





## MARTIN BURN LIMITED

### 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 Bijay Kumar Fatehpuria – *Deputy Managing Director*

### COMPANY SECRETARY

Shri Samrat Sanyal

### AUDITORS

Ray & Ray, Chartered Accountants

### BANKERS

State Bank of India  
 Punjab National Bank  
 Bharat Overseas Bank Limited

### REGISTERED OFFICE

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

### BRANCHES

40-42, Janpath  
 New Delhi - 110 001

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

63/2, The Mall,  
 Kanpur - 208 001

### REGISTRARS & SHARE

Maheshwari Datamatics (P) Ltd.

### TRANSFER AGENTS

6, Mangoe Lane, 2nd Floor

### PHYSICAL SHARES &

Kolkata - 700 001

### DEMATERIALISED SHARES

Phone : 220 0809/8029

**NOTICE TO MEMBERS****NOTICE**

Notice is hereby given that the 55<sup>th</sup> Annual General Meeting of the Company will be held at the Registered Office of the Company at 1, R. N. Mukherjee Road, Kolkata 700 001 on Friday, September 20, 2002, at 10.00 a.m to transact the following business:

**ORDINARY BUSINESS**

1. To consider, approve and adopt the Audited Balance sheet as at March 31, 2002, 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 Om Prakash Fatehpuria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Kailash Nath Fatehpuria who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this 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(s), the following Resolution as a Special Resolution:

"RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and hereby altered by inserting the following Heading and Article as Article 111A after Article 111:

**111A. POSTAL BALLOT**

The Company may pass a resolution by postal ballot in the manner prescribed by Section 192A of the Companies Act, 1956 ("the Act") and such other applicable provisions of the Act and any future amendments or re-enactments. Notwithstanding anything contained in the provisions of the Act, the Company, being a listed Company, shall, in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of a postal ballot instead of transacting the business in a general meeting of the Company."

By Order of the Board of Directors

Kolkata  
July 31, 2002

**K. N. FATEHPURIA**  
Chairman & Managing Director

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. Members/ Proxies are advised to bring the attendance slip duly filled up for attending the Meeting.
3. The Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of Item no. 5 set out above is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed from September 16, 2002 to September 20, 2002 (both days inclusive).
5. Members are requested to notify the Registrar and Transfer Agents of the Company, **M/s. Maheshwari Datamatics (P) Ltd.**, at 6, Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata - 700 001, or the Company at its Registered Office, of any change in address.

**EXPLANATORY STATEMENT****(Pursuant to Section 173(2) of the Companies Act, 1956)****Item No. 5**

Section 192A of the Companies Act, 1956 was inserted by the Companies (Amendment) Act, 2000 which enables a listed Company to pass Resolution relating to certain business notified by the Central Government, by means of a postal ballot.

It is, therefore, proposed to amend the Articles of Association of the Company by inserting a new Article to conform to the amended provisions of the Companies Act, 1956.

The Board recommends the Special Resolution for favourable consideration by the Members.

None of the Directors of the Company are concerned or interested in the said Resolution.

**Registered Office :**

1, R. N. Mukherjee Road,  
Kolkata - 700 001.

By Order of the Board of Directors

Kolkata  
July 31, 2002

**K. N. FATEHPURIA**  
Chairman & Managing Director

**Directors' Report****To the Members,**

The Directors submit their Annual Report and Audited Accounts of Martin Burn Limited for the Financial Year ended March 31, 2002.

<b>FINANCIAL RESULTS</b>	<b>(Rs. In lakh)</b>	
	<b>2001-2002</b>	<b>2000-2001</b>
Profit before Interest, Depreciation and Taxation	170.86	211.04
Interest	130.64	192.37
Depreciation	36.14	37.34
Profit/(Loss) before taxation	4.08	(19.27)
Less :Provision for taxation	3.02	-
Add :Deferred Tax	3.99	-
Less :Provision for taxation in respect of earlier years	35.17	6.04
Profit/(Loss) after taxation	(30.12)	(23.31)
Unappropriated Profit brought forward from previous years	(130.85)	(105.54)
Profit available for appropriations	(160.97)	(130.85)

