



Martin Burn Limited
ANNUAL REPORT 2010-2011

Corporate Information

Board of Directors

Shri Kedar Nath Fatehpuria	<i>Chairman & Managing Director</i>
Shri Om Prakash Fatehpuria	<i>Joint Managing Director (resigned w.e.f. 30.05.2011)</i>
Shri Kailash Nath Fatehpuria	<i>Deputy Managing Director</i>
Shri Vijay Kumar Fatehpuria	<i>Deputy Managing Director</i>
Shri Ram Karan Tiwari	<i>Independent Non-Executive Director</i>
Shri Kailash Prasad Dhanuka	<i>Independent Non-Executive Director</i>
Shri Sanjay Kumar Bhartiya	<i>Independent Non-Executive Director</i>
Shri Pawan Murarka	<i>Independent Non-Executive Director</i>

Statutory Auditors

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

Bankers

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

Registered Office

"Martin Burn House"
1, R. N. Mukherjee Road
Kolkata - 700 001
Phone : (033) 2230-3371/3022-5780/81
Fax : (033) 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 : (033) 2248-3255

Registrars & Share Transfer Agent

Maheshwari Datamatics (P) Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone : (033) 2243-5029/5809
Fax : (033) 2248- 4787

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Notice

NOTICE is hereby given that the 64th Annual General Meeting of the Company will be held at "Kala Kunj" 48, Shakespeare Sarani, Kolkata - 700 071, on Saturday, the 10th day of September, 2011 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, 2011, the Profit and 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 Vijay Kumar Fatehpuria who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Ram Karan Tiwari 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.

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

Place : Kolkata
Date : May 30, 2011

K. N. Fatehpuria
Chairman & Managing Director

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 5th September, 2011 to 10th September, 2011 (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 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 reappointed at the 64th Annual General Meeting.

Name of Director	Shri Vijay Kumar Fatehpuria	Shri Ram Karan Tiwari
Date of Birth	23.01.1956	29.07.1930
Date of Appointment	16.01.1986	31.03.2003
Qualifications	B.Com	M.A., L.L.B.

Name of Director	Shri Vijay Kumar Fatehpuria	Shri Ram Karan Tiwari
Expertise in specific functional areas	Has vast experience of about 32 Years in Finance & Company Management Construction and Real Estate Development.	He is as senior Advocate with more than 53 years of Experience. He is practicing in Supreme Court of India and other International Courts.
Directorship in other Companies	<ol style="list-style-type: none"> 1. Martin Burn Construction Ltd. 2. Pushpanjali Estate Pvt. Ltd. 3. Meghavi Awas Pvt. Ltd. 4. Meghavi Promoters Pvt. Ltd. 5. Martin Burn Developers Pvt. Ltd. 6. Martin Burn Housing Pvt. Ltd. 7. Martin Burn Promoters Pvt. Ltd. 	NIL
Chairman / Membership of the Committees	–	<ol style="list-style-type: none"> 1. Member of the Audit Committee of Martin Burn Ltd. 2. Chairman of Remuneration Committee of Martin Burn Ltd.
No. of Shares held in the Company.	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.

Registered Office :

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

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

K. N. Fatehpuria
Chairman & Managing Director

Directors' Report

Dear Members,

Your Directors are pleased to present the 64th Annual Report together with Audited Statements of Accounts of the Company for the Financial Year ended March 31, 2011.

FINANCIAL RESULTS

(₹ in lakh)

	2010-2011	2009-2010
Profit before Interest, Depreciation and Taxation	246.50	259.05
Less : Interest Expense	92.25	59.49
Less : Depreciation	17.34	17.24
Profit /(Loss) before taxation	136.91	182.32
Add / (Less) : Provision for taxation	18.23	37.74
Profit / (Loss) after taxation	118.68	144.58
Unappropriated Profit brought forward from previous years	925.96	781.37
Profit available for appropriations	1044.64	925.96

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 ₹ 118.68 Lacs against the corresponding Profit of ₹ 144.58 Lacs, as reported last year.

We are pleased to inform that we have started our negotiation with the Tenants at our Land at 63, Chowringhee Road, Kolkata. We are very hopeful to complete our negotiation within this Financial Year.

We are also pleased to further inform that we have also initiated efforts to restart our Civil Construction Division in full swing. We hope to start receiving orders within this Financial Year itself.

PUBLIC DEPOSIT

The Company has no outstanding Public Deposit as on March 31, 2011. 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 Management continues to have harmonious relation with the employees. Your Director wish to place on records their appreciation for the contribution made by the employees and workers of your company at all levels during the year under review.

DIRECTORS

Shri Vijay Kumar Fatehpuria and Shri Ram Karan Tiwari - Directors of the Company, retire at the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

Shri Om Prakash Fatehpuria - Joint Managing Director of the Company has resigned from the Board of Directors with effect from 30th May, 2011. The Board place on record its appreciation for his valuable contribution made to the Company during his tenure as a Director.

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, 2011 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;
4. 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., Bombay Stock Exchange Ltd., The Uttar Pradesh Stock Exchange Association Ltd. and The Delhi Stock Exchange Association Ltd.

Place: Kolkata
Date: 30th May, 2011

Steps are being taken for delisting of Company Shares at The Uttar Pradesh Stock Exchange Association 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.

COMPLIANCE CERTIFICATE

Compliance Certificate given by M/s. A.K. Labh & Co., Company Secretaries in terms of proviso to Sub-section (1) of Section 383A of the Companies Act, 1956 is attached and forms part of our report.

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

We wish to acknowledge the understanding, support and the services of the sincere workers, staff and executives of the Company, which have contributed to the efficient operations and management of the Company. Your Directors also wish to place on record the valuable co- operation and support received from The Federal Bank Ltd., State Bank of India, Indian Overseas Bank and HDFC 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.

We would also like to express sincere thanks to our shareholders for their confidence and understanding

On behalf of the Board

K. N. Fatehpuria
Chairman & Managing Director

Management Discussion and Analysis

Industry Structure and Development

The Indian Real Estate sector has witnessed a revaluation, driven by the booming economic, favourable demographics and liberalized foreign direct investment (FDI) regime. Growing at a rapid rate, it has emerged as one of the most appealing investment areas for domestic as well as foreign investors.

