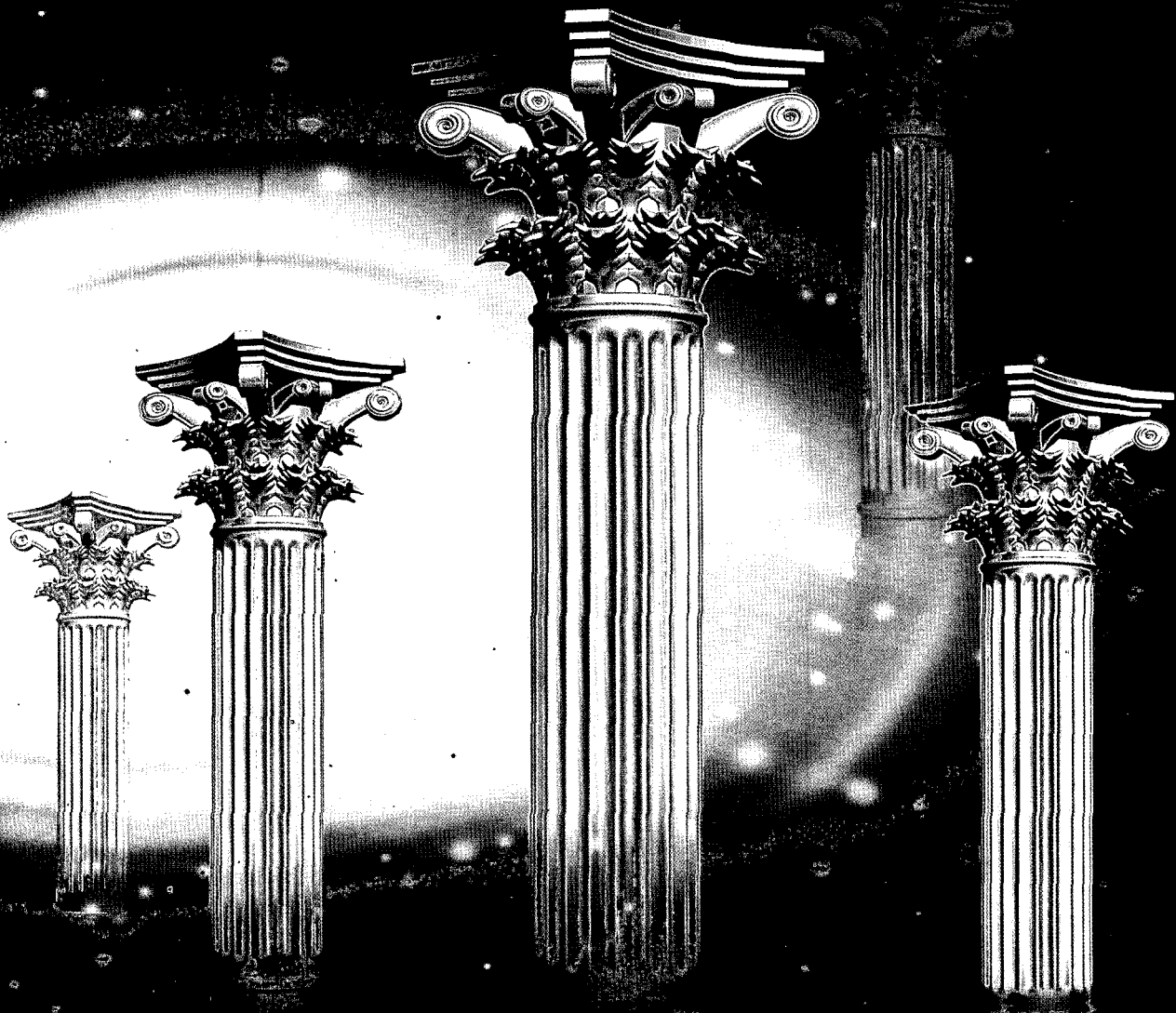


*Creating Infrastructure
for Tomorrow*



MARTIN BURN LIMITED

ANNUAL REPORT 2008-09

Corporate Information

Board of Directors

Shri Kedar Nath Fatehpuria	Chairman & Managing Director
Shri Om Prakash Fatehpuria	Joint Managing Director
Shri Kailash Nath Fatehpuria	Deputy Managing Director
Shri Vijay Kumar Fatehpuria	Deputy Managing Director
Shri Ram Karan Tiwari	Independent Non-Executive Director
Shri Kailash Prasad Dhanuka	Independent Non-Executive Director
Shri Sanjay Kumar Bhartiya	Independent Non-Executive Director
Shri Pawan Murarka	Independent Non-Executive Director

Manager (Legal) & Company Secretary

Ms. Sudha Agarwal

Statutory Auditors

M/s D. P. Sen & Co.
22, Ashutosh Chowdhury Avenue
2nd Floor, Flat No. 22
Kolkata - 700 019

Internal Auditors

M/s Saraf & Co.
Todi Chamber
2, Lal Bazar Street
3rd Floor, Room No. 301
Kolkata - 700 001

Bankers

The Federal Bank Ltd.
Indian Overseas Bank
State Bank of India

Registered Office

"Martin Burn House"
1, R. N. Mukherjee Road
Kolkata - 700 001
Phone : 2230-3371/80
Fax : 2248-8416
E-mail : martinburn@rediffmail.com

Branches

40-42, Janpath,
New Delhi - 110 001

"Esplanade House"
29, Hazarimal Somani Marg
Mumbai - 400 001

Solicitors

Shri R. L. Mitra
6, Old Post Office Street
"Temple Chambers" 2nd Floor
Kolkata - 700 001
Phone : 2248-3255

Registrars & Share Transfer Agent

Maheshwari Datamatics (P) Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone : 2243-5029/5809
Fax : 2248- 4787

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Notice

NOTICE is hereby given that the 62nd Annual General Meeting of the Company will be held at the Registered Office of the Company at "Martin Burn House", 1, R. N. Mukherjee Road, Kolkata - 700 001, on Tuesday, the 22nd day of September, 2009 at 11.00 A.M to transact the following business :

ORDINARY BUSINESS

1. To consider, approve and adopt the audited Balance Sheet as at 31st March, 2009, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sanjay Kumar Bhartiya who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Pawan Murarka who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint retiring Auditors of the Company, M/s D. P. Sen & Co., Chartered Accountants to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT consent of the Company be and is hereby accorded to the re-appointment of Shri Kedar Nath Fatehpuria, who has attained the age of 68 years, as Whole Time Director designated as Chairman and Managing Director of the Company with effect from 28 April, 2009, for a period of 3 (three) years, in accordance with the provisions of Section 198, 269 and 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, including any statutory modification or re-enactments thereof, on the same terms and conditions as was set out in the Supplemental Agreement dated 30 April, 2008, entered into by the Company with Shri Kedar Nath Fatehpuria."

By Order of the Board of Directors
For **MARTIN BURN LIMITED**

Place : Kolkata
Date : August 21, 2009

Sudha Agarwal
Manager (Legal)
& Company Secretary

NOTES :

- I. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself/herself and the proxy need not be a member of the Company. However, the proxy forms duly filled up must be lodged with the Company at least 48 hours before the time of the meeting.
- II. Corporate Members intending to send their authorised representative(s) to attend the Annual General Meeting are advised to send a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the meeting.
- III. The Register of Members and the Share Transfer Books of the Company shall remain closed from 15th September, 2009 to 22nd September, 2009 (both days inclusive).
- IV. Members who are holding shares in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation which includes easy liquidity, savings in stamp duty, prevention of forgery etc.
- V. All documents referred to in the Notice and accompanying explanatory statement, as well as the Annual Accounts of the subsidiary company are open for inspection at the Registered Office of the Company on all working days, except Sunday and other holidays, between 11.00 A.M. and 1.00 P.M. upto the date of Annual General Meeting.
- VI. Information pursuant to Clause 49 of the Listing Agreement in connection with the Directors to be re-appointed at the 62nd Annual General Meeting.

Name of Director	Shri Kedar Nath Fatehpuria	Shri Sanjay Kumar Bhartiya	Shri Pawan Murarka
Date of Birth	15.06.1940	01.03.1970	20.04.1971
Date of Appointment	04.03.1985	29.09.2003	29.09.2003
Qualifications	B.Sc.	B.A. (Hons.)	B.Com.

Notice *Contd.*

Name of Director	Shri Kedar Nath Fatehpuria	Shri Sanjay Kumar Bhartiya	Shri Pawan Murarka
Expertise in specific functional areas	Has 51 years of vast experience in Accounts, Finance, Company Management, Construction and Real Estate Development	Expertise in Steel Industry	Expertise in Construction Industry
Directorship in other Public Limited companies	Nil	a) Dina Iron & Steel Ltd. b) Dina Alloys Ltd. c) Patliputra Gases Ltd.	Nil
Chairman/ Membership of the Committees	Nil	Nil	Nil
No. of Shares held in the Company.	19,29,214	Nil	Nil

VII. Members are requested to :

- (a) Notify change of address, if any,
- (b) Send query(ies), if any, regarding audited accounts, at least 10 days before the meeting.
- (c) Bring with them their copy of the Annual Report in the meeting.
- (d) Carry their identity proof to produce at the venue for security reasons.

VIII. Securities and Exchange Board of India (SEBI) vide its circular dated April 27, 2007, has made it mandatory effective July 2, 2007, for every participant in the securities/capital market to furnish Income Tax Permanent Account Number (PAN No.). Members holding shares in physical mode are requested to furnish photocopy of the PAN card to the Company or the Registrar and the members holding shares in Demat mode are requested to record the details of PAN Card with their Depository Participant.