**DIVIDEND**

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

**PERFORMANCE REVIEW**

The performance of the Company has shown signs of recovery during the year under review. This is due to the good progress in the Company's Residential Complex project namely Shree Ram Nagar at V.I.P. Road. The Company had undertaken Debt Restructuring with several of its Creditors, which has reduced its Interest burden considerably. The Company has posted a Net Profit of Rs 4.08 Lakh compared to the previous year's Net Loss of Rs. 19.27 Lakh. The Total Turnover of the company Rs. 871.75 Lakh was less than the previous year's Total Turnover of Rs 955.77 Lakh. This is because the Flat and Shop bookings in the Company's project have not been booked as Sale since the project is not fully complete.

**PUBLIC DEPOSIT**

The total amount of Public Deposits outstanding with the Company as on March 31, 2002 was Rs. 187.38 Lakh out of which the Company has repaid Rs. 164.94 Lakh to the Depositors by July 31, 2002.

**FUTURE OUTLOOK**

It was stated in the last years Report that the Company had undertaken a Residential Complex project namely Shree Ram Nagar at V.I.P. Road near Teghoria. We are glad to inform you that there is good progress in the project. Out of the 3 Blocks in the project 70% of the work of the first 2 Blocks have been completed. More than 50% of the Flats and almost 50% of the Shops in the said project have been booked.

The Company had undertaken various other projects, which include construction of school building at St. Thomas School, Khidderpore, construction of school building at Frank Anthony School, Kolkata, renovation work at Oberoi Grand, Kolkata & Oberoi Grand, Bhubaneswar etc.

**DIRECTORATE**

Shri Om Prakash Fatehpuria and Shri Kailash Nath Fatehpuria, retire by rotation 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 outgo and the foreign exchange earning is Nil.

**FORFEITURE OF SHARES**

Share allotment money was due from 149 shareholders, who subscribed to the Public Issue of Martin Burn Finance Limited in 1995 and who became the shareholders of Martin Burn Limited by virtue of a scheme of amalgamation between Martin Burn Finance Limited and Martin Burn Limited on and from 01.04.1996 as per the Hon'ble Calcutta High Court's Order.

The Company issued Final Notices by means of Registered Post to the said 149 shareholders. But the Company did not receive any payment in respect of the said allotment money from any of the said 149 shareholders. Accordingly, the Board of Directors of Martin Burn Limited decided to forfeit the said 226076 (Two lakh twenty six thousand seventy six) Shares of the Company.

**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, 2002, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the Directors had selected such accounting policies and applied them consistently and made judgements 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 profit or loss of the Company for that period;
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors had prepared the annual accounts on a going concern basis.

**AUDITORS' REPORT**

Auditors' comments in their report are dealt with by Notes on the Accounts which are self explanatory and therefore do not call for any further clarification.

**AUDITORS**

The Auditors Ray & Ray, Chartered Accountants retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

**ACKNOWLEDGEMENT**

Your Board wishes to place their sincere appreciation to the Employees of the Company, Banks, Financial Institutions, Shareholders, Public Deposit holders, Customers, Suppliers and other business associates for their continued cooperation and patronage.

**By Order of the Board of Directors**

**Kolkata**  
**July 31, 2002**

**K. N. FATEHPURIA**  
**Chairman & Managing Director**

### Auditors' Report to the Members of Martin Burn Limited

We have audited the attached Balance Sheet of Martin Burn Limited as at 31<sup>st</sup> March 2002 and also the Profit and Loss Account 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.

Except as discussed in the following paragraphs, we conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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 Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that :
  - 2.1 Attention is drawn to the following notes in Notes on Accounts (Schedule 19)
  - 2.2 Note No. 9, regarding non-provision in respect of certain doubtful debts, advances and deposits aggregating to Rs.47.14 lakhs.
  - 2.3 Note No. 10, 11 & 12 regarding short provision of interest and rent amounting to Rs. 227.16 lakhs and Rs. 305.40 Lakhs respectively.
  - 2.4 Note Nos. 2 & 3, regarding non-execution of Deeds of Conveyance for purchase and sale of properties.
  - 2.5 Note No. 13, regarding particulars of indebtedness to Small Scale Industrial Undertakings.
  - 2.6 Note No. 18, regarding non-compliance in respect of Acceptance of Public Deposits.

