committee met on 30th April, 2009, 25th July, 2009, 24th October, 2009 and 29th January, 2010 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 01.04.2009 to 31.03.2010	
	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. M. L. Chauhan	4	4

**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, one meeting of the remuneration committee was held. The committee met on 28th December, 2009 and considered appointment of a managerial personnel and payment of remuneration to such managerial personnel 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, 2010	Category	No. of Meetings attended during the year under review
Mr. M. L. Chauhan, Chairman	Non-Executive / Independent Director	-
Mr. D. Rudra, Member	Non-Executive / Independent Director	1
Mr. R. K. Sadhu, Member	Non- Executive / Independent Director	1

During the year under review, Mr. Rakesh Kumar Budhiraja was appointed as the executive director (being the whole-time director) &

CEO of the company for 3 (three) years from 28th December, 2009 to 27th December, 2012. Mr. Damodar Prasad Dani resigned as the executive director (being the whole-time director) & CEO of the company w.e.f. 4th November, 2009.

Aforesaid managerial appointments and payment of remuneration to above managerial personnel had been determined considering the prevalent remuneration for managerial personnel of the companies of similar size and stature as approved by the board of directors subject to the approval of the shareholders and the central government. The Company has already filed Form No. 25A within time to the central government seeking their approval for the appointment and payment of remuneration to the aforesaid managerial personnel.

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.

The details of remuneration paid to the directors during the year 2009-10 are given below :

Name of the Director	Salary (Rs.)	Perquisites (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. P. K. Ruia	-	-	30,000	30,000
Mr. R. K. Sadhu	-	-	70,000	70,000
Mr. D. Rudra	-	-	75,000	75,000
Mr. M. L. Chauhan	-	-	40,000	40,000
Mr. D. P. Dani (resigned w.e.f. 04.11.2009)	9,23,000	14,43,664	-	23,66,664
Mr. R. K. Budhiraja (appointed w.e.f. 28.12.2009)	5,63,226	11,05,330	-	16,68,556

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.

**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 two non-executive / independent directors and one executive director (being the whole-time director) as on 31st March, 2010.

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

Name of the Committee Members as on 31st March, 2010	Category	No. of Meetings attended during the year under review
Mr. D. Rudra, Chairman	Non-Executive/ Independent Director	4
Mr.R. K. Sadhu, Member	Non-Executive/ Independent Director	4
Mr. R. K. Budhiraja, Member (appointed w.e.f. 28.12.2009)	Executive Director & CEO	1





Mr. D. P. Dani ceased to be the member of the committee w.e.f. 4th November, 2009. Mr. R. K. Budhiraja was appointed as the member of the committee w.e.f. 28th December, 2009 in place of Mr. D. P. Dani.

The committee is headed by Mr. D. Rudra. 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 30th April, 2009, 25th July, 2009, 24th October, 2009 and 29th January, 2010.

At the beginning of the year (i.e. on 1st April, 2009), 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, 40 (forty) 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, 2010, 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 with 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
80th	2006-2007	The Ballroom, The Oberoi Grand, 15, J. L. Nehru Road, Kolkata - 700 013	19.07.2007	10.30 a.m.
81st	2007-2008	The Ballroom, The Oberoi Grand, 15, J. L. Nehru Road, Kolkata - 700 013	19.08.2008	11.00 a.m.
82nd	2008-2009	'Crystal Room', Hotel Taj Bengal 34B, Belvedere Road Kolkata - 700 027	25.07.2009	11.00 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 8(b) of the notes on account appearing in schedule 19B to the accounts of the company for the financial year ended 31st March, 2010.

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 in 'Dainik Statesman' 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 : Tuesday, 15th June, 2010.  
Venue and Time : At 'The Ballroom', The Oberoi Grand, 15, Jawaharlal Nehru Road, Kolkata - 700013 at 11.00 a.m.

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

Financial Reporting for the Financial Year 2010 - 2011

First Quarter Results - end of July, 2010  
Second Quarter and Half Yearly Results - end of October, 2010  
Third Quarter Results - end of January, 2011  
Fourth Quarter and Yearly Results - end of April, 2011

**iii) Dates of Book Closure :** from 8th June, 2010 to 15th June, 2010 (both days inclusive).

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

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

4,49,89,297 nos. equity shares of Rs. 10/- each fully paid-up of the company are already listed at bombay stock exchange (BSE). Trading on the company's aforesaid equity shares have already been commenced at BSE w.e.f. 12th January, 2010 almost after gap of 8 years.

The scrip code for the company's equity shares at BSE is 509130 and ISIN is INE 509A01012.

Hon'ble Delhi High Court vide its order dated 16th February, 2010 has permitted listing and trading of the company's 2,69,93,578 equity shares of Rs. 10/- each fully paid up at BSE and also dematerialized trading facilities on such equity shares, issued by the Company on 25th April, 2007 by rights basis. BSE is yet to enlist above equity shares and allow trading on such equity shares at BSE.

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 and ahmedabad 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 and 31st March, 2010 respectively. The company is awaiting confirmation of deisting of its shares from delhi stock exchange limited and madras stock exchange limited. The company's equity shares continue to remain listed and traded at BSE.

Listing fees to all the aforesaid five stock exchanges upto 31st March, 2010 has been paid by the company.

The company has also submitted its application for listing and trading of its equity shares at national stock exchange limited (NSE) in February, 2010 and awaiting NSE's approval.



**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

**Corporate Office :**  
 'Ruia Centre'  
 46 Syed Amir Ali Avenue  
 Kolkata – 700 017.  
 Tel : (033) 22894747  
 Fax : (033) 22893433  
 E-mail : ashok.agarwal@dunlop.co.in  
 Web-site : www.ruiagroup.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 on the company's equity shares have commenced at bombay stock exchange limited (BSE) w.e.f. 12th January, 2010 almost after gap of 8 years.  
 High and low month-wise quotations of the company's equity shares at BSE from 12th January, 2010 till 31st March, 2010 were as follows :

Share Price (Rs.)	January, 2010	February, 2010	March, 2010
High	89.71	138.90	88.90
Low	50.00	80.05	67.40

**viii) Distribution of Equity Shareholding as on 31st March, 2010 :**

Range of shares from - to	No. of shareholders	%	Number of shares	%
1 – 500	34741	96.03	3086154	4.29
501 – 1000	904	2.50	683185	0.95
1001 – 2000	328	0.91	468358	0.65
2001 – 3000	68	0.19	170105	0.24
3001 – 4000	40	0.11	143891	0.20
4001 – 5000	18	0.05	84179	0.12
5001 – 10000	37	0.10	259904	0.36
10001 & Above	42	0.11	67087099	93.19
<b>Total</b>	<b>36178</b>	<b>100.00</b>	<b>71982875</b>	<b>100.00</b>

**ix) Geographical Distribution of Shareholding as on 31st March, 2010 :**

Sl. No.	City/Location	No. of Folios	%
1.	Kolkata & Adjacent Places	9048	25.01
2.	Mumbai	7888	21.80
3.	Delhi	2484	6.87
4.	Chennai	1415	3.91
5.	Bangalore	1026	2.84
6.	Ahmedabad	1313	3.63
7.	Hyderabad	496	1.37
8.	Places other than above	12508	34.57
	<b>Total</b>	<b>36178</b>	<b>100.00</b>

**x) Shareholding Pattern as on 31st March, 2010, in terms of Clause 35 of the Listing Agreement with Stock Exchanges :**

Category	Nos.	%	Shares Pledged	
			Nos.	%
<b>Promoters' Holding</b>				
• Foreign Promoters	33515229	46.56	16600935	49.53
• Promoters' Associates (Persons acting in concert)	20109137	27.94	20109137	100.00
<b>Sub-total</b>	<b>53624366</b>	<b>74.50</b>	<b>36710072</b>	<b>68.46</b>
<b>Non-Promoters' Holding</b>				
• Financial Institutions, Insurance Companies, Mutual Funds, Banks etc.	8452292	11.74	-	-
• Others (including Bodies Corporate, Non-Residents & Indian Public)	9906217	13.76	-	-
<b>Sub-total</b>	<b>18358509</b>	<b>25.50</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>71982875</b>	<b>100.00</b>	<b>36710072</b>	<b>51.00</b>

**xi) Dematerialisation of Equity Shares :**

Both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) have allotted International Securities Identification Number (ISIN) – INE 509A01012 on the company's 4,49,89,297 equity shares of Rs. 10/- each fully paid-up. 70,50,335 nos. equity shares of the company representing 15.67% of the company's listed share capital are dematerialized as on 31st March, 2010.  
 Hon'ble Delhi High Court vide its order dated 16th February, 2010 has permitted dematerialized trading facilities on the company's 2,69,93,578 equity shares of Rs. 10/- each fully paid up issued by the company on 25th April, 2007 by rights basis. NSDL and CDSL are yet to provide dematerialized trading facilities on above equity shares.

**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.

**COMPLIANCE CERTIFICATE**

It is hereby declared that all the Members of the Board and Senior Management Personnel have affirmed compliance with the "Code of Conduct for the Members of the Board and Senior Management of Dunlop India Limited" during the financial year ended 31st March, 2010.

Kolkata, 22nd April, 2010

**P. K. RUIA**  
Chairman

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members of Dunlop India Limited.

- 1) We have examined the compliance of the conditions of Corporate Governance by Dunlop India Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.
- 2) The Compliance of the conditions of Corporate Governance is responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certificate of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and limited to the procedures of implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the Company.
- 3) In our opinion and to the best of our information and explanation given to us and the representation made by the Directors and the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
- 4) We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For M/s. K. N. GUTGUTIA & CO.**  
Chartered Accountants  
Firm Registries No.304153E  
**K. C. Sharma**  
Partner  
Membership No. 50819

Place : Kolkata  
Date: 22nd April, 2010

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

In terms of Clause 49 (V) of the Listing Agreement with the Stock Exchanges, a Report on Management Discussion & Analysis is attached to this Annual Report.

**1. Economic Review**

Indian economy has shown a lot of resilience to the recessionary conditions prevailing world wide in the last year. It showed good GDP growth compared to the negative growth in the other countries due to the timely stimulus packages given by the Government. Driven by the estimated growth of 8.4% in the fourth quarter, the economy is expected to grow at 7.1% in the last concluded 2009 -10 fiscal year. GDP growth is estimated to be 9.2% during 2010-11. The better performance will be mainly contributed by the growth of 4% in the agriculture, up from negative growth of 0.2% last fiscal year and improvement in the service sector growth to 9.3% from 8.1% in 2009-10. However, there is a major concern on the inflation which has gone upto 9.9% in March, 2010. While the food inflation shows scant sign of abating, inflation in manufactured products (7.13%) & Fuel & Power (12.71%) is now significantly higher than years ago. The contribution of the non food inflation to overall inflation is now almost 50% up from almost zero a few months ago. RBI is expected to tighten its monetary policies and Government will attempt to increase food supply from buffer stocks & exit from the excessive accommodative fiscal stance to bring down the inflation.

The investment cycle is gaining strength and more money will be raised from the non banking source and from the equity market during the current financial year. In view of the trend observed in the latter part of 2009, Infrastructure spending will continue to be the top priority of the Government. It is unlikely that the banks will increase interest rate because of the excess liquidity in the system. Expected GDP growth of 9.2% during 2010-11, lower inflation & higher investment in industry & infrastructure bodes well for the Tyre Industry.

**2. Overall Review, Industry Structure & Developments**

Tyre industry is expected to attain turnover of Rs. 25,000 crores during 2009-2010 against Rs. 22,500 crores last year showing growth of 11%. Truck tyre constitutes around 65% of the total turnover. The truck tyre industry is estimated to show a growth of 15% in volume during 2009-2010 compared to 2% de-acceleration in 2008-09. The growth in demand has been mainly due to the pick up in economic activity, the revival in demand of the commercial vehicle and additional tax benefit given to the users of vehicles. Truck tyre industry volume are expected to be 147 lac tyres during 2009-2010 compared to 128.39 lakh tyres during 2008-09. India's share in the global tyre industry has improved from 2.8% in 2005 to 5% in 2009 due to CAGR growth of 8.6% in India compared to negative growth all over the globe.

Though there has been an increase in the radialization of truck tyres from 2% in 2005 to 10% in the current year, Biased tyres continue to be in demand in the local markets, the Asian Countries and Middle East Countries. We expect Truck Tyre Industry to grow to approx. 10% in the coming years in the Biased tyre segment.

We are confident that our customers will repose faith in our product and we shall be able to regain reasonable market share in the short term.

There has been slow down in the infrastructure activities including mining activities and road construction. Your company is manufacturing Off the Road tyres for the above usage. Revival in Demand has already started and is expected to pick up due to the huge fund allocation on infrastructure developments and mining activities. Dunlop has taken up development activities to manufacture the industrial tyres for usage in the Backhoe loaders and dumpers, which has a huge demand. We have given tyres for test trials and will be launching the same after successful report in the next 3 months. We are making efforts to widen our range in the OTR segments. This will allow the company to exploit the future opportunity.

During the year, your company has also taken up development activities in the truck tyres and is proposing to launch truck tyre in the Economy range. The company is also positioning its **MAHAAN TYRE** as a premier truck tyre in the industry. The company has also done various development activities for cost cutting, better operating efficiency, higher productivity and enriching its product mix.

The company has made an application for obtaining the BIS Certification for all truck tyres manufactured in the company. We are expecting to get the certification shortly. This will give confidence to the customers that our plant products are at par with the industry, inspite of aged Plants.

The company's focus in the current year will remain in marketing the truck tyres in the domestic replacement market and exports to the Asian Countries and Middle East.

**3. Strengths, Opportunities, Challenges & Concerns**

Dunlop's major strength has been its long-standing brand recall, being the first tyre company in Asia started in 1936. Customers still ask for the specific products produced from its own factory inspite of change in the technology. It has a advantage of skilled committed work force and multi locational manufacturing facilities.

The truck tyre demand is at its peak in the current year and company do not foresee any problem in marketing its tyres inspite of fact that Dunlop was out of tyre market for last 7 years.

Dunlop will face the competition because of increased shift in demand from cross Ply to radial tyres, manufacture of multi exle vehicles using radials tyres and truck and buses above 15 years of life going off the road. Substantial addition of Truck Radial capacities in future can create demand supply mismatch and reduce pricing power.

Rubber prices continues to be very volatile and increased from Rs. 95/- in April '09 to Rs. 165/- in April '10. Companies have increased their prices in the month of November '09 and March '10. However, they are facing the stiff resistance from the transporter for the further increase. This may dent the profitability of the tyre company in future. Dunlop is doing some in-house development to reduce and rationalize the rubber consumption with other products.

**4. Economic Risk**

There is always an economic risk in any business including tyre industry. It can be due to slow down in the economy, development of infrastructure, rise in interest rate, changes in tax and other fiscal policies, shortage of rubber world wide & increase in Petro Prices.

**5. Segment-wise/product-wise performance and discussion on the financial performance with respect to operational performance**

Your company carried out the refurbishment of plants and trial runs during last fiscal. The production in all major rubber product categories like OTR, truck, farm tyres and industrial products is closed to stabilization. Your company is also trading in tyres by outsourcing and conversion.

The financial performance of your company with respect to its operational performance is being shown separately.

**6. Adequacy of Internal Control Systems**

Your company is in the process of laying down defined organizational structure, documented policy guidelines, defined authority matrix and internal control, to ensure efficiency of operations, compliance with internal policies and applicable laws

and regulations. It has adequate internal control systems which are subject to periodic internal audits and management reviews.

**7. Human Resources & Industrial Relations**

Dunlop is in the process of laying down the recruitment policy to attract and retain the best talent and laying down defined organizations structure for succession planning. Dunlop is setting up performance based culture where the best performers gets rewarded. It will create a healthy competition amongst the peer group & provide openings for higher growth. The Company is focusing on bringing the young talent by recruitment from Engineering and Management Colleges. Industrial relations continues to be cordial, peaceful and healthy with the present work force.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis describing the company's focal objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual result may differ materially from the expectations. Important factors that could influence the company's operations include global and domestic supply and demand condition affecting the selling prices of products, input availability and prices, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations.

**AUDITORS' REPORT  
TO THE MEMBERS OF  
DUNLOP INDIA LIMITED**

We have audited the attached Balance Sheet of Dunlop India Limited as at 31st March 2010, the Profit and Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 ("the Order") issued by the Central Government in exercise of the power conferred by section 227 (4A) of the Companies Act, 1956, and according to the information and explanations given to us and on the basis of such checks as we have considered appropriate. We annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order.