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

Item No. 5

Shri Kedar Nath Fatehpuria is associated with the Company as Director since March 4, 1985. The term of office of Shri Kedar Nath Fatehpuria, Whole time Director designated as Chairman & Managing Director expired on April 27, 2009. The Remuneration Committee of the Board and the Board of Directors at their respective meetings held on April 24, 2009, has subject to the approval of the members, re-appointed him as Whole time Director designated as Chairman & Managing Director for a further period of 3 (three) years, on the same terms and conditions as was set out in the Supplemental Agreement dated 30 April, 2008, entered into by the Company with Shri Kedar Nath Fatehpuria. The terms and conditions are given below :

- i) **SALARY** : Rs. 1,00,000 (Rupees One lac only) per month.
- ii) **COMMISSION** : Not exceeding 1% of the Net Profit of the Company in a particular year subject to a ceiling of 50% of the salary.
- iii) **PERQUISITES & ALLOWANCES** : In addition to the salary as outlined above, Shri Kedar Nath Fatehpuria shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical re-imburement, leave travel concession for himself and his family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Shri Fatehpuria, such perquisites and allowances will be subject to a maximum of 125% of his annual salary.
- iv) **PROVIDENT FUND, SUPERANNUATION FUND/ANNUITY FUND** : Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

Notice

- v) Provision for use of Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- vi) **MINIMUM REMUNERATION** : In the event of loss or inadequacy of profits of the Company in any financial year, remuneration and perquisites/benefits payable to him by way of minimum remuneration shall be determined by the Board within the limits specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as modified from time to time.
- vii) **SITTING FEES** : The Director shall not be paid any sitting fees for attending the meeting of the Board or any Committee thereof.

None of the Directors, except Shri Kedar Nath Fatehpuria, as recipient of remuneration, Shri Om Prakash Fatehpuria, Shri Kailash Nath Fatehpuria and Shri Vijay Kumar Fatehpuria being his relatives are concerned or interested in the aforesaid appointment.

Registered Office :
"Martin Burn House"
1, R.N. Mukherjee Road
Kolkata - 700 001
Date : August 21, 2009

By Order of the Board of Directors
For **MARTIN BURN LIMITED**

Sudha Agarwal
Manager (Legal)
& *Company Secretary*

Directors' Report

To the Members,

Your Directors are pleased to present the 62nd Annual Report together with Audited Statements of Accounts of the Company for the Financial Year ended March 31, 2009.

FINANCIAL RESULTS

(Rs. in Lakh)

	2008-2009	2007-2008
Profit before Interest, Depreciation and Taxation	285.90	575.26
Less : Interest Expense	61.69	53.78
Less : Depreciation	19.76	22.29
Profit/(Loss) before taxation	204.45	499.19
Add/(Less) : Provision for Taxation	51.97	157.19
Profit/(Loss) after Taxation	152.48	342.00
Un-appropriated Profit brought forward from previous years	628.89	586.90
Profit available for Appropriations	781.37	928.90

DIVIDEND

Directors regret that they are unable to recommend any dividend for the year under review.

PERFORMANCE REVIEW & FUTURE OUTLOOK

The Company has earned a Post Tax Profit of Rs. 152.48 Lacs against the corresponding Profit of Rs. 342 Lacs, as reported last year.

The Company is in the process of negotiating with various parties for acquiring 36 to 40 acres of land at Rajarhat, Kolkata.

During the year, we have undertaken the construction of Air Catering Unit of The New Indian Glass Works (Calcutta) Pvt. Ltd. but the same could not be completed due to recession. The renovation work of East India Hotels was continued during the year under review.

PUBLIC DEPOSIT

The Company has no outstanding Public Deposit as on March 31, 2009. The Company has complied with the provisions of Section 58A of the Companies Act, 1956. The Company is not accepting any new Deposits.

HUMAN RESOURCES

The Company firmly believes that human resources and knowledge capital are vital for business success and creating value for the stakeholders. During the financial year under review, the management continued to have harmonious relation with the employees.

DIRECTORS

Shri Sanjay Kumar Bhartiya and Shri Pawan Murarka - Directors of the Company, retire at the forthcoming Annual General Meeting,

and being eligible, offer themselves for re-appointment.

STATUTORY INFORMATION

- (1) Section 217 (2A) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is not applicable, as the remuneration payable to any employee does not exceed the prescribed limit.
- (2) The Company does not have any activity related to conservation of energy or technology absorption.
- (3) The Company's foreign exchange outgoing and the foreign exchange earning during the year is Nil.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 [2AA] of the Companies Act, 1956, the Directors state as follows :

- (1) that in the preparation of the annual accounts for the financial year ended March 31, 2009, the applicable accounting standards had been followed and that no material departures have been made from the same;
- (2) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- (3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

Directors' Report

- (4) that the Directors have prepared the annual accounts on a going concern basis.

LISTING

The Company's shares are listed at The Calcutta Stock Exchange Association Ltd., The Uttar Pradesh Stock Exchange Association Ltd., Bombay Stock Exchange Ltd. and The Delhi Stock Exchange Association Ltd.

CORPORATE GOVERNANCE

A Report on Corporate Governance and Management Discussion and Analysis, as required under Clause 49 of the Listing Agreement are annexed and forms part of this Annual Report.

A certificate from the Auditors of the Company, M/s A. K. Labh & Co. confirming compliance with the conditions of the Corporate Governance is also annexed.

AUDITORS' OBSERVATIONS

In respect of the reference to the Notes on Accounts in the Auditors' Report, your Directors have to state that the same are self explanatory and do not need further clarification.

AUDITORS

M/s D. P. Sen & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation of the devoted services rendered by the entire work force during the year under review. Further, your Directors would like to recognize and appreciate the support received from The Federal Bank Ltd., State Bank of India and Indian Overseas Bank. Last but certainly by no means least, your Directors would like to thank various departments of Central and State Government, its Shareholders, Customers and the Public at large for their continued support and confidence.

On behalf of the Board

Place : Kolkata
Date : August 21, 2009

K. N. Fatehpuria
Chairman & Managing Director

Management Discussion and Analysis

INDUSTRY TREND AND DEVELOPMENT

The unending euphoria of Indian real estate witnessed during the last few years is finally showing signs of ebbing. The Indian developers faced huge liquidity crunch due to global financial melt down. Realty woes further accentuated from the stock market battering, leaving Corporate share prices falling like ninepins. Corrections in property prices and rentals have inadvertently led to the market capitalization erosion of many listed players. However, there are large scale real estate investors who look to allocate or transact money seamlessly between countries even though there is upside potential of property valuation. Therein lies the appeal and optimism of property investing in India where a new paradigm will emerge following recalibration of industry expectation and factoring of revised regulations.

OPPORTUNITIES AND THREATS

The continuing economic uncertainty throughout world markets and the lingering impact of global credit crunch are seen as the greatest risks faced by real estate companies. With few transactions taking place in the real estate market, valuations of property are a problem for existing owners as well as buyer and sellers. Lack of adequate infrastructure is another constraint to economic and real estate growth.

The Government including Reserve Bank of India has liberalized the rules and regulations for the investment in both residential and commercial properties in India by Non-Resident Indians.

RISK AND CONCERN

Some of the risks and concerns have already been discussed under the section 'Opportunities and Threats'. The Company is proactively looking for ways to effectively manage risk, streamline operations and enhance business relationships

OUTLOOK

The population of the Indian urban lands is projected to increase by more than 40% by 2010 thus putting an additional pressure on housing properties in these cities. The residential real estate sector is also estimated to receive large investment from the NRI sector, thus increasing the growth prospects as well. The Government has taken preventive measures and is planning

very attractive schemes for different sectors. The cut in rate of interest in the recent past has a welcome note. Such kind of lucrative and beneficial schemes can prove wonders to the real estate industry.

Our Company is negotiating with the tenants of its property situated at Chowringhee Road, Kolkata and once the property is vacated the Company can implement its long pending plan of constructing an International quality Mall with Food Court and 4-screen multiplex.

The Company is in the process of negotiating with various parties for acquisition of land at Rajarhat, Kolkata.

INTERNAL CONTROL AND SYSTEM

The Company believes that internal control is a necessary concomitant of governance. The Company has an adequate system of internal controls implemented by management towards achieving efficiency in operations, optimum utilization of resource, effective monitoring thereof and compliance with applicable laws. The internal control system is reviewed by the internal audit team. A qualified and independent audit committee of the Board comprising of independent directors of the Company reviews the internal audit reports and the adequacy of internal controls.

HUMAN RESOURCE MANAGEMENT

The Company considers its human resources as its most important asset and endeavours to nurture groom and retain talents to meet the current and future needs of business. The Company strongly believes in professional development of its employees through training and development.

CAUTIONARY STATEMENT

Statements in this report in regard to projections, estimates and expectations have been made in good faith by the management. Many unforeseen factors may affect the actual results, which could be different from what the management envisages in terms of the future performance and outlook. Data and information contained in this report have been based on the information gathered from various published and unpublished reports and thus, their accuracy, reliability and completeness cannot be assured.

Corporate Governance Report

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance in the prescribed format is given below :

A. MANDATORY REQUIREMENTS

1. Company's philosophy on Code of Governance

The Company's philosophy of Corporate Governance ensures that Company's business strategy and plans take care of the welfare of all its stakeholders. The Company adheres to the highest ethical standards which is combined with an unwavering commitment to core values – transparency, fairness in all dealings, honesty of purpose, quality consciousness and customer satisfaction.

2. Board of Directors

The composition of Board of Directors is in conformity with the provisions of the Companies Act, 1956, the Articles of Association of the Company and Clause 49 of the Listing Agreement. It comprises of 8 (Eight) Directors of which there are 4 (Four) Independent Non-Executive Directors. All the Independent Directors on the Board are qualified, highly experienced and respected individuals from their respective fields. They take active part in the Board and Committee Meetings. Independent Directors do not fall under any criteria as stipulated vide Clause 49.I.A. (iii) of the listing agreement. The Chairman of the Board is a Promoter Director in Executive capacity and the total number of Independent Directors is half of the total strength of the Board. Shri Kedar Nath Fatehpuria, Shri Om Prakash Fatehpuria, Shri Kailash Nath Fatehpuria and Shri Vijay Kumar Fatehpuria being relatives are related with each other. All Directors are above 21 years of age.