We further report that, had the observations made by us in paragraphs 2.2 and 2.3 above, been considered, there would be a loss of Rs.609.82lakhs (as against reported loss of Rs. 30.12 lakhs), Reserves and Surplus would have been Rs. 790.76 lakhs, (as against reported figure of Rs. 1370.46 lakhs), Secured Loans would have been Rs. 1035.66 lakhs (as against reported figure of Rs.808.50 lakhs) and net current assets would have been Rs. 958.30 lakhs (as against reported figure of Rs.1310.84 lakhs).

3. Subject to remarks in the para 2.5 above, we have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit.
4. Subject to remarks in the paras 2.2 & 2.3 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 Profit and Loss Account dealt with by this report complied with the accounting standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956. However as regards Segment Reporting (AS-17) attention is drawn to Note No 21 of Notes to Accounts-Schedule 19.
7. So far as the directors of the Company are concerned, delay in repayment of the public deposits and interest thereon, on due date attract the provision of Section 274(1)(g) 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 and subject to our remarks in paragraph 2 herein above, regarding increase of loss by Rs. 579.70 lakhs together with other remarks in the said paragraph, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - a) in so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2002 and
  - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.

For RAY & RAY  
Chartered Accountants  
S.C.SAHA  
Partner

Kolkata,  
July 31, 2002.

**ANNEXURE**

Referred to in paragraph 1 of our report of even date.

- i) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets, which are being updated. The fixed assets of the Company have not been physically verified by the management during the year under audit.
- ii) The fixed assets of the Company have not been revalued during the year.
- iii) The stocks of Finished Construction of the Company at all its locations have been physically verified by the management during the year.
- iv) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- v) No discrepancies were noticed by the management on verification between the physical stocks and book stocks.
- vi) In our opinion, the valuation of stocks of Finished Construction has been fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
- vii) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 where the rate of interest and other terms and conditions are, in our opinion prima facie prejudicial to the interest of the Company. In terms of Sub-Section (6) of Section 370 of the Companies Act, 1956 the provisions of the section are not applicable to a Company on or after 31<sup>st</sup> October, 1998.
- viii) In our opinion, the rates of interest and other terms and conditions of loans, secured or unsecured, granted by the Company to companies, firms or other parties listed in register maintained under Section 301 of the Companies Act, 1956 are prima-facie not prejudicial to the interest of the Company. In terms of Sub-Section (6) of Section 370 of the Companies Act, 1956, the provisions of section are not applicable to a Company on or after 31<sup>st</sup> October, 1998.
- ix) The parties to whom loans or advances in the nature of loans have been given by the Company are not regular in repaying the principal and interest amounts as stipulated. However, appropriate steps have been/are being taken by the Company for recovery of the principal and/or interest thereon. Further, advances in the nature of loans (free of interest) have been given to certain employees who are repaying the principal amounts as stipulated.
- x) In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for purchases of construction materials, plant and machinery, equipment and similar assets and for the sale of goods.
- xi) The Company has not purchased goods and materials and sold goods, materials and services aggregating Rs.50,000 or more in value from/to any of the parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- xii) Since there were no unserviceable or damaged stores and raw materials during the year, the question of determining such items on the basis of technical evaluation does not arise.
- xiii) In the case of public deposits accepted by the Company the directives issued by the Reserve Bank of India and provisions of Section 58A of the Companies Act, 1956 and rules framed thereunder, where applicable, have been complied with the exception of non-repayment of matured deposits to the extent of Rs.178.34 Lakhs.
- xiv) Since the Company is engaged in Construction Business the question of maintaining reasonable records for sale and disposal of realizable production scrap does not arise. The Company has no by-products.
- xv) No internal audit has been carried out during the year.