2. Further to our comments as stated above, we report that :

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The said Balance Sheet, Profit and Loss account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
- d) In our opinion, Balance sheet, Profit & Loss account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, *except AS 22*.
- e) Based on legal opinion obtained, none of the present directors are disqualified as on 31.03.2010 for being appointed as a director, in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
- f) *We draw attention to the note no 4(d) regarding non provision of interest on certain loans, note no. 11 regarding Deferred Tax Assets and note no. 12 regarding Capitalisation of expenses for Refurbishment of Schedule 19B.*

*Subject to above* we report that the said accounts together with accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2010.
- ii) In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date, and

- iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

for **K N GUTGUTIA & CO.**  
Chartered Accountants  
Firm's registration No. 304153E

6C, Middleton Street,  
Kolkata - 700 071  
Dated : April 22, 2010

**K C Sharma**  
Partner  
Membership No. 50819

**ANNEXURE REFERRED TO IN PARA 1 OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF DUNLOP INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2010**

- i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As per information and explanation given to us fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification except in case of Furniture/Fittings where book records are in compilation and hence it is not possible to ascertain and comment on the discrepancies, if any.
- c) During the year there was no disposal of substantial part of the fixed assets of the Company.
- ii) a) Physical verification of the inventories has been carried out during the year.
- b) Procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The Company has maintained proper records of Inventory and no material discrepancies were noticed on physical verification between book records and physical balances.
- iii) a) The Company has not given any loan, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and as such the provision of clause 4 (iii) (b),(c) & (d) are not applicable.
- b) The Company has not taken any loan secured/unsecured from Companies, firms or other parties covered in the register under section 301 of the Act and as such the provision of clause 4(iii) (e) to (g) are not applicable.
- iv) There is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services.
- v) a) The particulars of contract or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section, and
- b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has accepted deposits from the public in earlier years. *However the Directives issued by the Reserve Bank of India and the provision of Section 58A & 58AA or any other relevant provision of the Act and the Rules framed thereunder, wherever applicable have not been complied with.* However the company has repaid Rs.253.19 lakh to the Fixed Deposit Holders after take over by the present management.
- vii) The Company has an internal audit system commensurate with its size and nature of business. *However, it should be strengthened.*





- viii) We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- ix) a) The Company is generally regular in depositing undisputed statutory dues of the current financial year including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, Cess and any other Statutory dues to the extent applicable with the appropriate authorities. However, in respect of above, statutory dues including for earlier years are outstanding for a period of more than six months amounting to Rs. 179.04 lakhs as below :
- | Particulars      | Amount (Rs in lakhs) |
|------------------|----------------------|
| Provident Fund   | 41.39                |
| E.S.I            | 79.96                |
| TDS              | 13.42                |
| Professional Tax | 12.52                |
| Sales Tax        | 31.75                |
| <b>Total</b>     | <b>179.04</b>        |
- b) Details with respect to the period of default, due date as required to be provided under clause ix (b) with regard to disputed liability in respect of Sales Tax, Income Tax as detailed in Note No. 2 of Schedule 19B are yet to be compiled by the management and therefore, we are unable to provide the same.
- x) There is no accumulated loss at the end of the financial year. The Company has neither incurred cash losses during the current year nor had incurred cash losses in immediately preceding financial year.
- xi) The management has settled all the liabilities of loan taken by earlier management from financial institution / Bank except two loans amounting to Rs. 1110.05 lakhs.
- xii) We have been informed and explained that the Company has not granted any loans and advances on the basis of security by way of pledge of Shares and, Debentures and other securities.
- xiii) The Company is not a chit fund or a nidhi/mutual fund/ society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) The Company is not dealing in or trading in Shares, Securities, Debentures and other Investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditor's report) Order, 2003 are not applicable to the Company.
- xv) The Company has not given any guarantee for loans taken by its Associates or Subsidiaries or others from bank or financial institutions.
- xvi) The Company has taken loan amounting to Rs. 2335.00 lakhs during the year , which has been used for the purpose for which it was taken.
- xvii) On the basis of information received from the management and based on the overall analysis of the balance sheet of the Company, funds raised on short term basis have not been utilized for long term investment.
- xviii) The Company has not made any Preferential allotment of Shares during the year.
- xix) The Company has not issued unsecured Debentures during the year.
- xx) The Company has not raised any money through a public issue during the year.
- xxi) According to information and explanation given to us and based on our examination of the books and records of the Company in accordance with the generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the management.

for **K N GUTGUTIA & CO.**  
Chartered Accountants  
Firm's Registration No. 304153E

6C, Middleton Street,  
Kolkata - 700 071  
Dated : April 22, 2010

**K C Sharma**  
Partner  
Membership No. 50819


**BALANCE SHEET  
AS AT 31ST MARCH, 2010**

	Schedule	As at 31st March, 2010 Rs. Lakhs	As at 31st March, 2009 Rs. Lakhs	
<b>SOURCES OF FUNDS</b>				
<b>Share Holders' Funds</b>				
Share Capital	1	7,198.29	7,198.29	
Reserves and Surplus	2	<u>106,303.96</u>	<u>106,846.63</u>	
		113,502.25	114,044.92	
<b>Loan Funds</b>				
Secured Loans	3	4,579.32	1,205.83	
Unsecured Loans	4	<u>19,878.85</u>	<u>15,995.21</u>	
		24,458.17	17,201.04	
		2,966.31	3,020.56	
<b>Long Term Trade Liabilities</b>				
<b>Total</b>		<b><u>140,926.73</u></b>	<b><u>134,266.52</u></b>	
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
(a) Gross Block	5	172,936.56	172,925.22	
(b) Less : Depreciation		<u>53,348.02</u>	<u>49,400.35</u>	
(c) Net Block		119,588.54	123,524.87	
(d) Capital Work-in-Progress		<u>8,137.23</u>	<u>3,546.94</u>	127,071.81
		127,725.77	127,071.81	
<b>Investments</b>				
	6	9.05	9.05	
<b>Deferred Tax Assets</b>				
		9,554.00	6,196.00	
<b>Current Assets, Loans and Advances</b>				
(a) Inventories	7	4,145.35	1,056.54	
(b) Sundry Debtors	8	5,018.55	5,626.21	
(c) Cash and Bank Balances	9	395.05	174.18	
(d) Loans and Advances	10	<u>2,579.09</u>	<u>1,852.72</u>	
		<u>12,138.04</u>	<u>8,709.65</u>	
<b>Less : Current Liabilities and Provisions</b>				
(a) Liabilities	11	7,568.01	7,188.64	
(b) Provisions		<u>932.12</u>	<u>802.36</u>	
		<u>8,500.13</u>	<u>7,991.00</u>	
<b>Net Current Assets</b>				
Miscellaneous Expenses (To the extent not written off or adjusted)		3,637.91	-	718.65
		-	271.01	
<b>Total</b>		<b><u>140,926.73</u></b>	<b><u>134,266.52</u></b>	
<b>Accounting Policies and Notes on Accounts</b>				
	19			

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report Attached  
For and on behalf of  
**K N Gutgutia & Co.**  
*Chartered Accountants*  
**K C Sharma**  
*Partner*  
Membership No. 50819  
Kolkata, 22nd April, 2010

**P. K. Ruia**  
*Chairman*

**D. Rudra**  
*Director*

**M. L. Chauhan**  
*Director*

**R. K. Sadhu**  
*Director*

**R. K. Gupta**  
*Sr. Vice President -  
Finance & CFO*

**A. K. Agarwal**  
*Vice President - Legal  
and Company Secretary*

For and on behalf of the Board


**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31st MARCH, 2010**

	Schedule	For the year ended 31st March, 2010 Rs. Lakhs		For the year ended 31st March, 2009 Rs. Lakhs	
<b>INCOME</b>					
Sales		17,630.94		18,050.93	
Less : Excise Duty		75.20	17,555.74	312.97	17,737.96
Other Income	12		<u>514.47</u>	<u>562.77</u>	<u>562.77</u>
			<b>18,070.21</b>		<b>18,300.73</b>
<b>EXPENDITURE</b>					
Raw Materials	13	16,908.59		15,682.43	
Personnel Cost	14	164.72		914.94	
Other Expenses	15	<u>433.43</u>		<u>728.05</u>	
			<u>17,506.74</u>		<u>17,325.42</u>
<b>Profit/(Loss) before interest and depreciation</b>			<b>563.47</b>		<b>975.31</b>
Interest & Finance Charges	16		<u>281.47</u>		<u>701.90</u>
<b>Profit/(Loss) before depreciation</b>			<u>282.00</u>		<u>273.41</u>
Depreciation		3,947.67		3,942.89	
Less : Transfer from Revaluation Reserve		<u>3,806.95</u>		<u>3,806.95</u>	
			<u>140.72</u>		<u>135.94</u>
<b>Profit/(Loss) after depreciation before exceptional items</b>			<u>141.28</u>		<u>137.47</u>
Exceptional Items	17	(220.43)		(55.51)	
Less : Transfer from brought forward					
Profit & Loss account (Contra)		<u>220.43</u>	-	-	(55.51)
Prior Period Adjustments	18		<u>(14.57)</u>		<u>54.27</u>
<b>Profit/(Loss) after exceptional items before Tax</b>			<u>126.71</u>		<u>136.23</u>
Provision for Tax - Refer Note 19 B (15)			-		-
<b>Profit/(Loss) after Tax</b>			<b>126.71</b>		<b>136.23</b>
Balance brought forward from previous year		8,498.03		8,361.80	
Less : Transfer to Exceptional Item (Contra)		<u>220.43</u>	<u>8,277.60</u>	-	<u>8,361.80</u>
<b>Available for Appropriation</b>			<b>8,404.31</b>		<b>8,498.03</b>
<b>Balance carried to Balance Sheet</b>			<b>8,404.31</b>		<b>8,498.03</b>
Earning per Share(Face value per share of Rs.10/- each) :					
Before Extraordinary items (Rs)			0.18		0.19
After Extraordinary items (Rs)			0.18		0.19
<b>Accounting Policies and Notes on Accounts</b>	19				

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our Report Attached  
For and on behalf of  
**K N Gutgutia & Co.**  
*Chartered Accountants*  
**K C Sharma**  
*Partner*  
Membership No. 50819  
Kolkata, 22nd April, 2010

**P. K. Ruia**  
*Chairman*

**D. Rudra**  
*Director*

**R. K. Gupta**  
*Sr. Vice President -  
Finance & CFO*

For and on behalf of the Board

**M. L. Chauhan**  
*Director*

**R. K. Sadhu**  
*Director*

**A. K. Agarwal**  
*Vice President - Legal  
and Company Secretary*


**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2010**

	Year ended 31st March, 2010 Rs. Lakhs	Year ended 31st March, 2009 Rs. Lakhs	
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net Profit (Loss) before tax and before exceptional item	126.71	191.74	
Add : Adjustments for :			
Depreciation	140.72	135.94	
Deferred Revenue Expenditure to the extent not written off/adjusted	271.01	(271.01)	
Interest / Dividend (Net)	275.78	694.38	
<b>Operating Profit / (Loss) before Working Capital changes</b>	<b>814.22</b>	<b>751.05</b>	
Adjustments for :			
Trade and other receivables	(124.20)	(2147.16)	
Inventories	(3088.81)	583.08	
Trade Payable	509.13	(2523.07)	
Long Term Trade Liabilities	(54.25)	(513.95)	
<b>Cash generated from Operations</b>	<b>(1943.91)</b>	<b>(3,850.05)</b>	
Direct Taxes (paid) / Refund	5.49	22.86	
<b>Cash flow before extraordinary item</b>	<b>(1938.42)</b>	<b>(3,827.19)</b>	
Exceptional item	(220.43)	(55.51)	
<b>Net Cash Flow from Operating Activities</b>	<b>(2,158.85)</b>	<b>(3,882.70)</b>	
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchase of Fixed Assets	(4601.63)	(3626.42)	
Movement of Investments	-	3848.05	
Interest Received	5.69	7.52	
<b>Net cash used in Investing Activities</b>	<b>(4,595.94)</b>		229.15
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds from Secured Borrowings	3373.49	(80.30)	
Proceeds from Unsecured Borrowings	3883.64	4365.90	
Interest Paid	(281.47)	(701.90)	
<b>Net Cash used in Financing Activities</b>	<b>6,975.66</b>		<b>3,583.70</b>
<b>Net Increase / (Decrease) in Cash Equivalents</b>	<b>220.87</b>		<b>(69.85)</b>
Cash and Cash Equivalents as at 01.04.2009	174.18		244.03
<b>Cash and Cash Equivalents as at 31.03.2010</b>	<b>395.05</b>		<b>174.18</b>

As per our Report Attached  
For and on behalf of  
**K N Gutgutia & Co.**  
*Chartered Accountants*  
**K C Sharma**  
*Partner*  
Membership No. 50819  
Kolkata, 22nd April, 2010

For and on behalf of the Board

**P. K. Ruia**  
*Chairman*

**D. Rudra**  
*Director*

**M. L. Chauhan**  
*Director*

**R. K. Sadhu**  
*Director*

**R. K. Gupta**  
*Sr. Vice President -  
Finance & CFO*

**A. K. Agarwal**  
*Vice President - Legal  
and Company Secretary*


**SCHEDULES TO THE ACCOUNTS**
**1. SHARE CAPITAL**

	As at 31.03.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
<b>Authorised</b>		
10070000 Preference Shares of Rs.100 each (10070000)	10070.00	10070.00
74300000 Equity Shares of Rs10 each (74300000)	7,430.00	7,430.00
	<u>17,500.00</u>	<u>17,500.00</u>
<b>Issued, Subscribed and fully Paid up</b>		
Equity Shares of Rs.10 each		
(a) 61516308 Shares fully paid in cash (61516308)	6,151.63	6,151.63
(b) 199900 Shares allotted as fully paid up (199900) pursuant to a contract without payment being received in cash	19.99	19.99
(c) 10266667 Shares allotted as fully paid up (10266667) by way of bonus shares by capitalisation of reserve and share premium	1,026.67	1,026.67
	<u>7,198.29</u>	<u>7,198.29</u>

**2. RESERVES AND SURPLUS**

	As at 31.03.2009 Rs. Lakhs	Additions Rs. Lakhs	Deductions Rs. Lakhs	As at 31.03.2010 Rs. Lakhs
Share Premium Account	264.81	-	-	264.81
Capital Redemption Reserve Account	70.00	-	-	70.00
Revaluation Reserve	93,499.12	-	3,806.95 *	89,692.17
Forfeiture of 13.5% Convertible Debentures 1989/91	1.33	-	-	1.33
General Reserve	4,513.34	3,358.00	-	7,871.34
Profit & Loss Account	8,498.03	126.71	220.43	8,404.31
<b>Total</b>	<u>106,846.63</u>	<u>3,484.71</u>	<u>4,027.38</u>	<u>106,303.96</u>
Previous Year	124,075.01	136.23	17,364.61	106,846.63

\*Transfer to Profit & Loss Account Rs.3806.95 Lakhs due to difference of depreciation on revalued assets and original assets.