Opportunities and Threats

There are huge opportunities available in the emerging Real Estate market in India. Government has been pragmatic and supportive in its approach in ushering in reforms in the industry which should open up more avenue of growth. According to various studies continuing housing boom should sustain alongwith growing demand for retail and commercial space in the coming years.

Apart from normal business risks, your company is facing competition from its old competitors as new entrance in the same line of business.

Risk and Concern

Our Company continues to utilize a robust Business Risk Management (BRM) process to identify, evaluate business risks and opportunities both at the Corporate and at the regional levels. The identified risks and opportunities are integrated into rolling and annual plans. The action plans to mitigate the identified risks are thereafter drawn up and its implementation monitored.

Outlook

We are pleased to inform that we have started our negotiation with the Tenants at our Land at 63, Chowringhee Road, Kolkata. We are very hopeful to complete our negotiation within this Financial Year.

We are also pleased to further inform that we have also initiated efforts to restart our Civil Construction Division in full swing. We hope to start receiving orders within this Financial Year itself.

Internal Control and System

The Company's internal control systems and procedures are commensurate with its size and nature of business. Standard Operating Procedures have been clearly defined for several of operations.

Reports of concurrent Auditors, the Company's Internal Audit Department termed as Business Process solutions Department and management response on audit observations are subject to regular review by the Audit Committee of Board of Directors. The adequacy of internal control systems is also reviewed by the Audit Committee. The company has an elaborate financial reporting process which ensures timely review of all financial information.

Human Resource Management

The Company is continuously endeavoring to put in line employee objective with that of business objectives of the organization through its HD Policies process & other development initiatives to achieve its organization goals relation with the employees remained cordial & at peace at all sites & offices throughout the year. The management & the employee are dedicated to achieve the mission corporate object & goals of the organization.

Cautionary Statement

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations or predictions may be looking within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could, however, differ materially from those expressed or implied.

Thus, the Company should and need not be held responsible, if, which is not unlikely, the future turns out to be something quite different. Subject to this management disclaimer, this discussion and analysis should be perused.

Corporate Governance Report

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 basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself to increasing long term shareholders' value, keeping in view the needs and interests of all its Stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

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 (Resign with effect from 30.05.2011)*	Joint Managing Director	5	2	No	–	–	–
3.	Shri Kailash Nath Fatehpuria	Deputy Managing Director	5	3	Yes	–	–	–
4.	Shri Vijay Kumar Fatehpuria	Deputy Managing Director	5	3	No	1	–	–
5.	Shri Ram Karan Tiwari	Independent Non-Executive Director	5	5	Yes	–	–	–
6.	Shri Kailash Prasad Dhanuka	Independent Non-Executive Director	5	1	Yes	–	–	–
7.	Shri Sanjay Kumar Bhartiya	Independent Non-Executive Director	5	–	No	4	–	–
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.
- Shri Om Prakash Fatehpuria - Joint Managing Director of the Company has resigned from the Board of Directors with effect from 30th May, 2011. The Board place on record its appreciation for his valuable contribution made to the Company during his tenure as a Director.

The Board met Five times during the year and the time gap between Board Meeting is not more than three months. Details of Board Meeting held during the year 2010-11 are as under :

Date of Board Meetings	31.05.2010	20.07.2010	18.08.2010	08.11.2010	28.01.2011
Board Strength	8	8	8	8	8
No. of Directors present	5	4	5	6	4

Board Committee

The Board of Directors at their meeting held on April 02, 2010 constituted a committee of Directors comprising of Shri Kedar Nath Fatehpuria, Chairman & 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 :

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

The Committee met 17 times during the year i.e. on 05.04.2010, 13.04.2010, 11.05.2010, 01.06.2010, 04.06.2010, 20.07.2010, 13.08.2010, 18.08.2010, 14.09.2010, 18.09.2010, 28.09.2010, 13.10.2010, 02.12.2010, 25.01.2011, 24.02.2011, 23.03.2011, and 28.03.2011.

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 (7) 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 2010-2011 are as under :

Name of the Committee Members	31.05.2010	18.08.2010	24.08.2010	08.11.2010	11.02.2011
Shri Kailash Prasad Dhanuka - Chairman	Yes	Yes	Yes	Yes	Yes
Shri Ram Karan Tiwari - Member	Yes	Yes	Yes	Yes	Yes
Shri Pawan Murarka - Member	Yes	Yes	Yes	Yes	Yes

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

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 Audit Committee has been mandated with the same terms of reference as specified in the Clause 49 of the Listing Agreement with Stock Exchanges and covers all the aspects stipulated by the SEBI Guidelines. The terms of reference also fully conform to the requirements of Section 292A of the Companies Act, 1956.

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.

Functions of the Committee.

1. 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.
2. Hold discussion with :
 - a. Statutory Auditors, before and after audit on the scope and area of Concern;
 - b. Internal Audit Department on its significant findings and also failure of Internal Control Systems, if any; and
 - c. Management before submission of financial statements to the Board.
3. 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.

No Remuneration committee meeting was held during the year.

Details of remuneration paid to the Executive Directors during the year 2010-11.

Name	Designation	Salary (₹)	Perquisites or Allowances (₹)	Contribution to PF & Others (₹)	Commission (₹)
Shri Kedar Nath Fatehpuria	Chairman and Managing Director	7,92,000	28,600	95,040	Nil
Shri Om Prakash Fatehpuria (Resigned with effect from 30.05.11)	Joint Managing Director	2,25,000	–	27,000	Nil
Shri Kailash Nath Fatehpuria	Deputy Managing Director	2,70,000	1,30,000	32,400	Nil
Shri Vijay Kumar Fatehpuria	Deputy Managing Director	Nil	Nil	Nil	Nil

Sitting fees paid to the Non Executive Directors for attending the meetings of the Board of Directors of the Company and Committee thereof are as follows :

Name	Amount (₹)
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 31.03.2011.

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

5. Shareholders' / Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee reviews and monitors the grievances of shareholders and investors. It is comprised of 2 (Two) Directors and is headed by Independent Non-Executive Director - Shri Pawan Kumar Murarka, as Chairman of the Committee. The other one member of the Committee is Shri K. N. Fatehpuria. The terms of reference of the Committee are in terms of the Listing Agreement.