The composition of the Board and the attendance at the Board Meetings held during the year under review and the last Annual General Meeting and also number of other Directorship and Committee membership and Chairmanship are given below :

Sl. No.	Name of Director	Category of Directorship	No of Board Meetings held during the year	No of Board Meetings attended	Last AGM attended	No. of Directorship in other Public Ltd. Companies *	No. of Committee Membership in other Public Ltd. Companies *	No. of Committee Chairmanship in other Public Ltd. Companies *
1.	Shri Kedar Nath Fatehpuria	Chairman & Managing Director	5	5	Yes	-	-	-
2.	Shri Om Prakash Fatehpuria	Joint Managing Director	5	5	No	-	-	-
3.	Shri Kailash Nath Fatehpuria	Deputy Managing Director	5	5	Yes	-	-	-
4.	Shri Vijay Kumar Fatehpuria	Deputy Managing Director	5	5	Yes	1	-	-
5.	Shri Ram Karan Tiwari	Independent Non-Executive Director	5	4	No	-	-	-
6.	Shri Kailash Prasad Dhanuka	Independent Non-Executive Director	5	5	Yes	-	-	-
7.	Shri Sanjay Kr. Bhartiya	Independent Non-Executive Director	5	2	No	3	-	-
8.	Shri Pawan Murarka	Independent Non-Executive Director	5	5	Yes	-	-	-

* Number of Directorships/Memberships held in other Companies exclude Directorships/Memberships in Private Limited Companies, Foreign Companies, Membership of various Committees of various Chambers/Bodies and Companies under Section 25 of the Companies Act, 1956 and Alternate Directorships whereas the Membership or Chairmanship of any committee includes Audit Committee of any committee and Shareholders'/Investors Grievance Committee only.

Corporate Governance Report

The Board met Five times during the year and the time gap between Board Meeting is not more than three months. Details of Board Meetings held during the year 2008-09 are as under :

Date of Board Meetings	13.05.2008	19.06.2008	24.07.2008	27.10.2008	22.01.2009
Board Strength	8	8	8	8	8
No. of Directors present	7	6	8	7	8

Board Committee

The Board of Directors at their meeting held on May 13, 2008, constituted a committee of Directors comprising of Shri Kedar Nath Fatehpuria, Chairman & Managing Director, Shri Om Prakash Fatehpuria, Joint Managing Director, Shri Kailash Nath Fatehpuria, Deputy Managing Director and Shri Vijay Kumar Fatehpuria, Deputy Managing Director.

The Committee of Directors is vested with the following functions and powers:

- i) To make investments and provide approvals for loans within the specified limits.
- ii) To issue power of attorney to the officers of the Company.
- iii) To make allotment of shares.
- iv) To sanction expenditure.
- v) To discuss issues relating to day to day affairs of the Company and take necessary actions in this regards.

The Committee met on 30.05.2008, 29.07.2008, 02.08.2008, 22.08.2008, 05.09.2008, 11.09.2008, 16.09.2008, 27.09.2008, 20.10.2008, 01.11.2008, 04.11.2008, 06.11.2008, 27.11.2008, 12.12.2008, 15.12.2008, 03.01.2009, 22.01.2009, 02.02.2009, 25.02.2009, 20.03.2009 and 28.03.2009.

Ms. Sudha Agarwal Manager (Legal) & Company Secretary acts as Secretary to the Committee.

3. Audit Committee

The Audit Committee comprises of three Independent Non-Executive Directors namely Shri Kailash Prasad Dhanuka, Shri Ram Karan Tiwari and Shri Pawan Murarka. All the members are eminent in their respective fields and financially literate with sufficient accounting or related financial management expertise.

The Committee has met seven times during the year and the time gap between two meetings are not more than four months. Details of Committee Meetings held during the year 2008-2009 are as under :

Name of the Committee Members	19.06.2008	24.07.2008	22.08.2008	27.10.2008	27.11.2008	22.01.2009	25.02.2009
Shri Kailash Prasad Dhanuka - Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Ram Karan Tiwari - Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Pawan Murarka - Member	Yes	Yes	Yes	Yes	Yes	Yes	Yes

There has been no change in the composition of the Audit Committee during the year.

Ms. Sudha Agarwal acts as Secretary to the Committee.

The Committee acts as a link between the management, auditors and the Board of Directors of the Company and has full access to financial information. The terms of reference of the Audit Committee are in line with Clause 49 II (C) and (D) of the Stock Exchange listing agreement coinciding with the provisions under Section 292A of the Companies Act, 1956 and, inter alia, includes :

Functions of the Committee

- I. Review with the management and/or Internal Audit Department and/or Statutory Auditors :
 - (a) Company's financial statements and reports;
 - (b) Disclosure of company's financial information to ensure that the same are correct, sufficient and credible;
 - (c) Changes/Improvements in Financial/Accounting practices;
 - (d) Adequacy of Internal Audit Function and Systems and
 - (e) Charter of Audit Committee.

Corporate Governance Report

II. Hold discussion with :

- Statutory Auditors, before and after audit on the scope and area of Concern;
- Internal Audit Department on its significant findings and also failure of Internal Control Systems, if any and
- Management before submission of financial statements to the Board.

III. Compliance with Accounting Standards, Legal requirements and Ethical Code.

4. Remuneration Committee

The broad terms of reference of the remuneration committee are to recommend the company's policy on remuneration package for the Managing Director/Executive Directors, reviewing the structures, design and implementation of remuneration policy in respect of key management personnel.

During the financial year under review, 1 (One) Remuneration Committee Meeting was held on 30.04.2008 to consider the revision of remuneration of Shri Kedar Nath Fatehpuria - Chairman and Managing Director, Shri Om Prakash Fatehpuria - Joint Managing Director, Shri Kailash Nath Fatehpuria - Deputy Managing Director and Shri Vijay Kumar Fatehpuria - Deputy Managing Director.

The Remuneration Committee consists of the following Independent Non Executive Directors and their attendance during the year 2008-09 was as follows :

Name of the Committee Members	Designation	No. of Meeting held	No. of Meeting Attended
Shri Ram Karan Tiwari	Chairman	1	1
Shri Kailash Prasad Dhanuka	Member	1	1
Shri Pawn Murarka	Member	1	1

Ms. Sudha Agarwal, Manager (Legal) & Company Secretary, acts as Secretary to the Committee.

Details of remuneration paid to the Executive Directors during the year 2008-09

(Amount in Rs.)

Name	Designation	Salary	Perquisites or Allowances	Contribution to PF & Others	Commission
Shri Kedar Nath Fatehpuria	Chairman and Managing Director	16,017	1,05,092	98,354	Nil
Shri Om Prakash Fatehpuria	Joint Managing Director	5,70,000	1,03,888	33,904	Nil
Shri Kailash Nath Fatehpuria	Deputy Managing Director	5,70,000	99,692	33,904	Nil
Shri Vijay Kumar Fatehpuria	Deputy Managing Director	5,70,000	1,11,712	33,904	Nil

Sitting Fees paid to the Non-Executive Directors for attending the meeting of the Board of Directors of the Company and Committee thereof are as follows :

Name	Amount (Rs)
Shri Ram Karan Tiwari	Nil
Shri Kailash Prasad Dhanuka	Nil
Shri Pawan Murarka	Nil
Shri Sanjay Kumar Bhartiya	Nil

* Shares/Convertible Instruments held by Non-Executive Directors as on 31.03.2009

Name of Non-Executive Directors	No. of Shares of the Company	Convertible Instruments
Shri Ram Karan Tiwari	Nil	Nil
Shri Kailash Prasad Dhanuka	Nil	Nil
Shri Sanjay Kumar Bhartiya	Nil	Nil
Shri Pawan Murarka	Nil	Nil

Corporate Governance Report

5. Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee reviews and monitors the grievances of shareholders and investors. It is comprised of 3 (Three) Directors and is headed by Independent Non-Executive Director - Shri Pawan Kumar Murarka, as Chairman of the Committee. The other two members of the Committee are Shri K. N. Fatehpuria and Shri Om Prakash Fatehpuria. The terms of reference of the Committee is in terms of the Listing Agreement.

Ms. Sudha Agarwal, Manager (Legal) & Company Secretary is the Secretary to the Committee. She is also the Compliance Officer as per Clause 47(a) of the Listing Agreement with the Stock Exchanges and is interalia responsible for establishing direct liaison with the authorities such as SEBI, Stock Exchanges, Registrar of Companies etc., and investors with respect to implementation of various clauses, rules, regulations and other directives of such authorities as well as investor service and complaints related matters.

The particulars of investors complaints received during the year 2008-09 were published along with the quarterly results, pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges. The Company has received 3 (three) complaints during the financial year 2008-09 and all of them were resolved/replied within the stipulated period.

The Committee met 23 times under the Chairmanship of Shri Pawan Kumar Murarka on 15.04.2008, 30.04.2008, 31.05.2008, 10.06.2008, 16.06.2008, 30.06.2008, 14.07.2008, 31.07.2008, 14.08.2008, 27.08.2008, 15.09.2008, 30.09.2008, 15.10.2008, 31.10.2008, 29.11.2008, 15.12.2008, 31.12.2008, 19.01.2009, 30.01.2009, 14.02.2009, 28.02.2009, 16.03.2009 and 31.03.2009

The Company is maintaining an exclusive e-mail ID viz, martinburn_invsgriev@rediffmail.com to enable the investors to lodge their complaints/grievances, if any.

6. General Body Meeting

The last three Annual General Meetings of the Company were held as under :

Year	Location	Date	Time	Special Resolution
2007-2008	1, R. N. Mukherjee Road Kolkata - 700 001	04.09.2008	11.00 A.M	Resolution no. 9, 10, 11 & 12 - Approval of the shareholders pursuant to Section - 314 (1) and other applicable provisions, if any, of the Companies Act, 1956 to the relative of the Director for holding office or place of profit
2006-2007	1, R. N. Mukherjee Road Kolkata - 700 001	21.09.2007	10.30 A.M	Nil
2005-2006	1, R. N. Mukherjee Road Kolkata - 700 001	26.09.2006	10.00 A.M	Nil

No special resolution was put through Postal ballot during the year under review nor is proposed at the ensuing Annual General Meeting to be passed through Postal ballot.