	As at 31.03.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
(a) 61516308 Shares fully paid in cash (61516308)	6,151.63	6,151.63
(b) 199900 Shares allotted as fully paid up (199900) pursuant to a contract without payment being received in cash	19.99	19.99
(c) 10266667 Shares allotted as fully paid up (10266667) by way of bonus shares by capitalisation of reserve and share premium	1,026.67	1,026.67
	<u>7,198.29</u>	<u>7,198.29</u>

**3. SECURED LOANS**

	As at 31.03.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
Loans from Banks		
Cash credit / overdrafts	4,196.45	750.00
Term Loans from Bank/ Financial Institutions	360.05	360.05
Vehicles Loan	22.82	95.78
	<u>4,579.32</u>	<u>1,205.83</u>

**4. UNSECURED LOANS**

	As at 31.03.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
Fixed Deposits	892.14	893.18
Short Term Loan from Bodies Corporate	18,986.71	15,102.03
	<u>19,878.85</u>	<u>15,995.21</u>

Rs. Lakhs

5. FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 31.03.2009	Additions	Deductions	As on 31.03.2010	As on 31.03.2009	For the period	Adjustment/ Sale during the period	As on 31.03.2010	As on 31.03.2010	As on 31.03.2009
Freehold Land	33,840.32	-	-	33,840.32	-	-	-	-	33,840.32	33,840.32
Freehold Buildings	18,679.45	2.04	-	18,681.49	5,667.65	517.10	-	6,184.75	12,496.74	13,011.80
Leasehold Buildings	17.15	-	-	17.15	3.93	-	-	3.93	13.22	13.22
Plant and Machinery	119,380.80	9.30	-	119,390.10	43,001.39	3,401.04	-	46,402.43	72,987.67	76,379.41
Furniture and Fittings	557.84	-	-	557.84	538.68	0.95	-	539.63	18.21	19.16
Motor Vehicles	449.66	-	-	449.66	188.70	28.58	-	217.28	232.38	260.96
<b>Total</b>	<u>172,925.22</u>	<u>11.34</u>	<u>-</u>	<u>172,936.56</u>	<u>49,400.35</u>	<u>3,947.67</u>	<u>-</u>	<u>53,348.02</u>	<u>119,588.54</u>	<u>123,524.87</u>
Previous Year	172,741.68	183.54	-	172,925.22	45,457.46	3,942.89	-	49,400.35	123,524.87	
Capital Work in Progress	3546.94	4590.29	-	8137.23	-	-	-	-	8137.23	3546.94


**SCHEDULES TO THE ACCOUNTS**

6 INVESTMENTS (AT COST) (Long Term)	As at 31.03.2010 Cost Rs. Lakhs	As at 31.03.2009 Cost Rs. Lakhs	As at 31.3.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
<b>Non-Trade :</b>				
<b>A. Quoted:</b>				
Equity Shares - fully paid				
7,418 Master shares of Rs.10 each of Unit Trust of India	1.00	1.00		
<b>TOTAL (A)</b>	<u>1.00</u>	<u>1.00</u>		
<b>B. Unquoted :</b>				
<b>Investment in Subsidiary Companies</b>				
20,500, Equity Shares of Rs 10 each fully paid of Ebony Commercial Pvt Ltd.	2.05	2.05		
10,000, Equity Shares of Rs 10 each fully paid of Wizer Advertising Pvt Ltd.	1.00	1.00		
<b>Others :</b>				
40, 7% Debentures fully paid of				
Royal Calcutta Golf Club Ltd.	1.00	1.00		
5,000, Equity Shares of GBP 1 each fully paid of Global Finvest Ltd	4.00	4.00		
<b>TOTAL (B)</b>	<u>8.05</u>	<u>8.05</u>		
<b>TOTAL (A+B)</b>	<u>9.05</u>	<u>9.05</u>		
Aggregate Market Value of Quoted Investments	2.25	2.25		
Aggregate Book Value of Quoted Investments	1.00	1.00		
<b>7 INVENTORIES</b>				
Raw materials	2,903.52	517.70		
Work-in-progress	253.11	59.11		
Finished Goods	822.53	63.37		
Stock in Transit	73.52	268.89		
Stores and spares	92.67	147.47		
	<u>4,145.35</u>	<u>1,056.54</u>		
<b>8. SUNDRY DEBTORS</b> (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)				
Debts outstanding for a period exceeding six months :				
Considered Good	3,989.06	458.94		
Considered Doubtful	-	-		
Other Debts - Considered Good	1,029.49	5,167.27		
	<u>5,018.55</u>	<u>5,626.21</u>		
<b>9. CASH AND BANK BALANCES</b> (As certified by the Management)				
Cash in hand	7.17	0.57		
Remittance in Transit	28.60	-		
With Scheduled Banks				
On Current accounts	189.75	50.63		
Fixed Deposit with Bank				
- In deposit Account *	78.58	122.98		
- In Margin deposit Account	90.95	-		
	<u>395.05</u>	<u>174.18</u>		
* Pledged with various authorities				
<b>10. LOANS AND ADVANCES</b> (UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED)				
Loans and Advances (Recoverable in cash or kind or value to be received)				
Considered Good	2,563.62	1,835.88		
Interest accrued on Bank deposits	15.47	16.84		
	<u>2,579.09</u>	<u>1,852.72</u>		
<b>11. CURRENT LIABILITIES</b>				
Acceptances	3,422.94	3898.11		
Sundry Creditors -				
- Suppliers of Goods & Services	2,372.71	1,341.05		
- Advance From Customers	251.27	79.56		
- Deposits	750.60	776.17		
- Others	770.49	1,093.75		
Provision for Gratuity	932.12	802.36		
	<u>8,500.13</u>	<u>7,991.00</u>		




**SCHEDULES TO THE ACCOUNTS**

	For the year ended 31.03.2010 Rs. Lakhs		For the year ended 31.03.2009 Rs. Lakhs			For the year ended 31.03.2010 Rs. Lakhs		For the year ended 31.03.2009 Rs. Lakhs	
<b>12 Other Income</b>					<b>15 OTHER EXPENSES</b>				
Liability Written Back	132.96		235.05		Conversion Charges	166.93		-	
Royalty	18.63		200.00		Fuel, light and water	39.29		132.10	
Sale of Scrap	77.10		67.36		Consumption of stores & spare parts	8.54		14.27	
Income from Job Work ( <i>TDS 5.34 lakhs</i> )	264.72		-		Repairs : Buildings	1.65	3.69		
Miscellaneous	15.37		52.84		Machinery	4.40	1.99		
Interest on Bank Fixed Deposit ( <i>TDS 0.15 lakhs</i> )	5.69		7.52		Others	3.55	0.49	6.17	
<b>Total</b>	<b>514.47</b>		<b>562.77</b>		Rent	25.69		6.90	
					Rates and Taxes	7.08		0.26	
					Insurance	7.13		26.44	
					Rebates, Discount & Commission	61.71		273.88	
					Freight & Delivery Charges	14.42		61.91	
					Directors' Sitting Fees	2.15		1.80	
					General Expenses	90.89		204.32	
						<b>433.43</b>		<b>728.05</b>	
<b>13 RAW MATERIALS</b>									
Opening Stock As on 1.4.09									
Raw Materials	517.70		911.54						
Work-in-Progress	59.11		152.95						
Finished Goods	63.37	640.18	488.14	1,552.63					
<b>Add : Purchases</b>									
Raw Materials	4,324.70		970.83						
Finished Goods	15,922.87	20,247.57	13,799.15	14,769.98	<b>16 Financing Charges</b>				
<b>Deduct :</b>					Loan Processing Fees & Bank Charges	41.70		37.28	
Closing Stock As on 31.03.2010					Interest on Other Loan	239.77		664.62	
Raw Materials	2,903.52		517.70			<b>281.47</b>		<b>701.90</b>	
Work-in-Progress	253.11		59.11						
Finished Goods	822.53	3,979.16	63.37	640.18	<b>17 Exceptional Items</b>				
	<b>16,908.59</b>		<b>15,682.43</b>		Recovery of Bad Debt	-		19.11	
					Assets written off earlier year now recovered	-		11.42	
					Liabilities written back in earlier years now paid	(2.84)		(86.04)	
					Stamp Duty recoverable now written off	(717.59)		-	
					Renunciation of tenancy rights	500.00		-	
						<b>(220.43)</b>		<b>(55.51)</b>	
<b>14 PERSONNEL COST</b>									
Salaries, Wages and Bonus etc.	106.57		373.70		<b>18 Prior Period Adjustments</b>				
E R S	31.84		67.75		Income of previous years	-		57.47	
Provident Fund, Gratuity Fund and Other Superannuation Scheme etc.	19.91		465.93		Expenses of Previous year	(14.57)		(51.17)	
Employees' State Insurance	2.19		5.77		Reversal of Earlier year Expenses	-		47.97	
Workmen and Staff Welfare Expenses	4.21		1.79			<b>(14.57)</b>		<b>54.27</b>	
	<b>164.72</b>		<b>914.94</b>						

**19. Accounting Policies and Notes to the Accounts****A. Significant Accounting Policies****Basis of Accounting**

The Company maintains its accounts following the historical cost convention except for the revaluation of certain fixed assets. All expenses and income to the extent known considered payable and receivable respectively unless stated otherwise have been accounted for on mercantile basis.

**Use of Estimates**

The preparation of financial statements require management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year.

Contingencies are recorded when it is probable that a liability will be incurred and the amounts can reasonably be estimated. Difference between the actual results and the estimates are recognised in the year the results are known/ materialised.

**Fixed Assets**

Fixed Assets are stated at cost of acquisition or construction or at revalued amounts wherever such assets have been revalued. Cost includes cost of refurbishment, borrowing cost and other expenses incurred in bringing the assets to the conditions of intended use.

**Depreciation**

- a) Depreciation on assets carried at historical costs is provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956.
- b) Depreciation in case of revalued amounts of fixed assets are provided on straight-line method on the values given by the valuers on the basis of remaining useful life as estimated by the valuers and the differential amount with respect to the depreciation computed as per (a) above is transferred from Revaluation Reserve to Profit & Loss Account.
- c) Classification of plant and machinery into Continuous Process Plant is done by the Management based on technical certificates and reports.

**Capital Work in Progress**

Capital Work in Progress includes capital advances and expenses incurred during the refurbishment of the plants & Trial Runs expenses pending allocation till the Commercial use of the respective assets.

**Impairment of Assets**

The carrying amounts of the company's assets are reviewed at each balance sheet date. An impairment loss is recognized, wherever the carrying amount of an asset is in excess of its recoverable amount. The recoverable amount is greater of net selling price of the asset or its value in use.

Reversal of impairment losses recognized in prior years is recorded when there has been change in the recoverable amount and such loss no longer exists or has decreased.

Impairment loss/reversal thereof will be recognized as an expense/income in the statement of profit and loss and adjusted to the carrying amount of the asset once all the departments/sections becomes operational over a period. Company is refurbishing its various sections of manufacturing and is of the view that they will have carrying cost in excess of its recoverable amount.

**Inventories**

Inventories are stated at the lower of cost and estimated net realisable value. Cost is determined on the basis of first in first out, except engineering stores, cost for which is computed on the basis of weighted average. Work-in-progress represents materials Cost, direct labour and appropriate portion of factory overheads. Adequate provision is made for defective, slow moving and obsolete items of inventories. Custom Duty on Bonded materials is accounted for as and when the materials are cleared. Finished Goods are valued at lower of Cost or net realizable value.

**Investments**

Investments are stated at cost. Diminution in value is made in case it is not being temporary in nature .

**Foreign Currency Transactions**

Transactions in foreign currencies are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities at the year end are translated using the exchange rate prevailing at the year-end. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and are adjusted to the profit and loss account for the year.

**Retirement and other benefits to the Employees**

The total cost of the Company's contributions to Provident and Pension/ Gratuity Funds are charged against revenue on accrual basis. As per Company's Policy, accrued leave is not encashable at the time of retirement or otherwise. Liability against retirement gratuity is provided as per actuarial valuation done in line with AS 15.

**Research and Development**

Research and Development expenditure other than those relating to Fixed Assets are charged against revenue as and when incurred.

**Borrowing cost**

Borrowing cost incurred in relation to the acquisition, construction, refurbishment of qualifying assets and trial run period are capitalized/ allocated as the part of the cost of such assets up to the date when such assets are put to use. Other borrowing costs are charged as an expense in the year in which these are incurred.

**Revenue Recognition**

Sales are net of excise duty and returns up to the Balance Sheet date are accounted for on passing of property of goods irrespective of actual dispatches. Returns / cancellations against sales are recognised as and when ascertained and are netted from the amount of sales of respective year. Rebates, discounts, commissions and claims including insurance claims are accounted for to the extent these are due and/or reasonably ascertainable.

Income from Brand Royalty and fees are accounted for on accrual basis in terms of agreements with the party.

**Taxes on Income**

Provision for taxes is made for both current and deferred taxes. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

Deferred tax are recognized on timing differences between the accounting income and the taxable income for the year which are capable of reversal in subsequent periods, and quantified using the tax rates and laws enacted or subsequently enacted as on the Balance Sheet date.



Deferred tax assets are recognized and carried forward to the extent that there is a reasonable/virtual certainty, as required in terms of Accounting Standard 'AS-22' on Accounting for Taxes on Income, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**Provisions**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if the Company has a present obligation as a result of a past event, or a probable outflow of resources is expected to settle the obligation, and the amount of the obligation can be reliably estimated.

**B. NOTES TO THE ACCOUNTS**

	31.03.2010 (Rs. in lacs)	31.03.2009 (Rs. In lacs)
1. <b>Contracts remaining to be executed :</b> Estimated amount of contracts remaining to be executed on Capital Account and not provided for - net of advance payments.	75.00	-
2. <b>Contingent Liabilities (to the extent ascertainable)</b> Claims against the Company not acknowledged as debts	-	-
a) Sales Tax Demands under appeal or otherwise disputed	17902.82	21853.00
b) Income tax matters in appeal	400.00	-
c) In respect of guarantee issued in favour of WBSUEDCL.	145.20	-
3. In respect of the sale proceeds of Rs.70 lacs realized from a certain party in earlier years, the Company deposited the amount with the Chennai High Court, and out of the same, a sum of Rs.35 lacs has been utilized for payment of outstanding dues of employees. The balance lying with the court is pending adjudication.		
4. <b>Loan Fund Include :</b>		
a. Cash credit / Overdraft are secured by hypothecation of inventories, book debts and all other current assets, both present and future liability of Rs 3446.45 lakhs from Central Bank of India are further secured by first charge on the property at Sahaganj.		
b. Term loans from KSIIDC of Rs.360.05 lacs are secured by an equitable mortgage of land at Mysore.		
c. Vehicle loans from Banks/ NBFC are secured by way of hypothecation of vehicles.		
d. No provision has been made for Interest on loans from Catholic Syrian Bank and KSIIDC in the books of accounts. The company is in the process of making one time settlement with respective parties.		
5. Fixed Deposits were accepted till 1997 and have fallen due for repayment with earlier management. In terms of the order received from the Company Law Board, this will be dealt with as per the directions received from the appropriate Authority. However the present management has paid Rs.253.19 Lakhs after takeover to the FD holders.		
6. Present Directors are not disqualified in terms of Section 274(1)(g) of the Companies Act, 1956, as legally advised.		

7. As per the opinion obtained by the company no depreciation has been charged on the Assets amounting to Rs. 17443.07 lakhs capitalized on 31.3.08 and not put to use.
8. Particulars in terms of the regulation/ directions issued by SEBI :
  - a. The companies in the group as disclosed below are directly / indirectly controlled by the Ruia Group of Companies under the chairmanship of Sri Pawan Kumar Ruia and its various subsidiary / associate companies which held the controlling stake in the Company during the year ended 31<sup>st</sup> March 2010 :
    - i. Holding Company : Wealth Sea Pte. Ltd. (Singapore) through DIL Rim and Wheel Corporation Limited, Mauritius.
    - ii. Subsidiaries : (1) Ebony Commercial Pvt Ltd. (2) Wizer Advertising Pvt Ltd.
    - iii. Associate / Group Companies : 1) Acurate Traders Pvt Ltd 2) Alpha Airways Pvt Ltd 3) Anoush Traders Pvt Ltd 4) Aparupa Properties Pvt. Ltd. 5) Bharatiya Hotels Pvt Ltd 6) Bloom Billions Sdn Bhd- Malaysia 7) BTR Sealing System UK Ltd – UK 8) Chinsurah Chemicals Pvt Ltd 9) Climber Properties Pvt. Ltd. 10) Draflex Automotive , GMBH 11) Dunlop Estates Pvt Ltd 12)Dunlop Infrastructure Pvt Ltd 13) Dunlop Investments Ltd.14) Dunlop Properties Pvt Ltd 15) Dunlop Rubber limited 16) Dunlop Tyres limited 17) Dunlop UK limited UK 18) Dunlop Polymers Pvt Ltd (Formerly Jacob & Jacob Polymer Pvt Ltd) 19) Falcon Tyres Ltd. 20) Falcon Tyres & Rubber Pvt Ltd 21) Falcon Tyres Impex Pvt Ltd 22) Fiber Foam (Bombay) Pvt Ltd 23) Global Finvest Ltd UK 24) Globe Sugar Refinery Ltd 25) Goldman Stock & Brokers Ltd 26) Global Fin Pro Ltd 27) Hirakud Industrial Works Ltd. 28) Hirakud Rolling Mill Ltd. 29) Hiland Traders Pvt Ltd 30) Hiker Properties Pvt. Ltd. 31) India Tyre & Rubber Co (India) Ltd. 32) Indo-Wagon Engineering Ltd. 33) Jessop & Co. Ltd. 34) Jessop Infotech Pvt Ltd 35) Jessop Shipyard Limited 36) Jessop Estate Pvt Ltd 37) Jessop Properties Pvt Ltd 38) Jessop Infrastructure Pvt Ltd 39) Jessop Wagons & Coaches Ltd 40) Jai Vaibhav Niketan Pvt. Ltd.41) Jai Brijmohan Niketan Pvt. Ltd 42) Jai Harihor Tower Pvt. Ltd. 43) Jai Raghuvir Enclave Pvt. Ltd. 44) Jai Ganga Nirman Pvt. Ltd. 45) Jai Badrinath Niketan Pvt. Ltd. 46) Jai Tridev Vihar Pvt. Ltd. 47) Jai Gokul Towers Pvt. Ltd. 48) Kailash Enterprises ( New Delhi) Pvt Ltd 49) Kulu Properties & Finance Pvt Ltd 50) Liluah Ceramics Pvt. Ltd. 51) Manali Properties & Finance Pvt. Ltd. 52) Malini Properties Pvt Ltd 53) Metropole Hills Hotel Pvt. Ltd. 54) Monotona Tyres Limited 55) Mudrika Commercials Pvt. Ltd. 56) Mugdha Properties Pvt Ltd 57) Manjari Properties Pvt. Ltd. 58) Manidipa Properties Pvt. Ltd. 59) Nandini Properties Pvt Ltd 60) Nevadita Properties Pvt Ltd 61) Pacific Apparels Ltd. 62) Pallavi Manufacturers Pvt Ltd 63) Parnika Marketing Pvt Ltd 64) Pawan Herbals Pvt. Ltd. 65) Radiant Investment Ltd-Mauritius 66) Raghav Industries Ltd. 67) Rapid Investment Ltd – Mauritius 68) Ruia & Sons Pvt Ltd 69) Ruia Agro Products Pvt. Ltd. 70)Ruia Hospital & Educational Research Institution 71) Ryham Pte limited- Singapore 72) Rose Investment Ltd-Mauritius 73) Schlegel Automotive Europe Ltd UK 74) Schlegel Automotive India Pvt.Ltd 75) Securities Brokers India limited 76) Shalini Properties & Developers Pvt. Ltd. 77) Spices Valley Estates Ltd. 78) SPR Resorts Ltd.