Mr. Vikash Dinodia is 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 Committee met 17 times under the Chairmanship of Shri Pawan Kumar Murarka on 16.04.2010, 31.05.2010, 15.06.2010, 08.07.2010, 15.07.2010, 31.07.2010, 31.08.2010, 18.09.2010, 30.10.2010, 15.11.2010, 30.11.2010, 15.12.2010, 31.12.2010, 15.01.2011, 30.01.2011, 28.02.2011 and 15.03.2011.

NUMBER OF PENDING COMPLAINTS AS AT 31.03.2011. : NIL

In compliance with Clause 47(f) the Company maintains an exclusive e-mail ID viz, martinburn_invsgriev@rediffmail.com/ martinburn@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
2009-2010	1, R. N. Mukherjee Road, Kolkata - 700 001.	18.09.2010	11.00 A.M
2008-2009	1, R. N. Mukherjee Road, Kolkata - 700 001.	22.09.2009	11.00 A.M
2007-2008	1, R. N. Mukherjee Road, Kolkata - 700 001.	04.09.2008	11.00 A.M

No special resolution was passed during the Financial Year ended 31st March, 2011 through Postal Ballot.

Further, no special resolution is proposed to be conducted through Postal Ballot in the ensuing Annual General Meeting.

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 3 years. In general no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities. The Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement. The extents 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. All the mandatory requirements have been appropriately complied with and the non mandatory requirements are dealt with at the end of this report.

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. 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, 2011 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 Unaudited Financial Results and the Annual Audited Financial Results as taken on record and approved respectively by the Board of Directors of the Company are published in leading national newspaper, i.e. The Business Standard (English - all India edition), Dainik Lipi (Bengali - Local edition) and are also sent immediately to all the Stock Exchange which the Shares of the Company are listed.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report is separately attached and forms part of the Annual Report.

9. General Shareholder Information

i) **Annual General Meeting**

64th A.G.M. to be held on Saturday the 10th September, 2011 at 11.00 A.M. at "Kala Kunj", 48, Shakespeare Sarani, Middleton Row, Kolkata - 700 071.

ii) **Financial Calendar (Tentative)**

Results for the quarter ended June 30, 2011 - Declared in the 2nd week of August, 2011.

Results for the quarter ending September 30, 2011 - 2nd week of November, 2011.

Results for the quarter ending December 31, 2011 - 2nd week of February, 2012.

Results for the quarter ending March 31, 2011 - 4th week of May, 2012.

Annual General Meeting (next year) August, 2012.

iii) **Book Closure**

The Register of Members and Share Transfer Register will remain closed from 5th September, 2011 to 10th September, 2011 (both days inclusive).

iv) **Listing of Equity Shares**

- a. Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
- b. The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata - 700 001
- 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, 2011 to The Calcutta Stock Exchange Association Ltd. and Bombay Stock Exchange Ltd.

v) **Stock Code**

Bombay Stock Exchange Ltd. - 523566

vi) **Depository Connectivity - NSDL and CDSL**vii) **ISIN No. for Company's ordinary shares in Demat Form : INE199D01016**viii) **Stock Market Price data for the year 2010-2011**

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, 2010 to March, 2011)

Month	High (₹)	Low (₹)	Volume of Trunover (₹)	BSE Sensex	
				High	Low
April 2010	33.50	27.50	4,96,930	18,047.86	17,276.80
May 2010	38.85	29.00	17,96,130	17,536.86	15,960.15
June 2010	46.00	35.50	23,65,011	17,919.62	16,318.39
July 2010	50.40	36.40	25,95,784	18,237.56	17,395.58
August 2010	49.90	40.00	15,64,799	18,475.27	17,819.99
September 2010	53.20	40.00	38,56,214	20,267.98	18,027.12
October 2010	67.00	41.65	57,50,260	20,854.55	19,768.96
November 2010	68.00	32.30	27,76,867	21,108.64	18,954.82
December 2010	44.40	31.60	7,94,725	20,552.03	19,074.57
January 2011	43.45	33.10	21,99,107	20,664.80	18,038.48
February 2011	41.80	32.55	6,20,657	18,690.97	17,295.62
March 2011	39.00	29.50	12,39,996	19,575.16	17,792.17

ix) **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

x) **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 2010-11, 54 Share Transfer Deeds comprising of 2770 shares were received for physical transfer and 9 share transfer deeds comprising of 1332 shares were received for transmission of shares.

xi) **Shareholding Pattern as on 31st March, 2011**

Category of Shareholder	No. of Shares	Percentage of Shareholding
A. Shareholding of Promoter & Promoter Group		
1) Indian		
a) Individual/HUF	30,99,617	70.3841%
b) Bodies Corporate	33	0.0007%
Sub Total A(1)	30,99,650	70.3849%
2) Foreign	Nil	Nil
Sub Total A(2)	Nil	Nil
Total Promoters Shareholding A(1) + A(2)	30,99,650	71.3849%
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	0.3058%
2) Non-Institutions		
a) Bodies Corporate	1,09,413	2.4845%
b) Individuals holding		
i) Nominal Share Capital up to ₹ 1 Lakhs	8,70,886	19.7755%
ii) Nominal Share Capital in excess of ₹ 1 Lakhs	2,44,866	5.5603%
c) Any Other		
i) Non Resident Individual	63,597	1.4441%
ii) Trust	445	.0101%
ii) Custodian of Enemy Property	1,532	0.0348%
Sub Total B(2)	12,90,740	29.3093%
Total Public Shareholding B(1) + B(2)	13,04,209	29.6151%
Total	44,03,859	100.00%

xii) Distribution of Shares as on March 31, 2011.

Share Holding	Number of Shareholders	% of Share-holders	No. of Shares	% of Shares
1 to 500	8697	96.428	597110	13.5588
501 to 1000	179	1.9847	136067	3.0897
1001 to 2000	78	0.8648	117069	2.6583
2001 to 3000	26	0.2883	63706	1.4466
3001 to 4000	8	0.0887	29050	0.6596
4001 to 5000	5	0.0554	23606	0.5360
5001 to 10000	7	0.0776	52221	1.1858
10001 & above	19	0.2107	3385030	76.8651
Grand Total	9096	100.0000	4403859	100.0000

xiii) Summary report of Shareholding as on March 31, 2011.