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- xvi) The Government of India has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of its products.
  - xvii) The Company has generally been regular during the year in depositing Provident Fund dues in respect of its employees with the appropriate authority excepting in respect of contractors' labourers for whom there was an arrear of Rs.8.87 Lakhs at the year end. We have been informed that the provisions of Employees State Insurance Act, 1948 are not applicable to the Company.
  - xviii) At the last day of the financial year there was no amount outstanding in respect of undisputed income tax, wealth tax, custom duty and excise duty excepting sales tax amounting to Rs.11.64 Lakhs and tax deducted at source Rs.60.44Lakhs which were due for more than six months from the date they became payable.
  - xix) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses which have been charged to Profit and Loss Account, nor have we been informed of such case by the management, other than those payable under contractual obligation and/or accepted business practices.
  - xx) The Company is not a sick industrial company within the meaning of clause (O) of Section 3(1) of the Sick Industrial Companies (Special Provisions) Act, 1985.
  - xxi) In respect of services rendered:
    - (a) In view of the nature of the services rendered by the Company, other than "Construction/Development of Properties", the matter specified on items (ii) and (iv) under clause 'B' of paragraph 4 of the said Order to the extent they relate to receipts, issues, consumption of materials and stores and labour authorization at proper levels are not applicable.
    - (b) In respect of "Construction/Development of Properties" :
      - 1.1 In our opinion, the Company has a reasonable system of recording receipts, issues and consumption of materials and stores and allocating materials and stores consumed to the relative jobs, commensurate with its size and nature of its business.
      - 1.2 In our opinion the Company has a reasonable system of allocating man-hours utilized to the relative jobs, commensurate with its size and nature of its business.
      - 1.3 In our opinion there is a reasonable system of authorization at proper levels with necessary controls on the issue of stores and allocation of stores and labour to various jobs and the related system of internal control of the Company is commensurate with its size and nature of its business.

**For RAY & RAY**  
**Chartered Accountants**

Kolkata,  
July 31, 2002.

**S.C. Saha**  
**Partner**

### SHAREHOLDER INFORMATION

#### AGM Details

Date : Friday, September 20, 2002  
 Venue : "Martin Burn House"  
 1, R.N. Mukherjee Road (1<sup>st</sup> floor)  
 Kolkata- 700001  
 Time : 10:00 A. M.  
 Book Closure Dates : September 16, 2002 to September 20, 2002 (both days inclusive)

#### Address for Correspondence

Company Secretary  
 Martin Burn Limited  
 "Martin Burn House"  
 1, R.N. Mukherjee Road (1<sup>st</sup> floor)  
 Kolkata- 700001

#### Dematerialisation of Shares :

The shares of the company are available for trading under both the Depository Systems in India – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services [India] Limited).

As on June 30, 2002 a total of 26,88,328 shares of the Company, which forms 61.04 % of the Share Capital stand dematerialized.

Under the Depository System the International Securities Identification Number (ISIN) allotted to the Company's Share is INE199D01016.

#### Dates of Board Meetings of the Company during the Financial Year April 1, 2001 – March 31, 2002.

April 03, 2001	September 20, 2001	January 31, 2002
May 02, 2001	October 18, 2001	February 25, 2002
June 01, 2001	October 30, 2001	March 04, 2002
July 31, 2001	November 29, 2001	March 21, 2002
August 08, 2001	January 04, 2002	March 31, 2002

#### Distribution of Shareholding as on June 30, 2002

Shareholding	No. of Shareholders	No. of Shares	% of holding
1 - 499	8525	5,69,260	12.92
500 - 999	227	1,42,598	3.24
1000 - 5000	118	2,14,839	4.88
5001 - 10000	11	84,089	1.91
10001 & above	32	33,93,073	77.05
<b>Total</b>	<b>8913</b>	<b>44,03,859</b>	<b>100.00</b>

#### Category of Shareholders as on June 30, 2002

Category	No. of Shareholders	% of Shareholding
Promoters	32,73,673	74.34
Institutional Investors	15,677	0.36
Mutual Funds & UTI		
Private Corporate Bodies	1,30,851	2.97
Indian Public	9,25,868	21.02
NRIs & OCBs	57,790	1.31
<b>Total</b>	<b>44,03,859</b>	<b>100.00</b>