

**BOARD OF DIRECTORS**

Mr. Mohan Lall Chauhan
Mr. Subbaratnam Ravi
Mr. Ashok Kumar Agarwal

CHIEF FINANCIAL OFFICER

Mr. Soumitra Ghose

COMPANY SECRETARY

Mr. K. L. Sharma

REGISTERED OFFICE

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

BANKERS

Central Bank of India
ICICI Bank
Indusind Bank
State Bank of India
United Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

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

AUDITORS

M/S. K. N. GUTGUTIA & CO.,
Chartered Accountants, Kolkata

SOLICITORS

M/S. L. P. AGARWALLA & CO, KOLKATA

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**DUNLOP INDIA LIMITED**

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

NOTICE

NOTICE is hereby given that the **Eighty Sixth** Annual General Meeting of the Members of **Dunlop India Limited** will be held at Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017 on **Monday, 23rd September, 2013 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, 2013 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. Mohan lall Chauhan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Messers K. N. Gutgutia & Co., Chartered Accountants, Kolkata, the retiring Auditors of the Company, who being eligible, offer themselves for re-appointment as the Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

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

4. **As an Ordinary Resolution :**
"RESOLVED THAT Mr. Ashok Kumar Agarwal be and is hereby appointed a Director of the Company."

By Order of the Board
Ashok Kumar Agarwal
Director

Place : Kolkata
Date : 30th August, 2013

NOTES :

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business of the Meeting is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT

LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September, 2013 to 23rd September, 2013 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report and the Admission Slip at the Meeting. Annual Report will not be distributed at the Meeting. No Food Packet will be served at the AGM.
5. **The Members, who are still holding the Company's equity shares in physical form and have not converted their shareholding in dematerialized form, are once again requested to convert their equity shares from physical form to dematerialized form as the same will provide adequate facility in trading in the Company's scrip at Stock exchange in future.**
6. **In view of the various Circulars issued by Central Government and in pursuance of "Green Initiative in the Corporate Governance", the Members are hereby requested to furnish and register their e-mail addresses either with the Company or its RTA to enable the Company to send the Notice / Documents / Communication in future to the Members directly at their registered e-mail addresses through electronic mode instead of sending the printed / hard copies of the same by post. Serving of documents to the Members through electronic mode ensures receipt of the Notice / Documents/ Communication timely, promptly and without any loss in postal transit by them.**

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

Mr. Ashok Kumar Agarwal (Mr. Agarwal) was appointed as the Additional Director of the Company with effect from 24th January, 2013. In accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 91 of the Articles of Association of the Company, Mr. Agarwal shall hold office up to the date of this Annual General Meeting. The Company has received Notice from a Member in writing under Section 257 of the Companies Act, 1956 separately signifying his intention to propose the appointment of Mr. Agarwal as the Director at this Annual General Meeting.

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



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

By Order of the Board
Ashok Kumar Agarwal
 Director

Place : Kolkata
 Date : 30th August, 2013

2. Name : Mr. Ashok Kumar Agarwal.
 Age : 55 Years.
 Qualifications : Graduate.
 Expertise : He has a rich experience of 30 years in executing EPC Project under International Reputed Consultants Limited & M. N. Dastur & Co. for setting up (BOP Package) of Captive Power Plants of different clients like Birla's, Jindal's, Hindalco, Singhania's, Nicco Group, Nagarjuna Group, Jaiswal's, and NJ Bhilwara (HEG) Group. He also has an experience for successfully commissioning of 6 MW Power Plant of Falcon Tyres Ltd and revamping of machineries of Dunlop India Ltd and various other experience in different field as well.
 Date of Appointment : 24th January, 2013.
 No. of Equity Shares held in the Co. : Nil.
 Other Directorships :
 Name of the Public Ltd. Company : Committee Memberships, if any, with position of other public companies
 Falcon Tyres Ltd -
 Jessop & Co Ltd : Audit, Shareholders / Investors Grievance Committee member
 Hirakud Rolling Mill Ltd -
 Hirakud Industrial Works Ltd -
 Jessop Wagon & Coaches Ltd -
 Bhartiya Hotels Ltd -
 Monotona Tyres Ltd : Member - Audit Committee
 Shree Projects Ltd -
 Sew Engineering Systems Ltd -
 Dunlop South Ltd -
 Dunlop East Ltd -

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

1. Name : Mr. Mohan Lall Chauhan.
 Age : 68 Years.
 Qualifications : M.A. in Political Science, Retd. Civil Servant (IRS Officer).
 Expertise : Mr. Chauhan has 37 years of service in IRS looking after Indian Taxation, Fiscal Management & HRD.
 Date of Appointment : 19th August, 2008.
 No. of Equity Shares held in the Co. : Nil.
 Other Directorships :
Name of the Public Ltd. Company : Committee Memberships, if any, with position of others public companies
 Jessop & Co. Ltd. : Audit Committee – Member.
 Share Transfer & Investors Grievance Committee - Chairman
 Remuneration Committee - Member.

HOLDING OF EQUITY SHARES

Category	As on 31.03.2013 Equity Shares		As on 31.03.2012 Equity Shares	
	(Nos.)	(%)	(Nos.)	(%)
Promoters' Holding				
Foreign Promoters	26650085	21.85	26650085	37.02
Promoters' Associates (Persons acting in concert)	20130780	16.50	20130780	27.97
Sub Total	46780865	38.35	46780865	64.99
Non-Promoters' Holding				
Financial Institutions, Foreign Institutional Investors, Insurance Companies, Mutual Funds, Banks etc.	8111829	6.65	8134655	11.30
Non-Residents	407873	0.34	336627	0.47
Private Corporate Bodies	55679003	45.64	6112989	8.49
Indian Public	11003305	9.02	10617739	14.75
Sub Total	75202010	61.65	25202010	35.01
Grand Total	121982875	100.00	71982875	100.00

**REPORT OF THE DIRECTORS**

Your Directors present the 86th Annual Report of the Company together with the audited accounts for the financial year ended 31st March, 2013.

SUMMARIZED FINANCIAL RESULTS

	Rs. in Lacs	
	2012-13	2011-12
Sales & other Income	13.85	2001.78
Profit / (Loss) before Depreciation, Interest & Tax	(203.33)	(69.97)
Financial Charges	380.38	937.66
Depreciation	146.39	46.68
Profit / (Loss) before Exceptional Items	(730.10)	(11 54.31)
Exceptional Item	(262.59)	-
Prior Period Adjustment	106.85	7.95
Profit/ (Loss) before Tax	(885.84)	(1146.36)
Profit / (Loss) after Tax	(885.84)	(1146.36)

OPERATIONS

Manufacturing operations in Sahaganj continues to be suspended during the current year despite various efforts made earlier in the year to reopen.

Further in Feb 2012, the Ambattur Plant in Chennai has also been non-operational. During the course of the year, there has been reference to the Kolkata High court for winding up, by certain creditors. The decision of the High court has since been referred to the Supreme Court and is under review pending decision.

DIVIDEND

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

PUBLIC DEPOSIT

During the year, Your Company repaid fixed deposits amounting to Rs. 1,50,000/-. Fixed Deposits matured up to September, 2000 but not repaid up to 31st March, 2013 stand at Rs. 7,99,56,000/-.

DIRECTORS

During the year, Mr. Ashok Kumar Agarwal was appointed as Additional Directors of the Company w.e.f. 24th January, 2013 by the Board, who will hold Office upto the date of 86th Annual General Meeting and are eligible for re-appointment.

Mr. Damodar Prasad Dani resigned from the Board w.e.f. 25th January, 2013. The Board placed on record its deep appreciation for the valuable services rendered by Mr. Damodar Prasad Dani.

In accordance with Article 103 of the Articles of Association of your Company and the applicable provisions of the Companies

Act, 1956, Mr. Mohan Lall Chauhan will retire from the Board by rotation at the 86th Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

M/s. K. N. Gutgutia & Co., Chartered Accountants, Kolkata, Auditors of your Company, will hold office until the conclusion of 86th Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

COST AUDIT

The Board of Directors have appointed M/s. Mani & Co., Cost Accountants, Kolkata to carry out audit of the Cost Accounts of the Company relating to the manufacture of Tyres and Tubes products for the Financial Year ended 31st March, 2013 in compliance with the Central Government's Order in this regard. However consequent to the fact that Company had sought for exemption for complying with the requirement of Cost Audit from Government of India, there is no requirement for filing of Cost Audit Report.

CURRENT LEGAL STATUS

On the basis of application made by creditors on 26th March, 2012, Provisional Liquidator was appointed. The management through a group company worked out creditors settlement, however by an Order dated 31st January, 2013, Order for Liquidation of Dunlop was passed by Hon'ble Calcutta High Court. However, by Order of Hon'ble Supreme Court, status quo is prevailing on the matters of Dunlop.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) That in the preparation of the Accounts for the Financial Year ended 31st March, 2013, the applicable Accounting Standards have been followed and proper explanations have been provided for material departures, wherever applicable;
- ii) That the Board of Directors have selected such Accounting



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

- iii) That the Board of Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the Accounts for the Financial Year ended 31st March, 2013 have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE

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

PERSONNEL

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

ACKNOWLEDGEMENT

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

SUBSIDIARY COMPANY

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

	For and on behalf of the Board	
Place : Kolkata	A. K. Agarwal	S. Ravi
Date : 30th August, 2013	Director	Director

ANNEXURE TO THE DIRECTORS' REPORT DATED 30th AUGUST, 2013 PURSUANT TO SECTION 217(3) OF THE COMPANIES ACT, 1956.

Reference is made to the comments of the Auditors in respect of certain records and information. In this regard, attention is drawn to Notes 2 on Financial Statements, which are self explanatory.

	For and on behalf of the Board	
Place : Kolkata	A. K. Agarwal	S. Ravi
Date : 30th August, 2013	Director	Director

Statement of Particulars under Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Directors' Report for the year ended 31st March, 2013.

A. Conservation of Energy and Technology Absorption:

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

B. Foreign Exchange Earnings and Outgo :

Earnings	-	Rs. Nil
Outgo	-	Rs. Nil

	For and on behalf of the Board	
Place : Kolkata	A. K. Agarwal	S. Ravi
Date : 30th August, 2013	Director	Director



FORM A
DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		31.03.2013	31.03.2012		31.03.2013	31.03.2012
	Unit	Total	Total		Total	Total
A. Power and Fuel Consumption				b) Furnace Oil (Boiler)		
1. Electricity				Qty	TON	Nil
a) Purchased :				Total Amount	RS / LACS	Nil
Unit	MWH	Nil	7,931.74	Average Rate	RS / KG	Nil
Total Amount	RS / LACS	Nil	343.47			
Rate / Unit	RS / KWH	Nil	4.33	4 Others/Int.Gen (D.Oil)		
b) Own Generation :				Qty	KLTR	Nil
(i) Diesel Gen Unit	MWH	Nil	Nil	Total Amount	RS / LACS	Nil
Unit / Ltr of D.Oil	KWH / Ltr	Nil	Nil	Rate/Unit	RS / LTR	Nil
Cost / Unit	Rs. / KWH	Nil	Nil			
(ii) F.Oil Gen. Unit	MWH	NA	NA	B. Consumption / Ton of Production		
Unit / Kg. of F.Oil	KWH / KG	NA	NA	Purchased	MWH	Nil
Cost / Unit	Rs. / KWH	NA	NA	Generated	MWH	Nil
2 Coal				Electricity	KWH / TON	Nil
Qty	TON	Nil	Nil	F.Oil (Elec. Gen) Qty	TON	NA
Total Cost	Rs. Lacs	Nil	Nil	F.Oil (Elec. Gen)	KG / TON	NA
Average Rate	Rs. / TON	Nil	Nil	F.Oil (Steam Gen) Qty	TON	NA
3 a) Furnace Oil (Generator)				F.Oil (Steam Gen)	KG / TON	Nil
Qty	TON	Nil	Nil	Coal (Steam Gen) Qty	TON	Nil
Total Amount	RS / LACS	Nil	Nil	Coal (Steam Gen)	KG / TON	Nil
Average Rate	RS / KG	Nil	Nil	D. Oil (Elec. Gen) Qty	KLTR	Nil
				D.Oil (Elec.Gen) Qty	LTR / TON	Nil



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, 2013, your Board had One Non-Executive / Independent Director and Two Non Executive Directors who are 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 current Financial Year under review, five meetings of the board of directors were held on the following dates - 28th April, 2012, 19th May, 2012, 27th June, 2012, 18th July, 2012 and 18th October, 2012.