7. Disclosure

a) Related Party Transactions

Related Party Transactions are defined as transactions of the Company of material nature, with promoters, directors or with their relatives, its subsidiaries etc. that may have potential conflict with the interest of the Company at large. Details on material significant related party transactions are given in the appended financial statement under notes to the accounts annexed to the financial statement.

b) Compliance by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities. During the year 2007-08 the Company had to pay a sum of Rs. 2,80,000 (Rupees Two Lacs Eighty Thousand only) as a fees for revocation of suspension in trading. The Company

Corporate Governance Report

has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement. The extent of compliance of the non-mandatory requirements are given below:

- i) With regard to training of Board Members, the Directors of the Company are continuously trained in the business model of the Company and the risk profile of business parameters through various presentations at Board/Committee Meetings.
- ii) There is no formal Whistle-blower policy but the Company takes cognizance of complaints made and suggestions given by employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken.

(c) **Code of Conduct**

The Company has formulated and implemented a code of conduct for all Board Members and Senior Management of the Company in compliance with Clause 49 of the Listing Agreement and the same is available on the website of the Company at www.martinburnltd.com. All board members and senior management personnel have affirmed compliance with the code on an annual basis. A declaration to this effect duly signed by Managing Director of the Company is annexed along with this report.

(d) **Disclosure of Accounting treatment**

In the preparation of the financial statement the Company has followed accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(e) **Disclosure of Risk Management**

The Company has initiated the risk assessment and minimization procedure.

(f) **CEO/CFO Certification**

The CEO, i.e., the Chairman & Managing Director of the Company and also the person heading the finance function has certified to the Board the particulars as stipulated vide Clause 49 V of the listing agreement.

(g) **Review of Directors' Responsibility Statement**

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2009, have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

8. Means of Communication

The quarterly, half yearly and audited results are regularly published in a leading English Daily Newspaper (Business Standard) and a Bengali Daily (Dainik Lipi) whereas the printed Annual Report along with statement of accounts and notice convening the Annual General Meeting are mailed to the shareholders. At present the Company does not make presentation to Institutional Investors and Analysts.

Management Discussion and Analysis Report

Management Discussion and Analysis Report is separately attached and forms part of the Corporate Governance Report.

Subsidiary Company

During the year the Company has transferred its 100% shareholding in M/s. Pushpanjali Estates Pvt. Ltd. and M/s Brahmaputra Properties Pvt. Ltd. and has no subsidiary as on date.

9. General Shareholder Information

- (i) Annual General Meeting
62nd A.G.M. to be held on Tuesday the 22nd September, 2009 at 11.00 A.M at "Martin Burn House", 1, R. N. Mukherjee Road, 1st Floor, Kolkata - 700 001.
- (ii) Financial Calendar (Tentative)
Results for the quarter ended June 30, 2009 – Declared in the Last week of July, 2009.

Corporate Governance Report

Results for the quarter ending September 30, 2009 – Last week of October, 2009.

Results for the quarter ending December 31, 2009 – Last week of January, 2010.

Results for the quarter ending March 31, 2010 – Last week of April, 2010.

Annual General Meeting (next year) September, 2010.

(iii) Book Closure

The Register of Members and Share Transfer Register will remain closed from 15th September, 2009 to 22nd September, 2009 (both days inclusive).

(iv) Listing of Equity Shares

- a) The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata - 700 001
- b) Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- c) The Delhi Stock Exchange Association Ltd.
DSE House 3/1 Asaf Ali Road, New Delhi - 110002
- d) The Uttar Pradesh Stock Exchange Association Ltd.
Padam Towers, 14/113 Civil Lines, Kanpur - 208 001

Annual Listing Fee has been paid up to year ended March 31, 2009 to The Calcutta Stock Exchange Association Ltd. and Bombay Stock Exchange Ltd. The Company has applied for delisting of its shares from the Delhi Stock Exchange Association Ltd. and The Uttar Pradesh Stock Exchange Association Ltd.

(v) Stock Code

Bombay Stock Exchange Ltd. - 523566

(vi) Stock Market Price data for the year 2008-2009

Market Price (Average High and Low) and the volume of transactions of the shares of the Company at Bombay Stock Exchange Limited (for the period April 2008 to March 2009)

Month	High (Rs.)	Low (Rs.)	Volume of Transactions (No. of Shares)	BSE Sensex	
				High	Low
April 2008	98.15	62.60	150024	17,480.74	15,297.96
May 2008	93.60	66.35	177280	17,735.70	16,196.02
June 2008	69.55	45.35	15571	16,632.72	13,405.54
July 2008	62.80	37.00	25076	15,130.09	12,514.02
August 2008	58.50	44.40	81228	15,579.78	14,002.43
September 2008	63.70	37.40	93894	15,107.01	12,153.55
October 2008	38.55	21.70	16213	13,203.86	7,697.39
November 2008	23.05	16.40	8693	10,945.41	8,316.39
December 2008	25.05	15.65	10753	10,188.54	8467.43
January 2009	26.10	17.20	6905	10,469.72	8,631.60
February 2009	19.45	12.40	6892	9724.87	8619.22
March 2009	14.65	12.10	106897	10,127.09	8047.17

Corporate Governance Report

vii) Name and Address of the Registrar and Share Transfer Agent (RTA)

M/s. Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, 2nd Floor

Kolkata - 700 001

Phone : (033) 2243 5029/5809

Fax : (033) 2248 4787

Email : mdpl@cal.vsnl.net.in

(viii) Share Transfer System

All shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within 30 days of the lodgment, if documents are found in order. Shares under objection are returned within two weeks. During the financial year 2008-09, 62 Share Transfer Deeds comprising of 7285 shares were received for physical transfer.

(ix) Shareholding Pattern as on 31st March, 2009

Category of Shareholder	No. of Shares	Percentage of Shareholding
A. Shareholding of Promoter & Promoter Group		
1) Indian		
a) Individual/HUF	31,64,244	71.8516%
b) Bodies Corporate	33	0.0007%
Sub Total A (1)	31,64,277	71.8523%
2) Foreign	Nil	Nil
Sub Total A (2)	Nil	Nil
Total Promoters Shareholding A(1) + A(2)	31,64,277	71.8523%
B. Public Shareholding		
1) Institutions		
a) Mutual Funds/UTI	1,366	0.0310%
b) Financial Institutions/Banks	10,408	0.2363%
c) Central/State Government(s)	1,420	0.0322%
d) Insurance Companies	200	0.0045%
e) Any Other	75	0.0017%
Sub Total B(1)	13,469	0.3057%
2) Non-Institutions		
a) Bodies Corporate	1,57,184	3.5692%
b) Individuals holding	8,99,260	20.4198%
i) Nominal Share Capital up to Rs. 1 Lakhs	1,24,234	2.8210%
ii) Nominal Share Capital in excess of Rs. 1 Lakhs		
c) Any Other		
i) Non Resident Individual	44,653	1.0140%
ii) Custodian of Enemy Property	782	0.0178%
Sub Total B(2)	12,26,113	27.8418%
Total Public Shareholding B(1) + B(2)	44,03,859	100.00%
Total	44,03,859	100.00%

Corporate Governance Report

d) Distribution of Shares as on March 31, 2009.

Share Holding	Number of Shareholders	% of Share-holders	No. of Shares	% of Shares
1 to 500	8763	96.4026	626497	14.2261
501 to 1000	185	2.0352	142304	3.2313
1001 to 2000	71	0.7811	107038	2.4306
2001 to 3000	28	0.3080	65888	1.4961
3001 to 4000	10	0.1100	36275	0.8237
4001 to 5000	3	0.0330	14499	0.3292
5001 to 10000	8	0.0880	55966	1.2708
10001 & above	22	0.2420	3355392	76.1921
Grand Total	9090	100.0000	4403859	100.0000

e) Summary report of Shareholding as on March 31, 2009.

Particulars	Shareholders		No. of Shares	% of Share Holdings
	No.	%		
Physical	7024	77.27%	620680	14.0940
NSDL	1479	16.27%	3607328	81.9129
CDSL	587	6.46%	175851	3.9931
Total	9090	100.0000	4403859	100.0000

(x) Dematerialization of shares

The Equity shares of the Company are traded on Bombay Stock Exchange Ltd. All requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services Limited within 15 days. During the year total number of shares dematerialized were NSDL 28,899 and CDSL 2528.

(xi) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on equity.

Your Company has not issued any ADRs, GDRs, Warrants or any convertible instruments.

10. Compliance Certificate

The Company has obtained Compliance Certificate from Shri A. K. Labh, Practicing Company Secretary of M/s. A. K. Labh & Co., Company Secretaries regarding compliance of conditions on Corporate Governance and the same is attached to this report.

By Order of the Board

For **MARTIN BURN LIMITED**
Kedar Nath Fatehpuria
 Chairman & Managing Director

Place : Kolkata
 Date : August 21, 2009

Corporate Governance Report

CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR AND JOINT MANAGING DIRECTOR

We in our official capacity do hereby confirm and certify that :

- (a) We have reviewed financial statements and the Cash Flow Statement for the year ended March 31, 2009 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 together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable law and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2008-09 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and state that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any of which we are aware and steps have been taken or proposed to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee.
 - i) significant changes in internal control during the year ended March 31, 2009.
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) 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.

For MARTIN BURN LIMITED

Kedar Nath Fatehpuria
Chairman & Managing Director

Om Prakash Fatehpuria
Joint Managing Director

Corporate Governance Report

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
MARTIN BURN LIMITED

We have examined the compliance of conditions of Corporate Governance by **M/S. MARTIN BURN LIMITED** for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

We have been explained that no investor grievance was pending for a period exceeding one month against the Company as per the records maintained by the Company as well as by the share transfer agent.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **A. K. LABH & CO.**
Company Secretaries
A. K. Labh
Proprietor
CP - 3238

Place : Kolkata
Dated : August 21, 2009

CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to confirm that the Company has received declarations affirming compliance of the Code from the persons concerned for the Financial Year ended 31st March, 2009. The same has also been noted by the Board in its Meeting held on 30th April, 2009.