79) SPR Textiles Pvt. Ltd. 80) Sanjose Polymers Pvt Ltd. 81) Subhra Marketing Ltd. 82) Suryamani Financing Company Ltd. 83) Satarupa Properties Pvt. Ltd. 84) Sagarika Properties Pvt Ltd 85) Walker Properties Pvt Ltd 86) Wealthsea Pte. Ltd.- Singapore 87) Wealth overseas Pte Ltd-Singapore 88) Wealth ocean Pte Ltd- Singapore 89) Zipco Industrial Finance Pvt. Ltd.

iv. Key Management Personnel : Mr. Rakesh Kumar Budhiraja, Executive Director

b. The Company's related party transactions during the year and outstanding balances as at 31st March, 2010 are as below :

(Rs. in lakhs)

Particulars	Enterprises where control exists		Associates		Key Management Personnel		Total	
	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09
<b>Income</b>								
-Falcon Tyres Ltd			264.72	12.48			264.72	12.48
-Monotona Tyres Ltd			-	9.45			-	9.45
-India Tyre & Rubber Co. (India) Ltd.			-	7.97			-	7.97
<b>Sales - Raw Material &amp; Finished Goods :</b>								
-India Tyre & Rubber Co. (India) Ltd.			17.66	82.49			17.66	82.49
-Falcon Tyre Impex			813.24	-			813.24	-
-Falcon Tyres Ltd			15.42	23.50			15.42	23.50
-Monotona Tyres Ltd			-	115.27			-	115.27
<b>Sale of Investment</b>								
-Dunlop Investments Ltd.			-	100.00			-	100.00
-Ruia Sons Pvt Ltd			-	5.00			-	5.00
<b>Assignment of Rights</b>								
-Ruia Sons Pvt Ltd			-	200.00			-	200.00
<b>Expenses</b>								
Cost of Raw Material & Finished Goods								
-Monotona Tyres Ltd.			56.96	101.62			56.96	101.62
<b>Remuneration</b>								
- Mr D P Dani					23.67	31.00	23.67	31.00
-Mr. R K Budhiraja					16.68	-	16.68	-
<b>Assets</b>								
Expenses paid by the Company on behalf of the Associates which is adjusted against either expenses paid by the associates on behalf of the Company or reimbursed :								
-Falcon Tyres Ltd			68.83	-			68.83	-
-Suryamani Financing Co. Ltd.			412.12	-			412.12	-
-India Tyre & Rubber Co.(India) Ltd.			-	7.97			-	7.97
-Bhartiya Hotels Ltd.			-	48.55			-	48.55
Expenses paid by the Associates on behalf of the Company which is adjusted against either paid by the Company or reimbursed :								
-Ruia Sons Pvt. Ltd.			79.78	245.83			79.78	245.83
-Falcon Tyres Ltd.			19.87	198.99			19.87	198.99
-Monotona Tyres Ltd.			468.21	15.28			468.21	15.28
-Suryamani Financing Co. Ltd.			-	5422.48			-	5422.48
-SPR Textiles Pvt. Ltd.			-	4.00			-	4.00
-Jessop & Co.			-	120.81			-	120.81
<b>Equity Contribution in Subsidiary</b>								
-Ebony Commercials Pvt. Ltd.	-	2.05					-	2.05
-Wizer Advertising Pvt. Ltd.	-	1.00					-	1.00
<b>Equity Contribution in Group Company</b>								
-Global Finvest Ltd.			-	4.00			-	4.00
<b>Balances Outstanding :</b>								
<b>As Unsecured Loan</b>								
-Suryamani Financing Co. Ltd.			4128.46	4540.58			4128.46	4540.58
<b>As Loans &amp; Advances</b>								
-Falcon Tyres Ltd.			48.96	-			48.96	-
<b>As Debtors</b>								
-Falcon Tyres Ltd.			15.42	-			15.42	-
-Falcon Tyres Impex Ltd.			16.50	-			16.50	-
-India Tyre & Rubber Co. (India) Ltd.			2.12	-			2.12	-
<b>As Current Liabilities</b>								
-Falcon Tyres Ltd.			181.76	-			181.76	-



	For the Year ended 31.03.2010 (Rs. Lacs)	For the Year ended 31.03.2009 (Rs. Lacs)
9. Auditors' Remuneration and Expenses :		
a) Statutory Audit Fees	1.00	1.00
Tax Audit Fees	0.25	0.25
Other Certification, etc.	1.10	0.93
	<u>2.35</u>	<u>2.18</u>
b) Cost Audit Fees	0.35	0.35
<b>Total</b>	<b>2.70</b>	<b>2.53</b>
10. Directors' Remuneration :		
Salary and Allowances	35.95	15.60
Estimated value of other benefits	4.40	15.40
	<u>40.35</u>	<u>31.00</u>

11. The Company had recognized deferred tax asset as on 31.03.2007 on account of carried forward business losses and unabsorbed depreciation under Income Tax Act, 1961. This was adjusted against General Reserve. The Company has filed a petition on 11<sup>th</sup> March, 2010 before Hon'ble Calcutta High Court seeking extension of carry forward losses period beyond 8 years because the Company was under BIFR. Pending decision, Rs 3358 lakhs, which was adjusted against General Reserve in 2007-08 & 2008-09 has been brought back to General Reserve.

The break-up of Deferred Tax Assets :

	2009-10 (Rs in lakhs)	2008-09 (Rs in lakhs)
43 B items under Income Tax Act, carried forward loss and unabsorbed depreciation	9740.00	6360.00
Deferred Tax Liabilities :		
Depreciation	186.00	164.00
Net Deferred Tax Assets	9554.00	6196.00

12. Refurbishment work for restoration of the Installed Capacities is still in progress at Company's both the plants at Sahaganj and Ambattur, the restoration work of all the major utility services and a small portion of production facilities has been already completed at both the plants. Company's products have been sold in the market in the normal course of business and such sales have been duly recognized in these accounts. Direct expenses including Gratuity, working capital interest as allocable to restoration of capacity amounting to Rs 4553.30 lakhs (P.Y. 3180.38 lakhs) have been capitalized during the year.

13. Company revalued its Fixed assets last on 31.3.2007 by approved valuers on 'Open Market Value Method/ Net Replacement value Method' and consequential increase in value of fixed assets amounting to Rs 107207 lakhs has been added to Revaluation Reserve. Differential depreciation on asset is being adjusted against Revaluation Reserve amounting to Rs. 3806.49 lakhs (P.Y. 3806.49 lakhs).

14. Defined contribution plan

Reconciliation of opening and closing balances of the present value of Deferred Benefit Obligation :

Particulars	2009-10	2008-09
<b>i) Change in Defined Benefit Obligation</b>		
1) DBO at beginning of the period	802.36	838.19
2) Service Cost	79.39	105.96
3) Interest Cost	56.38	48.60
4) Actuarial Losses/( Gains)	54.14	255.73
5) Benefit Payments	(60.15)	(446.12)
6) DBO at closing of the period	932.12	802.36
<b>ii) Change in Fair Value of Assets</b>		
1) Fair value of Plan Assets at beginning of the period	N.A.	N.A.
2) Expected return on plan assets	N.A.	N.A.
3) Actual Company Contributions	60.15	446.12
4) Benefit Payments	(60.15)	(446.12)
5) Fair value of Plan Assets at closing of the period	-	-
<b>iii) Net Asset/(Liability) Recognised in Balance Sheet 31.3.2010</b>		
1) Present Value of Defined Benefit Obligation	932.12	802.36
2) Fair Value of Plan Assets	-	-
3) Funded Status (Surplus/ (deficit))	(932.12)	(802.36)
4) Net Asset/(Liability) recognised in the Balance Sheet (932.12 )		(802.36)
<b>iv) Disclosure of Employer expenses</b>		
1) Current Service Cost	79.39	105.96
2) Interest Cost	56.38	48.60
3) Expected Return on Plan Assets	-	-
4) Actuarial Losses/( Gains)	54.14	255.73
5) Total employer expense recognised as expenses	189.91	410.29
<b>v) Assumptions</b>		
1) Discount Rate	7.30%	7.30%
2) Expected Return on Plan Assets	N.A.	N.A.

15. Based on the legal opinion obtained by the Company that the provisions of the Section 115JB of the Income Tax Act., 1961 are not applicable to the Company, no provision has been made for taxation in these accounts in view of huge carried forward business losses as per the Income Tax Act., 1961.

16. a) None of the supplier have reported Micro, Small and Medium Enterprises status as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues.

b) Confirmation of balances has been sought from sundry creditors, sundry debtors and loans & advances given to parties. Confirmations are awaited.

17. Company recognized all the known liabilities related to pre take over period but there may be still some liabilities which are not known to Company. As and when they will arise company will contest and provide the same on determination.



**18. Production, Sales, and Stocks of each class of manufactured goods/traded goods.**

Class of Goods	Licensed Capacity	Installed Capacity	Opening Stock	Production	Purchase	Closing Stock	Gross Sale
Automotive Tyres (No '000)	3500	3221	0.30 (6.00)	29.30* (21.00)	177.61 (168.97)	9.40 (0.30)	197.81 (193.67)
Value (Rs in lakhs)			43.52 (392.15)		15787.79 (13683.94)	786.79 (43.52)	17476.61 (17746.38)
Automotive Tubes (No '000)	2927	3292	1.70 (12.00)		15.75 (12.15)	3.06 (1.70)	14.39 (22.45)
Value (Rs in lakhs)			12.89 (78.85)		102.83 (87.52)	22.62 (12.89)	107.87 (177.99)
Braided & Hydraulic Hoses (Mtr '000)	2000	2250	3.20 (3.00)	10.66 (72.00)		5.23 (3.20)	8.63 (71.80)
Value (Rs in lakhs)			3.28 (1.84)			3.45 (3.28)	7.57 (39.65)
Textile & Steel Cord Belting (Mtr '000)	253	244		0.60 (14.00)			0.60 (14.00)
Value (Rs in lakhs)							10.09 (40.52)
Transmission Belting	915	1432	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
PVC Belting	122	142	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Metalastic	560	700	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Repair Material	1823	1823	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Dunloflex Hose	195	244	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Others							
Value (Rs in lakhs)			3.68 (15.30)		32.25 (27.69)	9.67 (3.68)	28.80 (46.39)
Total Value			63.37 (488.14)		15922.87 (13799.15)	822.53 (63.37)	17630.94 (18050.93)

\* Includes production of 12307 no. tyres on Job work from outside party. Figures within brackets indicates figures for previous year.

**19. Income and Expenditure in Foreign Currency**

	For the Year ended 31.03.2010 (Rs. Lacs)	For the Year ended 31.03.2009 (Rs. Lacs)
Income :		
FOB Value of Exports	-	165.06
Royalty	18.63	-
Expenditure :		
Clf Value of Imports -		
- Finished Goods	-	-
- Capital Goods	-	-
- Raw Materials	-	319.99
- Stores & Spares	1.72	-
Technical & Professional Fee	-	-
Traveling and other expenses	-	6.70

**20. Raw Material Consumption :**

	For the Year ended 31.03.2010 (Rs. Lacs)		For the Year ended 31.03.2009 (Rs. Lacs)	
	Qty (MT)	(Rs. Lacs)	Qty (MT)	(Rs. Lacs)
Rubber	773	987.42	681	770.45
Fabric	188	500.61	150	261.80
Carbon Black	355	228.19	305	243.27
Others		222.66		89.14
		<u>1938.88</u>		<u>1364.66</u>

**21. Consumption of Imported and Indigenous Raw Materials, Stores & Spare Parts :**

	For the Year ended 31.03.2010 (Rs. Lacs)		For the Year ended 31.03.2009 (Rs. Lacs)	
	Value (Rs. Lacs)	%	Value (Rs. Lacs)	%
Imported	68.13	3.50	21.93	1.59
Indigenous	1879.29	96.50	1357.00	98.41
	<u>1947.42</u>	<u>100.00</u>	<u>1378.93</u>	<u>100.00</u>

22. The Company operates in the single segment, i.e. manufacturing/trading of Rubber products, such as Automotive Tyres, Tubes, Industrial Hoses, Transmission and Conveyor Belting, etc., hence the Accounting Standard 17 regarding Segment Reporting is not applicable.

**23. Future payment liability in respect of HP loan for Vehicles as per AS19 is as follows :**

2010-11	20.73 lacs
2011-12	2.09 lacs
<b>Total</b>	<b>22.82 lacs</b>

**24. Accounting Standard 20 on Earning Per Share issued by The Institute of Chartered Accountants of India, the Earning Per Share have been calculated as below :**

Particulars	For the Year ended 31.03.2010	For the Year ended 31.03.2009
Basic and Diluted Earning / (Loss) Per Share Before Extraordinary Items		
No of Shares Outstanding for the period	7,19,82,875	7,19,82,875
Face Value of each Share (Rs)	10	10
Net Profit / (Loss) after Tax (Rs. Lacs)	126.71	136.23
Add/(Less) : Extraordinary Items (Rs. Lacs)	-	-
Net Profit / (Loss) after Tax for calculation of Earning/(Loss) per Share before extraordinary items (Rs. Lacs)	126.71	136.23
Basic and Diluted Earning / (Loss) Per Share Before Extraordinary Items (Re)	0.18	0.19
Basic and Diluted Earning / (Loss) Per Share After Extraordinary Items		
No of Shares Outstanding for the period	7,19,82,875	7,19,82,875
Face Value of each Shares (Rs)	10	10
Net Profit / (Loss) after Tax (Rs. Lacs)	126.71	136.23
Basic and Diluted Earning / (Loss) Per Share After Extraordinary Items (Re)	0.18	0.19

25. Previous year's figures have been regrouped/re-arranged wherever necessary.

As per our Report Attached For and on behalf of	For and on behalf of the Board			
<b>K N Gutgutia &amp; Co.</b> Chartered Accountants K C Sharma Partner	<b>P. K. Ruia</b> Chairman	<b>D. Rudra</b> Director	<b>M. L. Chauhan</b> Director	<b>R. K. Sadhu</b> Director
Membership No. 50819 Kolkata, 22nd April, 2010	<b>R. K. Gupta</b> Sr. Vice President - Finance & CFO	<b>A. K. Agarwal</b> Vice President - Legal and Company Secretary		




**BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE**

(As per Schedule VI, Part (iv) of the Companies Act, 1956)

**I. Registration Details**

Registration No.	8539	State Code	21
Balance Sheet Date	31.3.2010		

**II. Capital raised during the year (Amount in Rs. '000)**

Public Issue	NIL	Bonus Issue	NIL
Rights Issue	NIL	Private Placement	NIL

**III. Position of Mobilisation & Deployment of Funds (Amount in Rs. '000)**

Total Liabilities	14,092,673	Total Assets	14,092,673
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**Sources of Funds**

Paid-up Capital	719,829	Secured Loans	457,932
Reserves & Surplus	10,630,396	Unsecured Loans	1,987,885
		Long Term Trade Liabilities	296,631

**Application of Funds**

Net Fixed Assets	12,772,577	Investments	905
Deferred Tax Assets	955,400	Net Current Assets	363,791
Misc. Expenditure	NIL		

**IV. Performance of Company (Amount in Rs. '000)**

Turnover & Other Income	1,807,021	Total Expenditure	1,792,893
Profit/(Loss) before Tax and Exceptional Item	14,128	Profit/(Loss) after Tax and Exceptional Item	12,671
Earning per Share in Rs.	0.18	Dividend Rate	NIL

**V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)**

Item Code No. (ITC Code)	Tyres	Tubes	Flaps	Others
Passenger/Jeep	40,11,10,00	40,13,10,01		
Bus/Lorries	40,11,20,00	40,13,10,02	40,12,90,04	
Aircraft	40,11,30,00	40,13,90,01		
Off The Road	40,11,99,01	40,13,90,03		
Tractor	40,11,99,02	40,13,90,04		
Transmission belting				40,10,99,04
Conveyor belting				40,10,99,01
Vee & Fan Belts				40,10,10,02
Hydraulic Braded hose				40,09,50,03
H.P hose				40,09,50,01

As per our Report Attached

For and on behalf of

**K N Gutgutia & Co.**  
 Chartered Accountants  
**K C Sharma**

Partner

 Membership No. 50819  
 Kolkata, 22nd April, 2010

For and on behalf of the Board

**P. K. Ruia**  
 Chairman

**D. Rudra**  
 Director

**M. L. Chauhan**  
 Director

**R. K. Sadhu**  
 Director

**R. K. Gupta**  
 Sr. Vice President -  
 Finance & CFO

**A. K. Agarwal**  
 Vice President - Legal  
 and Company Secretary

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATED TO ITS SUBSIDIARY COMPANIES**

1. Name of the Subsidiary Companies	EBONY COMMERCIALS PRIVATE LTD.	WIZER ADVERTISING PRIVATE LTD.
2. Financial Year of the Subsidiary Companies ended on	31st March, 2010	31st March, 2010
3. Shares of the Subsidiaries held by Dunlop India Limited on the above date		
a ) Number and Face Value	20,500 Equity Shares of Rs.10/- each fully paid	10,000 Equity Shares of Rs.10/- each fully paid
b ) Extent of holding	100%	100%
4. Net aggregate amount of Profits / (Losses) of the subsidiaries so far as they concerned members of the holding company		
i) For the said financial year of the subsidiaries		
a) dealt with in the accounts of the holding Company	NIL	NIL
b) not dealt with in the accounts of the holding Company	Rs. (4,405)	Rs. (36,622)
ii) For the previous financial years of the subsidiary since it become the holding company's subsidiary		
a) dealt with in the accounts of the holding Company	NIL	NIL
b) not dealt with in the accounts of the holding Company	Rs. (35,551)	Rs. (1,49,833)
5. As the financial year of the Subsidiary Companies coincide with the financial year of the holding Company, section 212(5) of the Companies Act, 1956 is not applicable		

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For and on behalf of the Board

**P. K. Ruia**  
*Chairman*

**D. Rudra**  
*Director*

**M. L. Chauhan**  
*Director*

**R. K. Sadhu**  
*Director*

Place : Kolkata  
Kolkata, 22nd April, 2010

**R. K. Gupta**  
*Sr. Vice President -  
Finance & CFO*

**A. K. Agarwal**  
*Vice President - Legal  
and Company Secretary*

**AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To  
The Board of Directors  
DUNLOP INDIA LIMITED

1. We have audited the attached Consolidated Balance Sheet of Dunlop India Limited as at 31st March 2010 and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiaries whose financial statements reflect total assets of Rs.50.67 lacs as at 31st March, 2010, the total revenue of Rs.0.97 lacs and cash inflows amounting to Rs.0.54 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of the other auditors.