No Board Meeting was held during January/ March qtr 2013 due to winding up Order passed by Hon'ble High Court at Calcutta vide order dated 31st January,2013 which was subsequently stayed with maintaining Status quo by Hon'ble Supreme Court of India vide order dt.26th February,2013 and 7th March,2013.

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, 2013	No. of other Directorships & Committee Memberships/ Chairmanships as on 31.03.2013		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. M. L. Chauhan Non-executive Independent Director	3	2	-
Mr. S. Ravi Non-Executive Director	5	4	-
Mr. A. K. Agarwal Non-Executive Director	11	2	-

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 01.04.2012 to 31.03.2013		
	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 15.06.2010
Mr. M.L. Chauhan	5	4	Yes
Mr. D.P. Dani Resigned w.e.f. 25.01.2013	5	5	Yes
Mr. S. Ravi	5	3	No
Mr. A.K. Agarwal (appointed w.e.f. 24.01.2013)	-	-	-

During the year under review, Mr. A. K. Agarwal was appointed as Additional Director of the Company w.e.f. 24th January, 2013. Mr. D. P. Dani resigned from the Board w.e.f. 25th January, 2013.

3. Audit Committee

The Audit Committee constituted by the Board of Directors of the Company had one Non-executive /



Independent Directors and two Non- Executive Directors as on 31st March, 2013.

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, 2013	Category
Mr. M. L. Chauhan, Member & Chairman	Non-Executive / Independent Director
Mr. A. K. Agarwal, Member & Alternate Chairman	Non-Executive Director
Mr. S. Ravi, Member	Non-Executive Director

Mr. D. P. Dani ceased to be the member of the Committee w.e.f. 25th January, 2013. Mr. A. K. Agarwal was appointed as the member of the committee in place of Mr. D. P. Dani.

During the year under review, three meetings of the Audit Committee were held. The committee met on 19th May, 2012, 18th July, 2012 and 18th October, 2012 and considered various Financial and Audit related matters and other matters as required under Clause 49 of the Listing Agreement.

Attendance of the members at the audit committee meetings :

Name of the Member	Attendance Particulars from 01.04.2012 to 31.03.2013	
	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. M. L. Chauhan	3	3
Mr. S. Ravi	3	1
Mr. D. P. Dani (resigned w.e.f. 25.01.2013)	3	3
Mr. A. K. Agarwal (appointed w.e.f. 25.01.2013)	-	-

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

4. Remuneration Committee

The Remuneration Committee constituted by the Board of Directors of the Company had one Non-Executive / Independent Director and two Non Executive Directors for consideration of the appointment of managerial personnel and payment of remuneration to such

managerial personnel and various matters as required under Clause 49 of the Listing Agreement.

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

Independent Directors 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 2012-13 are given below :

Name of the Director	Salary (Rs.)	Perquisites (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. M. L. Chauhan	-	-	50000	50000
Mr. S. Ravi	-	-	-	-
Mr. D. P. Dani (resigned w.e.f. 25.01.2013)	-	-	-	-
Mr. A. K. Agarwal (appointed w.e.f. 25.01.2013)	-	-	-	-

The Company has not entered into any pecuniary relationship or transactions with the Non-Executive Directors. The company has so far not issued any stock options to any of its Directors including its Executive Director. None of the directors of the company hold any Equity Share in the Company. The Company Secretary shall act as Secretary of the Remuneration Committee.

5. Shareholders' / Investors' Grievances Committee:

The Company has constituted a Shareholders' / Investors' Grievances Committee of the Board of Directors to ensure effective monitoring of shares and investors related issues and to redress their grievances.

The Committee had one Independent / Non Executive Director and two Non Executive Directors as on 31st March, 2013.

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

Name of the Committee Members as on 31st March, 2013	Category	No. of Meetings attended during the year under review
Mr. M. L. Chauhan, Member & Chairman	Non-Executive / Independent Director	3
Mr. D. P. Dani, Member (resigned w.e.f. 25.01.2013)	Non- Executive Director	3
Mr. S. Ravi, Member	Non-Executive Director	1
Mr. A. K. Agarwal, Member (appointed w.e.f. 25.01.2013)	Non- Executive Director	-



Mr. D. P. Dani ceased to be the member of the Committee w.e.f. 25th January, 2013. Mr. A. K. Agarwal was appointed as the member of the Committee in place of Mr. D. P. Dani.

The Committee is headed by Mr. M. L. Chauhan. The Committee meets to consider, inter-alia, Shareholders' / Investors' complaints etc.

During the year under review, three meetings of the Shareholders' / Investors' Grievances Committee were held. The Committee met on 19th May, 2012, 18th July, 2012 and 18th October, 2012.

At the beginning of the year (i.e. on 1st April, 2012), there was no transfer pending for registration and no grievance / complaint was pending for redressal by the Company's Registrar and Share Transfer Agent (RTA) - M/s. C B Management Services (P) Ltd., Kolkata. During the year under review, 8 (eight) 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, 2013, there was no transfer pending for registration and also no grievance / complaint was pending for redressal by the company's RTA.

There are no outstanding GDRs / ADRs / Warrants or any Convertible Instruments.

6. General Body Meetings :

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

AGM	YEAR	VENUE	DATE	TIME
83rd	2009-2010	'The Ballroom', The Oberoi Grand 15, J. L. Nehru Road, Kolkata - 700013	15/06/10	11.00 a.m.
84th	2010-2011	'The Ballroom', The Oberoi Grand 15, J. L. Nehru Road, Kolkata - 700013	10/09/11	11.30 a.m.
85th	2011-2012	Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700 017	18/07/12	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 2.30(b) appearing in Notes 2 on Financial Statements of the Company for the Financial Year ended 31st March, 2013.

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 / half yearly results are normally published in 'Business Standard' in English Newspaper and in 'Arthik Lipi' 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 : Monday, 23rd September, 2013
Venue and Time : At 11 AM at 'Kala Mandir',
48, Shakespeare Sarani,
Kolkata - 700 017

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

Financial Reporting for the Financial Year 2011 - 2012

First Quarter Results - end of August, 2013
Second Quarter and
Half Yearly Results - mid of November, 2013
Third Quarter Results - mid of February, 2014
Fourth Quarter and
Yearly Results - end of May, 2014

iii) Dates of Book Closure : from 14th September, 2013 to
23rd September, 2013 (both days
inclusive).

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

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

Prior to allotment of 5,00,00,000 Equity Shares of Rs. 10/- each fully paid up at a Premium of Rs. 2/- on preferential basis to the allottees on 28.04.2012, the Company's entire 7,19,82,875 nos. Equity Shares of Rs. 10/- each fully paid-up are listed and frequently traded at Bombay Stock Exchange (BSE). The Company has already applied BSE for listing of aforesaid 5,00,00,000 Equity Shares and necessary listing fees for the said additional shares has already been paid by the Company in accordance with the mail received from BSE on 10th August, 2012.

The scrip code for the Company's Equity Shares at BSE is 509130 and ISIN is INE 509A01012.



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

Listing fees to Bombay Stock Exchange Limited up to 31st March, 2013 has been paid by the company.

The company's application submitted to the National Stock Exchange Limited (NSE) for listing and trading of 7,19,82,875 nos. of equity shares of Rs. 10/- each fully paid-up there at is yet to be considered by NSE.

vi) Address for Correspondence :

Registrar and Share Transfer Agent :

C B Management Services (P) Ltd.
P-22, Bondel Road
Kolkata - 700019
Telephone : (033) 22806692 / 6693 / 6694 / 2486
(033) 40116700
Fax : (033) 22870263
E-mail : rta@cbmsl.com

Registered Office :

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

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

vii) Stock Market Price Data :

High and low month-wise quotations of the Company's Equity Shares at BSE during the financial year 2012-13 were as follows :

Month	Share Price (Rs.)	
	High (Rs.)	Low (Rs.)
April, 2012	16.95	11.65
May, 2012	13.20	9.95
June, 2012	10.60	9.51
July, 2012	11.75	8.91
August, 2012	9.79	8.26
September, 2012	9.55	8.01
October, 2012	9.50	8.40
November, 2012	9.45	8.05
December, 2012	9.40	8.01
January, 2013	9.68	8.20
February, 2013	8.01	7.87
March, 2013	-	-

viii) Distribution of Equity Shareholding as on 31st March, 2013 :

Range of Shares from - to	No. of Shareholders	%	Number of Shares	%
1 to 500	36946	91.55	3668262	3.01
501 to 1000	1821	4.51	1498493	1.23
1001 to 2000	813	2.01	1242392	1.02
2001 to 3000	251	0.62	650067	0.53
3001 to 4000	137	0.34	496143	0.41
4001 to 5000	108	0.28	514739	0.42
5001 to 10000	164	0.41	1222398	1.00
10001 & above	114	0.28	112690381	92.38
Total	40354	100	121982875	100

ix) Geographical Distribution of Shareholding as on 31st March, 2013 :

Sl. No.	City/Location	No. of Folios	%
1.	Kolkata & Adjacent Places	9022	22.36
2.	Mumbai	8175	20.26
3.	NewDelhi	2622	6.50
4.	Chennai	1482	3.67
5.	Ahmedabad	1550	3.84
6.	Bangalore	1199	2.97
7.	Pune	1096	2.71
8.	Hyderabad	612	1.52
9.	Places other than above	14596	36.17
Total		40354	100



x) Shareholding Pattern as on 31st March, 2013, in terms of Clause 35 of the Listing Agreement with Stock Exchanges :

Category	Nos.	%	Shares Pledged	
			Nos.	%
Promoters' Holding				
• Foreign Promoters	26650085	21.85	22295066	83.66
• Promoters' Associates (Persons acting in concert)	20130780	16.50	20109137	99.89
Sub-total	46780865	38.35	42404203	90.64
Non-Promoters' Holding				
• Financial Institutions, Foreign Institutional Investors, Insurance Companies, Mutual Funds, Banks etc.	8111829	6.65	-	-
• Others (including Bodies Corporate, Non-Residents & Indian Public)	67090181	55.00	-	-
Sub-total	75202010	61.65	-	-
GRAND TOTAL	121982875	100	42404203	34.76

xi) Dematerialisation of Equity Shares :

Both National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) have allotted International Securities Identification Number (ISIN) - INE 509A01012 on the Company's 7,19,82,875 nos. Equity Shares of Rs. 10/- each fully paid-up. Application for providing dematerialized trading facilities for 5,00,00,000 Equity Shares of Rs. 10/- each fully paid up allotted on preferential basis to the allottees on 28.04.2012 to be made after getting the listing and trading approval from BSE. 6,80,44,895 nos. Equity Shares of the Company representing 94.53% of the Company's Share Capital were dematerialized as on 31st March, 2013.

xii) Plant Locations :

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

For and on behalf of the Board

Place: Kolkata

Date: 30th August, 2013

A. K. Agarwal
Director

S. Ravi
Director

CERTIFICATE

**The Board of Directors,
Dunlop India Limited.**

We certify that –

- a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements read together with Accounting Policies, Notes to the Accounts and Statutory Auditors' comments thereon, present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations. These accounting practices are being consistently followed by the Company.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there were :
 - i) No significant changes in internal control over financial reporting during the year;
 - ii) No significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

Kolkata, 30th August, 2013

S. Ghose
CFO

A. K. Agarwal
Director

**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, 2013.

Kolkata, 30th August, 2013

S. Ghose
CFO

A. K. Agarwal
Director

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, 2013 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 Registration No. 304153E
K. C. Sharma
Partner
Membership No. 50819

Place: Kolkata
Date: 30th August, 2013

**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. Tyre Industry Structure & Development

The tyre industry has evolved from the more basic cross ply to the more sophisticated radial tyres. Nylon cords that impart low weight and additional strength to the tyres have also replaced Cotton ply. This industry is strongly linked to the automobile sector. This industry is also driven by agricultural and infrastructural activity that takes place in the region, as these two have an impact on the transport sector.