Place: Kolkata
Date : April 30, 2009

K. N. Fatehpuria
Chairman & Managing Director

Auditors' Report

To the Shareholders of MARTIN BURN LIMITED

We have audited the attached Balance Sheet of **MARTIN BURN LIMITED**, as at 31st March 2009, and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) order 2004 ("Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, ("Act") and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we enclose in the **Annexure** a statement on the matters Specified in paragraphs 4 & 5 of the said Order.
2. Attention is drawn to the Note Nos. 3 & 5 of the Notes on Accounts (Schedule 19).
3. Further, to our comments in Para 1 & 2 above, we report that, we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
4. Subject to remarks in Para 1-3 above, 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.
5. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
6. In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956.
7. On the basis of written representations received from the Directors of the Company which were taken on record by the Board of Directors of the Company and the information and explanations as made available, none of the Directors of the Company is disqualified as on 31st March, 2009, from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
8. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read in conjunction with Schedules 1 to 19 give the information required by the Companies Act, 1956, in the manner so required and **subject to the effect of notes as referred in Paragraph 2 above** and read together with the other notes thereon, give a true and fair view in conformity with the accounting principles and standards generally accepted in India :
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - b) in the case of the Profit & Loss Account, of the profit for the year ended on that date and
 - c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Place : Kolkata
Date : June 29, 2009

For **D. P. SEN & CO.**
Chartered Accountants
M. L. Sarkar
Partner
Membership No. 12961

Annexure to the Auditors' Report

AS REQUIRED BY THE COMPANIES (AUDITOR'S REPORT) ORDER, 2003

(As amended)

(Referred to in Serial no. 1 of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The management during the year under audit has physically verified the fixed assets of the company.
(c) During the year no substantial part of fixed assets has been disposed off by the company. Therefore, the provisions of Paragraph 4(i) (c) of the aforesaid order, in our opinion, are not applicable to the company.
2. The stock of finished construction **except construction materials at the site of the company at all its locations** have been physically verified by the management during the year. In our opinion, the procedures of physical verification of finished construction followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. Construction materials are **directly debited to Construction Work-in-Progress as and when purchased**.
3. (a) The Company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956.
(b) In view of our comment in Paragraph 3(a) above, the Paragraphs 4(iii)(b) to 4(iii)(d) of the aforesaid order are not applicable to the Company.
(c) In view of our comment in Paragraph 3(a) above, the Paragraphs 4 (iii)(f) and 4 (iii)(g) of the aforesaid order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of construction materials and fixed assets and for the sale of real estate properties and services. Further, during the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weakness in internal control.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. During the course of our audit we have not come across any receipt of Public Deposit or any balance under this account.
7. The Company has internal audit system commensurate with the nature of business and activities of the company.
8. The Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956, for the company.
9. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
(b) There are no dues outstanding of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess on account of any dispute.
10. The Company has no accumulated losses. The company has not incurred any cash losses during the financial year covered by our report and the immediately preceding financial year.
11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.

Annexure to the Auditors' Report *Contd.*

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of Paragraph 4 of the aforesaid order are not applicable to the company.
14. In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Paragraph 4 (xiv) of the aforesaid order are not applicable to the company.
15. The Company has not given any guarantee for the loan taken by others from bank or financial institutions during the year.
16. According to the information and explanations given to us, the term loans raised by the company have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow of the company, we report that no fund raised on short term basis has been used for long term investment.
18. The Company has not raised any money by issue of shares during the year. Therefore, the provisions of paragraph 4 (xviii) of the aforesaid order are not applicable to the company.
19. The Company has not issued any debentures. Accordingly, the provisions of Paragraph 4 (xix) of the aforesaid order are not applicable to the company.
20. The Company has not raised any money by public issue during the year. Therefore, the provisions of Paragraph 4 (xx) of the aforesaid order are not applicable to the company.
21. During the course of our examination of books of account carried out in accordance with generally accepted auditing practices, we have neither come across any instance of fraud on or by the company nor have we been informed of such case by the management.

Place : Kolkata
Date : June 29, 2009

For **D. P. SEN & CO.**
Chartered Accountants
M. L. Sarkar
Partner
Membership No. 12961

Balance Sheet as at 31st March, 2009

(Amount in Rs.)

Particulars	Schedule Reference	As at 31st March, 2009	As at 31st March, 2008
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	44,038,590	44,038,590
Reserves and Surplus	2	297,811,401	283,556,592
		341,849,991	327,595,182
Loan Funds			
Secured Loans	3	52,359,648	81,931,477
Unsecured Loans	4	5,185,679	10,250,507
		57,545,327	92,181,984
Deferred Tax	5	6,895,421	6,916,511
TOTAL		406,290,739	426,693,677
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	6	313,471,172	328,809,325
Less : Depreciation		87,987,394	100,340,166
		225,483,778	228,469,159
Investments	7	1,626,493	2,594,498
Current Assets, Loans and Advances			
Inventories	8	15,745,831	17,526,907
Sundry Debtors	9	38,019,009	34,692,926
Cash and Bank Balances	10	22,091,371	107,549,678
Other Current Assets	11	32,666,792	28,692,466
Loans and Advances	12	397,107,524	332,064,055
		505,630,527	520,526,032
Less : Current Liabilities and Provisions	13		
- Liabilities		286,981,081	293,063,192
- Provisions		39,796,743	32,488,350
		326,777,824	325,551,542
Net Current Assets		178,852,703	194,974,490
Misc. Expenditure (to the extent not written off or adjusted)			
Pre-Operative Expenses		327,765	655,530
TOTAL		406,290,739	426,693,677
Significant Accounting Policies	18		
Notes on Accounts	19		

Schedules 1 to 13, 18 & 19 referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

For **D. P. SEN & CO.**
Chartered Accountants
M. L. Sarkar
Partner
Membership No. 12961
Place : Kolkata
Date : June 29, 2009

Kedar Nath Fatehpuria
Chairman & Managing Director
Vijay Kumar Fatehpuria
Dy. Managing Director

Om Prakash Fatehpuria
Jt. Managing Director
Pawan Murarka
Director
Sudha Agarwal
Manager (Legal) &
Company Secretary

Kailash Nath Fatehpuria
Dy. Managing Director
Kailash Prasad Dhanuka
Director

Profit & Loss Account for the year ended 31st March, 2009

(Amount in Rs.)

	Schedule Reference	Year ended 31st March, 2009	Year ended 31st March, 2008
INCOME			
Sales (Note No. 7)		25,997,527	106,208,708
Other Income	14	57,845,730	91,953,600
Increase/(Decrease) in Stock of Work-in-Progress and Finished Construction	15	(1,781,076)	(47,580,984)
		<u>82,062,181</u>	<u>150,581,324</u>
EXPENDITURE			
Real Estate Purchase and Construction Expenses	16	16,719,521	38,369,709
Other Expenses	17	42,921,331	60,063,985
Depreciation		2,968,971	3,276,752
Transfer to Fixed Assets Revaluation Reserve		(993,390)	(1,047,973)
		<u>1,975,581</u>	<u>2,228,779</u>
		<u>61,616,433</u>	<u>100,662,473</u>
PROFIT/(LOSS) BEFORE TAXATION		20,445,748	49,918,851
Taxation			
- Current Tax		5,070,295	15,802,060
- Deferred Tax	5	(21,090)	(278,083)
- Fringe Benefit Tax		148,344	195,375
PROFIT/(LOSS) AFTER TAXATION		15,248,199	34,199,499
Add : Profit brought forward from last account		62,889,102	58,689,603
		<u>78,137,301</u>	<u>92,889,102</u>
Less : Amount transferred to General Reserve		-	30,000,000
PROFIT/(LOSS) CARRIED TO BALANCE SHEET		78,137,301	62,889,102
Significant Accounting Policies	18		
Notes on Accounts	19		
Basic and Diluted Earning Per Share		3.46	7.77
(in Rupees) Face Value Rs. 10/- (Note No. 9)			
Number of Equity Shares		4,403,859	4,403,859

Schedules 14 to 19 referred to above form an integral part of the Profit & Loss Account

This is the Profit & Loss Account referred to in our report of even date

For **D. P. SEN & CO.**
Chartered Accountants
M. L. Sarkar
Partner
Membership No. 12961
Place : Kolkata
Date : June 29, 2009

Kedar Nath Fatehpuria
Chairman & Managing Director
Vijay Kumar Fatehpuria
Dy. Managing Director

Om Prakash Fatehpuria
Jt. Managing Director
Pawan Murarka
Director
Sudha Agarwal
Manager (Legal) &
Company Secretary

Kailash Nath Fatehpuria
Dy. Managing Director
Kailash Prasad Dhanuka
Director

Cash Flow Statement *for the year ended 31st March, 2009*

(Amount in Rs.)

	For the year ended 31st March, 2009	For the year ended 31st March, 2008
(A) CASH FLOW ARISING FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	20,445,749	49,918,852
Adjustments for		
Depreciation	2,968,971	3,276,752
Bad Debts and Advances Written off	1,489,244	6,199,410
Pre-Operative Expenses Written off	327,765	327,765
Investments Written off	5	-
Recovery of Bad Debts	(376,765)	(175,062)
Profit/(Loss) on Sale of Fixed Assets & Capital WIP	2,075,831	(166,572)
Profit on sale of Fixed Assets	(2,071,591)	-
Liabilities no longer required Written Back	(1,536,489)	(27,646,786)
Interest Expense	6,168,584	5,378,717
Profit on sale of Investments	(4,212,000)	-
Interest and Dividend Income	(13,729,295)	(18,199,670)
Transfer from Fixed Assets Revaluation Reserve	(993,390)	(1,047,973)
Operating Profit before Working Capital Changes	10,556,619	17,865,433
Adjustments for		
Trade and Other Receivables	1,655,396	(5,010,283)
Inventories	15,745,831	17,526,907
Trade Payables	(35,472,256)	(43,184,630)
Cash generated from Operations	(7,514,410)	(12,802,573)
Income Tax & Fringe Benefit Tax Paid	319,935	(2,592,916)
Sales Tax paid	-	-
Net Cash From Operating Activities	(7,194,475)	(15,395,489)
(B) CASH FLOW ARISING FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5,657,618)	(4,494,693)
Purchase of Investments	-	-
Sale of Fixed Assets	5,669,787	440,497
Dividend Received	-	34
Sale of Investment	5,179,999	99,750
Net Cash From Investing Activities	5,192,168	(3,954,412)

Cash Flow Statement *(Contd.)*

(Amount in Rs.)