4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

*We draw attention to the note no 4(d) regarding non provision of interest on certain loans, note no. 10 regarding Deferred Tax Assets and note no. 11 regarding Capitalisation of expenses for Refurbishment of Schedule 19B as at 31st March 2010 and based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:*

- a) in the case of the Consolidated Balance Sheet, of the state of the affairs of the Dunlop India Limited as at 31st March, 2010,
- b) in the case of Consolidated Profit & Loss Account, Profit for the year ended on that date, and
- c) in the case of the Consolidated Cash Flow Statement, of the Cash Flows for the year on that date.

**for K N GUTGUTIA & CO.**  
Chartered Accountants  
Firm's registration No. 304153E

6C, Middleton Street  
Kolkata - 700 071  
Dated : April 22, 2010

**K C Sharma**  
Partner  
Membership No. 50819



**CONSOLIDATED BALANCE SHEET**  
As At 31st March, 2010

Schedule	As at 31st March, 2010 Rs. Lakhs	As at 31st March, 2009 Rs. Lakhs
<b>SOURCES OF FUNDS</b>		
<b>Share Holders' Funds</b>		
Share Capital	1 7,198.29	7,198.29
Reserves and Surplus	2 106,351.58	106,894.30
	113,549.87	114,092.59
<b>Loan Funds</b>		
Secured Loans	3 4,579.32	1,205.83
Unsecured Loans	4 19,878.85	15,995.21
	24,458.17	17,201.04
Long Term Trade Liabilities	2,966.31	3,020.56
<b>Total</b>	<b>140,974.35</b>	<b>134,314.19</b>
<b>APPLICATION OF FUNDS</b>		
<b>Fixed Assets</b>		
(a) Gross Block	172,939.38	172,928.04
(b) Less : Depreciation	53,348.02	49,400.35
(c) Net Block	119,591.36	123,527.69
(d) Capital Work-in-Progress	8,137.23	3,546.94
	127,728.59	127,074.63
Investments	6 6.00	6.00
Deferred Tax Assets	9,554.00	6,196.00
<b>Current Assets, Loans and Advances</b>		
(a) Inventories	7 4,495.35	1,406.54
(b) Sundry Debtors	8 5,018.55	5,626.21
(c) Cash and Bank Balances	9 396.93	175.52
(d) Loans and Advances	10 2,605.62	1,852.74
	12,516.45	9,061.01
<b>Less : Current Liabilities and Provisions</b>		
(a) Liabilities	11 7,898.57	7,492.10
(b) Provisions	11 932.12	802.36
	8,830.69	8,294.46
<b>Net Current Assets</b>	3,685.76	766.55
Miscellaneous Expenses (To the extent not written off)	-	271.01
<b>Total</b>	<b>140,974.35</b>	<b>134,314.19</b>
<b>Accounting Policies and Notes on Accounts</b>	19	

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report Attached For and on behalf of	For and on behalf of the Board			
<b>K N Gutgutia &amp; Co.</b> Chartered Accountants K C Sharma Partner Membership No. 50819 Kolkata, 22nd April, 2010	<b>P. K. Ruia</b> Chairman	<b>D. Rudra</b> Director	<b>M. L. Chauhan</b> Director	<b>R. K. Sadhu</b> Director
	<b>R. K. Gupta</b> Sr. Vice President - Finance & CFO	<b>A. K. Agarwal</b> Vice President - Legal and Company Secretary		

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
FOR THE YEAR ENDED 31ST MARCH, 2010

Schedule	For the year ended 31st March, 2010 Rs. Lakhs	For the year ended 31st March, 2009 Rs. Lakhs
<b>INCOME</b>		
Sales	12 17,555.74	17,737.96
Other Income	13 515.44	562.84
	18,071.18	18,300.80
<b>EXPENDITURE</b>		
Raw Material & Finished Goods	14 16,908.59	15,682.43
Manufacturing, Selling and Administration Expenses	15 599.17	1,643.11
	17,507.76	17,325.54
<b>Profit/(Loss) before interest and depreciation</b>	563.42	975.26
Financing Charges	16 281.47	701.90
<b>Profit/(Loss) before depreciation</b>	281.95	273.36
Depreciation	3,947.67	3,942.89
Less : Transfer from Revaluation Reserve	3,806.95	3,806.95
	140.72	135.94
<b>Profit/(Loss) after depreciation before exceptional items</b>	141.23	137.42
Exceptional Items	17 (220.43)	(55.51)
Less : Transfer from brought forward Profit & Loss account (Contra)	220.43	-
Prior Period Adjustments	18 (14.57)	54.27
<b>Profit/(Loss) after exceptional items before Tax</b>	126.66	136.18
Provision for Tax - Refer Note 19 B (15)	-	-
<b>Profit/(Loss) after Tax</b>	126.66	136.18
Balance brought forward from previous year	8,497.98	8361.80
Less : Transferred to Exceptional Item (Contra)	220.43	-
Available for Appropriation	8,404.21	8,497.98
<b>Balance carried to Balance Sheet</b>	<b>8,404.21</b>	<b>8,497.98</b>
Earning per Share (Face value per share of Rs.10/- each) :		
Before Extraordinary items (Rs)	0.18	0.19
After Extraordinary items (Rs)	0.18	0.19
<b>Accounting Policies and Notes on Accounts</b>	19	

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our Report Attached For and on behalf of	For and on behalf of the Board			
<b>K N Gutgutia &amp; Co.</b> Chartered Accountants K C Sharma Partner Membership No. 50819 Kolkata, 22nd April, 2010	<b>P. K. Ruia</b> Chairman	<b>D. Rudra</b> Director	<b>M. L. Chauhan</b> Director	<b>R. K. Sadhu</b> Director
	<b>R. K. Gupta</b> Sr. Vice President - Finance & CFO	<b>A. K. Agarwal</b> Vice President - Legal and Company Secretary		


**CONSOLIDATED CASH FLOW STATEMENT**

for the year ended 31st March, 2010.

	Year ended 31.03.2010 (Rs. In Lacs)	Year ended 31.03.2009 (Rs. In Lacs)
<b>CONSOLIDATED CASH FLOW STATEMENT</b>		
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) before tax and before exceptional item	126.66	191.69
Add: Adjustments for:		
Depreciation	140.72	135.94
Deferred Revenue Expenditure to the extent not written off/adjusted	271.01	(271.01)
Interest/Dividend (Net)	275.78	694.31
<b>Operating Profit / (Loss) before Working Capital changes</b>	<b>814.17</b>	<b>750.93</b>
Adjustments for:		
Trade and other receivables	(150.71)	(2,147.16)
Inventories	(3088.81)	583.08
Trade Payable	536.23	(2,523.07)
Long Term Trade Liabilities	(54.25)	(513.95)
<b>Cash generated from Operations</b>	<b>(1943.37)</b>	<b>(3,850.17)</b>
Direct Taxes (paid) / Refund	5.49	22.86
<b>Cash flow before extraordinary item</b>	<b>(1937.88)</b>	<b>(3,827.31)</b>
Exceptional item	(220.43)	(55.51)
<b>Net Cash Flow from Operating Activities</b>	<b>(2,158.31)</b>	<b>(3,882.82)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4601.63)	(3,626.42)
Movement of Investments	-	3,848.05
Interest Received	5.69	7.59
<b>Net cash used in Investing Activities</b>	<b>(4,595.94)</b>	<b>229.22</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Secured Borrowings	3373.49	(80.30)
Proceeds from Unsecured Borrowings	3883.64	4,365.90
Interest Paid	(281.47)	(701.90)
<b>Net Cash used in Financing Activities</b>	<b>6,975.66</b>	<b>3,583.70</b>
<b>Net Increase / (Decrease) in Cash Equivalents</b>	<b>221.41</b>	<b>(69.90)</b>
Cash and Cash Equivalents as at 01.04.2009	175.52	248.53
Adjustments:		
Cash and Cash Equivalents of subsidiaries ceased to exist as subsidiaries during the year	-	(4.50)
Cash and Cash Equivalents of subsidiaries exist during the year	-	1.39
<b>Cash and Cash Equivalents as at 31.03.2010</b>	<b>396.93</b>	<b>175.52</b>

As per our Report Attached

For and on behalf of

**K N Gutgutia & Co.**  
*Chartered Accountants*
**K C Sharma**  
*Partner*

 Membership No. 50819  
 Kolkata, 22nd April, 2010

**P. K. Ruia**  
*Chairman*
**D. Rudra**  
*Director*
**R. K. Gupta**  
*Sr. Vice President -  
 Finance & CFO*

For and on behalf of the Board

**M. L. Chauhan**  
*Director*
**R. K. Sadhu**  
*Director*
**A. K. Agarwal**  
*Vice President - Legal  
 and Company Secretary*


**SCHEDULES TO THE CONSOLIDATED ACCOUNTS**
**1. SHARE CAPITAL**

	As at 31.3.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
<b>Authorised</b>		
10070000 Preference Share of Rs. 100 each (10070000)	10,070.00	10,070.00
74300000 Equity Shares of Rs10 each (74300000)	7,430.00	7,430.00
	<u>17,500.00</u>	<u>17,500.00</u>
<b>Issued, Subscribed and fully Paid up</b>		
Equity Shares of Rs.10 each		
(a) 61516308 Shares fully paid in cash (61516308)	6,151.63	6,151.63
(b) 199900 Shares allotted as fully paid up (199900) pursuant to a contract without payment being received in cash	19.99	19.99
(c) 10266667 Shares allotted as fully paid up (10266667) by way of bonus shares by capitalisation of reserve and share premium	1,026.67	1,026.67
	<u>7,198.29</u>	<u>7,198.29</u>

**2. RESERVES AND SURPLUS**

	As at 31.03.2009 Rs. Lakhs	Additions Rs. Lakhs	Deductions Rs. Lakhs	As at 31.3.2010 Rs. Lakhs
Capital Reserve	47.72	-	-	47.72
Share Premium Account	264.81	-	-	264.81
Capital Redemption Reserve Account	70.00	-	-	70.00
Revaluation Reserve	93,499.12	-	3,806.95	* 89,692.17
Debentures 1989/91	1.33	-	-	1.33
General Reserve	4,513.34	3,358.00	-	7,871.34
Profit & Loss Account	8,497.98	126.66	220.43	8,404.21
<b>Total</b>	<b>106,894.30</b>	<b>3,484.66</b>	<b>4,027.38</b>	<b>106,351.58</b>
Previous Year	124,122.73	136.18	17,364.61	106,894.30

\* Transfer to Profit & Loss Account on account of Revaluation depreciation Rs.3806.95 Lakhs.

	As at 31.3.2010 Rs. Lakhs	As at 31.03.2009 Rs. Lakhs
<b>3. SECURED LOANS</b>		
Loans from Banks- Cash credit / overdrafts	4,196.45	750.00
Term Loans from Bank/ Financial Institutions	360.05	360.05
Vehicle Loan	22.82	95.78
	<u>4,579.32</u>	<u>1,205.83</u>
<b>4. UNSECURED LOANS</b>		
Fixed Deposits	892.14	893.18
Short Term Loan from Bodies Corporate	18,986.71	15,102.03
	<u>19,878.85</u>	<u>15,995.21</u>

**5. Fixed Assets**

Rs. Lakhs

	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 31.3.2009	Revaluation as on 31.3.2007	Additions	Deductions	As on 31.3.2010	As on 31.3.2009	For the period	Adjustment/ Sale during the period	As on 31.3.2010	As on 31.3.2010	As on 31.3.2009
Freehold Land	33,843.14	-	-	-	33,843.14	-	-	-	-	33,843.14	33,843.14
Freehold Buildings	18,679.45	-	2.04	-	18,681.49	5,667.65	517.10	-	6,184.75	12,496.74	13,011.80
Leasehold Buildings	17.15	-	-	-	17.15	3.93	-	-	3.93	13.22	13.22
Plant and Machinery	119,380.80	-	9.30	-	119,390.10	43,001.39	3,401.04	-	46,402.43	72,987.67	76,379.41
Furniture and Fittings	557.84	-	-	-	557.84	538.68	0.95	-	539.63	18.21	19.16
Motor Vehicles	449.66	-	-	-	449.66	188.70	28.58	-	217.28	232.38	260.96
<b>Total</b>	<b>172,928.04</b>	<b>-</b>	<b>11.34</b>	<b>-</b>	<b>172,939.38</b>	<b>49,400.35</b>	<b>3,947.67</b>	<b>-</b>	<b>53,348.02</b>	<b>119,591.36</b>	<b>123,527.69</b>
Previous Year	172,741.68	10,720.00	186.36	-	172,928.04	45,457.46	3,942.89	-	49,400.35	123,527.69	136,777.49
Capital Work in Progress	3546.94	-	4590.29	-	8137.23	-	-	-	-	8137.23	3546.94


**SCHEDULES TO THE CONSOLIDATED ACCOUNTS**

	As at 31.3.2010 Cost Rs. Lakhs	As at 31.03.2009 Cost Rs. Lakhs		As at 31.3.2010 Cost Rs. Lakhs	As at 31.03.2009 Cost Rs. Lakhs			
<b>6. INVESTMENTS (At cost)</b> (Long term)			<b>9 CASH AND BANK BALANCES</b> (As certified by the Management)					
<b>A. Quoted :</b>			Cash in hand	7.44	0.85			
<b>Non-Trade :</b>			Remittance in Transit With Scheduled Banks	28.60	-			
Equity Shares - fully paid 7,418 Master shares of Rs.10 each of Unit Trust of India	1.00	1.00	On Current accounts	190.46	50.79			
<b>TOTAL (A)</b>	<u>1.00</u>	<u>1.00</u>	Fixed Deposit with bank - In Deposit Account*	79.48	123.88			
<b>B. Unquoted :</b>			- In Margin Deposit Account	90.95	-			
<b>Others :</b>			(Pledged with various authorities)	<u>396.93</u>	<u>175.52</u>			
40, 7% Debentures fully paid of Royal Calcutta Golf Club Ltd.	1.00	1.00	<b>10 LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED)</b>					
5,000 Equity Shares of GBP 1 each fully paid of Global Finvest Ltd.	4.00	4.00	Loans and Advances (Recoverable in cash or kind or value to be received)					
<b>TOTAL (B)</b>	<u>5.00</u>	<u>5.00</u>	Considered Good	2,590.15	1,835.90			
<b>TOTAL (A+B)</b>	<u>6.00</u>	<u>6.00</u>	Interest accrued on Bank deposits	15.47	16.84			
Aggregate Market Value of Quoted Investments	2.25	2.25		<u>2,605.62</u>	<u>1,852.74</u>			
Aggregate Book Value of Quoted Investments	1.00	1.00	<b>11. CURRENT LIABILITIES</b>					
<b>7 INVENTORIES (AT LOWER OF COST OR MARKET VALUE)</b> (As taken, valued and certified by the Management)			Acceptances	3,422.94	3,898.11			
Raw materials	2,903.52	517.70	Sundry Creditors -					
Work-in-progress	253.11	59.11	- Other Suppliers of Goods & Services	2,372.71	1,341.05			
Finished Goods	822.53	63.37	- Advance From Customers	551.27	379.56			
Stock in Transit	73.52	268.89	- Deposits	750.60	776.17			
Stores and spare parts	92.67	147.47	- Others	801.05	7,898.57			
Immovable Property	350.00	350.00	Temporary overdraft from Banks	-	4.34			
	<u>4,495.35</u>	<u>1,406.54</u>	Provisions for Grautuity	932.12	802.36			
				<u>8,830.69</u>	<u>8,294.46</u>			
<b>8 SUNDRY DEBTORS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)</b>			<b>12. SALES</b>					
Debts outstanding for a period exceeding six months :				31.03.2010	31.03.2009			
Considered Good	3,989.06	458.94	Product Group	Unit	Quantity	Value	Quantity	Value
Considered Doubtful	-	-	Automotive Tyres	No.	20	1,354.63	25	2,666.39
Other Debts - Considered Good	1,029.49	5,167.27	Automotive Tubes	No.	-	-	-	0.17
	<u>5,018.55</u>	<u>5,626.21</u>	Braided & Hydraulic Brake Hoses	Mtr.	9	7.57	69	39.65
			Transmission Belting	Mtr.	1	10.09	14	40.52
			Traded Automotive Tyres	No.	178	16,121.98	169	15,079.99
			Traded Automotive Tubes	No.	14	107.87	22	177.82
			Others			28.80		46.39
						17,630.94		18,050.93
			Less : Excise Duty on Despatch			75.20		312.97
						<u>17,555.74</u>		<u>17,737.96</u>