The Global tyre industry is estimated at USD 70 Billion whereas the domestic market which is around Rs. 100 million. The emergence of mergers and acquisitions to acquire technology has resulted in gaining wider access to markets.

Usage of radial tyres has been catching up at quick pace and all the automobile segments have shifted to radial tyres. On the other hand the usage of radial tyre is restricted to passenger car segment and the others still use less expensive cross ply variety.

Tyre companies have surplus stock due to poor demand and hence are offering discounts between 20-40% to car manufacturers. Further, cheap imports of non-radial tyres from China are also adding to the present woes.

The lion's share of the turnover of the tyre industry is that of trucks and bus tyres. The margin in the OE segment is less as prices are determined by manufacturers of vehicles.

The tyre industry which is raw material intensive uses cross ply or bias ply tyres due to poor conditions, low OE fitment and high initial cost. Almost all the passenger tyres are radial tyres.

Radialisation in the light commercial vehicle group is 18% and in heavy vehicle (truck and bus) the level is 15%.

2. Opportunities and Threats

Nearly 30% of India's export is to the US which is now facing intense competition from China and Japan as they offer at lower prices. Due to the reduced cost of import

the domestic tyre manufacturers are facing threat from China and South Korea.

Although there is worldwide recession the economic condition in India though volatile is conducive for robust growth which will attract investors in preference to China.

The performance of tyre manufacturers is affected by the whooping raw material costs like natural rubber and petroleum products. The volatility in rubber prices considerably reduce the margin of the tyre industries. Duty concession should be extended for import of raw materials than on importers of tyres which lead to dumping of cheap and unsuited tyres. A permanent reduction in rubber import duties will relieve the tyre industries of its pressure.

Despite several representations to the Government, the inverted duty issue is yet to be resolved. The duty concessions to importers have led to dumping of cheap and unsuited tyres. Duty concessions should be extended to the imports of raw materials by the tyre manufacturers. The performance of tyre manufacturers is affected by raw material costs like natural rubber and petroleum products, the prices of which continue to spiral.

The volatility in rubber prices will be a strain on the margins of tyre companies. A permanent reduction in rubber import duties would ease the pressures of the tyre industry. There is a limit to which cost escalations can be passed on to the consumers and also a challenge to increase the prices of tyres of OEMs.

3. Outlook

The future is expected to see many strategic alliances among the domestic and global players to enable them to have access to latest technology and expand their distribution network. A better distribution will also ensure easy availability. The introduction of newer auto models will significantly have a bearing on the tyre demand. The tyre companies will also be looking for tie-ups with the OEM's for better stability and long-term relationship. Such arrangements are very essential if one has to remain competitive. The government's emphasis on improving the road infrastructure will facilitate the road transport sector that in turn will brighten the prospects of the tyre industry in the coming years.

While the demand outlook of tyres appears favourable



with a 8 to 10% annual growth forecast, the pressure on margins will continue unless the cost issues are addressed. Most tyre companies are planning capacity expansions especially in the truck radial segment and this development will fuel competition in this segment and the tyre industry in general. The growth of the tyre industry will also depend upon the expansions in the automobile industry and the efforts made by the Government to improve the road infrastructure. Also, the Government should study the inverted duty issue and take corrective action by providing a level playing field for the tyre industry.

Natural rubber and other major raw materials have seen an unprecedented price increase during the last one year. This trend of volatility in the raw material prices would continue in future. Due to competitive pressures, coupled with cheaper imported tyres, the price increase in raw materials could not be fully passed on to the customers immediately.

The impact of recent crisis in Euro-zone and other developed countries has resulted in "Rupee depreciation". If this situation continues, it will increase our net foreign currency exposure.

4. Economic Risk

The business is substantially affected by the prevailing economic conditions in India. Factors that may adversely affect the Indian economy and in turn the business include rise in interest rates, inflation, changes in duties and tax rates, fiscal and monetary policies, scarcity of credit etc. Concerns like spiraling raw material prices, the limited scope for price hikes and cyclical nature of the automobile industry are also area of concern for industry as a whole. However, increasing CAGR, strong fundamentals, favourable demographics, rapid urbanisation, rising per capita disposable income as well as increasing demand for both commercial and passenger vehicles, the Tyre Industry does not expect to be significantly affected by this risk in the long term.

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

Due to industrial relations related issues, there had been no production during the year under review.

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

6. Internal Control System and their adequacy

The Company has adequate internal control in all areas of its operation through internal and external auditors. The system ensures that all transactions are authorized, recorded and reported correctly. The systems and procedures are reviewed continuously to ensure timely preparation of financial information and safeguarding the assets of the Company.

7. Human Resources & Industrial Relations

The workers unrest continued in both the factories of the Company However management of the company is in dialogue with both the workers union to arrive at an amicable settlement to their various on going issues. Both the factories of the company have been put under suspension of operations.

8. 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 industry.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DUNLOP INDIA LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statement of DUNLOP INDIA LIMITED ("the Company"), which comprises the Balance sheet as at March 31, 2013, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

1. Refer to note no. 2.2 regarding interest and other liabilities written back and credited to general reserve

amounting to Rs. 770.69 lakhs.

2. Refer to note no. 2.6 regarding non-provision of interest amounting to Rs. 1093.13 lakhs on loan from a bank for working capital of Rs. 4025.90 lakhs.
3. Refer to note no. 2.8 regarding non provision of interest on certain loans against which one time settlement is under active consideration (amount not ascertained).
4. Refer to note no. 2.9 and 2.21 respectively, regarding capitalization of expenses of Rs. 283.49 lacs for refurbishment and regarding non provision of depreciation on assets capitalised but not put to use amounting to Rs. 29384.14 lakhs.
5. Refer to note no. 2.11 regarding providing of deferred tax assets amounting to Rs. 9740.00 lakhs on carry forward loss and unabsorbed depreciation withoutt virtual certainty of profit in future years.
6. We could not verify the investments held as non-current of book-value of Rs.7.00 lakhs as neither the share certificates in physical form nor any demat certificate produced to us.

The cumulative effects of above could not be ascertainable on the net Loss and shareholder's fund as amount on certain notes is not quantified.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph, the financial statements 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:-

- a. in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2013;
- b. in the case of Statement of Profit and Loss, of the Loss for the year ended on that date ; and
- c. in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("theOrder") issued by the Central Government of India in terms of sub- section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 those books;
- c. The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 .
- e. Based on legal opinion obtained, none of the present directors are disqualified as on 31.03.2013 for being appointed as a director, in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
- c) The company was maintaining proper records of inventory. However, as stated in (a) above, we are unable to make any comment on discrepancy of book balance and physical balance as the record of inventory was not produced to us.
- III. a) As per information and explanations given to us, 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) As per information & explanation given to us, the Company has not taken any loan secured/ unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Act and as such the provision of clause 4(iii) e to g are not applicable.

for **K N GUTGUTIA & CO.**

Chartered Accountants

Firm's Registration no. 304153E

6C, Middleton Street,

Kolkata - 700 071

Dated: 30th August, 2013

K C Sharma

Partner

Membership No. 50819

ANNEXURE REFERRED TO IN PARA 1 OF OUR REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF EVEN DATE.

- I. a) Proper records showing full particulars, including quantitative details and situation of fixed assets were maintained by the company. However, as both the plants of the Company is under suspension of operation, the fixed assets register could not be Produced to us this year and in the previous year and hence we are unable to comment whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As both the plants of the company is under suspension of operation, physical verification of fixed assets could not be carried out by the management during the year end and hence we were unable to comment whether there is any discrepancies between the physical balance and book balance.
- c) As per information and explanations given to us and from the records verified, no substantial part of the fixed assets have been disposed off during the year which affects the going concern.
- II. a) As both the plants of the company are under suspension of operation, physical verification of inventory has not been carried out during the year.
- b) As mentioned in (a) above, clause 4 (ii) (b) is not applicable during the year.
- 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. However, during the year there is no sale of goods and services and purchase of inventory.
- 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) No such contracts or arrangements have been made during the year of purchase and sale.
- 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.345.77 lakhs 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. As both the plants are under suspension of operation, cost records were not maintained for the year and hence we are unable to make any comment.
- 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. 482.53 lakhs as below :

Particulars	Amount(Rs in lakhs)
Provident Fund	161.09
E.S.I	120.44
TDS	13.80
Professional Tax	6.33
Sales Tax	180.87
Total	482.53

- b) Details with respect to the amount involved and the forum where dispute is pending to be provided under this clause with regard to disputed liability in respect of sales tax, income tax as detailed in Note No. 2.24 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 incurred cash losses during the current year and also in the 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 1083.05.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. As per information and explanations given to us and record verified by us the Company has given guarantee for loans taken by its associates or subsidiaries or others from bank or financial institutions which is not prejudicial to the interest of the company.
- XVI. According to the information and explanations given to us, no term loans were raised and hence application for the purposes for which they were raised does not arise.
- 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: 30th August, 2013

K C Sharma
Partner
Membership No. 50819


**BALANCE SHEET
AS AT 31ST MARCH, 2013**

	Note	As at 31st March, 2013 (Rs. in Lakhs)	As at 31st March, 2012 (Rs. in Lakhs)
EQUITY AND LIABILITIES			
Share Holders' Funds			
Share Capital	2.1	12198.29	7198.29
Reserves and Surplus	2.2	94783.00	97695.13
		<u>106981.29</u>	<u>104893.42</u>
Non-Current Liabilities			
Long Term Borrowings	2.3	23508.08	22932.86
Other Long Term Liabilities	2.4	1765.99	2755.54
Long Term Provisions	2.5	594.43	852.52
		<u>25868.50</u>	<u>26540.92</u>
Current Liabilities			
Short Term Borrowings	2.6	4362.16	10289.18
Trade Payables	2.7	62.90	270.47
Other Current Liabilities	2.8	6162.95	5337.87
Short Term Provision	2.8	239.97	94.72
		<u>10827.98</u>	<u>15992.24</u>
TOTAL		<u>143677.77</u>	<u>147426.58</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.9	119779.43	123722.80
Intangible assets			
Capital work-in-progress	2.9	7411.37	7127.88
Non-Current Investments	2.1	21.33	21.33
Deferred Tax Assets (Net)	2.11	9554.00	9554.00
Long Term Loans and Advances	2.12	360.46	378.42
		<u>137126.59</u>	<u>140804.43</u>
Current Assets			
Inventories	2.13	5767.30	5827.99
Trade Receivables	2.14	34.62	34.62
Cash and Bank balance	2.15	136.58	136.21
Short Term Loans and Advances	2.12	612.68	623.33
		<u>6551.18</u>	<u>6622.15</u>
TOTAL		<u>143677.77</u>	<u>147426.58</u>
Accounting Policies	1		
Notes on Financial Statements	2		

As per our Report of even date Attached

For and on behalf of

K N Gutgutia & Co.