	For the year ended 31st March, 2009	For the year ended 31st March, 2008
(C) CASH FLOW ARISING FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Long Term	-	54,921,416
Short Term	1,346,654	-
Repayment of Borrowings		
Long Term	(76,360,261)	(30,808,688)
Short Term	(5,409,305)	-
Interest Paid	(6,168,584)	(5,258,745)
Bad Debt Recovery	376,765	175,062
Unclaimed Dividend Paid	-	-
Interest Received	2,758,732	6,269,766
Investments Written off	-	-
Net Cash From Financing Activities	(83,455,999)	25,298,811
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	(85,458,306)	5,948,910
CASH AND CASH EQUIVALENTS - OPENING BALANCE	107,549,677	101,600,767
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	22,091,371	107,549,677

Note :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard – 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Cash and Cash Equivalents consist of Cash and Bank balances.
3. Previous year's figures have been re-grouped/rearranged where necessary.

This is the Cash Flow Statement referred to in our report of even date.

For **D. P. SEN & CO.**
Chartered Accountants
M. L. Sarkar
Partner
Membership No. 12961
Place : Kolkata
Date : June 29, 2009

Kedar Nath Fatehpuria
Chairman & Managing Director
Vijay Kumar Fatehpuria
Dy. Managing Director

Om Prakash Fatehpuria
Jt. Managing Director
Pawan Murarka
Director
Sudha Agarwal
Manager (Legal) &
Company Secretary

Kailash Nath Fatehpuria
Dy. Managing Director
Kailash Prasad Dhanuka
Director

Schedules to the Accounts

(Amount in Rs.)

	As at 31st March, 2009	As at 31st March, 2008
1. SHARE CAPITAL		
Authorised		
5,990,000 Ordinary Shares of Rs. 10/- each	59,900,000	59,900,000
1,000 5% Redeemable Preference Shares of Rs. 100/- each	100,000	100,000
	60,000,000	60,000,000
Issued, Subscribed and Paid-up		
4,403,859 Ordinary Shares of Rs. 10/- each fully paid	44,038,590	44,038,590
	44,038,590	44,038,590

Notes :

1. Out of the above Ordinary Shares –
 - a) 2,890,136 Ordinary Shares (including 300,000 Ordinary Shares issued on conversion against 30,000 5% Redeemable Preference Shares of Rs. 10/- each which were allotted pursuant to contracts), were issued as fully paid for consideration other than cash.
 - b) 735,612 Ordinary Shares issued as bonus shares fully paid by capitalisation of Share Premium Account and Reserve on 09.01.1968.

2. RESERVES AND SURPLUS				
Capital Reserve				
As per last Account	3,587,974		3,587,974	
Add : Addition during the year	–	3,587,974	–	3,587,974
Fixed Assets Revaluation Reserve				
As per last Account	93,986,068		95,034,041	
Less : Transferred to Profit & Loss Account	(993,390)	92,992,678	1,047,973	93,986,068
Capital Redemption Reserve				
As per last Account		1,600,000		1,600,000
General Reserve				
As per last Account	121,493,448		91,493,448	
Add : Addition during the year	–	121,493,448	30,000,000	121,493,448
Profit & Loss Account		78,137,301		62,889,102
		297,811,401		283,556,592

Schedules to the Accounts *(Contd.)*

(Amount in Rs.)

	As at 31st March, 2009	As at 31st March, 2008
3. SECURED LOANS		
Term Loan from Banks	52,359,648	81,931,477
	52,359,648	81,931,477

Notes :

1. Term Loans from ICICI Bank are secured by hypothecation of specific assets acquired under Mobile Finance Scheme.
2. Term Loan from Federal Bank is secured against assignment of future rent receivables on rented premises, occupied by the bank, collaterally secured by equitable mortgage of immovable property located at Kolkata and by personal guarantees of Promoter Directors of the Company.

4. UNSECURED LOANS		
Short Term Loans from		
- Interest accrued and due	3,603,977	3,289,088
Overdraft from Scheduled Bank	1,581,702	6,961,419
	5,185,679	10,250,507

5. DEFERRED TAX		
Deferred Tax Assets		
Gratuity Provision	1,222,278	1,164,564
Accrued Expenses deductible on payment	124,409	70,252
	1,346,687	1,234,816
Deferred Tax Liability		
Depreciation	(8,242,108)	(8,151,327)
Net Deferred Tax Assets/(Liabilities)	(6,895,421)	(6,916,511)

Schedules to the Accounts (Contd.)

(Amount in Rs.)

6. FIXED ASSETS

PARTICULARS	ORIGINAL COST/REVALUATION				DEPRECIATION				NET BLOCK		
	As at 31st March, 2008	Additions during the year	Sale/Adjustments during year	As at 31st March, 2009	As at 31st March, 2008	Applicable to Sales/Adjustments during the year	For the year	Total upto 31st March, 2009	Written down Value as at 31st March, 2009	Written down Value as at 31st March, 2008	
Freehold Land	156,648,673	-	-	156,648,673	-	-	-	-	156,648,673	156,648,673	
Freehold Buildings	97,406,073	-	-	97,406,073	57,699,504	-	1,809,218	59,508,722	37,897,351	39,706,569	
Leasehold Land	23,785,726	-	-	23,785,726	-	-	-	-	23,785,726	23,785,726	
Leasehold Land and											
Buildings	6,251,941	4,814,000	3,500,000	7,565,941	4,385,961	-	111,008	4,496,969	3,068,972	1,865,980	
Plant and Machinery	30,993,179	90,579	16,753,704	14,330,054	26,153,030	14,677,871	490,628	11,965,787	2,364,267	4,840,149	
Furniture and Fittings	4,339,650	-	-	4,339,650	3,922,690	-	75,388	3,998,078	341,572	416,960	
Vehicles	2,846,718	753,040	742,068	2,857,690	1,641,616	643,872	482,729	1,480,473	1,377,217	1,205,102	
Fixed Assets Given on Lease											
Plant and Machinery	3,950,422	-	-	3,950,422	3,950,422	-	-	3,950,422	-	-	
Vehicles	2,586,943	-	-	2,586,943	2,586,943	-	-	2,586,943	-	-	
Total	328,809,325	5,657,619	20,995,772	313,471,172	100,340,166	15,321,743	2,968,971	87,987,394	225,483,778	228,469,159	
Previous year	324,588,559	4,494,691	273,925	328,809,325	97,063,414	-	3,276,752	100,340,166	228,469,159	-	

	As at 31st March, 2009	As at 31st March, 2008
7. LONG TERM INVESTMENTS - At or under Cost		
Trade Investments		
Fully paid Shares and Debentures		
- Ordinary Shares	1,626,492	2,594,497
- Debentures	1	1
	1,626,493	2,594,498
Aggregate amount of Unquoted Investments	1,626,493	2,594,498
STATEMENT OF INVESTMENTS		
Shares and Debentures -		
In Others :		
15 6.1/2 % Non-redeemable Debentures of Bengal Chamber of Commerce & Industry	1	1
11357 Ordinary Shares of Rs. 100/- each of United Provinces Electric Supply Company Ltd. (in liquidation)	1	1
10078 Ordinary Shares of Rs. 10/- each of Upper Ganges Valley Electric Supply Company Ltd. (in liquidation)	1	1
22550 Ordinary Shares of Rs. 10/- each of Upper Jumna Valley Electric Supply Company Ltd. (in liquidation)	1	1
	4	4

Schedules to the Accounts *(Contd.)*

		(Amount in Rs.)	
		As at 31st March, 2009	As at 31st March, 2008
	Brought Forward	4	4
211	Ordinary Shares of Rs. 100/- each of Futwah Islampur Light Railways Company Ltd. (in liquidation)	1	1
2700	Ordinary Shares of Rs. 100/- each of Arrah Sasaram Light Railways Company Ltd. (in liquidation)	1	1
4723	Ordinary Shares of Rs. 100/- each of Agra Electric Supply Company Ltd. (in liquidation)	1	1
36594	Ordinary Shares of Rs. 10/- each of Benaras Electric Light & Power Company Ltd. (in liquidation)	1	1
406	Ordinary Shares of Rs. 100/- each of Howrah Amta Light Railways Company Ltd. (in liquidation)	-	1
912	Ordinary Shares of Rs. 100/- each of Howrah Sheakhalla Light Railways Company Ltd. (in liquidation)	-	1
24536	Ordinary Shares of Rs. 10/- each of Jubbulpore Electric Supply Company Ltd. (in liquidation)	-	1
391	Ordinary Shares of Rs. 100/- each of Shahadara (Delhi) Saharanpur Light Railways Company Ltd. (in liquidation)	1	1
12912	Ordinary Shares of Rs. 10/- each of Sagar Electric Supply Company Ltd. (in liquidation)	-	1
1	Equity Share of Rs. 10/- each of Coimbatore Benefit Nidhi Ltd.	-	1
1000	Equity Share of Rs. 10/- each of Martin Burn Edutech Pvt. Ltd.	10,000	10,000
95900	Equity Share of Rs. 10/- each of Step Two Corporation Ltd.	584,484	584,484
2000	Equity Shares of Rs. 100/- each at a premium of Rs. 200/- Trinetra Capital Services Pvt. Ltd.	600,000	600,000
43200	Equity Share of Rs. 10/- each of Pushpanjali Estates Pvt. Ltd.	432,000	900,000
		1,626,493	1,194,498
	In Subsidiaries :		
90000	Equity Share of Rs. 10/- each of Pushpanjali Estates Pvt. Ltd.	-	900,000
50000	Equity Share of Rs. 10/- each of Brahmaputra Properties (P) Ltd.	-	500,000
		1,626,493	2,594,498

Schedules to the Accounts *(Contd.)*

	(Amount in Rs.)	
	As at 31st March, 2009	As at 31st March, 2008
8. INVENTORIES		
Finished Construction (Unsold) -		
At lower of cost or net realisable value	9,812,421	11,216,093
Work-in-Progress at cost or cost plus estimated profit where appropriate	5,933,410	6,310,814
	15,745,831	17,526,907
9. SUNDRY DEBTORS		
Unsecured		
Debts outstanding for a period exceeding six months		
- Considered Good	23,769,594	26,878,916
- Considered Doubtful	-	-
Others - Considered Good	14,249,415	7,814,010
	38,019,009	34,692,926
10. CASH AND BANK BALANCES		
Cash-in-Hand	230,773	351,131
Balances with Scheduled Banks on		
Current Accounts	2,943,492	13,794,545
Fixed Deposit Accounts	18,917,106	93,404,002
	22,091,371	107,549,678
11. OTHER CURRENT ASSETS		
Unsecured - Considered Good		
Interest accrued on Loans	26,902,012	20,636,316
Interest accrued on Deposits	286,757	156,225
Security Deposits	5,478,023	7,899,925
	32,666,792	28,692,466
12. LOANS AND ADVANCES		
Unsecured		
Loans to Bodies Corporate		
- Considered Good	81,845,597	62,164,597
Loans to Others		
- Considered Good	181,760,702	178,085,702
Advances recoverable in cash or in kind or for value to be received		
- Considered Good	103,436,359	67,405,823
- Others	245,414	1,034,382
Advance payment of tax and tax deducted at source	29,819,452	23,373,551
	397,107,524	332,064,055

Schedules to the Accounts *(Contd.)*

(Amount in Rs.)