Particulars	Shareholders		No. of Shares	% of Share Holdings
	No.	%		
Physical	6929	76.82%	602002	13.67
NSDL	1472	16.32%	3599449	81.73
CDSL	618	6.86%	202408	4.60
Total	9019	100.0000	4403859	100.0000

xiv) **Dematerialization of shares**

The Equity shares of the Company are traded on Bombay Stock Exchange Ltd. As per SEBI's Guidelines Your Company's Shares are compulsorily traded in Dematerialized form for all the investors with effect from 31st May, 1999. During the year total number of shares dematerialized were NSDL 6501 and CDSL 3349.

xv) **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.

xvi) **Compliance Certificate**

The Company has obtained Compliance Certificate from CS. 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.

10. Address for Correspondence :

i. For Redressal of Complaints and Grievances :

Any assistance regarding Share Transfers and transmissions, change of Address, non receipts of dividends, duplicate / missing share certificates, demat and other matters, please write to or contact the Share Department of the Company at the address given below :

Mr. Vikash Dinodia - Compliance Officer,
1, R.N. Mukherjee Road, Kolkata - 700 001
Phone - 033-22303371/30225780/81
Email : vikasdinp@rediffmail.com
martinburn@rediffmail.com

On behalf of the Board

Place : Kolkata
Date : 30th May, 2011

K. N. Fatehpuria
Chairman & Managing Director

CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR AND DY. 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, 2011 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
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2010-11 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 system 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, 2011.
 - 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) Instance 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

Kailash Nath Fatehpuria
Dy. Managing Director

Place : Kolkata
Date : 30th May, 2011

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, 2011 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.

The Company does not have an whole-time Company Secretary.

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 compliances 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

(CS A. K. Labh)
Proprietor
CP - 3238

Place : Kolkata
Dated : May 30, 2011

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, 2011. The same has also been noted by the Board in its Meeting held on 30th May, 2011.

Place: Kolkata
Date : May 30, 2011

K. N. Fatehpuria
Chairman & Managing Director

Compliance Certificate (Contd.)

To the Members of
MARTIN BURN LIMITED
1, R. N. Mukherjee Road
Martin Burn House
Kolkata - 700 001

Registration No. : 21-13641
Authorised Capital : ₹ 6,00,00,000
Paid up Capital : ₹ 4,40,38,590

We have examined the registers, records, books and papers of **Martin Burn Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and rules made there under and all entries have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies (ROC) as prescribed under the Act and the rules made there under.
3. The Company is a public limited company.
4. The Board of Directors duly met 5 (five) times on 31.05.2010, 20.07.2010, 18.08.2010, 08.11.2011 and 28.01.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The register of members and share transfer books were closed from 12.09.2010 to 18.09.2010 (both days inclusive) and the provisions of Section 154 of the Act was duly complied with.
6. The annual general meeting for the financial year ended on 31.03.2010 was held on 18.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the year under report.
8. The provisions of Section 295 of the Act are not attracted.
9. The provisions of Section 297 of the Act are not attracted.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act for the disclosures made by the directors pursuant to the provisions of the Section 299 of the Act.
11. The provisions of Section 314 of the Act are not attracted.
12. Duplicate share certificate was issued during the year under report.
13. The Company has :
 - i. issued the share certificate within time after processing the request for transfer of shares received during the year.
 - ii. not declared any dividend during the year under report;
 - iii. no amount of unpaid/unclaimed dividend due for transfer to the Investor Education & Protection Fund during the year under report;
 - iv. complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no new appointment of any additional, casual or alternate director during the year under report.
15. There was a re-appointment of Deputy Managing Director in term of Section 269 of the Act and form 23 was filed for such. However form 25C was not filed for such re-appointment.
16. No sole-selling agent was appointed during the year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
19. The Company has not issued any new shares during the year.
20. The Company has not bought back any shares during the year.
21. The Company does not have any preference shares/debentures.

22. The Company has not issued any right/bonus shares etc. during the year.
23. The company has not accepted/renewed any fresh deposits attracting the provisions of Section 58A of the Act.
24. The borrowings made by the Company are within the statutory limit.
25. The investments, loans and advances made by the Company are in compliance with the provisions of the Act.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered the provisions of the Articles of Association of the Company during the year under scrutiny.
31. The Company has not received any show cause notice for any alleged offence during the year under report.
32. The Company has not received any security from its employees during the year under certification.
33. The provisions of Section 418 of the Act were not attracted.

For **A. K. LABH & CO.**
Company Secretaries

Place : Kolkata
Date : 30.05.2011

CS A. K. Labh
Proprietor
C. P. No. 3238

Annexure - A

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Index of Members u/s 151
3. Register of transfer of shares u/s 108
4. Register of charges u/s 143
5. Register of Directors, Manager, etc. u/s 303
6. Register of Directors' shareholding u/s 307
7. Minutes of Board Meeting
8. Minutes of General Meeting
9. Books of Accounts u/s 209

Annexure - B

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on 31st March, 2011:

1. Form 20B u/s 159 (doct. dated 18.09.2010 filed on 04.11.2010)
2. Form 23AC & ACA u/s 220 (doct. dated 31.03.2010 filed on 11.10.2010)
3. Form 66 u/s 383A (doct. dated 31.05.2010 filed on 20.10.2010)
4. Form 23 u/s 192 (doct. dt. 18.09.2010 filed on 22.11.2010)
5. Form 8 u/s 135 (doct. date 07.04.2010 filed on 30.04.2010)

Auditors' Report

To the Shareholders of

Martin Burn Limited

We have audited the attached Balance Sheet of MARTIN BURN LIMITED, as at 31st March 2011, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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 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 and 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 and 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, 2011 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, 2011 and
 - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For **D. P. SEN & CO.**
Chartered Accountants

22, Ashutosh Chowdhury Avenue
2nd Floor, Flat No. 22
Kolkata - 700 019
Date : May 30, 2011

D. Bhattacharyya
Partner
Membership No. 012726
Firm Registration No. 301054E

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 records showing full particulars including quantitative details and situation of fixed assets which, however, needs improvement.
(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) As informed, 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 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. In our opinion the internal control system needs further improvement. 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, employees' 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 Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess on account of any dispute except for ₹ 703,233 against Sales Tax and ₹ 24,435,921 against Income Tax.
10. The Company has no accumulated losses. The company has not incurred any cash loss during the financial year covered by our report and the immediately preceding financial year.