Chartered Accountants

Firm Registration No. 304153E

K C Sharma

Partner

Membership No. 50819

Kolkata, 30th August, 2013

For and on behalf of the Board

A. K. Agarwal

Director

S. Ravi

Director

S. Ghose

Chief Financial Officer

K. L. Sharma

Company Secretary

**STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH, 2013**

	Note	For the year ended 31st March, 2013 (Rs. in Lakhs)	For the year ended 31st March, 2012 (Rs. in Lakhs)
Revenue from Operations	2.16	–	1,982.72
Other Income	2.16	13.85	19.07
Total Revenue		<u>13.85</u>	<u>2,001.79</u>
Expenses:			
Cost of Materials Consumed	2.17	–	–
Purchases of Stock-in-Trade		–	1,387.42
Changes In Inventories-Finished Goods, work-in-progress and Stock-in-Trade	2.18	–	20.93
Employee Benefit Expenses	2.19	83.75	364.98
Finance Costs	2.20	380.38	937.67
Depreciation and Amortization Expenses	2.21	146.39	146.68
Other Expenses	2.22	133.43	298.42
Total Expenses		<u>743.95</u>	<u>3,156.10</u>
Profit/(Loss) Before Extra Ordinary Items and Tax		(730.10)	(1,154.31)
Exceptional/Extra Ordinary Items		(262.59)	–
Prior Period Adjustment	2.23	106.85	7.95
Profit/(Loss) before Tax		<u>(885.84)</u>	<u>(1,146.36)</u>
Tax Expense:			
Current Tax		–	–
Deferred Tax		–	–
Profit / (Loss) for The Year		<u>(885.84)</u>	<u>(1,146.36)</u>
Basic And Diluted (Rs.)		(0.73)	(1.59)
Significant Accounting Policies	1		
Notes on Financial Statements	2		

As per our Report of even date Attached
For and on behalf of
K N Gutgutia & Co.
Chartered Accountants
Firm Registration No. 304153E
K C Sharma
Partner
Membership No. 50819
Kolkata, 30th August, 2013

For and on behalf of the Board

A. K. Agarwal
Director

S. Ravi
Director

S. Ghose
Chief Financial Officer

K. L. Sharma
Company Secretary


**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended 31st March, 2013 (Rs. in Lakhs)	Year ended 31st March, 2012 (Rs. in Lakhs)	
(A) CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit / (Loss) before tax and before exceptional item	(623.25)	(1146.36)	
Add : Adjustment for :			
Depreciation	146.39	146.68	
Interest Income	(1.87)	(0.49)	
Interest Expense	380.38	937.67	1083.86
Operating Profit / (Loss) before Working Capital changes	(98.35)	(62.50)	
Adjustments for :			
Trade and other receivables	28.61	1.44	
Inventories	60.69	(784.36)	
Trade and other Payable	1764.76	599.10	
Long Term Trade Liabilities	(989.55)	(101.28)	(285.10)
Cash generated from Operations	766.16	(347.60)	
Direct Taxes (paid) / Refund	-	-	
Cash flow before extraordinary item	766.16	(347.60)	
Exceptional item	(262.59)	-	
Net Cash Flow from Operating Activities	503.57	(347.60)	
(B) CASH FLOW FROM INVESTING ACTIVITIES :			
Net Purchase/Sale of Fixed Assets	(283.50)	(1713.70)	
Movement of Investments	-	(12.28)	
Interest Received	1.87	1.50	
Net cash used in Investing Activities	(281.63)	(1,724.48)	
(C) CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from issue of Share	5000.00	-	
Proceeds from Premium on Share issued	1000.00	-	
Proceeds from Long Term Borrowings	575.21	(4211.09)	
Proceeds from Short Term Borrowings	(5928.52)	6732.28	
Interest Paid	(868.26)	(488.12)	
	-	-	
Net Cash used in Financing Activities	(221.57)	2,033.07	
Net Increase / (Decrease) in Cash Equivalents	0.37	(39.01)	
Cash and Cash Equivalents as at 01.04.2012	24.00	63.01	
Cash and Cash Equivalents as at 31.03.2013	24.37	24.00	

As per our Report of even date Attached
For and on behalf of
K N Gutgutia & Co.
Chartered Accountants
Firm Registration No. 304153E
K C Sharma
Partner
Membership No. 50819
Kolkata, 30th August, 2013

For and on behalf of the Board

A. K. Agarwal
Director

S. Ravi
Director

S. Ghose
Chief Financial Officer

K. L. Sharma
Company Secretary



1. Significant Accounting Policies

Basis of Accounting

The Company maintains its accounts following the historical cost convention except for the revaluation of certain fixed assets and on going concern basis. 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 is 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 and 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 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.



ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

2. NOTES ON FINANCIAL STATEMENTS

2.1 SHARE CAPITAL

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
Authorised Capital		
Preference Shares of Rs.100 each (100,70,000)	-	10,070.00
175,00,00,00 Equity Shares of Rs10 each (7,43,00,000)	17,500.00	7,430.00
	<u>17,500.00</u>	<u>17,500.00</u>
Issued, Subscribed and Paid Up Capital		
12,19,82,875 Equity Shares of Rs.10 each (7,19,82,875)	<u>12,198.29</u>	<u>7,198.29</u>

Notes:

a) Equity Shareholders holding more than 5% of equity shares along with the number of equity shares held is as given below:

Name of the Shareholder	% No. of Shares	No. of Shares	% No. of Shares	No. of Shares
1. DIL Rim And Wheel Corporation Ltd	13.61	16,600,935	28.94	2,08,32,585
2. Wealth Overseas Pte Ltd	8.24	10,049,150	8.08	58,17,500
3. Hilland Traders Pvt Ltd	16.48	2,01,09,137	27.94	2,01,09,137
4. Life Insurance Corporation of India Ltd	5.19	63,32,750	8.86	63,79,452
5. Kanpur Properties & Finance Pvt. Ltd.	-	-	5.46	39,32,123
6. Suncap Commodities Ltd	14.35	1,75,00,000	-	-
7. Regus Impex Pvt Ltd	14.35	1,75,00,000	-	-
8. Salputri Commerce Pvt Ltd	12.30	1,50,00,000	-	-

b) Terms/rights attached to equity share

The Company has issued one class of equity share having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share.

Reconciliation of Number of Shares Outstanding

Particulars	31.03.2013		31.03.2012	
	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
At the beginning of period	71,982,875	7,198.29	71,982,875	7,198.29
Issued during the period - Preferential / Bonus / Rights / ESOP	50,000,000	5,000.00	-	-
Less : Buy Back / Forfeiture / Cancelled	-	-	-	-
Outstanding at the end of the period	<u>121,982,875</u>	<u>12,198.29</u>	<u>71,982,875</u>	<u>7,198.29</u>

2.2 RESERVES AND SURPLUS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
Capital Redemption Reserve	70.00	70.00
Security Premium Reserve	1,264.81	264.81
Debenture Redemption Reserve	1.33	1.33
Revaluation Reserve		
As per last Balance Sheet	82,088.25	85,885.22
Less : Transferred to Profit and Loss a/c	<u>3,796.98</u>	<u>3,796.97</u>
General Reserve	7,871.34	7,871.34
Add : Adjustment of Liabilities no longer required	<u>770.69</u>	<u>-</u>
Surplus		
As per last Balance Sheet	7,399.40	8,545.76
Add/(Less): Profit/(Loss) for the period	<u>(885.84)</u>	<u>(1,146.36)</u>
	<u>94,783.00</u>	<u>97,695.13</u>

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
--	---------------------------------------	---------------------------------------

2.3 Long Term Borrowings

a) Secured

Term Loans		
From Banks	-	6.66
From Others	-	3,004.02
From Related parties	4,138.45	4,138.45
	<u>4,138.45</u>	<u>7,149.13</u>

Note : Loan from related parties are secured by Second charge of Company's Fixed Assets.

b) Unsecured

Loans from Related Parties	11,442.63	14,892.63
Deposits (Dealers and C & FA)	339.30	381.49
Other Loans and Advances	7,587.70	509.61
	<u>19,369.63</u>	<u>15,783.73</u>

TOTAL (a+b)

23,508.08 **22,932.86**

2.4 Other Long term liabilities

Trade Payables	-	937.74
Statutory Liabilities	71.85	71.85
Others	1,694.14	1,745.95
	<u>1,765.99</u>	<u>2,755.54</u>

Note : None of the suppliers 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.


ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
2.5 Long-term Provisions		
Provision for Employee Benefits	594.43	852.52
	<u>594.43</u>	<u>852.52</u>
2.6 Short Term Borrowings		
Secured		
Cash Credit/Overdraft from Banks	4,025.90	4,025.90
Current year liability of Vehicle Loan	5.31	3.50
	<u>4,031.21</u>	<u>4,029.40</u>
UnSecured		
Other Loans and Advances	-	6,000.00
Other Loans and Advances from Related Parties	330.95	259.78
	<u>330.95</u>	<u>6,259.78</u>
TOTAL	<u>4,362.16</u>	<u>10,289.18</u>

Note : Cash credit / Overdraft are secured by hypothecation of inventories, book debts and all other current assets related to Company's manufacturing unit at Sahaganj, both present and future and are further secured by hypothecation of moveable fixed assets and equitable mortgage of land at Sahaganj.

Term Loan from Banks represent Vehicle loans secured by way of hypothecation of vehicle.

2.7 Trade payables		
Micro, Small and Medium Enterprises	-	-
Others	62.90	270.47
	<u>62.90</u>	<u>270.47</u>

Note : 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.

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
2.8 Other Current Liabilities & Provisions		
Other Current Liabilities		
Advance from Customers	15.18	39.24
Statutory Liabilities	419.25	469.33
Fixed Deposits	799.56	801.06
Interest accrued but not due	-	479.81
Other Liabilities	4,928.96	3,548.43
	<u>6,162.95</u>	<u>5,337.87</u>

Note : Other Liabilities includes old secured loans from KSIIDC- Rs.333.05 lacs and Catholic Syrian Bank - Rs.750 lacs, Company has not repaid these loans and these loans are now under active consideration of one time settlement with the Lenders. Pending settlement, no interest has been provided on these loans.

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.

Short Term Provisions		
Provision for Employees Benefits	239.97	94.72
	<u>239.97</u>	<u>94.72</u>

(Rs. Lakhs)

2.9 FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.03.2012	Additions	Deductions	As on 31.03.2013	As on 31.03.2012	For the period	Adjustment/ Sale during the period	As on 31.03.2013	As on 31.03.2013	As on 31.03.2012
Tangible Assets										
Freehold Land	33,840.32	-	-	33,840.32	-	-	-	-	33,840.32	33,840.32
Freehold Buildings	21,581.71	-	-	21,581.71	7,217.65	515.84	-	7,733.49	13,848.22	14,364.06
Leasehold Buildings	17.15	-	-	17.15	3.93	-	-	3.93	13.22	13.22
Plant and Machinery	1,28,500.62	-	-	1,28,500.62	53,202.18	3,396.50	-	56,598.68	71,901.94	75,298.44
Furniture and Fittings	573.38	-	-	573.38	541.60	1.00	-	542.60	30.78	31.78
Motor Vehicles	444.95	-	-	444.95	269.97	30.03	-	300.00	144.95	174.98
Total	<u>1,84,958.13</u>	<u>-</u>	<u>-</u>	<u>1,84,958.13</u>	<u>61,235.33</u>	<u>3,943.37</u>	<u>-</u>	<u>65,178.70</u>	<u>1,19,779.43</u>	<u>1,23,722.80</u>
Previous Year	1,84,965.52	1.79	9.18	1,84,958.13	57,294.70	3,943.65	3.02	61,235.33	1,23,722.80	
Capital Work in Progress	7127.88	283.49	-	7411.37					7411.37	7127.88


ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)		As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
2.10 Non-Current Investments			2.12 Long Term Loans and Advances		
Non-Trade :			(Unsecured, Considered Good)		
A. Quoted:			Security Deposits	81.17	99.13
Equity Shares - fully paid			Other loans and advances :	279.29	279.29
7,418 (7,418) Master Shares of				<u>360.46</u>	<u>378.42</u>
Rs.10 each of U T I	1.00	1.00	Short Term Loans and Advances		
TOTAL (A)	1.00	1.00	(Unsecured, Considered Good)		
B. Unquoted:			Loans and Advances to related parties	0.46	2.54
Investment in Subsidiary Companies			Other Short Term loans and advances :		
20,500, (20,500) Equity Shares of			Duties Receivable	151.35	134.74
Rs 10 each fully paid of			Interest accrued but not due	16.70	16.70
Ebony Commercial Pvt Ltd.	2.05	2.05	Other Loans & Advances	444.17	612.22
49,940, Equity Shares of Rs 10				<u>612.68</u>	<u>620.79</u>
each fully paid of Dunlop East Ltd.	4.99	4.99			<u>623.33</u>
49,940, Equity Shares of Rs 10					
each fully paid of Dunlop South Ltd.	4.99	4.99			
Others :			2.13 Inventories		
40, (40) 7% Debentures fully paid of			Raw Materials	5,296.11	5,296.11
Royal Calcutta Golf Club Ltd.	1.00	1.00	Work-in-progress	232.90	232.90
5,000, Equity Shares of USD 1			Finished Goods	136.00	136.00
each fully paid of Wealthsea Ltd	2.30	2.30	Stores and spares	102.29	102.29
5,000, (5,000) Equity Shares of			Goods in Transit	-	60.69
GBP 1 each fully paid of Global Finvest Ltd	4.00	4.00		<u>5,767.30</u>	<u>5,827.99</u>
10,000, (10,000) Equity Shares of Rs 10					
each fully paid of Wizer Advertising Pvt Ltd.	1.00	1.00	Note : 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. Finished Goods are valued at lower of Cost or net realizable value.		
TOTAL (B)	20.33	20.33			
TOTAL (A+B)	21.33	21.33	2.14 Trade Receivables		
Aggregate Market Value of			(Unsecured, Considered Good)		
Quoted Investments	1.78	1.80	a) More than six months from the due date	34.62	34.62
Aggregate Book Value of			b) Others	-	-
Quoted Investments	1.00	1.00		<u>34.62</u>	<u>34.62</u>
Aggregate Book Value of			2.15 Cash and cash equivalents		
UnQuoted Investments	20.33	20.33	Balances with banks in Current account	22.17	23.52
			Cash on Hand	2.20	0.48
				<u>24.37</u>	<u>24.00</u>
2.11 Deferred Tax Assets/ liabilities			Other balances :		
Deferred Tax Assets :			Fixed deposit with Bank (More than 12 months)		
43 B items under Income Tax Act,			Fixed deposit with		
Carried forward loss and			Bank- deposit Account	79.07	79.07
Unabsorbed Depreciation	9,740.00	9,740.00	Fixed Deposit with Bank		
Deferred Tax Liabilities :			Margin deposit Account	33.14	112.21
Depreciation	186.00	186.00		<u>136.58</u>	<u>136.21</u>
Deferred Tax Assets (Net)	9,554.00	9,554.00			
Note : 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 was brought back to General Reserve in 2009-10.					


ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)		As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
2.16 Income			2.20 Finance Cost		
(A) Revenue From Operations			Interest on Loans	318.38	905.26
Sale of products			Loan Processing Fees & Charges	62.00	32.41
-Own	-	26.00		<u>380.38</u>	<u>937.67</u>
-Traded	-	1,391.81	2.21 Depreciation and amortization expenses		
Sale of services	-	490.31	Depreciation	3,943.37	3,943.65
Other operating revenues	-	75.36	Less : Transferred from		
	-	1,983.48	Revaluation Reserve	3,796.98	3,796.97
Less: Excise Duty	-	0.76		<u>146.39</u>	<u>146.68</u>
	-	<u>1,982.72</u>			
B) Other Income			As per the opinion obtained by the company no depreciation has been charged on the Assets amounting to Rs. 29384.14 lakhs (P.Y.Rs.29384.14 lakhs) capitalized till 31.3.11 and not put to use.		
Interest Income	0.67	0.49	2.22 Other Expenses		
Sundry Income	0.26	-	Consumption of stores and spares part	0.08	33.52
Excess provision/liabilities written back	12.92	18.58	Power and Fuel	1.28	125.00
	<u>13.85</u>	<u>19.07</u>	Rent	26.56	24.98
TOTAL	<u>13.85</u>	<u>2,001.79</u>	Repairs to buildings	0.48	4.89
2.17 Cost of Materials Consumed			Repairs to machinery	-	1.80
Opening Stock of Raw Materials	5,296.11	4,496.15	Repair Others	0.10	0.09
Add: Raw materials Purchased	-	799.96	Security Charges	25.83	28.12
Less: Closing Stock of Raw Materials	5,296.11	5,296.11	Legal Charges	59.00	43.59
	-	-	Insurance	0.12	7.54
	<u>-</u>	<u>-</u>	Rates and Taxes excluding taxes on Income	1.49	1.07
2.18 Changes in Inventories			Freight	-	1.48
Opening Stock			Director's Sitting Fees	0.50	1.45
Finished Goods	136.00	154.40	Rebates Discount Commission	-	2.46
Work-in-progress	232.90	235.43	Auditors Remuneration		
	<u>368.90</u>	<u>389.83</u>	Audit Fees- Tax Audit	-	0.31
Less: Closing Stock			Audit Fees- Statutory Audit	0.39	1.25
Finished Goods	136.00	136.00	Certification and others	0.76	0.68
Work-in-progress	232.90	232.90		<u>1.15</u>	<u>2.24</u>
	<u>368.90</u>	<u>368.90</u>	Audit Fees- Cost Audit	-	0.35
	-	20.93	Miscellaneous Expenses	16.84	19.84
2.19 Employee Benefits Expense				<u>133.43</u>	<u>298.42</u>
Salaries and Wages	79.75	330.60	2.23 Prior Period Adjustments		
Contribution to provident and other funds	2.22	28.28	Reversal of Earlier year expenses	5.85	8.42
Staff Welfare Expenses	1.78	6.10	Expenses of Previous Years	101.00	(0.47)
	<u>83.75</u>	<u>364.98</u>	Earlier year Income	-	-
				<u>106.85</u>	<u>7.95</u>

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
2.24 Contingent liabilities and commitments		
Contingent Liabilities		
Sales Tax Demands under appeal or otherwise disputed.	14,904.06	14,904.06
Income tax matters in appeal.	400.00	400.00
In respect of Trade Finance facilities availed and assignment of factored debtors.	3361.36	3,361.36
Commitments		
In respect of gurantee issued in favour of WBSSEDCL.	145.20	145.20
In respect of corporate gurantee issued on behalf of Group Companies.	1783.25	6,063.05

2.25 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

2.26 Other Long term liabilities(Rs.1765.99 lacs appearing in Note 4) and Long term Advances (Rs.279.29 lacs appearing in Note 12) represent liabilities/assets for pre takeover period, which in the opinion of the Management is not payable/realisable within one year of Balance Sheet date.

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

2.28 Present Directors are not disqualified in terms of Section 274(1)(g) of the Companies Act, 1956, as legally advised

2.29 Particulars in terms of the regulation/ directions issued by SEBI:

- I) Holding Company: Wealth Sea Pte. Ltd. (Singapore) through DIL Rim and Wheel Corporation Limited, Mauritius
- II) Subsidiaries: Ebony Commercial Pvt Ltd, Dunlop East Ltd., Dunlop South Ltd
- III) Associate / Group Co.
As per Separate Annexure



b) The Company's related party transactions during the year and outstanding balances as at 31st March, 2013 are as below :
(Rs in Lakhs)

Sl. No.	Particulars	2012-13	2011-12
1.	Holding Company	-	-
2.	Subsidiary Companies		
	Purchase of Investment	-	9.98
	Year end Balance (Payable)	9.98	9.98
3.	Associated Company		
	Advances Taken	-	19,182.09
	Purchase of Investment	-	2.30
	Expenses	4,538.09	847.41
	Year end Balance (Payable)	18,564.06	20,633.37
4.	Key Management Personnel		
	Sitting fees	-	-
	Remuneration	-	10.13


ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

	As at 31.03.2013 (Rs. Lakhs)	As at 31.03.2012 (Rs. Lakhs)
2.30 Raw Material Consumption :		
Rubber	-	-
Fabric	-	-
Carbon Black	-	-
Others	-	-
Total	-	-

2.31 Consumption of Raw materials,spares parts and component consumed

	2012-13		2011-12	
	Value (Rs. Lacs)	%	Value (Rs. Lacs)	%
Imported	-	-	-	-
Indigenous	-	-	-	-
Total	-	-	-	-

2.32 Value of imports calculated on C.I.F basis

NIL NIL

2.33 Expenditure in foreign currency

NIL NIL

2.34 Information related to foreign exchange remitted as dividend

NIL NIL

2.35 Earnings in foreign exchange

NIL NIL

2.36 Segment Reporting

The Company operates in 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.

	As at 31.03.2013 (Rs. Lakhs)	As at 31.03.2012 (Rs. Lakhs)
2.37 Disclosure as per AS-15" Employees Benefits"		
Particulars	2012-13	2011-12
i) Change in Defined Benefit Obligation		
1) DBO at beginning of the period	947.24	923.93
2) Service Cost	59.56	72.35
3) Interest Cost	79.64	73.91
4) Plan Amendments Cost/(Credit)	-	-
5) Actuarial Losses/(Gains)	(209.63)	(122.95)
6) Benefit Payments	(42.41)	-
7) DBO at closing of the period	834.40	947.24
ii) Change in Fair Value of Assets		
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	42.41	-
4) Benefit Payments	(42.41)	-
5) Fair value of Plan Assets at closing of the period	-	-
iii) Net Asset/(Liability) Recognised in Balance Sheet-31.3.2013		
1) Present Value of Defined Benefit Obligation	834.40	947.24
2) Fair Value of Plan Assets	-	-
3) Funded Status { Surplus/ (deficit)	(834.40)	(947.24)
4) Net Asset/(Liability recognised in the Balance Sheet	(834.40)	(947.24)
iv) Disclosure of Employer expenses		
1) Current Service Cost	59.56	72.35
2) Interest Cost	79.64	73.91
3) Expected Return on Plan Assets	-	-
4) Plan Amendments Cost/(Credit)	-	-
5) Actuarial Losses/(Gains)	(209.63)	(122.95)
6) Total employer expense recognised as expenses	23.31	23.31
v) Assumptions		
1) Discount Rate	8.60%	8.60%
2) Expected Return on Plan Assets	N.A	N.A

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****2.38 Earning Per Share**

Particulars	2012-13	2011-12
Basic and Diluted Earning / (Loss)		
Per Share Before Extraordinary Items		
No of Shares Outstanding for the period	12,19,82,875	7,19,82,875
Face Value of each Share (Rs)	10.00	10.00
Net Profit / (Loss) after Tax (Rs. Lacs)	(885.84)	(1,146.36)
Add/(Less): Extraordinary Items (Rs. Lacs)	(262.59)	-
Net Profit / (Loss) after Tax for calculation of Earning/(Loss) per Share before extraordinary items (Rs. Lacs)	(1,148.43)	(1,146.36)
Basic & Diluted Earning / (Loss) Per Share Before Extraordinary Items (Re)	(0.94)	(1.59)
Basic and Diluted Earning / (Loss)		
Per Share After Extraordinary Items		
No of Shares Outstanding for the period	12,19,82,875	7,19,82,875
Face Value of each Shares (Rs)	10.00	10.00
Net Profit / (Loss) after Tax (Rs. Lacs)	(885.84)	(1,146.36)
Basic & Diluted Earning / (Loss) Per Share After Extraordinary Items (Re)	(0.73)	(1.59)