**SCHEDULES TO THE CONSOLIDATED ACCOUNTS**
**13 OTHER INCOME**

	31.03.2009	31.03.2008
	Rs. Lakhs	Rs. Lakhs
Dividend from Investment	-	-
Liability Written back	132.96	235.04
Royalty and Assignment	18.63	200.00
Sale of Scrap	77.10	67.36
Income from Job Work	264.72	-
Miscellaneous	16.34	52.85
Interest on Bank Fixed Deposit	5.69	7.59
	<u>515.44</u>	<u>562.84</u>

**14. RAW MATERIALS AND FINISHED GOODS**

	31.3.2010	31.03.2009
	Rs. Lakhs	Rs. Lakhs
Opening Stock As on 1.4.09		
Raw Materials	517.70	911.54
Work-in-Progress	59.11	152.95
Finished Goods	63.37	488.14
	<u>640.18</u>	<u>1,552.63</u>
Add : Purchases		
Raw Materials	4,324.70	970.83
Finished Goods	15,922.87	13,799.15
	<u>20,247.57</u>	<u>14,769.98</u>
Deduct :		
Closing Stock As on 31.3.2010		
Raw Materials	2,903.52	517.70
Work-in-Progress	253.11	59.11
Finished Goods	822.53	63.37
	<u>3,979.16</u>	<u>640.18</u>
	<u>16,908.59</u>	<u>15,682.43</u>

**15. MANUFACTURING, SELLING AND ADMINISTRATION EXPENSES**

	31.03.2010	31.03.2009
	Rs. Lakhs	Rs. Lakhs
Salaries, Wages and Bonus etc.	106.57	373.70
E R S	31.84	67.75
Contributions to Provident and Other Funds	4.72	19.81
Gratuity	15.19	446.12
Employees' State Insurance	2.19	5.77
Workmen and Staff Welfare Expenses	4.21	1.79
Conversion Charges		166.93
Fuel, light and water		39.29
Consumption of stores & spare parts		8.54
Repairs : Buildings	1.65	3.69
Machinery	4.40	1.99
Others	3.55	0.49
Rent and Maintenance Charge	26.41	6.90
Rates and Taxes	7.08	0.26
Insurance	7.13	26.44
Rebates, Discount & Commission	61.71	273.88
Freight & Delivery Charges	14.42	61.91
Directors' Sitting Fees	2.15	1.80
General Expenses	91.19	204.44
	<u>599.17</u>	<u>1,643.11</u>

**16. FINANCING CHARGES**

	31.3.2010	31.03.2009
	Rs. Lakhs	Rs. Lakhs
L/C Charges	-	9.06
Loan Processing Fees	41.70	28.22
Interest on Loan for others	239.77	664.62
	<u>281.47</u>	<u>701.90</u>

**17. EXCEPTIONAL ITEMS**

	31.3.2010	31.03.2009
	Rs. Lakhs	Rs. Lakhs
Recovery of Bad Debt	-	19.11
Assets written off earlier year now recovered	-	11.42
Liabilities written back in earlier years now paid	(2.84)	(86.04)
Stamp Duty recoverable now written off	(717.59)	-
Reunciation of tenancy rights	500.00	-
	<u>(220.43)</u>	<u>(55.51)</u>

**18. PRIOR PERIOD ADJUSTMENTS**

	31.3.2010	31.03.2009
	Rs. Lakhs	Rs. Lakhs
Income of previous years	-	57.47
Expenses of Previous year	(14.57)	(51.17)
Reversal of Earlier year Expenses	-	47.97
Interest on Loan	-	-
	<u>(14.57)</u>	<u>54.27</u>

**19. Accounting Policies and Notes to the Accounts**
**A. a) Principles of Consolidation**

The Consolidated Financial Statements of Dunlop India Ltd. ("the Company") and its subsidiary companies have been prepared in accordance with Accounting Standard (AS 21) on Consolidated Financial Statements issued by The Institute of Chartered Accountants of India (the ICAI).

The Consolidated Financial Statements relate to Dunlop India Limited and its subsidiaries incorporated in India, viz., Ebony Commercial Private Ltd and Wizer Advertising Private Ltd.

The basis of the preparation of the Consolidated Financial Statements is as follows :

- The financial statements (the Balance Sheet and Profit & Loss Account) of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and transactions and the resulting unrealised profits or losses.
- The financial statements of subsidiaries used in the consolidation are drawn upto 31st March, 2009, the same reporting date as that of the Company.
- The subsidiaries being wholly owned, no Goodwill / Capital Reserve and Minority interest have arisen.

- b) Accounting Policies of the Company and its subsidiaries is set out in their respective financial statements.



**B. NOTES TO THE CONSOLIDATED ACCOUNTS**

	31.03.2010 (Rs. in lacs)	31.03.2009 (Rs. in lacs)
1) <b>Contracts remaining to be executed :</b> Estimated amount of contracts remaining to be executed on Capital Account and not provided for- net of advance payments.	75.00	-
2) <b>Contingent Liabilities (to the extent ascertainable)</b> Claims against the Company not acknowledged as debts	-	-
a) Sales Tax Demands under appeal or otherwise disputed	17902.82	21853.00
b) Income tax matters in appeal	400.00	-
c) In respect of guarantee issued in favour of WBSEDCL.	145.20	-
3. In respect of the sale proceeds of Rs.70 lacs realized from a certain party in earlier years, the Company deposited the amount with the Chennai High Court, and out of the same, a sum of Rs.35 lacs has been utilized for payment of outstanding dues of employees. The balance lying with the court is pending adjudication.		
4. Loan Fund Include :		
a. Cash credit / Overdraft are secured by hypothecation of inventories, book debts and all other current assets, both present and future liability of Rs 3446.45 lakhs from Central Bank of India are further secured by first charge on the property at Sahaganj.		
b. Term loans from KSIIDC of Rs.360.05 lacs are secured by an equitable mortgage of land at Mysore.		
c. Vehicle loans from Banks/NBFC are secured by way of hypothecation of vehicles.		
d. No provision has been made for Interest on loans from Catholic Syrian Bank and KSIIDC in the books of accounts. The company is in the process of making one time settlement with respective parties.		
5. Fixed Deposits were accepted till 1997 and have fallen due for repayment with earlier management. In terms of the order received from the Company Law Board, this will be dealt with as per the directions received from the appropriate Authority. However the present management has paid Rs.253.19 Lakhs after takeover to the FD holders.		
6. Present Directors are not disqualified in terms of Section 274(1)(g) of the Companies Act, 1956, as legally advised.		
7. As per the opinion obtained by the company no depreciation has been charged on the Assets amounting to Rs. 17443.07 lakhs capitalized on 31.3.08 and not put to use.		
8. Particulars in terms of the regulation/ directions issued by SEBI :		
a. The companies in the group as disclosed below are directly / indirectly controlled by the Ruia Group of Companies under the chairmanship of Sri Pawan Kumar Ruia and its various subsidiary / associate companies which held the controlling stake in the Company during the year ended 31st March 2010 :		
i. Holding Company : Wealth Sea Pte. Ltd. (Singapore) through DIL Rim and Wheel Corporation Limited, Mauritius.		

ii. Associate / Group Companies :

- 1) Acurate Traders Pvt Ltd 2) Alpha Airways Pvt Ltd 3) Anoush Traders Pvt Ltd 4) Aparupa Properties Pvt. Ltd. 5) Bharatiya Hotels Pvt Ltd 6) Bloom Billions Sdn Bhd- Malaysia 7) BTR Sealing System UK Ltd – UK 8) Chinsurah Chemicals Pvt Ltd 9) Climber Properties Pvt. Ltd. 10) Draftex Automotive , GMBH 11) Dunlop Estates Pvt Ltd 12) Dunlop Infrastructure Pvt Ltd 13) Dunlop Investments Ltd. 14) Dunlop Properties Pvt Ltd 15) Dunlop Rubber limited 16) Dunlop Tyres limited 17) Dunlop UK limited UK 18) Dunlop Polymers Pvt Ltd (Formerly Jacob & Jacob Polymer Pvt Ltd) 19) Falcon Tyres Ltd. 20) Falcon Tyres & Rubber Pvt Ltd 21) Falcon Tyres Impex Pvt Ltd 22) Fiber Foam (Bombay) Pvt Ltd 23) Global Finvest Ltd UK 24) Globe Sugar Refinery Ltd 25) Goldman Stock & Brokers Ltd 26) Global Fin Pro Ltd 27) Hirakud Industrial Works Ltd. 28) Hirakud Rolling Mill Ltd. 29) Hiland Traders Pvt Ltd 30) Hiker Properties Pvt. Ltd. 31) India Tyre & Rubber Co (India) Ltd. 32) Indo-Wagon Engineering Ltd. 33) Jessop & Co. Ltd. 34) Jessop Infotech Pvt Ltd 35) Jessop Shipyard Limited 36) Jessop Estate Pvt Ltd 37) Jessop Properties Pvt Ltd 38) Jessop Infrastructure Pvt Ltd 39) Jessop Wagons & Coaches Ltd 40) Jai Vaibhav Niketan Pvt. Ltd. 41) Jai Brijmohan Niketan Pvt. Ltd 42) Jai Harihor Tower Pvt. Ltd. 43) Jai Raghuvir Enclave Pvt. Ltd. 44) Jai Ganga Nirman Pvt. Ltd. 45) Jai Badrinath Niketan Pvt. Ltd. 46) Jai Tridev Vihar Pvt. Ltd. 47) Jai Gokul Towers Pvt. Ltd. 48) Kailash Enterprises ( New Delhi) Pvt Ltd 49) Kulu Properties & Finance Pvt Ltd 50) Liluah Ceramics Pvt. Ltd. 51) Manali Properties & Finance Pvt. Ltd. 52) Malini Properties Pvt Ltd 53) Metropole Hills Hotel Pvt. Ltd. 54) Monotona Tyres Limited 55) Mudrika Commercials Pvt. Ltd. 56) Mugdha Properties Pvt Ltd 57) Manjari Properties Pvt. Ltd. 58) Manidipa Properties Pvt. Ltd. 59) Nandini Properties Pvt Ltd 60) Nevadita Properties Pvt Ltd 61) Pacific Apparels Ltd. 62) Pallavi Manufacturers Pvt Ltd 63) Parnika Marketing Pvt Ltd 64) Pawan Herbs Pvt. Ltd. 65) Radiant Investment Ltd-Mauritius 66) Raghav Industries Ltd. 67) Rapid Investment Ltd – Mauritius 68) Ruia & Sons Pvt Ltd 69) Ruia Agro Products Pvt. Ltd. 70) Ruia Hospital & Educational Research Institution 71) Ryham Pte limited- Singapore 72) Rose Investment Ltd-Mauritius 73) Schlegel Automotive Europe Ltd UK 74) Schlegel Automotive India Pvt.Ltd 75) Securities Brokers India limited 76) Shalini Properties & Developers Pvt. Ltd. 77) Spices Valley Estates Ltd. 78) SPR Resorts Ltd. 79) SPR Textiles Pvt. Ltd. 80) Sanjose Polymers Pvt Ltd. 81) Subhra Marketing Ltd. 82) Suryamani Financing Company Ltd. 83) Satarupa Properties Pvt. Ltd. 84) Sagarika Properties Pvt Ltd 85) Walker Properties Pvt Ltd 86) Wealthsea Pte. Ltd.- Singapore 87) Wealth overseas Pte Ltd - Singapore 88) Wealth ocean Pte Ltd - Singapore 89) Zipco Industrial Finance Pvt. Ltd.

iii. Key Management Personnel :

Mr. Rakesh Kumar Budhiraja, Executive Director



b) The Company's related party transactions during the year and outstanding balances as at 31st March, 2010 are as below :

(Rs. in lakhs)

Particulars	Enterprises where control exists		Associates		Key Management Personnel		Total	
	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09	2009 - 10	2008 - 09
<b>Income</b>								
-Falcon Tyres Ltd			264.72	12.48			264.72	12.48
-Monotona Tyres Ltd			-	9.45			-	9.45
-India Tyre & Rubber Co. (India) Ltd.			-	7.97			-	7.97
<b>Sales - Raw Material &amp; Finished Goods :</b>								
-India Tyre & Rubber Co. (India) Ltd.			17.66	82.49			17.66	82.49
-Falcon Tyre Impex			813.24	-			813.24	-
-Falcon Tyres Ltd			15.42	23.50			15.42	23.50
-Monotona Tyres Ltd			-	115.27			-	115.27
<b>Sale of Investment</b>								
-Dunlop Investments Ltd.			-	100.00			-	100.00
-Ruia Sons Pvt Ltd			-	5.00			-	5.00
<b>Assignment of Rights</b>								
-Ruia Sons Pvt Ltd			-	200.00			-	200.00
<b>Expenses</b>								
<b>Cost of Raw Material &amp; Finished Goods</b>								
-Monotona Tyres Ltd.			56.96	101.62			56.96	101.62
<b>Remuneration</b>								
- Mr D P Dani					23.67	31.00	23.67	31.00
-Mr. R K Budhiraja					16.68	-	16.68	-
<b>Assets</b>								
Expenses paid by the Company on behalf of the Associates which is adjusted against either expenses paid by the associates on behalf of the Company or reimbursed :								
-Falcon Tyres Ltd			68.83	-			68.83	-
-Suryamani Financing Co. Ltd.			412.12	-			412.12	-
-India Tyre & Rubber Co.(India) Ltd.			-	7.97			-	7.97
-Bhartiya Hotels Ltd.			-	48.55			-	48.55
Expenses paid by the Associates on behalf of the Company which is adjusted against either paid by the Company or reimbursed :								
-Ruia Sons Pvt. Ltd.			79.78	245.83			79.78	245.83
-Falcon Tyres Ltd.			19.87	198.99			19.87	198.99
-Monotona Tyres Ltd.			468.21	15.28			468.21	15.28
-Suryamani Financing Co. Ltd.			-	5422.48			-	5422.48
-SPR Textiles Pvt. Ltd.			-	4.00			-	4.00
-Jessop & Co.			-	120.81			-	120.81
<b>Equity Contribution in Group Company</b>								
-Global Finvest Ltd.			-	4.00			-	4.00
<b>Balances Outstanding :</b>								
<b>As Unsecured Loan</b>								
-Suryamani Financing Co. Ltd.			4128.46	4540.58			4128.46	4540.58
<b>As Loans &amp; Advances</b>								
-Falcon Tyres Ltd.			48.96	-			48.96	-
<b>As Debtors</b>								
-Falcon Tyres Ltd.			15.42	-			15.42	-
-Falcon Tyres Impex Ltd.			16.50	-			16.50	-
-India Tyre & Rubber Co. (India) Ltd.			2.12	-			2.12	-
<b>As Current Liabilities</b>								
-Falcon Tyres Ltd.			181.76	-			181.76	-



	For the Year ended 31.03.2010 (Rs. Lacs)	For the Year ended 31.03.2009 (Rs. Lacs)
9. Auditors' Remuneration and Expenses :		
a) Statutory Audit Fees	1.07	1.07
Tax Audit Fees	0.25	0.25
Other Certification, etc.	1.10	0.93
	<u>2.42</u>	<u>2.25</u>
b) Cost Audit Fees	0.35	0.35
<b>Total</b>	<u><b>2.77</b></u>	<u><b>2.60</b></u>
10. Directors' Remuneration :		
Salary and Allowances	35.05	15.60
Estimated value of other benefits	4.40	15.40
	<u><b>40.35</b></u>	<u><b>31.00</b></u>

11. The Company had recognized deferred tax asset as on 31.03.2007 on account of carried forward business losses and unabsorbed depreciation under Income Tax Act, 1961. This was adjusted against General Reserve. The Company has filed a petition on 11th March, 2010 before Hon'ble Calcutta High Court seeking extension of carry forward losses period beyond 8 years because the Company was under BIFR. Pending decision, Rs 3358 lakhs, which was adjusted against General Reserve in 2007-08 & 2008-09 has been brought back to General Reserve.