Annexure to the Auditors' Report

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.
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.

For **D. P. SEN & CO.**
Chartered Accountants

22, Ashutosh Chowdhury Avenue
2nd Floor, Flat No. 22
Kolkata - 700 019
Date : May 30, 2011

D. Bhattacharyya
Partner
Membership No. 012726
Firm Registration No. 301054E

Balance Sheet as at 31st March, 2011

(Amount in ₹)

	Schedule Reference	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	44,038,590	44,038,590
Reserves and Surplus	2	322,303,137	311,327,997
		366,341,727	355,366,587
Loan Funds			
Secured Loans	3	76,140,404	73,126,912
Unsecured Loans	4	2,574,189	3,615,840
		78,714,593	76,742,752
Deferred Tax	5	5,073,438	5,598,766
TOTAL		450,129,758	437,708,105
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	6	316,046,150	313,643,466
Less : Depreciation		92,468,616	90,368,822
		223,577,534	223,274,644
Investments	7	2,694,490	2,694,490
Current Assets, Loans and Advances			
Inventories	8	5,988,861	11,338,309
Sundry Debtors	9	33,533,133	31,129,845
Cash and Bank Balances	10	1,829,737	13,440,518
Other Current Assets	11	35,064,795	32,030,730
Loans and Advances	12	523,248,094	503,896,157
		599,664,620	591,835,559
Less : Current Liabilities and Provisions	13		
- Liabilities		332,314,770	339,230,199
- Provisions		43,492,116	40,866,389
		375,806,886	380,096,588
Net Current Assets		223,857,734	211,738,971
TOTAL		450,129,758	437,708,105
Significant Accounting Policies	18		
Notes on Accounts	19		

Schedules 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

D. Bhattacharyya
Partner
Membership No. 012726
Firm Registration No. 301054E
Place : Kolkata
Date : May 30, 2011

Kedar Nath Fatehpuria
Chairman & Managing Director

Vijay Kumar Fatehpuria
Dy. Managing Director

Pawan Murarka
Director

Kailash Nath Fatehpuria
Dy. Managing Director

Kailash Prasad Dhanuka
Director

Profit & Loss Account for the year ended 31st March, 2011

(Amount in ₹)

	Schedule Reference	Year ended 31st March, 2011	Year ended 31st March, 2010
INCOME			
Sales (Note No. 7)		27,498,323	95,409,555
Other Income	14	33,753,128	24,401,808
Increase/(Decrease) in Stock of Work-in-Progress and Finished Construction	15	(5,159,069)	(4,407,522)
		56,092,382	115,403,841
EXPENDITURE			
Real Estate Purchase and Construction Expenses	16	9,669,533	66,925,824
Other Expenses	17	30,997,721	28,521,802
Depreciation		2,627,126	2,665,684
Transfer to Fixed Assets Revaluation Reserve		893,063	(941,816)
		1,734,063	1,723,868
		42,401,317	97,171,494
PROFIT/(LOSS) BEFORE TAXATION		13,691,065	18,232,347
Taxation			
Current Tax		2,348,190	5,070,590
Deferred Tax	5	(525,328)	(1,296,655)
PROFIT/(LOSS) AFTER TAXATION		11,868,203	14,458,412
Add : Profit brought forward from last account		92,595,713	78,137,301
		104,463,916	92,595,713
Less : Amount transferred to General Reserve		—	—
PROFIT/(LOSS) CARRIED TO BALANCE SHEET		104,463,916	92,595,713
Significant Accounting Policies	18		
Notes on Accounts	19		
Basic and Diluted Earning Per Share		2.69	3.28
(in ₹) Face Value ₹ 10/- (Note No. 9)			
Number of Equity Shares		4,403,859	4,403,859

Schedules 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

D. Bhattacharyya

Partner

Membership No. 012726

Firm Registration No. 301054E

Place : Kolkata

Date : May 30, 2011

Kedar Nath Fatehpuria

Chairman & Managing Director

Vijay Kumar Fatehpuria

Dy. Managing Director

Kailash Nath Fatehpuria

Dy. Managing Director

Pawan Murarka

Director

Kailash Prasad Dhanuka

Director

Cash Flow Statement for the year ended 31st March, 2011

Cash Flow Statement prepared pursuant to clause 32 of listing agreement for the year ended 31st March, 2011

(Amount in ₹)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
(A) CASH FLOW ARISING FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	13,691,065	18,232,347
Adjustments for		
Depreciation	2,627,126	2,665,684
Bad Debts and Advances Written off	2,357,450	944,635
Pre-operative Expenses Written off	–	327,765
Investments Written off	–	3
Recovery of Bad Debts	(228,630)	(528,389)
Profit/(Loss) on Sale of Fixed Assets & Capital WIP	–	–
Profit on sale of Fixed Assets	(498,426)	(57,215)
Liabilities no longer required Written Back	(4,769,677)	(311,530)
Interest Expense	9,225,166	5,949,250
Profit on sale of Investments	–	(3,888,000)
Interest and Dividend Income	(9,120,367)	(1,979,944)
Transfer from Fixed Assets Revaluation Reserve	(893,063)	(941,816)
Operating Profit before Working Capital Changes	12,390,644	20,412,790
Adjustments for		
Trade and Other Receivables	13,501,289	12,220,779
Inventories	5,159,069	4,407,522
Trade Payables	(2,191,608)	45,453,376
Cash generated from Operations	28,859,395	82,494,467
Income Tax & Fringe Benefit Tax Paid	–	–
Sales Tax paid	–	–
Net Cash From Operating Activities	28,859,395	82,494,467
(B) CASH FLOW ARISING FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,646,085)	(589,335)
Purchase of Investments	–	(1,500,000)
Sale of Fixed Assets	902,406	190,000
Dividend Received	–	125
Sale of Investment	–	4,320,000
Net Cash From Investing Activities	(1,743,679)	2,420,790

Cash Flow Statement (Contd.)