	As at 31st March, 2009	As at 31st March, 2008
13. CURRENT LIABILITIES AND PROVISIONS		
A. Current Liabilities		
Sundry Creditors (Note No. 3)	80,169,275	85,757,424
Other Liabilities	7,884,737	7,218,186
Deposits	104,844,066	102,129,631
Advance payments (including on account billing Rs. Nil (Previous year - Rs. 47,662,614) against Work-in-Progress	94,083,003	97,957,951
	286,981,081	293,063,192
B. Provisions		
Gratuity	3,595,993	3,426,195
Taxation	31,420,086	26,359,907
Fringe Benefit Tax	213,131	64,787
Leave Encashment	453,588	445,733
Service Tax	4,113,945	2,191,728
	39,796,743	32,488,350
	326,777,824	325,551,542

	Year ended 31st March, 2009	Year ended 31st March, 2008
14. OTHER INCOME		
Interest on Deposit and Loans to Companies and Others (Gross) [Tax Deducted at Source Rs. 5,401,279/- Previous year - Rs. 2,281,797]	13,729,295	18,199,670
Profit on Sale of Fixed Assets (Net)	2,071,591	166,572
Profit on Sale of Investments (Net)	4,212,000	-
Liabilities no longer required written back	1,536,489	27,646,786
Rent	17,085,134	15,329,909
Recovery of Maintenance Charges	15,758,333	27,988,942
Recovery of Bad & Doubtful Debts	376,765	175,062
Miscellaneous Income	3,076,123	2,446,659
	57,845,730	91,953,600

Schedules to the Accounts *(Contd.)*

(Amount in Rs.)

	Year ended 31st March, 2009	Year ended 31st March, 2008
15. INCREASE/(DECREASE) IN STOCK OF		
WORK-IN-PROGRESS AND FINISHED CONSTRUCTION		
Closing Stock		
- Work-in-Progress	5,933,410	6,310,814
- Finished Construction (Unsold)	9,812,421	11,216,093
	15,745,831	17,526,907
Deduct : Opening Stock		
Work-in-Progress	6,310,814	47,717,837
	6,310,814	47,717,837
Finished Construction (Unsold)	11,216,093	17,390,054
	17,526,907	65,107,891
Increase/(Decrease)	(1,781,076)	(47,580,984)
16. REAL ESTATE PURCHASE AND CONSTRUCTION EXPENSES		
Purchases		
Construction Materials	5,891,818	20,504,981
Purchase of Flat	5,025,000	5,544,408
Land	—	4,669,198
	10,916,818	30,718,587
Construction Expenses		
Salaries, Wages and Bonus	536,642	552,401
Contribution to Provident and Other Funds	52,958	56,118
Workmen and Staff Welfare Expenses	—	31,717
Payment to Labour Contractors	1,137,425	3,200,176
Power and Fuel	1,127,810	980,765
Brokerage & Commission	411,483	—
Architects' Fees	119,000	352,860
Rates and Taxes	14,000	5,636
Repairs and Maintenance - Others	807,255	799,397
Security Charges	388,719	488,372
Other Job Expenses	662,038	914,138
Advertisement	—	11,500
Telephone & Telex Charges	44,505	99,680
Travelling & Conveyance	8,561	38,975
Donation	—	5,000
Car Running Expenses	130,068	114,387
Insurance	24,910	—
Bad Debts	337,329	—
	5,802,703	7,651,122
	16,719,521	38,369,709

Schedules to the Accounts *(Contd.)*

(Amount in Rs.)

	Year ended 31st March, 2009	Year ended 31st March, 2008
17. OTHER EXPENSES		
Salaries, Wages and Bonus	7,374,756	5,215,750
Gratuity paid/provided	175,423	606,672
Contribution to Provident and other funds	615,351	468,988
Workmen and Staff Welfare Expenses	255,580	1,509,903
Power and Fuel	7,792,546	19,726,413
Rent	4,715,062	5,485,031
Repair and Maintenance :		
- Buildings	903,968	808,941
- Plant and Machinery	498,158	1,169,593
- Others	2,587,299	3,256,684
Insurance	155,060	189,328
Rates and Taxes	1,626,883	1,403,731
Sales Tax	302,961	1,038,271
Brokerage and Commission	80,000	70,000
Advertisement	24,332	103,409
Interest on :		
- Bank Overdraft/Cash Credit	367,165	562,303
- Term Loans	5,666,047	4,589,835
- Others	135,372	226,579
Travelling Expenses	396,953	486,498
Telephone and Telex Charges	290,361	334,376
Bank Charges	(14,304)	502,394
Car Running Expenses	466,959	468,867
Auditors' Remuneration :		
- Statutory Audit Fees	160,000	160,000
- Tax Audit Fee	20,000	20,000
- Other Services	37,080	33,082
Internal Audit Fees	120,000	120,000
Professional Fees	1,510,961	2,834,610
Donation	13,530	3,101
Bad Debts and Advances Written Off	1,151,915	6,199,410
Miscellaneous Expenses	2,087,018	2,470,216
Compensation	1,329,059	-
Loss on Sale of Fixed Assets	2,075,831	-
Investments Written Off	5	-
	42,921,331	60,063,985

Schedules to the Accounts *(Contd.)*

18. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with the accounting standards specified by the Institute of Chartered Accountants of India.

Accounting Convention

The financial statements are prepared in accordance with historical cost convention except for such fixed assets, which are revalued.

Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of taxes, freight and other incidental expenses related to acquisition/ installation except in case of revaluation of such assets where it is stated at revalued amount.

Fixed Assets given on lease are stated at cost less accumulated depreciation.

Depreciation

Depreciation on fixed assets including revalued assets is provided on "Written Down Value Method" at the rates, which are in conformity with the requirements of the Companies Act, 1956. Additional depreciation for the year attributable to the revalued assets is transferred to the credit of Profit & Loss Account by debiting fixed assets revaluation reserve.

Leasehold Land is not amortized over the life of the respective lease where these are expected to be renewed for further long-term period on their expiry.

Depreciation on assets given on lease is provided over the 'Primary Lease Period' on the basis of internal rate of return implicit in the lease or on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956, whichever is higher.

Investments

Investments are valued at or under cost. Dividends are accounted for on receipt basis.

Inventories

Inventories are valued as under :

- i) *Finished construction (Unsold)* - At lower of cost or net realizable value.
- ii) *Work-in-Progress* - At cost or cost plus profit where appropriate depending upon the stage of completion and/or as per the terms of the contract. Cost includes direct material, cost of labour and include other general administrative expenses.

Taxes on Income

Provision for Current Tax is made on the taxable income for the year in terms of the provisions of the Income Tax Act, 1961.

Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date.

The Deferred Tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation or carried forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent of reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each Balance Sheet date based on developments during the year to reassess realization/liabilities.

Retirement Benefits

- i) Gratuity is provided in the books of accounts on accrual basis based on actuarial valuation.
- ii) Leave Encashment Liability is Provided in the books of accounts on accrual basis based on actuarial valuation.

Schedules to the Accounts (Contd.)

Revenue Recognition

- i) The company is mainly engaged in construction/development of properties - some on behalf of others as developer and some on own account for eventual sale. Profit on construction/development of properties on behalf of others is accounted for according to the stage of completion and in case of properties on own account, only when the registration is made.
- ii) Other revenue is recognized on completion of sale of goods and rendering of services.
- iii) Lease rentals are recognized as income throughout the period on accrual basis as per lease agreement.

Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are included in cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its sale/intended use. All other borrowing costs are charged to revenue.

Contingent Liability

Full disclosure is made in the accounts of any contingent liability. Provision for the same is however made when such liability crystallizes.

Miscellaneous Expenditure

Miscellaneous Expenditure is written off over a period of 5 years.

19. Notes on Accounts

1. In respect of Shreeram Arcade property, re-assessment of corporation tax by Kolkata Municipal Corporation for the area under company's occupation, as directed by the Hon'ble High Court of Kolkata in its order dated 29th September, 2004, is not complete. As such the ultimate liability towards corporation tax for the said property is not ascertainable at this stage and has not been provided in the accounts. Suspense (Credit) in the accounts amounting to Rs. 5,334,240/- represents the amount collected by the company from the Sub-Lessees of Shreeram Arcade, on account of Building Tax.
2. The amount of rent payable by the company to Kolkata Port Trust in respect of Kidderpore Stock Yard is under dispute and the matter is sub-judice. The Company has been paying rent to Kolkata Port Trust at the demanded rate without prejudice, since February, 2007, by cheque, which have since been accepted by Kolkata Port Trust and duly encashed. For the disputed amount not paid, provision for liability was estimated and booked in the accounts. The accumulated liability amounting to Rs. 6,80,11,632.80 as on 31.03.2007, appeared in the accounts for the year 2007-2008. Rent for the period 01.04.2007 to 30.06.2007 to the tune of Rs. 9,81,728/- has been paid to Kolkata Port Trust and estimated liability for rent for the balance period 01.07.2007 to 31.03.2008 @ Rs. 3,61,254/- per month, i.e., a total amount of Rs. 32,51,286/- has been booked in the accounts for 2007-2008. Thus, the total amount of liability as booked in accounts as on 31.03.2008 comes to Rs. 7,12,62,958.80 out of which Rs. 46,38,000.00 have been paid during 2008-2009. Balance amount of Rs. 66,34,959.80 still remains outstanding and booked in accounts as on 31.03.2009. During 2008-2009 total amount of Rs. 38,69,130.00 has been paid to Kolkata Port Trust towards rent for the year by account payee cheques on monthly basis. Such cheques have been duly accepted and encashed by the party.
3. Certain Credit balances in various liabilities account lying unclaimed over a period of time have been reviewed by the management and being satisfied about the remote possibility of their claims, have written back the same aggregating to Rs. 15,36,489 in the current year's account.
4. **Remuneration paid/payable to Wholetime Directors (Minimum) :** (Amount in Rs.)