The break-up of Deferred Tax Assets :

	2009-10 (Rs in lakhs)	2008-09 (Rs in lakhs)
43 B items under Income Tax Act, carried forward loss and unabsorbed depreciation	9740.00	6360.00
Deferred Tax Liabilities :		
Depreciation	186.00	164.00
Net Deferred Tax Assets	9554.00	6196.00

12. Refurbishment work for restoration of the Installed Capacities is still in progress at Company's both the plants at Sahaganj and Ambattur, the restoration work of all the major utility services and a small portion of production facilities has been already completed at both the plants. Company's products have been sold in the market in the normal course of business and such sales have been duly recognized in these accounts. Direct expenses including Gratuity, working capital interest as allocable to restoration of capacity amounting to Rs 4553.30 lakhs (P.Y. 3180.38 lakhs) have been capitalized during the year.

13. Company revalued its Fixed assets last on 31.3.2007 by approved valuers on 'Open Market Value Method/ Net Replacement value Method' and consequential increase in value of fixed assets amounting to Rs 107207 lakhs has been added to Revaluation Reserve. Differential depreciation on asset is being adjusted against Revaluation Reserve amounting to Rs. 3806.49 lakhs (P.Y. 3806.49 lakhs).

14. Defined contribution plan Reconciliation of opening and closing balances of the present value of Deferred Benefit Obligation :

Particulars	(Rs. in lacs)	
	2009-10	2008-09
<b>i) Change in Defined Benefit Obligation</b>		
1) DBO at beginning of the period	802.36	838.19
2) Service Cost	79.39	105.96
3) Interest Cost	56.38	48.60
4) Actuarial Losses/( Gains)	54.14	255.73
5) Benefit Payments	(60.15)	(446.12)
6) DBO at closing of the period	932.12	802.36
<b>ii) Change in Fair Value of Assets</b>		
1) Fair value of Plan Assets at beginning of the period	N.A.	N.A.
2) Expected return on plan assets	N.A.	N.A.
3) Actual Company Contributions	60.15	446.12
4) Benefit Payments	(60.15)	(446.12)
5) Fair value of Plan Assets at closing of the period	-	-
<b>iii) Net Asset/(Liability) Recognised in Balance Sheet 31.3.2010</b>		
1) Present Value of Defined Benefit Obligation	932.12	802.36
2) Fair Value of Plan Assets	-	-
3) Funded Status (Surplus/ (deficit))	(932.12)	(802.36)
4) Net Asset/(Liability) recognised in the Balance Sheet	(932.12)	(802.36)
<b>iv) Disclosure of Employer expenses</b>		
1) Current Service Cost	79.39	105.96
2) Interest Cost	56.38	48.60
3) Expected Return on Plan Assets	-	-
4) Actuarial Losses/( Gains)	54.14	255.73
5) Total employer expense recognised as expenses	189.91	410.29
<b>v) Assumptions</b>		
1) Discount Rate	7.30%	7.30%
2) Expected Return on Plan Assets	N.A.	N.A.

15. Based on the legal opinion obtained by the Company that the provisions of the Section 115JB of the Income Tax Act., 1961 are not applicable to the Company, no provision has been made for taxation in these accounts in view of huge carried forward business losses as per the Income Tax Act., 1961.

16. a) None of the supplier have reported Micro, Small and Medium Enterprises status as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues.

b) Confirmation of balances has been sought from sundry creditors, sundry debtors and loans & advances given to parties. Confirmations are awaited.

17. Company recognized all the known liabilities related to pre take over period but there may be still some liabilities which are not known to Company. As and when they will arise company will contest and provide the same on determination.



18. Income and Expenditure in Foreign Currency :

	For the Year ended 31.03.2010 (Rs. Lacs)	For the Year ended 31.03.2009 (Rs. Lacs)
Income :		
FOB Value of Exports	–	165.06
Royalty	18.63	–
Expenditure :		
CIF Value of Imports –		
- Finished Goods	–	–
- Capital Goods	–	–
- Raw Materials	–	319.99
- Stores & Spares	1.72	–
Technical & Professional Fee	–	–
Traveling and other expenses	–	6.70
18. Future payment liability in respect of HP loan for Vehicles as per AS19 is as follows :		
2010-11	20.73 lacs	
2011-12	2.09 lacs	
<b>Total</b>	<b>22.82 lacs</b>	

19. Accounting Standard 20 on Earning Per Share issued by The Institute of Chartered Accountants of India, the Earning Per Share have been calculated as below :

Particulars	For the Year ended 31.03.2010	For the Year ended 31.03.2009
Basic and Diluted Earning / (Loss) Per Share Before Extraordinary Items		
No of Shares Outstanding for the period	7,19,82,875	7,19,82,875
Face Value of each Share (Rs)	10	10
Net Profit / (Loss) after Tax (Rs. Lacs)	126.66	136.18
Add/(Less) : Extraordinary Items (Rs. Lacs)	-	-
Net Profit / (Loss) after Tax for calculation of Earning/(Loss) per Share before extraordinary items (Rs. Lacs)	126.66	136.18
Basic and Diluted Earning / (Loss) Per Share Before Extraordinary Items (Re)	0.18	0.19
Basic and Diluted Earning / (Loss) Per Share After Extraordinary Items		
No of Shares Outstanding for the period	7,19,82,875	7,19,82,875
Face Value of each Shares( Rs)	10	10
Net Profit / (Loss) after Tax (Rs. Lacs)	126.66	136.18
Basic and Diluted Earning / (Loss) Per Share After Extraordinary Items (Re)	0.18	0.19

20. Previous year's figures have been regrouped / re-arranged wherever necessary.

As per our Report Attached

For and on behalf of

**K N Gutgutia & Co.**  
Chartered Accountants

**K C Sharma**

Partner

Membership No. 50819  
Kolkata, 22nd April, 2010

For and on behalf of the Board

**P. K. Ruia**  
Chairman

**D. Rudra**  
Director

**M. L. Chauhan**  
Director

**R. K. Sadhu**  
Director

**R. K. Gupta**  
Sr. Vice President -  
Finance & CFO

**A. K. Agarwal**  
Vice President - Legal  
and Company Secretary

## WIZER ADVERTISING PRIVATE LIMITED

### DIRECTORS' REPORT

#### To the Members

Your Directors have pleasure in presenting the Fourth Annual Report of the Company together with the Audited Accounts for the period ended 31st March, 2010.

#### SUMMARISED FINANCIAL RESULTS

Particulars	(Rs. in lakhs)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
Income	0.07	0.07
Less : Expenses	0.44	0.41
Net Profit / (Loss) Before Tax	(0.37)	(0.34)
Less : Provision for Tax	-	-
Profit / (Loss) after Tax	(0.37)	(0.34)
Add : Excess Provision for Tax written back	-	-
Balance profit after tax adjustments	(0.37)	(0.34)
Balance brought forward from previous year	(1.13)	(0.79)
Balance carried forward to Balance Sheet	(1.50)	(1.13)

#### REVIEW OF OPERATIONS

Your Company has incurred a net loss of Rs.0.37 lacs before tax for the year under review. The Company is exploring various business opportunities to focus on.

#### FIXED DEPOSITS

The Company has not invited or accepted any deposits during the year.

#### DIRECTORS

Mr. R D Mehta resigned as a Director w.e.f. 25th September, 2009.

Mrs. Ruta V Dabke was appointed as an Additional Director w.e.f. 25th September, 2009. As per the provisions of Section 260 of the Companies Act, 1956, Mrs. Dabke holds office only up to the date of the forthcoming Annual General Meeting of the Company. The Company has received notice under Section 257 of the Act along with the requisite deposit, in respect of the above director, proposing her appointment as a Director of the Company. Resolutions seeking approval of the Members for the appointment of Mrs. Dabke as Director liable to retire by rotation have been incorporated in the Notice, of the forthcoming Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956. Mr. Ravindra K. Raje, retire by rotation of the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

- (i) That in the preparation of the accounts for the period ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the 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 period under review and of the loss of the Company for the period under review;
- (iii) That the 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;
- (iv) That the Directors have prepared the accounts for the period ended 31st March, 2010 on a "going concern" basis.

#### AUDITORS

M/s G. S. Nayak & Co., Chartered Accountants, Auditors of the Company who retire at the conclusion of the ensuing Annual General Meeting have furnished a Certificate to the effect that the proposed re-appointment, if made, will be within the limits specified under Section 224(1-B) of the Companies Act, 1956 and have expressed their willingness to hold office, if reappointed.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Since your Company is not engaged in manufacturing activities, disclosure of information relating to Conservation of Energy and Technology absorption under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is not applicable.

Your Company neither incurred any expenditure nor earned any income in Foreign Exchange during the year.

#### PARTICULARS OF EMPLOYMENT

The Company did not have any employees, and as such, Sub-Section (2A) of Section 217 of the Companies Act, 1956 is not applicable to the Company.

#### ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Company's bankers and all other concerned for their co-operation and support.

For and on behalf of the board of directors

Place : Mumbai  
Dated : 1st April, 2010

**R. K. Raje**  
Director

**Ruta Dabke**  
Director

## **WIZER ADVERTISING PRIVATE LIMITED**

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### **AUDITOR'S REPORT**

To The Shareholders

#### **WIZER ADVERTISING PRIVATE LIMITED**

We have audited the attached Balance Sheet of WIZER ADVERTISING PRIVATE LIMITED as at 31st March, 2010 and also the attached Profit & Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. Since the company is a private limited company with a paid-up capital and reserves not more than rupees fifty lakhs and has not accepted any public deposits and does not have outstanding loan exceeding rupees twenty lakhs or more from any bank or financial institution and does not have a turnover exceeding rupees five crores, the Company Auditor's Report Order, 2003 issued by the Government of India in terms of Section 227(4A) of the Companies Act, 1956 is not applicable.

3. Further to our comments in the Annexure referred to above, we report that :

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books;
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- d) In our opinion the Balance Sheet and Profit & Loss Account are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the Notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India :
  - i. in case of the Balance Sheet of the state of affairs of the company as at March 31st 2010, and
  - ii. in case of the Profit and Loss Account, of the loss of the company

for the year ended on that date.

**For G S Nayak & Co**  
Chartered Accountants

**Girija Shankar Nayak**  
Partner

Membership No.049582

Mumbai

Date : 1st April, 2010



## WIZER ADVERTISING PRIVATE LIMITED

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### BALANCE SHEET AS ON 31.03.2010

	Schedule	As on 31.3.2010 Rs.	As on 31.3.2009 Rs.
<b>SOURCES OF FUNDS</b>			
Share Capital	1	100,000	100,000
<b>TOTAL</b>		<u>100,000</u>	<u>100,000</u>
<b>APPLICATION OF FUNDS</b>			
Current Assets, Loans & Advances			
Cash & Bank Balance	2	157,117	102,487
Loans & Advances	3	2,652,830	1,575
		<u>2,809,947</u>	<u>104,062</u>
Less : Current Liabilities & Provisions	4		
Current Liabilities		3,054,162	344,052
Provisions		-	-
<b>NET CURRENT ASSETS</b>		<u>(244,215)</u>	<u>(239,990)</u>
Preliminary Expenses	5	194,382	226,779
Profit & Loss Account		149,833	113,211
<b>TOTAL</b>		<u>100,000</u>	<u>100,000</u>
Notes to Accounts	7		

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

	Schedule	For the Year ended 31.3.2010 Rs.	For the Year ended 31.3.2009 Rs.
<b>INCOME</b>			
Interest on Fixed Deposits		7,375	7,405
		<u>7,375</u>	<u>7,405</u>
<b>EXPENDITURE</b>			
Auditors' Remuneration (Statutory Audit Fees)		5,515	5,515
Preliminary Expenses Written off		32,397	32,397
Other Expenses	6	6,085	3,850
		<u>43,997</u>	<u>41,762</u>
Profit/(Loss) before Tax		(36,622)	(34,357)
Less : Provision of Tax		-	-
Profit/(Loss) After Tax		(36,622)	(34,357)
Balance Brought forward from previous year		(113,211)	(78,854)
<b>Balance Carried Forward to Balance Sheet</b>		<u>(149,833)</u>	<u>(113,211)</u>
Earning per Share (Face Value Rs. 10 per Share)			
- Basic		(3.66)	(3.44)
- Diluted		(3.66)	(3.44)
Notes to Accounts	7		

As per our report of even date

For **G S Nayak & Co**  
Chartered Accountants  
**Girija Shankar Nayak**  
Partner  
Membership No.049582  
Place : Mumbai  
Dated : 1st April, 2010

For and on behalf of the board

**R K Raje**  
Director

**Ruta Dabke**  
Director

## WIZER ADVERTISING PRIVATE LIMITED

### SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2010

	As on 31.3.2010 Rs.	As on 31.3.2009 Rs.
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10,000 Equity Shares of Rs.10/- Each	100,000	100,000
29,90,000 Unclassified Shares of Rs.10/- each	29,90,000	29,90,000
	<b>30,00,000</b>	<b>30,00,000</b>
<b>Issued Subscribed &amp; Paid up</b>		
10,000 Equity Shares of Rs.10 each fully paid up	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>2. CASH &amp; BANK BALANCES</b>		
Balance with Scheduled Bank		
Current Account	67,117	12,487
Fixed Deposits	90,000	90,000
	<b>157,117</b>	<b>102,487</b>
<b>3. LOAN &amp; ADVANCES</b>		
Tax Deducted At Source	1,397	1,397
Other Advances	2,651,320	-
Accrued Interest on FD	113	178
	<b>2,652,830</b>	<b>1,575</b>
<b>4. CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	3,048,647	338,537
Liabilities for Expenses	5,515	5,515
<b>PROVISIONS</b>		
Provision for Taxation	-	-
	<b>3,054,162</b>	<b>344,052</b>
<b>5. Preliminary Expenses</b>		
Company Formation Expenses	323,970	323,970
Less : Amortised till date	129,588	97,191
	<b>194,382</b>	<b>226,779</b>
<b>6. Other Expenses</b>		
	<b>For the Year ended on 31.03.2010</b>	<b>For the Year ended on 31.03.2009</b>
Other Expenses	Rs.	Rs.
Listing & Filing Fees	1,530	1,000
Legal & Professionals	2,055	350
Professional Tax - Company	2,500	2,500
	<b>6,085</b>	<b>3,850</b>

### 7. Notes on Accounts for the Year ended 31.3.2010

#### 1. Accounting Policies :

##### a) Accounting Concepts

- i) The accounts are prepared on historical cost basis.
- ii) The company follows accrual system of accounting as required under section 209(3)(b) of the Companies Act, 1956.
- iii) Investments are valued at cost.

#### 2. As per the Accounting Standard (AS - 20) on Earning per Share (EPS) issued by Institute of Chartered Accountants of India, the particulars of EPS for equity shareholders are as below :

	31st March, 2010 Rs.	31st March, 2009 Rs.
Net Profit/(Loss) as per Profit & Loss Account	(36,622)	(34,357)
Net Profit/(Loss) for the purpose of EPS	(36,622)	(34,357)
Weighted average no. of Equity Shares for EPS(No.)	10,000	10,000
EPS – Basic & Diluted	(3.66)	(3.44)

#### 3. Auditors' Remuneration :

Statutory Audit Fees	5,515	5,515
<b>Total</b>	<b>5,515</b>	<b>5,515</b>

#### 4. Related parties disclosures :

##### i) Relationships :

- (a) Holding Company : Dunlop (India) Ltd.
- (b) Other related parties : NIL

##### ii) Transactions carried out with related parties referred in (i) above, in ordinary course of business :

Nature of Transactions	Referred in 1(a) above (Rs.)	Referred in 1(b) above (Rs.)
Expenses		
Interest paid	-	-
Income		
Interest received	-	-
Dividend received	-	-
Finance		
Loans and Advances received back	-	-
Loans and Advances – repaid	-	-
Loans received	-	-
Outstanding		
Payable	-	-
Receivable	-	-
Investments	-	-
Unsecured Loans	-	-
Inter Corporate Deposit given	-	-

#### Signature to Schedules 1 to 7 as per report

<p><b>For G S Nayak &amp; Co</b> Chartered Accountants <b>Girija Shankar Nayak</b> Partner Membership No.049582 Place : Mumbai Dated : 1st April, 2010</p>	<p>For and on behalf of the board <b>R K Raje</b> <b>Ruta Dabke</b> Director Director</p>
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## **WIZER ADVERTISING PRIVATE LIMITED**

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### **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

<b>1. Registration No.</b>	160002	State code	11
Balance Sheet Date	31.03.2010		
<b>2. Capital raised (Rs. in '000)</b>			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private placement	NIL
<b>3. Mobilisation &amp; Deployment of funds (Rs. in '000)</b>			
Total liabilities	100	Total Assets	100
<b>Sources of funds</b>			
Paid Up Capital	100	Reserves & surplus	NIL
Secured loans	NIL	Unsecured loans	NIL
<b>Application of Fund</b>			
Net Fixed Assets	NIL	Investments	NIL
Net Current Assets	(244)		
Accumulated Losses	150	Miscellaneous Expenditure	194
<b>4. Performance of Co. (Rs in '000)</b>			
Turnover	7	Total Expenditure	44
Profit/(Loss) before tax	(37)	Profit/(Loss) after tax	(37)
Earning Per Share	(3.66)	Dividend (%)	NIL
<b>5. Generic names of principal products</b>			
ITC code	N.A.		
Product Description	N.A.		