(Amount in ₹)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
(C) CASH FLOW ARISING FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Long Term	110,007,973	20,789,771
Short Term	–	–
Repayment of Borrowings		
Long Term	(148,858,601)	(110,914,661)
Short Term	–	–
Interest Paid	(9,225,166)	(5,949,250)
Bad Debt Recovery	228,630	528,389
Unclaimed Dividend Paid	–	–
Interest Received	9,120,367	1,979,944
Investments Written off	–	(3)
Net Cash From Financing Activities	(38,726,797)	(93,565,810)
Net Change in Cash and Cash Equivalents (A+B+C)	(11,611,081)	(8,650,553)
Cash and Cash Equivalents - Opening Balance	13,440,818	22,091,371
Cash and Cash Equivalents - Closing Balance	1,829,737	13,440,818

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/re-arranged where necessary.

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

For **D. P. SEN & CO.**
Chartered Accountants

D. Bhattacharyya
Partner
Membership No. 012726
Firm Registration No. 301054E
Place : Kolkata
Date : May 30, 2011

Kedar Nath Fatehpuria
Chairman & Managing Director

Vijay Kumar Fatehpuria
Dy. Managing Director

Kailash Nath Fatehpuria
Dy. Managing Director

Pawan Murarka
Director

Kailash Prasad Dhanuka
Director

Schedules to the Accounts

(Amount in ₹)

	As at 31st March, 2011	As at 31st March, 2010
1. SHARE CAPITAL		
Authorised		
5,990,000 Ordinary Shares of ₹ 10/- each	59,900,000	59,900,000
1,000 5% Redeemable Preference Shares of ₹ 100/- each	100,000	100,000
	60,000,000	60,000,000
Issued, Subscribed and Paid-up		
4,403,859 Ordinary Shares of ₹ 10/- each fully paid	44,038,590	44,038,590
	44,038,590	44,038,590

2. RESERVES AND SURPLUS				
Capital Reserve				
As per last Account	3,587,974			3,587,974
Add : Addition during the year	–	3,587,974		
Fixed Assets Revaluation Reserve				
As per last Account	92,050,862		92,992,678	
Less : Transferred to Profit & Loss Account	893,063	91,157,799	941,816	92,050,862
Capital Redemption Reserve				
As per last Account	1,600,000			1,600,000
Less : Transferred to General Reserve	1,600,000	–		
General Reserve				
As per last Account	121,493,448		121,493,448	
Add : Transferred from Capital Redemption Reserve	1,600,000	123,093,448	–	121,493,448
Profit & Loss Account		104,463,916		92,595,713
		322,303,137		311,327,997

Schedules to the Accounts (Contd.)

(Amount in ₹)

	As at 31st March, 2011	As at 31st March, 2010
3. SECURED LOANS		
Term Loan from Banks	76,140,404	73,126,912
	76,140,404	73,126,912

Notes :

1. Term Loans from ICICI Bank and HDFC 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 of the Company located at Kolkata and by personal guarantees of Promoter Directors of the Company.

4. UNSECURED LOANS		
Interest accrued and due on		
Short Term Loans	2,397,491	3,603,977
Overdraft from Scheduled Bank	176,698	11,863
	2,574,189	3,615,840

5. DEFERRED TAX		
Deferred Tax Assets		
Gratuity Provision	1,260,213	1,146,169
Accrued Expenses deductible on payment	151,041	54,638
	1,411,254	1,200,807
Deferred Tax Liability		
Depreciation	(6,484,692)	(6,799,573)
Net Deferred Tax Assets/(Liabilities)	(5,073,438)	(5,598,766)

Schedules to the Accounts (Contd.)

6. FIXED ASSETS

(Amount in ₹)

PARTICULARS	ORIGINAL COST/REVALUATION				DEPRECIATION				NET BLOCK	
	As at 31st March, 2010	Additions during the year	Sale/Adjustments during the year	As at 31st March, 2011	As at 31st March, 2010	Applicable to Sales/Adjustments during the year	For the year	Total upto 31st March, 2011	Written down Value as at 31st March, 2011	Written down Value as at 31st March, 2010
Freehold Land	156,648,673	659,005	241,323	157,066,355	-	-	-	-	157,066,355	156,648,673
Freehold Buildings	97,406,073	626,121	213,212	97,818,982	61,227,481	173,555	1,632,820	62,686,746	35,132,236	36,178,592
Leasehold Land	23,785,726	-	-	23,785,726	-	-	-	-	23,785,726	23,785,726
Leasehold Land and										
Buildings	7,565,941	-	-	7,565,941	4,660,761	-	154,568	4,815,329	2,750,612	2,905,180
Plant and Machinery	14,503,195	1,640,191	50,801	16,092,585	12,326,383	50,762	436,466	12,712,087	3,380,498	2,176,812
Furniture and Fittings	4,339,650	-	-	4,339,650	4,059,820	-	50,595	4,110,415	229,235	279,830
Vehicles	2,856,843	379,773	397,070	2,839,546	1,557,012	303,015	352,677	1,606,674	1,232,872	1,299,831
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	313,643,466	3,305,090	902,406	316,046,150	90,368,822	5,27,332	2,627,126	92,468,616	223,577,534	223,274,644
Previous year	313,471,172	589,335	417,041	313,643,466	87,987,394	284,256	2,665,684	90,368,822	223,274,644	

	As at 31st March, 2011	As at 31st March, 2010
7. LONG TERM INVESTMENTS - At or under Cost		
Trade Investments		
Fully paid Shares and Debentures		
- Ordinary Shares	2,694,490	2,694,490
	2,694,490	2,694,490
Aggregate amount of Unquoted Investments	2,694,490	2,694,490

Schedules to the Accounts (Contd.)