As per our Report of even date Attached
For and on behalf of

K N Gutgutia & Co.
Chartered Accountants
Firm Registration No. 304153E

K C Sharma
Partner
Membership No. 50819
Kolkata, 30th August, 2013

For and on behalf of the Board

A. K. Agarwal
Director

S. Ghose
Chief Financial Officer

S. Ravi
Director

K. L. Sharma
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.	Dunlop East Ltd	Dunlop South Ltd
2. Financial Year of the Subsidiary Companies ended on	31st March, 2013	31st March, 2013	31st March, 2013
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	49,940 Equity Shares of Rs.10/- each fully paid	49,940 Equity Shares of Rs.10/- each fully paid
b) Extent of holding	100%	99.98%	99.98%
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	NIL
b) not dealt with in the accounts of the holding Company	Rs. (2,780)	Rs. (11,954)	Rs. (11,954)
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	NIL
b) not dealt with in the accounts of the holding Company	Rs. (41,061)	Rs. (26,176)	Rs. (26,176)
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			

For and on behalf of the Board

A. K. Agarwal
Director

S. Ravi
Director

Place : Kolkata
Date : 30th August, 2013

S. Ghose
Chief Financial Officer

K. L. Sharma
Company Secretary

**AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS****INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF DUNLOP INDIA LIMITED****Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of DUNLOP INDIA LIMITED ("the Company") and its subsidiary/ies, which comprises the consolidated Balance sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Qualified Opinion

We draw attention to following notes:

- 1) Refer to note no. 2.2 regarding interest and other liabilities written back and credited to general reserve amounting to Rs. 770.69 lakhs.
- 2) Refer to note no. 2.6 regarding non-provision of interest amounting to Rs. 1093.13 lakhs on loan from a bank for working capital of Rs. 4025.90 lakhs.
- 3) Refer to note no. 2.8 regarding non provision of interest on certain loans against which one time settlement is under active consideration (amount not ascertained).
- 4) Refer to note no. 2.9 and 2.21 respectively, regarding capitalization of expenses of Rs. 283.49 lacs for refurbishment and regarding non provision of depreciation on assets capitalised but not put to use amounting to Rs. 29384.14 lakhs.
- 5) Refer to note no. 2.11 regarding providing of deferred tax assets amounting to Rs. 9740.00 lakhs on carry forward loss and unabsorbed depreciation without virtual certainty of profit in future years.
- 6) We could not verify the investments held as non-current of book-value of Rs.7.00 lakhs as neither the share certificates in physical form nor any demat certificate produced to us.

The cumulative effects of above could not be ascertainable on the net Loss and shareholder's fund as amount on certain notes is not quantified.

Qualified Opinion

Subject to above, in our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the 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 affairs of the Company as at 31st March, 2013;
- (b) in the case of consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

Other Matter

We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets(net) of Rs. 363.11 lakhs as at 31st March,2013, total revenues amounting to Rs.0.21 lakh and net cash outflows amounting to Rs. 0.16 lakh for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

for **K N GUTGUTIA & CO.**

Chartered Accountants

Firm's Registration No. 304153E

K C Sharma

Partner

6C, Middleton Street

Kolkata - 700 071

Dated : 30th August,2013

Membership No. 50819



CONSOLIDATED BALANCE SHEET
As At 31st March, 2013

	Note	As at 31st March, 2013 (Rs. in Lakhs)	As at 31st March, 2012 (Rs. in Lakhs)
EQUITY AND LIABILITIES			
Share Holders' Funds			
Share Capital	1	12198.29	7198.29
Reserves and Surplus	2	94833.52	97745.91
		<u>107031.81</u>	<u>104944.20</u>
Minority Interest			
			0.01
Non-Current Liabilities			
Long Term Borrowings	3	23508.08	22932.86
Other Long Term Liabilities	4	2065.99	3055.54
Long Term Provisions	5	594.43	852.52
		<u>26168.50</u>	<u>26840.92</u>
Current Liabilities			
Short Term Borrowings	6	4362.16	10289.18
Trade Payables	7	62.90	270.47
Other Current Liabilities	8	6163.51	5338.28
Short Term Provision	8	239.97	94.72
		<u>10828.54</u>	<u>15992.65</u>
TOTAL		<u>144028.85</u>	<u>147777.78</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets			
Tangible Assets	9	119782.25	123725.62
Intangible assets			
Capital work-in-progress	9	7411.37	7127.88
Non-Current Investments	10	9.30	9.30
Deferred Tax Assets (Net)	11	9554.00	9554.00
Preliminary Expenses not written off		0.27	0.36
Long Term Loans and Advances	12	369.96	378.42
		<u>137127.15</u>	<u>140795.58</u>
Current Assets			
Inventories	13	6117.30	6177.99
Trade Receivables	14	34.62	34.62
Cash and Bank balance	15	137.10	136.90
Short Term Loans and Advances	12	612.68	632.69
		<u>6901.70</u>	<u>6982.20</u>
TOTAL		<u>144028.85</u>	<u>147777.78</u>

Significant Accounting Policies A
Notes on Financial Statements B

As per our Report of even date Attached For and on behalf of the Board
For and on behalf of
K N Gutgutia & Co. **A. K. Agarwal** **S. Ravi**
Chartered Accountants Director Director
Firm Registration No. 304153E
K C Sharma
Partner **S. Ghose** **K. L. Sharma**
Membership No. 50819 Chief Financial Officer Company Secretary
Kolkata, 30th August ,2013

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT
For the year ended 31st March, 2013

	Note	As at 31st March, 2013 (Rs. in Lakhs)	As at 31st March, 2012 (Rs. in Lakhs)
Revenue from Operations	16	-	1,982.72
Other Income	16	14.05	19.82
Total Revenue		<u>14.05</u>	<u>2,002.54</u>
Expenses:			
Cost of Materials Consumed	17	-	-
Purchases of Stock-in-Trade		-	1,387.42
Changes In Inventories-Finished Goods, work-in-progress and Stock-in-Trade	18	-	20.93
Employee Benefit Expenses	19	83.75	364.98
Finance Costs	20	380.39	937.67
Depreciation and Amortization Expenses	21	146.39	146.68
Other Expenses	22	133.88	299.47
Total Expenses		<u>744.41</u>	<u>3,157.15</u>
Profit/(Loss) Before Extra Ordinary Items and Tax		<u>(730.36)</u>	<u>(1,154.61)</u>
Exceptional/Extra Ordinary Items		(262.59)	-
Prior Period Adjustment	23	106.85	7.95
Profit/(Loss) before Tax		<u>(886.10)</u>	<u>(1,146.66)</u>
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
		-	-
Profit (Loss) for The Year		<u>(886.10)</u>	<u>(1,146.66)</u>
Basic And Diluted (Rs.)		(0.73)	(1.59)
Significant Accounting Policies	1		
Notes on Financial Statements	2		

As per our Report of even date Attached For and on behalf of the Board
For and on behalf of
K N Gutgutia & Co. **A. K. Agarwal** **S. Ravi**
Chartered Accountants Director Director
Firm Registration No. 304153E
K C Sharma
Partner **S. Ghose** **K. L. Sharma**
Membership No. 50819 Chief Financial Officer Company Secretary
Kolkata, 30th August ,2013


CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2013.

	Year ended 31.03.2013 (Rs. in Lakh)		Year ended 31.03.2012 (Rs. in Lakh)	
(A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit (Loss) before tax and before exceptional item		(623.51)		(1146.66)
Add : Adjustments for :				
Depreciation	146.39		146.68	
Interest Income	(1.87)		(0.49)	
Interest Expense	380.38	524.90	937.67	1083.86
Operating Profit / (Loss) before Working Capital changes		(98.61)		(62.80)
Adjustments for:				
Trade and other receivables	29.97		(7.92)	
Inventories	60.69		(784.36)	
Trade and other Payable	1776.23		599.13	
Long Term Trade Liabilities	(989.55)	877.34	(101.27)	(294.42)
Cash generated from Operations		778.73		(357.22)
Direct Taxes (paid) / Refund		-		-
Cash flow before extraordinary item		778.73		(357.22)
Exceptional item		(262.59)		-
Net Cash Flow from Operating Activities		516.14		(357.22)
(B) CASH FLOW FROM INVESTING ACTIVITIES :				
Net Purchase/Sale of Fixed Assets		(283.50)		(1713.70)
Movement of Investments		-		(2.30)
Interest Received		1.87		1.50
Net cash used in Investing Activities		(281.63)		(1,714.50)
(C) CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from issue of Share		5000.00		-
Proceeds from Premium on Share issued		1000.00		-
Proceeds from Long Term Borrowings		575.21		(4211.09)
Proceeds from Short Term Borrowings		(5941.26)		6732.28
Interest Paid		(868.26)		(488.12)
		-		-
Net Cash used in Financing Activities		(234.31)		2,033.07
Net Increase / (Decrease) in Cash Equivalents		0.20		(38.65)
Cash and Cash Equivalents as at 01.04.2012		24.69		63.34
Cash and Cash Equivalents as at 31.03.2013		24.89		24.69

As per our Report of even date Attached

For and on behalf of

K N Gututia & Co.
Chartered Accountants

Firm Registration No. 304153E

K C Sharma
Partner

Membership No. 50819

Kolkata, 30th August, 2013

For and on behalf of the Board

A. K. Agarwal
Director
S. Ravi
Director
S. Ghose
Chief Financial Officer
K. L. Sharma
Company Secretary



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., Dunlop South Ltd and Dunlop East Ltd.

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

- i) 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.
- ii) The financial statements of subsidiaries used in the consolidation are drawn upto 31st March, 2013, the same reporting date as that of the Company.
- iii) The subsidiaries being wholly owned, no Goodwill / Capital Reserve and Minority interest have arisen.

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

2.1 Share Capital

	As at 31.3.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
Authorised Capital		
Preference Shares of Rs.100 each (100,70,000)	-	10,070.00
175,00,00,00 Equity Shares of Rs10 each (743,00,000)	17,500.00	7,430.00
	<u>17,500.00</u>	<u>17,500.00</u>
Issued, Subscribed and fully Paid up		
12,19,82,875 Equity Shares of Rs.10 each (7,19,82,875)	12,198.29	7,198.29

Notes:

a) Equity Shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Name of the Shareholder	%	No. of Shares	%	No. of Shares
1. DIL Rim And Wheel Corporation Ltd	13.61	1,66,00,935	28.94	2,08,32,585
2. Wealth Overseas Pte Ltd	8.24	1,00,49,150	8.08	58,17,500
3. Hilland Traders Pvt Ltd	16.48	2,01,09,137	27.94	2,01,09,137
4. Life Insurance Corporation of India Ltd	5.19	63,32,750	8.86	63,79,452
5. Kanpur Properties & Finance Pvt. Ltd.	-	-	5.46	39,32,123
6. Suncap Commodities Ltd	14.35	1,75,00,000	-	-
7. Regus Impex Pvt Ltd	14.35	1,75,00,000	-	-
8. Salputri Commerce Pvt Ltd	12.30	1,50,00,000	-	-

b) Terms/rights attached to equity share

The Company has issued one class of equity share having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share.