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As per our report of even date

For **G S Nayak & Co**  
*Chartered Accountants*  
**GIRIJA SHANKAR NAYAK**  
*Partner*  
Membership No. 049582  
Place : Mumbai  
Date : 1st April, 2010

For and on behalf of the Board

**R K Raje**                      **Ruta Dabke**  
*Director*                              *Director*

## **EBONY COMMERCIALS PRIVATE LIMITED**

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### **DIRECTORS REPORT TO THE SHAREHOLDERS**

Your directors present their 18th Annual Report together with the Audited Accounts for the financial year ended 31st March, 2010.

#### **FINANCIAL RESULTS :**

During the year under review the Company has suffered a net loss of Rs. 4405/- which is added to the brought forward losses relating to earlier year amounting to Rs. 31146/- making a total debit balance of Rs. 35551/- which your directors propose to carry forward to next year.

#### **WORKING OF THE COMPANY :**

During the period under review the funds of the company were properly invested.

#### **DIRECTORS RESPONSIBILITY STATEMENT :**

- (i) In the preparation of annual accounts, the applicable accounting standards have been followed.
- (ii) Accounting policies are applied consistently and made judgment and estimates that are 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 loss of the company for that period.
- (iii) Proper & sufficient care was taken for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on the basis of going concern.

#### **AUDITOR'S REPORT :**

The observation made by the Auditors are self-explanatory and do not require any further clarification.

#### **AUDITORS :**

M/s A.K. Ray & Co., Chartered Accountants, Auditors of the Company retire and offer themselves for re-appointment.

Registered Office :  
9, Ezra Street,  
Top Floor,  
Kolkata - 700001  
Date : 1st April, 2010

By order of the Board  
For **Ebony Commercials Pvt. Ltd.**

**R. K. Das**  
Director

**P. K. Das**  
Director

### **AUDITORS' REPORT TO THE SHAREHOLDERS**

1. We have audited the attached Balance Sheet of EBONY COMMERCIALS PRIVATE LIMITED as at 31st March, 2010 signed by us under reference to this report and the relative Profit & Loss Account of the Company for the year ended on that date which are in agreement with the books of account. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit and obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes, examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 & 5 of the said Order.

Further to our comments in the Annexure referred to in above paragraph, we report that :

- a) We have obtained all the informations and explanations which to the best of our knowledge and belief, were necessary for the purpose of our Audit;
- b) In our opinion proper Books of Accounts as required by Law have been kept by the Company, so far as appears from our examination of the Books;
- c) The Balance Sheet and Profit & Loss Account dealt with by the Report are in agreement with the Books of Accounts;
- d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable;
- e) On the basis of the written representation received from directors and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st. March, 2010, from being appointed as directors in terms of clause(g) of sub-section (i) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Profit & Loss Account read together with notes thereon as required by the Companies Act, 1956 in the manner so required, give a true and fair view :
  - i) in the case of the Balance Sheet of the State of affairs of the Company as at 31st March, 2010; and
  - ii) in the case of the Profit & Loss Account, of the loss for the year ended on that date.

34-35/2/1, Sir Aurobindo Road,  
Sitaram Super Market, 'A' Block,  
Salkia, Howrah - 711 106.  
Dated : 1st April, 2010

For **A. K. RAY & CO.**  
Chartered Accountants  
**JITENDRA PRASAD**  
Partner  
Membership No. 64483

## **EBONY COMMERCIALS PRIVATE LIMITED**

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### **ANNEXURE TO THE AUDITORS' REPORT**

Statement referred to in paragraph 3 of the Auditors' Report of even date to the Members of Ebony Commercials Private Limited on the accounts for the year ended 31st March, 2010.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under :

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
  - b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of phased programme of verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
  - c) During the year the Company has not disposed off any substantial/major part of fixed assets
2. a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of verification is reasonable.
  - a. In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management of the company are reasonable and adequate in relation to the size of the Company and nature of its business.
  - b. The Company is maintaining proper records of inventory and no discrepancies were noticed on physical verification.
3. a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
  - b) As the Company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 the Clause (iii) (b) of Para 4 of the Order is not applicable.
  - c) As the Company has not given any loans or advances to other parties, the Clause (iii) (c) of Para 4 of the Order is not applicable.
  - d) As the Company has not given any loans or advances to other parties, the Clause (iii) (d) of Para 4 of the Order is not applicable.
  - e) The Company has not taken any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Act.
  - f) As the Company has not taken any loans or advances from other parties, the Clause (iii) (f) of Para 4 of the Order is not applicable.
  - g) As the Company has not taken any loans or advances from other parties, the Clause (iii) (g) of Para 4 of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, No weakness has been noticed in the internal control system.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no transactions based on contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
  - b) As the Company has not entered into any transactions based on contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 the Clause (v) (b) of the Order is not applicable.
6. The Company has not accepted any deposits during the year from public within the meaning of the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules made thereunder. Hence the Clause (vi) of Para 4 of the Order is not applicable.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
9. The Company has incurred a cash loss of Rs. 1005/- during the financial year covered by our audit and a cash loss of Rs. 2723/- during the immediately preceding financial year. The accumulated loss at the end of the financial year does not exceed fifty percent of its net worth.
10. The Company has not defaulted in repayment of dues to a financial institution, bank etc.
11. The Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
12. Compliance with the provisions of any special statute like Chit Fund, Nidhi or Mutual Benefit Society is not applicable to this Company.
13. As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
14. Other provisions of the aforesaid order are not applicable for the year under review.

34-35/2/1, Sir Aurobindo Road,  
Sitaram Super Market, 'A' Block,  
Salkia, Howrah - 711 106.  
Dated : 1st April, 2010

For A. K. RAY & CO.  
Chartered Accountants  
JITENDRA PRASAD  
Partner  
Membership No. 64483

## EBONY COMMERCIALS PRIVATE LIMITED

### BALANCE SHEET AS AT 31/03/2010

	Schedule	31/03/2010 Rs.	31/03/2009 Rs.
<b>SOURCES OF FUND</b>			
Share Capital	01	205000	205000
Reserves & Surplus	02	5145000	5145000
<b>Total</b>		<b>5350000</b>	<b>5350000</b>
<b>APPLICATION OF FUND</b>			
<b>Fixed Assets</b>	<b>03</b>	<b>281615</b>	<b>281615</b>
Current Assets, Loans & Advances	04	35030934	35031939
Less : Current Liabilities & Provisions	05	30001500	30001500
<b>Net Current Assets</b>		<b>5029434</b>	<b>5030439</b>
<b>Miscellaneous Expenditure</b> (To the extent Not written off)			
Share Issue Expenses		3400	6800
Profit & Loss Account			
Balance as per annexed account		35551	31146
<b>Total</b>		<b>5350000</b>	<b>5350000</b>
Notes on accounts	06		

### PROFIT & LOSS ACCOUNT For the year ended 31/03/2010

	Schedule	31/03/2009 Rs.	31/03/2008 Rs.
<b>INCOME</b>			
Hire Charges Received		89500	-
Closing stock		35000000	35000000
<b>Total</b>		<b>35089500</b>	<b>35000000</b>
<b>EXPENDITURE</b>			
<b>Opening Stock</b>		<b>35000000</b>	<b>35000000</b>
Printing & stationery		142	123
Maintenance Charges		72000	-
Bank charges		363	-
CCTV Charges		15000	-
Filing fees		600	600
Auditors remuneration		1500	1500
Professional Fees		400	-
Data Processing charges		500	500
Share issue expenses written off		3400	3400
<b>Total</b>		<b>35093905</b>	<b>35006123</b>
Profit / (Loss) for the year		(4405)	(6123)
Profit/(Loss) brought forward from previous year		(31146)	(25023)
Profit/(Loss) carried over to Balance Sheet		(35551)	(31146)
Notes on Accounts	06		

In terms of our report of even date annexed herewith

for **A. K. RAY & CO.**  
*Chartered Accountants*  
**Jitendra Prasad**  
*Partner*

Membership No.64483  
34-35/2/1, Sir Aurobindo Road  
Sitaram Super Market, 'A' Block  
Salkia, Howrah - 711 106  
Dated : 1st April, 2010

**R. K. Das**  
*Director*

**P. K. Das**  
*Director*

# EBONY COMMERCIALS PRIVATE LIMITED

## SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2010

### 1. SHARE CAPITAL

	As on 31.3.2010 Rs.	As on 31.3.2009 Rs.
<b>AUTHORISED</b>		
90000 Equity Shares of Rs.10/-each	900000	900000
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
20500 Equity Shares of Rs.10/-each fully paid-up in cash	205000	205000
<b>Total</b>	205000	205000

### 2 RESERVES & SURPLUS

	As on 31.3.2010 Rs.	As on 31.3.2009 Rs.
Share Premium Account	5145000	5145000
<b>Total</b>	5145000	5145000

### 3 FIXED ASSETS

Name of the Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as on 31/03/2009	Addition during the year	Total Cost Upto 31/03/2010	Upto 31/03/2009	For the year	Total 31/03/2010	Total 31/03/2010	Total 31/03/2009
Land	281615	-	281615	-	-	-	281615	281615
<b>Total</b>	281615	-	281615	-	-	-	281615	281615
Previous Year	281615	-	281615	-	-	-	281615	-

### 4 CURRENT ASSETS, LOANS AND ADVANCES

	As on 31.3.2010 Rs.	As on 31.3.2009 Rs.
<b>CURRENT ASSETS</b>		
STOCK IN TRADE	35000000	35000000
CASH & BANK BALANCES		
CASH IN HAND		
(As Certified by the Management)	27392	28034
CASH AT BANK (in Current a/c with scheduled banks)	3542	3905
<b>Total</b>	35030934	35031939

- (i) The accounts are prepared on the accrual concept of accounting under the historical cost convention and on the basis of going concern.
- (ii) Fixed Assets are valued at cost
- (iii) Value of stock of immovable property have been taken at cost or market price whichever is lower.
- (iv) Incomes and expenditures for the year have been taken on accrual basis.

### 3. Notes on Accounts :

- (a) On the consideration of prudence, the deferred tax assets on brought forward losses has not been recognized in terms of Accounting Standard - 22 on 'Accounting for Taxes on Income' issued by ICAI.
  - (b) The Company has no Deferred Tax Liabilities during the year.
  - (c) Figures have been rounded off to the nearest rupee.
  - (d) Previous years figures have been re-arranged / re-grouped wherever necessary.
  - (e) The company is a subsidiary company of M/s Dunlop India Limited.
4. Balance Sheet abstract and Company's general business profile as required under part IV of Schedule VI to the Companies Act, 1956 is enclosed.

### 5 CURRENT LIABILITIES AND PROVISIONS

	As on 31.3.2010 Rs.	As on 31.3.2009 Rs.
<b>CURRENT LIABILITIES</b>		
Trade Advance Received	30000000	30000000
Liabilities (For Expenses)	1500	1500
<b>Total</b>	30001500	30001500

### 6 ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. The quantitative details of opening stocks, purchases, sales and closing stocks are as under :

Particulars	Opening Stock		Purchases / Additions		Sales / Deductions		Closing Stock	
	No.	Amount (Rs.)	No.	Amount (Rs.)	No.	Amount (Rs.)	No.	Amount (Rs.)
Immovable Property	-	35000000	-	-	-	-	-	35000000

2. Significant Accounting Policies :

The Financial statement have been prepared in conformity with generally accepted accounting principles as well as the requirements of the Companies Act, 1956. The significant policies are as follows :

### SIGNATURES TO SCHEDULES '1' TO '6'

In terms of our report of even date annexed herewith

for **A. K. RAY & CO.**

*Chartered Accountants*

**Jitendra Prasad**

*Partner*

Membership No.64483

34-35/2/1, Sir Aurobindo Road,

Sitaram Super Market, 'A' Block

Salkia, Howrah - 711 106

Dated : 1st April, 2010

**R. K. Das**

*Director*

**P. K. Das**

*Director*



## **EBONY COMMERCIALS PRIVATE LIMITED**

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### **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

#### **I. Registration Details**

Registration No.	U51909WB2002PTC095175	State Code	21
Balance Sheet Date	31/03/2010		

#### **II Capital Raised during the year (Amount in Rs. in Thousands)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

#### **III. Position of Mobilisation and Deployment of Funds (Amount in Rs.in Thousands)**

Total Liabilities	5350.00	Total Assets	5350.00
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##### **Sources of Funds**

Paid-up Capital	205.00	Reserves & Surplus	5145.00
Secured Loans	NIL	Unsecured Loans	NIL

##### **Application of Funds**

Net -Fixed Assets	281.62	Investments	NIL
Net Current Assets	5029.43	Misc.Expenditure	3.40
Accumulated Losses	35.55		

#### **IV. Performance of Company (Amount in Rs. in Thousands)**

Turnover	89.50	Total Expenditure	93.91
Profit/(Loss)Before Tax	(4.41)	Profit/(Loss) After Tax	(4.41)
Earning Per Share	—	Dividend Rate %	NIL

#### **V. Generic Names of Principal Products/Services of Company (as per monetary terms)**

Product Description	Trading Business
Item Code No. (ITC Code)	NIL

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In terms of our report of even date annexed herewith

for **A. K. RAY & CO.**

*Chartered Accountants*

**Jitendra Prasad**

*Partner*

Membership No.64483

34-35/2/1, Sir Aurobindo Road,

Sitaram Super Market, 'A' Block

Salkia, Howrah - 711 106

Dated : 1st April, 2010

**R. K. Das**

*Director*

**P. K. Das**

*Director*



# **DUNLOP INDIA LIMITED**

**Registered Office :**

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

**EIGHTY THIRD ANNUAL GENERAL MEETING ON TUESDAY, 15TH JUNE , 2010 AT 11.00 A.M. AT THE BALLROOM, THE OBEROI GRAND, 15, JAWAHARLAL NEHRU ROAD, KOLKATA - 700013**

A Member/Proxy wishing to attend the Meeting must complete this Admission Slip and hand it over at the entrance of the Meeting Hall. If you intend to appoint a Proxy, please complete the Proxy Form below and deposit it at the Company's Registered Office / Corporate Office at least 48 hours before the Meeting.

Please bring your copy of the enclosed Annual Report.

CHILDREN ARE NOT ALLOWED

I hereby record my presence at 83rd Annual General Meeting

Name of Proxy (if any) in Block Letters

Signature of Member/Proxy

FOLIO NO. :

**ADMISSION SLIP**



# **DUNLOP INDIA LIMITED**

**Registered Office :**

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

I/We .....

of .....

being a Member/s of Dunlop India Limited (Folio No.....) hereby appoint.....

..... of..... or failing

him..... of.....

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 83rd Annual General Meeting of the Company to be held on 15th June, 2010 and at any adjournment thereof.

As witness my/our hand/s this..... day of..... 2010

Affix  
one rupee  
Revenue  
Stamp here

Signed by the said.....

**Note :**

**This Proxy Form duly completed must be received at the Company's Registered Office/Corporate Office at least 48 hours before the Meeting.**

**PROXY FORM**

**BOOK POST**

*If undelivered, please return to :*

**DUNLOP INDIA LIMITED**

**Corporate Office :**

Secretarial Department

"Ruia Centre", 3rd Floor

46, Syed Amir Ali Avenue

Kolkata - 700 017



**Registered Office :**

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

**EIGHTY THIRD ANNUAL GENERAL MEETING ON TUESDAY, 15TH JUNE , 2010 AT 11.00 A.M. AT THE BALLROOM, THE OBEROI GRAND, 15, JAWAHARLAL NEHRU ROAD, KOLKATA - 700013**

A Member/Proxy wishing to attend the Meeting must complete this Admission Slip and hand it over at the entrance of the Meeting Hall. If you intend to appoint a Proxy, please complete the Proxy Form below and deposit it at the Company's Registered Office / Corporate Office at least 48 hours before the Meeting.

Please bring your copy of the enclosed Annual Report.

CHILDREN ARE NOT ALLOWED

I hereby record my presence at 83rd Annual General Meeting

Name of Proxy (if any) in Block Letters

Signature of Member/Proxy

**FOLIO NO. :**

ADMISSION SLIP



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