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Martin Burn Limited
ANNUAL REPORT 2009-2010

Corporate Information

Board of Directors

Shri Kedar Nath Fatehpuria	<i>Chairman & Managing Director</i>
Shri Om Prakash Fatehpuria	<i>Joint Managing Director</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 : 3022-5780/81
Fax : 2248-8416
E-mail : martinburn@rediffmail.com

Branches

40-42, Janpath,
New Delhi - 110 001

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

Solicitors

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

Registrars & Share Transfer Agent

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

CONTENTS

Notice	2	Directors' Report	4	Management Discussion and Analysis	6
Corporate Governance Report	7	Auditors' Report	19	Balance Sheet	22
Profit & Loss Account	23	Cash Flow Statement	24	Schedules to the Accounts	26
Balance Sheet Abstract	38				

Notice

NOTICE is hereby given that the 63rd Annual General Meeting of the Company will be held at the Registered Office of the Company at "Martin Burn House", 1, R. N. Mukherjee Road, Kolkata - 700 001, on Saturday, the 18th day of September, 2010 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, 2010, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Om Prakash Fatehpuria who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a Director in place of Shri Kailash Nath Fatehpuria 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 31, 2010

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 12th September, 2010 to 18th September, 2010 (both days inclusive).
- IV. Members who are holding shares in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation which includes easy liquidity, savings in stamp duty, prevention of forgery etc.
- V. All documents referred to in the Notice and accompanying explanatory statement, as well as the Annual Accounts of the subsidiary company are open for inspection at the Registered Office of the Company on all working days, except Sunday and other holidays, between 11.00 A.M. and 1.00 P.M. upto the date of Annual General Meeting.
- VI. Information pursuant to clause 49 of the Listing Agreement in connection with the Directors to be reappointed at the 63rd Annual General Meeting.

Name of Director	Shri Om Prakash Fatehpuria	Shri Kailash Nath Fatehpuria
Date of Birth	23.03.1943	18.11.1948
Date of Appointment	30.08.1985	16.10.1986
Qualifications	B.Com	B.Com
Expertise in specific functional areas	He has vast experience of about 41 years in Finance Company Treasury Management Construction and Real Estate Development	He has vast experience of about 36 years Company Administration Construction and Real Estate Development
Directorship in other Public Limited companies	Pushpanjali Estates Pvt. Ltd.	Pushpanjali Estates Pvt. Ltd.
Chairman/ Membership of the Committees	Member of the Shareholders'/ Investors' Grievance Committee of Martin Burn Ltd.	Nil
No. of Shares held in the Company	1,99,021	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
Date : May 31, 2010

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 63rd Annual Report together with Audited Statements of Accounts of the Company for the Financial Year ended March 31, 2010.

FINANCIAL RESULTS

(Rs. in Lakh)

	2009-2010	2008-2009
Profit before Interest, Depreciation and Taxation	259.05	285.90
Less : Interest Expense	59.49	61.69
Less : Depreciation	17.24	19.76
Profit/(Loss) before Taxation	182.32	204.45
Add/(Less) : Provision for Taxation	37.74	51.97
Profit/(Loss) after Taxation	144.58	152.48
Un-appropriated Profit brought forward from previous years	781.37	628.90
Profit available for Appropriations	925.96	781.37

DIVIDEND

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

PERFORMANCE REVIEW & FUTURE OUTLOOK

The Company has earned a Post Tax Profit of Rs. 144.58 Lacs against the corresponding Profit of Rs.152.48 Lacs, as reported last year.

We are pleased to report that the Company achieved a good growth in sales and has seen a remarkable improvement in construction activities. We hope to maintain this trend during the current year too.

The Company owns a premium plot of land at Chowringhee Road, the commercial hub of Kolkata. The market value of the same has appreciated in recent time. Your Company hopes to

exploit the same both commercially and residentially in the near future. The Project is expected to pay huge dividend to its shareholders

PUBLIC DEPOSIT

The Company has no outstanding Public Deposit as on March 31, 2010. The Company has complied with the provisions of Section 58A of the Companies Act, 1956. The Company is not accepting any new Deposits.

HUMAN RESOURCES

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

DIRECTORS

Shri Om Prakash Fatehpuria and Shri Kailash Nath Fatehpuria - Directors of the Company, retire at the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

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, 2010 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. that the Directors have prepared the annual accounts on a going concern basis.