(Amount in ₹)

	As at 31st March, 2011	As at 31st March, 2010
INVESTMENTS - At or under Cost		
Shares		
In Others		
10078 Ordinary Shares of ₹ 10/- each of Upper Ganges Valley Electric Supply Company Ltd. (in liquidation)	1	1
22550 Ordinary Shares of ₹ 10/- each of Upper Jumna Valley Electric Supply Company Ltd. (in liquidation)	1	1
211 Ordinary Shares of ₹ 100/- each of Futwah Islampur Light Railways Company Ltd. (in liquidation)	1	1
2700 Ordinary Shares of ₹ 100/- each of Arrah Sasaram Light Railways Company Ltd. (in liquidation)	1	1
4723 Ordinary Shares of ₹ 100/- each of Agra Electric Supply Company Ltd. (in liquidation)	1	1
36594 Ordinary Shares of ₹ 10/- each of Benaras Electric Light & Power Company Ltd. (in liquidation)	1	1
1000 Equity Share of ₹ 10/- each of Martin Burn Edutech Pvt. Ltd.	10,000	10,000
95900 Equity Share of ₹ 10/- each of Step Two Corporation Ltd.	584,484	584,484
2000 Equity Shares of ₹ 100/- each at a premium of ₹ 200/- Trinetra Capital Services Pvt. Ltd.	600,000	600,000
15000 Equity Share of ₹ 10/- each of Divij Finance Pvt. Ltd.	1,500,000	1,500,000
	2,694,490	2,694,490

Schedules to the Accounts (Contd.)

(Amount in ₹)

	As at 31st March, 2011	As at 31st March, 2010
8. INVENTORIES		
Finished Construction (Unsold)		
At lower of cost or net realisable value	–	6,049,572
Work-in-Progress at cost or cost plus estimated profit where appropriate	5,988,861	5,288,737
	5,988,861	11,338,309
9. SUNDRY DEBTORS		
Unsecured		
Debts outstanding for a period exceeding six months		
- Considered Good	17,985,640	23,613,259
Others - Considered Good	15,547,493	7,516,586
	33,533,133	31,129,845
10. CASH AND BANK BALANCES		
Cash-in-Hand	103,494	261,752
Balances with Scheduled Banks on		
Current Accounts	137,815	3,152,039
Fixed Deposit Accounts	1,588,428	10,026,727
	1,829,737	13,440,518
11. OTHER CURRENT ASSETS		
Unsecured - Considered Good		
Interest accrued on Loans	34,284,814	26,978,321
Interest accrued on Deposits	–	274,386
Security Deposits	779,981	4,778,023
	35,064,795	32,030,730
12. LOANS AND ADVANCES		
Unsecured		
Loans to Bodies Corporate		
- Considered Good	214,460,597	146,129,597
Loans to Others		
- Considered Good	166,585,702	168,085,702
Booking of Space at I.T. Park (including Interest & others)	1,638,978	29,138,978
Advances recoverable in cash or in kind or for value to be received		
- Considered Good	84,445,227	124,105,061
- Others	15,001,161	1,096,440
Advance payment of tax and tax deducted at source	41,116,429	35,340,379
	523,248,094	503,896,157

Schedules to the Accounts (Contd.)

(Amount in ₹)

	As at 31st March, 2011	As at 31st March, 2010
13. CURRENT LIABILITIES AND PROVISIONS		
A. Current Liabilities		
Sundry Creditors	109,038,011	112,740,999
Other Liabilities	19,154,705	17,774,264
Deposits	123,996,108	123,979,882
Advance	80,125,946	84,735,054
	332,314,770	339,230,199
B. Provisions		
Gratuity	4,078,359	3,820,564
Taxation	38,838,866	36,490,676
Fringe Benefit Tax	213,131	213,131
Leave Encashment	361,760	342,018
	43,492,116	40,866,389
	375,806,886	380,096,588

	Year ended 31st March, 2011	Year ended 31st March, 2010
14. OTHER INCOME		
Interest on Deposit and Loans to Companies and Others (Gross) [Tax Deducted at Source ₹ 773,055/- Previous year - ₹ 166,590]	9,120,367	1,979,944
Profit on Sale of Fixed Assets (Net)	498,426	57,215
Profit on Sale of Investments (Net)	–	3,888,000
Liabilities no longer required written back	4,769,677	311,530
Rent	14,260,531	13,271,371
Recovery of Maintenance Charges	3,871,623	3,194,923
Recovery of Bad & Doubtful Debts	228,630	528,389
Miscellaneous Income	1,003,874	1,170,436
	33,753,128	24,401,808

Schedules to the Accounts (Contd.)

(Amount in ₹)

	Year ended 31st March, 2011	Year ended 31st March, 2010
15. INCREASE/(DECREASE) IN STOCK OF		
WORK-IN-PROGRESS AND FINISHED CONSTRUCTION		
Closing Stock		
- Work-in-Progress	5,988,861	5,288,737
- Finished Construction (Unsold)	–	6,049,572
	<u>5,988,861</u>	<u>11,338,309</u>
Deduct : Opening Stock		
Work-in-Progress	5,288,737	5,933,410
Finished Construction (Unsold)	6,049,572	9,812,421
Transferred to Fixed Assets	(190,379)	–
	<u>11,147,930</u>	<u>15,745,831</u>
Increase/(Decrease)	<u>(5,159,069)</u>	<u>(4,407,522)</u>
16. REAL ESTATE PURCHASE AND CONSTRUCTION EXPENSES		
Purchases		
Construction Materials	2,248,092	1,687,910
Purchase of Flat	2,495,000	7,250,000
Purchase of Office space	–	50,000,000
	<u>4,743,092</u>	<u>58,937,910</u>
Construction Expenses		
Salaries, Wages and Bonus	665,388	545,559
Contribution to Provident and Other Funds	59,029	50,055
Workmen and Staff Welfare Expenses	11,315	3,087
Payment to Labour Contractors	448,467	4,360,170
Power and Fuel	466,315	917,184
Brokerage & Commission	110,560	25,000
Architects' Fees	35,000	60,000
Rates and Taxes	–	–
Repairs and Maintenance - Others	1,102,256	917,270
Security Charges	175,874	408,362
Other Job Expenses	429,799	558,139
Telephone & Telex Charges	25,636	25,769
Travelling & Conveyance	15,100	5,977
Car Running Expenses	69,883	111,342
Insurance	30,000	–
Bad Debts	1,281,819	–
	<u>4,926,441</u>	<u>7,987,914</u>
	<u>9,669,533</u>	<u>66,925,824</u>

Schedules to the Accounts (Contd.)