Reconciliation Of Number Of Share Outstanding

Particulars	31.03.2013		31.03.2012	
	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
At the beginning of period	71,982,875	7,198.29	71,982,875	7,198.29
Issued during the period - Preferential / Bonus / Rights / ESOP	50,000,000	5,000.00	-	-
Less : Buy Back / Forfeiture / Cancelled	-	-	-	-
Outstanding at the end of the period	<u>121,982,875</u>	<u>12,198.29</u>	<u>71,982,875</u>	<u>7,198.29</u>

2.2 RESERVES AND SURPLUS

	As at 31.03.2013 (Rs. in Lakhs)		As at 31.3.2012 (Rs. in Lakhs)	
Capital Reserve		51.45		51.45
Capital Redemption Reserve		70.00		70.00
Security Premium Reserve		1,264.81		264.81
Debenture Redemption Reserve		1.33		1.33
Revaluation Reserve				
As per last Balance Sheet	82,088.25		85,885.22	
Less : Transferred to Profit and Loss a/c	<u>3,796.98</u>	<u>78,291.27</u>	<u>3,796.97</u>	<u>82,088.25</u>
General Reserve	7,871.34		7,871.34	
Add : Adjustment of Liabilities no longer required	<u>770.69</u>	8,642.03	-	7,871.34
Surplus				
As per last Balance Sheet	7,398.73		8,545.39	
Add/(Less): Profit/(Loss) for the period	<u>(886.10)</u>	<u>6,512.63</u>	<u>(1,146.66)</u>	<u>7,398.73</u>
		<u>94,833.52</u>		<u>97,745.91</u>
		As at 31.03.2013 (Rs. in Lakhs)		As at 31.03.2012 (Rs. in Lakhs)

2.3 Long Term Borrowings

a) Secured

Term Loans		
From Banks	-	6.66
From Others	-	3,004.02
From Related parties	4,138.45	4,138.45
	<u>4,138.45</u>	<u>7,149.13</u>

Note : Loan from related parties are secured by Second charge of Company's Fixed Assets.

b) Unsecured

Loans from Related Parties	11,442.63	14,892.63
Deposits (Dealers and C & FA)	339.30	381.49
Other Loans and Advances	7,587.70	509.61
	<u>19,369.63</u>	<u>15,783.73</u>

TOTAL (a+b) 23,508.08 22,932.86



SCHEDULES TO THE CONSOLIDATED ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
2.4 Other Long term liabilities		
Trade Payables	300.00	1,237.74
Statutory Liabilities	71.85	71.86
Others	1,694.14	1,745.95
	<u>2,065.99</u>	<u>3,055.55</u>

Note : None of the suppliers 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.

2.5 Long-term Provisions

Provision for Employee Benefits	594.43	852.52
	<u>594.43</u>	<u>852.52</u>

2.6 Short Term Borrowings

Secured		
Cash Credit/Overdraft from Banks	4,025.90	4,025.90
Current year liability of Vehicle Loan	5.31	3.50
	<u>4,031.21</u>	<u>4,029.40</u>
UnSecured		
Other Loans and Advances	-	6,000.00
Other Loans and Advances from Related Parties	330.95	259.78
	<u>330.95</u>	<u>6,259.78</u>
TOTAL	<u>4,362.16</u>	<u>10,289.18</u>

Note : Cash credit / Overdraft are secured by hypothecation of inventories, book debts and all other current assets related to Company's manufacturing unit at Sahaganj, both present and future and are further secured by hypothecation of moveable fixed assets and equitable mortgage of land at Sahaganj.

Term Loan from Banks represent Vehicle loans secured by way of hypothecation of vehicle.

2.7 Trade payables

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)
Micro, Small and Medium Enterprises	-	-
Others	62.90	270.47
	<u>62.90</u>	<u>270.47</u>

Note : 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.

2.8 Other Current Liabilities & Provisions

Other Current Liabilities

Advance from Customers	15.18	39.24
Statutory Liabilities	419.26	469.33
Fixed Deposits	799.56	801.06
Interest accrued but not due	-	479.81
Other Liabilities	4,929.51	3,548.84
	<u>6,163.51</u>	<u>5,338.28</u>

Note : Other Liabilities includes old secured loans from KSIIDC- Rs.333.05 lacs and Catholic Syrian Bank - Rs.750 lacs, Company has not repaid these loans and these loans are now under active consideration of one time settlement with the Lenders. Pending settlement, no interest has been provided on these loans.

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.

Short Term Provisions

Provision for Employees Benefits	239.97	94.72
	<u>239.97</u>	<u>94.72</u>

2.9 Fixed Assets

Rs. in Lakhs

	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 31.3.2012	Additions	Deductions	As on 31.3.2013	As on 31.3.2012	For the period	Adjustment/ Sale during the period	As on 31.3.2013	As on 31.3.2013	As on 31.3.2012
Tangible Assets										
Freehold Land	33,843.14	-	-	33,843.14	-	-	-	-	33,843.14	33,843.14
Freehold Buildings	21,581.71	-	-	21,581.71	7,217.65	515.84	-	7,733.49	13,848.22	14,364.06
Leasehold Buildings	17.15	-	-	17.15	3.93	-	-	3.93	13.22	13.22
Plant and Machinery	1,28,500.62	-	-	1,28,500.62	53,202.18	3,396.50	-	56,598.68	71,901.94	75,298.44
Furniture and Fittings	573.38	-	-	573.38	541.60	1.00	-	542.60	30.78	31.78
Motor Vehicles	444.95	-	-	444.95	269.97	30.03	-	300.00	144.95	174.98
Total	<u>1,84,960.95</u>	<u>-</u>	<u>-</u>	<u>1,84,960.95</u>	<u>61,235.33</u>	<u>3,943.37</u>	<u>-</u>	<u>65,178.70</u>	<u>1,19,782.25</u>	<u>1,23,725.62</u>
Previous Year	184960.95	-	-	1,84,960.95	57,294.70	3,943.65	3.02	61,235.33	123725.62	
Capital Work in Progress	7127.88	283.49	-	7411.37					7411.37	7127.88


SCHEDULES TO THE CONSOLIDATED ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)		As at 31.03.2013 (Rs. Lakhs)	As at 31.03.2012 (Rs. Lakhs)
2.10 Non-Current Investments			2.12 Long Term Loans and Advances		
Non-Trade :			(Unsecured, Considered Good)		
A. Quoted:			Security Deposits	81.17	99.13
Equity Shares - fully paid			Other loans and advances :	288.79	279.29
7,418 (7,418) Master Shares of				<u>369.96</u>	<u>378.42</u>
Rs.10 each of U T I	1.00	1.00	Short Term Loans and Advances		
TOTAL (A)	1.00	1.00	(Unsecured, Considered Good)		
B. Unquoted:			Loans and Advances to related parties	0.46	2.54
Others :			Other Short Term loans and advances :		
40, (40) 7% Debentures fully paid of			Duties Receivable	151.35	134.74
Royal Calcutta Golf Club Ltd.	1.00	1.00	Interest accrued but not due	16.70	16.70
5,000, Equity Shares of USD 1			Other Loans & Advances	444.17	612.22
each fully paid of Wealthsea Ltd	2.30	2.30		<u>612.68</u>	<u>632.69</u>
5,000, (5,000) Equity Shares of			2.13 Inventories		
GBP 1 each fully paid of Global Finvest Ltd	4.00	4.00	Immovable Property	350.00	350.00
10,000, (10,000) Equity Shares of Rs 10			Raw Materials	5,296.11	5,296.11
each fully paid of Wizer Advertising Pvt Ltd.	1.00	1.00	Work-in-progress	232.90	232.90
TOTAL (B)	8.30	8.30	Finished Goods	136.00	136.00
TOTAL (A+B)	9.30	9.30	Stores and spares	102.29	102.29
Aggregate Market Value of			Goods in Transit	-	60.69
Quoted Investments	1.78	1.80		<u>6,117.30</u>	<u>6,177.99</u>
Aggregate Book Value of			Note : Inventories are stated at the lower of cost and estimated net realisable		
Quoted Investments	1.00	1.00	value. Cost is determined on the basis of first in first out, except engineering		
Aggregate Book Value of			stores, cost for which is computed on the basis of weighted average. Work-		
UnQuoted Investments	8.30	8.30	in-progress represents materials cost, direct labour and appropriate portion		
			of factory overheads. Finished Goods are valued at lower of Cost or net		
			realizable value.		
2.11 Deferred Tax Assets/ liabilities			2.14 Trade Receivables		
Deferred Tax Assets :			(Unsecured, Considered Good)		
43 B Items under Income Tax Act,			a) More than six months from the due date	34.62	34.62
Carried forward loss and			b) Others	-	-
Unabsorbed Depreciation	9,740.00	9,740.00		<u>34.62</u>	<u>34.62</u>
Deferred Tax Liabilities :			2.15 Cash and cash equivalents		
Depreciation	186.00	186.00	i) Cash and cash equivalents		
Deferred Tax Assets (Net)	9,554.00	9,554.00	Balances with banks in Current account	22.22	23.93
			Cash on Hand	2.67	0.76
				<u>24.89</u>	<u>24.69</u>
Note : The Company had recognized deferred tax asset as on 31.03.2007			Other balances :		
on account of carried forward business losses and unabsorbed depreciation			Fixed deposit with Bank (More than 12 months)		
under Income Tax Act, 1961. This was adjusted against General Reserve.			Fixed deposit with		
The Company has filed a petition on 11th March, 2010 before Hon'ble			Bank- deposit Account	79.07	79.07
Calcutta High Court seeking extension of carry forward losses period beyond			Fixed Deposit with Bank		
8 years because the Company was under BIFR. Pending decision, Rs 3358			Margin deposit Account	33.14	112.21
lakhs, which was adjusted against General Reserve in 2007-08 & 2008-09				<u>137.10</u>	<u>136.90</u>
was brought back to General Reserve in 2009-10.					


SCHEDULES TO THE CONSOLIDATED ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)		As at 31.03.2013 (Rs. Lakhs)	As at 31.03.2012 (Rs. Lakhs)
2.16 Income			2.20 Finance Cost		
(A) Revenue From Operations			Interest on Loans	318.38	905.26
Sale of products			Loan Processing Fees & Charges	62.00	32.41
-Own	-	26.00		<u>380.38</u>	<u>937.67</u>
-Traded	-	1,391.81	2.21 Depreciation and amortization expenses		
Sale of services	-	490.31	Depreciation	3,943.37	3,943.65
Other operating revenues	-	75.36	Less : Transferred from		
	-	1,983.48	Revaluation Reserve	3,796.98	3,796.97
Less: Excise Duty	-	0.76		<u>146.39</u>	<u>146.68</u>
	-	<u>1,982.72</u>			
B) Other Income			As per the opinion obtained by the company no depreciation has been charged on the Assets amounting to Rs. 29384.14 lakhs (F. Y. Rs.29384.14 lakhs) capitalized till 31.3.11 and not put to use.		
Interest Income	0.67	0.49	2.22 Other Expenses		
Sundry Income	0.26	-	Consumption of stores and spares part	0.08	33.52
Excess provision/liabilities written back	12.92	18.58	Power and Fuel	1.28	125.00
Hire Charges	0.20	0.75	Rent	26.56	24.98
	<u>14.05</u>	<u>19.82</u>	Repairs to buildings	0.48	4.89
TOTAL	<u>14.05</u>	<u>2,002.54</u>	Repairs to machinery	-	1.80
2.17 Cost of Materials Consumed			Repair Others	0.28	0.81
Opening Stock of Raw Materials	5,296.11	4,496.15	Security Charges	25.83	28.12
Add: Raw materials Purchased	-	799.96	Legal Charges	59.00	43.59
Less: Closing Stock of Raw Materials	5,296.11	5,296.11	Insurance	0.12	7.54
	-	-	Rates and Taxes excluding taxes on Income	1.49	1.07
	-	-	Freight	0.00	1.48
2.18 Changes in Inventories			Director's Sitting Fees	0.50	1.45
Opening Stock			Rebates Discount Commission	-	2.46
Finished Goods	136.00	154.40	Auditors Remuneration		
Work-in-progress	232.90	235.43	Audit Fees- Tax Audit	-	0.31
	<u>368.90</u>	<u>389.83</u>	Audit Fees- Statutory Audit	0.44	1.30
Less: Closing Stock			Certification and others	0.76	0.68
Finished Goods	136.00	136.00		<u>1.20</u>	<u>2.29</u>
Work-in-progress	232.90	232.90	Audit Fees- Cost Audit	-	1.20
	<u>368.90</u>	<u>368.90</u>	Miscellaneous Expenses	17.06	20.12
	-	20.93		<u>133.88</u>	<u>299.47</u>
2.19 Employee Benefits Expense			2.23 Prior Period Adjustments		
Salaries and Wages	79.75	330.60	Reversal of Earlier year expenses	5.85	8.42
Contribution to provident and other funds	2.22	28.28	Expenses of Previous Years	101.00	(0.47)
Staff Welfare Expenses	1.78	6.10	Earlier year Income	-	-
	<u>83.75</u>	<u>364.98</u>		<u>106.85</u>	<u>7.95</u>