	2008-2009	2007-2008
Salary	1,726,017	1,080,000
Contribution to Provident Fund	200,066	129,600
Monetary value of Perquisites	420,384	1,187,652
Total	2,346,467	2,397,252

Schedules to the Accounts *(Contd.)*

5. Year end balance confirmation letters from some parties could not be provided before the Auditors in respect of Sundry Debtors, Advances (both Debit & Credit), Sundry Creditors, Security Deposits etc. Steps are being taken by the company for obtaining the same.
6. None of the suppliers informed the company that they are small-scale industrial undertakings. Accordingly, particulars of indebtedness to such undertakings as on March 31, 2009, in terms of Part I of Schedule VI to the Companies Act, 1956, are not furnished.

7. (i) Sales : (Amount in Rs.)

	2008-2009	2007-2008
a) Construction/Property Development (Net of returns)	14,992,235	96,549,164
b) Servicing	11,005,292	9,659,544
Total	25,997,527	107,208,708

8. The provisions of Employees State Insurance Act, 1948, are not applicable to the Company.

9. Earnings Per Share

	2008-2009	2007-2008
Profit/(Loss) after taxation as per Profit & Loss Account	15,248,199	34,199,499
Weighted average number of Equity Shares outstanding	4,403,859	4,403,859
Basic and Diluted Earnings Per Share in Rupees (Face Value – Rs. 10/- each)	3.46	7.77

10. Income and direct expenses in relation to segments is categorised based on items that are individually identifiable to that segment. Certain expenses such as staff related expenses, travelling, telephones etc., which form a significant component of total expenses, are not specifically allocable to particular segments as the underlying services are used interchangeably. The Company believes that it is not practicable to provide segment disclosures relating to these costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total income. Similarly, depreciation is not specifically allocable to particular segments.

	Construction/Property Development Business Amount (Rs.)	Rent and its related activities Amount (Rs.)	Total Amount (Rs.)
Segment Revenue	14,992,235	44,225,524	59,217,759
Less : Segment Expenses	18,500,597	16,749,574	35,250,171
Segment Results	(3,508,362)	27,475,950	23,967,588
Less : Unallocated corporate expenses net of unallocated income			16,775,427
Less : Depreciation			1,975,581
Operating Profit/(Loss)			5,216,580
Less : Bad Debts and Advances Written off			1,151,915
Less : Loss on Sale of Fixed Assets			4,240
Add : Liabilities written back			1,536,489
Profit/(Loss) before Interest and taxation			5,596,914
Less : Interest expenses			6,168,584
Add : Interest/Dividend Income			13,729,295
Add : Other Income			7,288,123
Net Profit before Tax			20,445,748
Less : Provision for Income Tax (Includes Deferred Tax & FBT)			5,197,549
Net Profit/(Loss) after Tax			15,248,199

Schedules to the Accounts *(Contd.)*

11. Related Party Disclosures

(1) ENTERPRISES WHERE CONTROL EXISTS

- a) Safex Merchandise Private Limited b) Martin Burn Edutech Private Limited c) R. B. P. Projects & Finance Private Limited d) Shreepati Properties Private Limited e) Martin Burn Energy Private Limited f) Pushpanjali Estates Private Limited g) Martin Burn Constructions Limited

(2) OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS ETC -

Key Management Personnel

Kedar Nath Fatehpuria	–	Chairman & Managing Director
Om Prakash Fatehpuria	–	Joint Managing Director
Kailash Nath Fatehpuria	–	Deputy Managing Director
Vijay Kumar Fatehpuria	–	Deputy Managing Director

Relatives :

Sushila Fatehpuria	–	Wife of Kedar Nath Fatehpuria
Bhagwati Fatehpuria	–	Wife of Om Prakash Fatehpuria
Laxmi Fatehpuria	–	Wife of Kailash Nath Fatehpuria
Manju Fatehpuria	–	Wife of Vijay Kumar Fatehpuria
Sunil Fatehpuria	–	Son of Kedar Nath Fatehpuria
Anil Fatehpuria	–	Son of Om Prakash Fatehpuria
Anup Fatehpuria	–	Son of Om Prakash Fatehpuria
Manish Fatehpuria	–	Son of Kedar Nath Fatehpuria
Amit Fatehpuria	–	Son of Kailash Nath Fatehpuria
Aditya Fatehpuria	–	Son of Kailash Nath Fatehpuria
Vishal Fatehpuria	–	Son of Vijay Kumar Fatehpuria

Disclosure of Transactions between the Company and Related Parties and the status of outstanding Balances as on March 31, 2009.

Sl. No.	Particulars	Details of transactions		Amount Outstanding as on 31.03.2009
		Enterprises where control exists	Key Management Personnel & Relatives	
1.	Rent paid	–	555,000	Nil
2.	Remuneration to Key Management Personnel – Directors	–	2,346,467	Nil

12. Contingent Liability not provided for in respect of Sales Tax Demand amounting to Rs. 703,233.

13. Previous year's figures have been re-grouped, re-cast and re-arranged wherever necessary to make them comparable with those of current year.

14. a) During the year 2008-2009 the entire investment of Rs. 500,000/- in shares in M/s. Brahmaputra Properties Private Limited have been sold. The value of the shares could not be collected at the time of sale and such amount of Rs. 500,000/- is included in Sundry Debtors - Others as on 31.03.2009.

b) During the year 2008-2009, 52% of the investment of Rs. 900,000/- in shares in M/s. Pushpanjali Estates Private Limited i.e., Rs. 468,000/- have been sold for Rs. 4,680,000/-. The value of the shares could not be collected at the time of sale and such amount of Rs. 4,680,000/- is included in Sundry Debtors - Others as on 31.03.2009.

c) By the agreement signed on 9th March, 2009, between M/s. Martin Burn Limited and M/s. Shreeram Arcade Shopkeepers' Welfare Association (SASWA) with effect from 01.08.2008 maintenance job of Shreeram Arcade has been vested with SASWA. As such no financial transaction has been accounted for in the Books of M/s. Martin Burn Limited for the period 01.08.2008 to 31.03.2009 in regard to above.

Balance Sheet Abstract and Company's General Business Profile

15. Information as required under Part-IV of Schedule - VI of the Companies Act, 1956

i) Registration Details

Registration No. State Code
 Balance Sheet Date

ii) Capital raised during the year (Amount Rs. in thousand)

Public Issue Right Issue
 Bonus Issue Private Placement

iii) Position of Mobilisation and Deployment of Funds (Amount Rs. in thousand)

Total Liabilities Total Assets

Sources of Funds

Paid-up Capital Secured Loans
 Reserves & Surplus Unsecured Loans
 Deferred Tax

Application of Funds

Net Fixed Assets Investments
 Net Current Assets Miscellaneous Expenditure
 Accumulated Losses

iv) Performance of Company (Amount Rs. in thousand)

Turnover (including other Income) Total Expenditure
 Profit/(Loss) before Tax Profit/(Loss) after Tax
 Basic & Diluted Earning Per Share (Rs.) Dividend Rate (%)

v) Generic Name of Principal Products/Services of the Company (As per Monetary Terms)

Item Code No. (ITC code)

Product description

For **D. P. SEN & CO.**
 Chartered Accountants
M. L. Sarkar
 Partner
 Membership No. 12961
 Place : Kolkata
 Date : June 29, 2009

Kedar Nath Fatehpuria
 Chairman & Managing Director
Vijay Kumar Fatehpuria
 Dy. Managing Director

Om Prakash Fatehpuria
 Jt. Managing Director
Pawan Murarka
 Director
Sudha Agarwal
 Manager (Legal) &
 Company Secretary

Kailash Nath Fatehpuria
 Dy. Managing Director
Kailash Prasad Dhanuka
 Director

ATTENDANCE SLIP

MARTIN BURN LIMITED

Regd. Office : "Martin Burn House", 1, R. N. Mukherjee Road, Kolkata – 700 001

I certify, that I am the registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 62nd Annual General Meeting at "Martin Burn House" on Tuesday, the 22nd day of September, 2009 at 11:00 A.M.

Name of the Attending Member (in Block Letters) _____

Member's Folio Number _____

Name of Proxy (in Block letters to be filled in if the Proxy attends instead of the member) _____

No. of Shares held _____

Member's/Proxy's Signature _____

* To be signed at the time of handing over this slip.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP AT THE MEETING
NO DUPLICATE WILL BE ISSUED

PROXY FORM

MARTIN BURN LIMITED

Regd. Office : "Martin Burn House", 1, R. N. Mukherjee Road, Kolkata – 700 001

I/We _____ of _____

being a member/members of Martin Burn Limited, hereby appoint _____

of _____ or failing him _____

of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 62nd Annual General Meeting of the Company to be held on Tuesday, the 22nd day of September, 2009 at 11:00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2009

Signature _____

Note : The Proxy form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of the Meeting.

Book-Post

If undelivered, please return to :



MARTIN BURN LIMITED

"Martin Burn House", 1, R. N. Mukherjee Road, Kolkata-700 001

Phone : 2230 3371/80, Fax : 2248 8416

E-mail : martinburn@rediffmail.com