(Amount in ₹)

	Year ended 31st March, 2011	Year ended 31st March, 2010
17. OTHER EXPENSES		
Salaries, Wages and Bonus	6,193,159	6,569,153
Gratuity paid/provided	840,586	324,231
Contribution to Provident and other funds	508,780	563,585
Workmen and Staff Welfare Expenses	908,906	762,432
Power and Fuel	50,400	248,718
Rent	4,179,340	3,986,835
Repair and Maintenance		
- Buildings	358,108	301,721
- Plant and Machinery	–	39,028
- Others	–	332,149
Insurance	60,954	83,657
Rates and Taxes	826,076	966,642
Sales Tax	–	111,240
Brokerage and Commission	–	1,222,570
Advertisement	87,187	78,426
Interest on		
- Bank Overdraft/Cash Credit	2,413	69,069
- Term Loans	9,129,589	5,766,884
- Others	93,164	113,297
Travelling Expenses	416,329	1,085,946
Telephone and Telex Charges	119,908	253,311
Bank Charges	26,792	291,157
Car Running Expenses	261,280	313,894
Auditors' Remuneration		
- Statutory Audit Fees	160,000	160,000
- Tax Audit Fee	20,000	20,000
- Other Services	20,500	25,158
Internal Audit Fees	40,000	44,000
Professional Fees	1,821,229	1,302,397
Donation	29,300	18,400
Bad Debts and Advances Written Off	1,075,631	944,635
Miscellaneous Expenses	3,458,776	2,523,264
Listing Fees/Filing Fees	23,112	–
Loan Processing Charges	275,474	–
Bank Guarantee Charges	10,728	–
Investments Written Off	–	3
	30,997,721	28,521,802

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 and 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.

19. NOTES ON ACCOUNTS

1. In respect of Shreeram Arcade property, reassessment 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 ₹ 5,457,240 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. After payments made by cheque, which were duly accepted by the Kolkata Port Trust, the outstanding comes down to ₹ 60,500,712.80, as on 31.03.2011.
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 ₹ 4,769,677 in the current year's account.

4. Remuneration paid/payable to Wholetime Directors : (Amount in ₹)

	2010-2011	2009-2010
Salary	1,407,000	1,806,270
Contribution to Provident Fund	154,440	216,750
Total	1,561,440	2,023,020

5. Year end balance confirmation letters from 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, 2011, in terms of Part I of Schedule VI to the Companies Act, 1956 are not furnished.

Schedules to the Accounts (Contd.)

7. (i) Sales : (Amount in ₹)

	2010-2011	2009-2010
a) Construction/Property Development (Net of returns)	16,166,532	84,745,706
b) Service	11,331,791	10,663,849
Total	27,498,323	95,409,555

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

9. **Earnings Per Share :**

	2010-2011	2009-2010
Profit/(Loss) after Taxation as per Profit & Loss Account	11,868,203	14,458,412
Weighted average number of Equity Shares outstanding	4,403,859	4,403,859
Basic and Diluted Earnings Per Share in Rupees (Face Value - ₹ 10/- each)	2.69	3.28

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 (₹)	Rent and its related activities Amount (₹)	Total Amount (₹)
Segment Revenue	16,166,532	29,692,575	45,859,107
Less : Segment Expenses	14,828,602	7,196,743	22,215,724
Segment Results	1,337,930	22,495,832	23,833,762
Less : Unallocated corporate expenses net of unallocated income			13,500,181
Less : Depreciation			1,734,063
Operating Profit/(Loss)			8,599,518
Less : Bad Debts and Advances Written off			1,075,631
Add : Profit on Sale of Fixed Assets			498,426
Add : Liabilities written back			4,769,677
Profit/(Loss) before Interest and taxation			12,791,990
Less : Interest expenses			9,225,166
Add : Interest/Dividend Income			9,120,367
Add : Other Income			1,003,874
Net Profit before Tax			13,691,065
Less : Provision for Income Tax (Includes Deferred Tax)			1,822,862
Net Profit/(Loss) after Tax			11,868,203

Schedules to the Accounts (Contd.)

11. Related Party Disclosures

(1) 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 :

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
Aditya Fatehpuria	–	Son of Kailash Nath Fatehpuria

DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON MARCH 31, 2011.

(Amount in ₹)

Sl. No.	Particulars	Details of transactions		Amount Outstanding as on 31.03.2010
		Enterprises where control exists	Key Management Personnel & Relatives	
1.	Rent paid	Nil	Nil	Nil
2.	Remuneration to Key Management Personnel – Directors	Nil	1,561,440	Nil

12. Contingent liability not provided for in respect of (a) Sales Tax Demand amounting to ₹ 703,233 and (b) Income Tax Demand amounting to ₹ 24,435,921.
13. Previous year's figures have been regrouped, recast and rearranged wherever necessary to make them comparable with those of current year.
14. Sundry Debtors as on 31.03.2011, include a debt of ₹ 1,819,619 due from a Private Limited Company, where one of our Directors is a Director (maximum debit balance during the year – ₹ 1,819,819.)

Schedules to the Accounts (Contd.)

15. Information pursuant to Part-IV of Schedule - VI of the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile

i) Registration Details

Registration No. State Code

Balance Sheet Date

ii) Capital raised during the year (Amount ₹ in thousand)

Public Issue Right Issue

Bonus Issue Private Placement

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

Turnover (including other Income) Total Expenditure

Profit/(Loss) before Tax Profit/(Loss) after Tax

Basic & Diluted Earning Earning Per Share (₹) 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

D. Bhattacharyya
Partner
Membership No. 012726
Firm Registration No. 301054E
Place : Kolkata
Date : May 30, 2011

Kedar Nath Fatehpuria
Chairman & Managing Director

Vijay Kumar Fatehpuria
Dy. Managing Director

Pawan Murarka
Director

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 64th Annual General Meeting at "Kala Kunj" 48, Shakespeare Sarani, Middleton Row, Kolkata - 700 071, on Saturday, the 10th day of September, 2011 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 64th Annual General Meeting at "Kala Kunj" 48, Shakespeare Sarani, Middleton Row, Kolkata - 700 071, on Saturday, the 10th day of September, 2011 at 11:00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2011

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.



Martin Burn Limited

If undelivered, please return to :

Martin Burn Ltd.

Martin Burn House

1 R N Mukherjee Road, Kolkata - 700 001

Phone : (033) 3022 5780/81, Fax : (033) 2248 8416

E-mail : martinburn@rediffmail.com