SCHEDULES TO THE CONSOLIDATED ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (Rs. in Lakhs)	
2.24 Contingent liabilities and commitments			
Contingent Liabilities			
Sales Tax Demands under appeal or otherwise disputed.	14,904.06	14,904.06	
Income tax matters in appeal.	400.00	400.00	
In respect of Trade Finance facilities availed and assignment of factored debtors.	3361.36	3,361.36	
Commitments			
In respect of gurantee issued in favour of WBSEDCL.	145.20	145.20	
In respect of corporate gurantee issued on behalf of Group Companies.	1783.25	6,063.05	
2.25 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			
2.26 Other Long term liabilities(Rs.1765.99 lacs appearing in Note 4) and Long term Advances (Rs.279.29 lacs appearing in Note 12) represent liabilities/assets for pre takeover period, which in the opinion of the Management is not payable/realisable within one year of Balance Sheet date.			
2.27 Confirmation of balances has been sought from sundry creditors, sundry debtors and loans & advances given to parties. Confirmations are awaited.			
2.28 Present Directors are not disqualified in terms of Section 274(1)(g) of the Companies Act, 1956, as legally advised			
2.29 Particulars in terms of the regulation/ directions issued by SEBI:			
I) Holding Company: Wealth Sea Pte. Ltd. (Singapore) through DIL Rim and Wheel Corporation Limited, Mauritius			
II) Associate / Group Co. As per Separate Annexure			



b) The Company's related party transactions during the year and outstanding balances as at 31st March, 2013 are as below :
(Rs in Lakhs)

Sl. No.	Particulars	2012-13	2011-12
1.	Holding Company	-	-
2.	Subsidiary Companies		
	Purchase of Investment	-	-
	Year end Balance (Payable)	-	-
3.	Associated Company		
	Advances Taken	-	19,182.09
	Purchase of Investment	-	2.30
	Expenses	4,538.09	847.41
	Year end Balance (Payable)	18,564.06	20,633.37
4.	Key Management Personnel		
	Sitting fees	-	-
	Remuneration	-	10.13


SCHEDULES TO THE CONSOLIDATED ACCOUNTS

	As at 31.03.2013 (Rs. in Lakhs)		As at 31.03.2012 (Rs. in Lakhs)		As at 31.03.2013 (Rs. in Lakhs)		As at 31.03.2012 (Rs. in Lakhs)	
2.30 Raw Material Consumption :								
Rubber	-	-	-	-				
Fabric	-	-	-	-				
Carbon Black	-	-	-	-				
Others	-	-	-	-				
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>				
2.31 Consumption of Raw materials,spares parts and component consumed								
	2012-13		2011-12					
	Value	%	Value	%				
	(Rs. Lakhs)		(Rs. Lakhs)					
Imported	-	-	-	-				
Indigenous	-	-	-	-				
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>				
2.32 Value of imports calculated on C.I.F basis	NIL		NIL					
2.33 Expenditure in foreign currency	NIL		NIL					
2.34 Information related to foreign exchange remitted as dividend	NIL		NIL					
2.35 Earnings in foreign exchange	NIL		NIL					
2.36 Segment Reporting								
The Company operates in 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 of 17 regarding Segment Reporting is not applicable.								
2.37 Disclosure as per AS-15" Employees Benefits"								
	Particulars	2012-13		2011-12				
i) Change in Defined Benefit Obligation								
	1) DBO at beginning of the period	947.24		923.93				
	2) Service Cost	59.56		72.35				
	3) Interest Cost	79.64		73.91				
	4) Plan Amendments Cost/(Credit)	-		-				
	5) Actuarial Losses/(Gains)	(209.63)		(122.95)				
	6) Benefit Payments	(42.41)		-				
	7) DBO at closing of the period	834.40		947.24				
ii) Change in Fair Value of Assets								
	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	42.41		-				
	4) Benefit Payments	(42.41)		-				
	5) Fair value of Plan Assets at closing of the period	-		-				
iii) Net Asset/(Liability) Recognised in Balance Sheet-31.3.2012								
	1) Present Value of Defined Benefit Obligation	834.40		947.24				
	2) Fair Value of Plan Assets	-		-				
	3) Funded Status { Surplus/ (deficit) }	(834.40)		(947.24)				
	4) Net Asset/(Liability recognised in the Balance Sheet	(834.40)		(947.24)				
iv) Disclosure of Employer expenses								
	1) Current Service Cost	59.56		72.35				
	2) Interest Cost	79.64		73.91				
	3) Expected Return on Plan Assets	-		-				
	4) Plan Amendments Cost/(Credit)	-		-				
	5) Actuarial Losses/(Gains)	(209.63)		(122.95)				
	6) Total employer expense recognised as expenses	23.31		23.31				
v) Assumptions								
	1) Discount Rate	8.60%		8.60%				
	2) Expected Return on Plan Assets	N.A		N.A				

**SCHEDULES TO THE CONSOLIDATED ACCOUNTS****2.38 Earning Per Share**

Particulars	2012-13	2011-12
Basic and Diluted Earning / (Loss)		
Per Share Before Extraordinary Items		
No of Shares Outstanding for the period	12,19,82,875	7,19,82,875
Face Value of each Share (Rs)	10.00	10.00
Net Profit / (Loss) after Tax (Rs. Lacs)	(886.10)	(1,146.66)
Add/(Less): Extraordinary Items (Rs. Lacs)	(262.59)	-
Net Profit / (Loss) after Tax for calculation of Earning/(Loss) per Share before extraordinary items (Rs. Lacs)	(1,148.70)	(1,146.66)
Basic & Diluted Earning / (Loss) Per Share Before Extraordinary Items (Re)	(0.94)	(1.59)
Basic and Diluted Earning / (Loss)		
Per Share After Extraordinary Items		
No of Shares Outstanding for the period	12,19,82,875	7,19,82,875
Face Value of each Shares(Rs)	10.00	10.00
Net Profit / (Loss) after Tax (Rs. Lacs)	(886.10)	(1,146.66)
Basic & Diluted Earning / (Loss) Per Share After Extraordinary Items (Re)	(0.73)	(1.59)

2.39 Previous year figures have been regrouped wherever necessary.

As per our Report of even date Attached
For and on behalf of

K N Gutgutia & Co.
Chartered Accountants
Firm Registration No. 304153E

K C Sharma
Partner
Membership No. 50819

Kolkata, 30th August, 2013

For and on behalf of the Board

A. K. Agarwal
Director

S. Ravi
Director

S. Ghose
Chief Financial Officer

K. L. Sharma
Company Secretary

**STATEMENT PURSUANT TO SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATED TO ITS SUBSIDIARY COMPANIES, EBONY COMMERCIAL PRIVATE LTD, DUNLOP EAST LTD AND DUNLOP SOUTH LTD FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2013.**

Particulars	Ebony Commercial Pvt Ltd	Dunlop East Ltd.	Dunlop South Ltd
a) Capital (Rs in '000)	205.00	500.00	500.00
b) Reserve and Surplus(Rs in '000)	5103.94	–	–
c) Total Assets (Rs in '000)	35310.62	500.09	500.09
d) Total Liabilities (Rs in '000)	35310.62	500.09	500.09
e) Details of Investment (Rs in '000) (Except in case of Investment in Subsidiaries)	Nil	Nil	Nil
f) Turnover and Other Income (Rs in '000)	20.50	–	–
g) Profit/(Loss) before Taxation (Rs in '000)	(2.78)	(11.95)	(11.95)
h) Provision for Taxation	Nil	Nil	Nil
i) Proposed Dividend	Nil	Nil	Nil

1) Pursuant to General Circular Nos.2/2011 dated 8th February,2011 and 3/2011 dated 21st February,2011 both issued by the Ministry of Corporate Affairs, Government of India, New Delhi, Annual Accounts and the related detailed information of the aforesaid Subsidiary Company are not attached herewith but the same shall be made available to the Company's Shareholders seeking such information at any point of time.

The Company will furnish the hard copy of details of Accounts of the aforesaid Subsidiary to any Shareholder on demand, who desires to obtain the same from the Company.

2) Annual Accounts of the aforesaid Subsidiary Company is available for inspection at the Corporate Office of the Company on all working days up to the date of ensuing Annual General Meeting between 11.00 a.m. and 1.00 p.m.



DUNLOP INDIA LIMITED

Registered Office : Flat No.1, Front Side, 5th Floor, 9, Syed Amir Ali Avenue, Kolkata – 700017

ATTENDANCE SLIP

EIGHTY SIXTH ANNUAL GENERAL MEETING ON MONDAY, 23RD SEPTEMBER, 2013 AT 11.00 A.M. AT KALAMANDIR, 48, SHAKESPEARE SARANI, KOLKATA – 700017

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 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 86 th Annual General Meeting

NAME OF PROXY (IF ANY) IN BLOCK LETTERS

SIGNATURE OF MEMBER / PROXY

FOLIO NO. :



DUNLOP INDIA LIMITED

Registered Office : Flat No.1, Front Side, 5th Floor, 9, Syed Amir Ali Avenue, Kolkata – 700017

PROXY FORM

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 me / us and on my / our behalf at the 86th Annual General Meeting of the Company to be held on 23rd September, 2013 and at my adjournment thereof.

As witness my / our hand/s this..... day of 2013

Signed by as.....

Affix
one rupee
Revenue
Stamp here

Note :

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

BOOK POST

If undelivered, please return to :

DUNLOP INDIA LIMITED

Registered Office :

Flat No. 1, Front Side,

5th Floor,

9, Syed Amir Ali Avenue,

Kolkata -700 017

FORM B

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange

1. Name of the Company	Dunlop India Limited
2. Annual Financial Statements for the year ended	31 st March, 2013
3. Type of Audit qualification.	<p>Basis for Qualified Opinion :</p> <ul style="list-style-type: none"> - Note No. 2.2 regarding interest and other liabilities written back and credited to general reserve amounting to Rs. 770.69 lakhs. - Note No. 2.6 regarding non-provision of interest amounting to Rs. 1093.13 lakhs on loan from a bank for working capital of Rs. 4025.90 lakhs. - Note No. 2.8 regarding non-provision of interest on certain loans against which one time settlement is under active consideration (amount not ascertained). - Note No. 2.9 and 2.21 respectively regarding capitalization of expenses of Rs. 283.49 lakhs for refurbishment and regarding non-provision of depreciation on assets capitalized but not put to use amounting to Rs. 29384.14 lakhs. - Note No. 2.11 regarding providing deferred tax assets amounting to Rs. 9740.00 lakhs on carry forward loss and unabsorbed depreciation without virtual certainty of profit in future years. - We Could not verify the investments held as non-current of book value of Rs. 7.00 lakhs as neither the share certificates in physical form nor any demat certificates produced to us. <p>The cumulative effects of above could not be ascertainable on the net loss and shareholder's fund as amount on certain notes is not quantified.</p> <p>Qualified Opinion :</p> <ul style="list-style-type: none"> - In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph, the financial statements 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.
4. Frequency of qualification	First Time
Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	<p>In the Directors' Report at page no. 5, it was replied under Annexure to the Directors' Report dated 30th August, 2013 pursuant to Section 217(3) of the Companies Act, 1956.</p> <p>Reference is made to the comments of the Auditors in respect of certain records and information. In this regard, attention is drawn to Notes 2 on Financial Statements, which are self explanatory.</p>
5. To be signed by - - Director - CFO - Auditor of the Company - Audit Committee Chairman	