LISTING

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

Ltd., Bombay Stock Exchange Ltd. and The Delhi Stock Exchange Association Ltd.

CORPORATE GOVERNANCE

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

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

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.

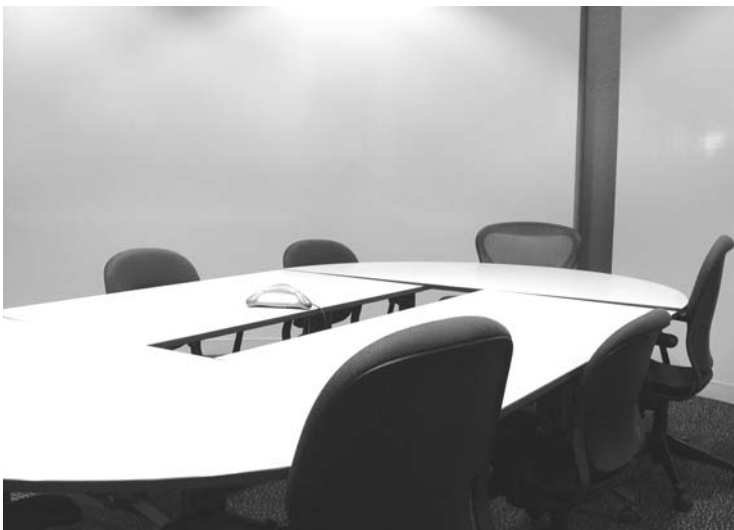
ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation of the devoted services rendered by the entire work force during the year under review. Further, your Directors would like to recognize and appreciate the support received from The Federal Bank Ltd., State Bank of India, Punjab National 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.

On behalf of the Board

Place : Kolkata
Date : May 31, 2010

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.

Indian economy is on robust growth track. For the past three year, average GDP growth was over 8% and "Sensex" has consistently been beating its own all time high. Exports have been surging and Indian has been one of the popular destinations for foreign investments. There has been a tremendous demand for quality real estate.

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 along with 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 entrants in the same line of business.

RISK AND CONCERN

There is a focus on Loan Portfolio Assessment Asset Liability Management (ALM) & Loan Pricing. In 2009-10 there was a concerted effect to focus on organization wide operation risk management framework.

OUTLOOK

The population of the Indian Urban lands is projected to increase by more than 40% by 2013 thus putting an additional pressure on housing properties in these cities.

As far as the real economy was concerned in 2009-10, India displayed resilience and strength to withstand the global turmoil, but after a fairly serious scare in 2008-09.

After three continuous year of over 9% growth, shrinking global

demand and associated fall in business confidence had reduced India's annual GDP growth rate at 6.7% in 2008-09. Moreover importantly, the prevailing economic conditions resulted in a major dip in investor confidence.

Our company owns a prime property in Chowringhee Road, the commercial hub of Kolkata. Tenant negotiations are in its final stage and we hope to commence the development of this property within this financial year.

INTERNAL CONTROL AND SYSTEM

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from authorized use or disposition and that the transactions are authorized, recorded and reported correctly.

Internal controls are supplemented by an extensive programmed of internal audits review by management and documented policies, guidelines and procedures. These controls are designed to ensure that financial and other records for maintaining regular accountability of the Company assets.

HUMAN RESOURCE MANAGEMENT

The Company is continuously endeavoring to put in line employee objective with that of business objectives of the organization through its HC 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 Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important development that could affect the Company's operations include unavailability of finance at competitive rates - global or domestic or both reduction in number of viable infrastructure projects significant changes in political and economic environment in India or key markets.



Corporate Governance Report

CORPORATE GOVERNANCE

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

A. MANDATORY REQUIREMENTS

1. Company's philosophy on Code of Governance

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

2. Board of Directors

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

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

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

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

The Board met Five times during the year and the time gap between Board Meeting is not more than three months. Details of Board Meetings held during the year 2009-10 are as under :

Date of Board Meetings	14.05.2009	29.06.2009	27.07.2009	27.10.2009	29.01.2010
Board Strength	8	8	8	8	8
No. of Directors present	7	5	8	6	5

Board Committee

The Board of Directors at their meeting held on May 14, 2009, constituted a committee of Directors comprising of Shri Kedar Nath Fatehpuria, Chairman & Managing Director, Shri Om Prakash Fatehpuria, Joint Managing Director, Shri Kailash Nath Fatehpuria, Deputy Managing Director and Shri Vijay Kumar Fatehpuria, Deputy Managing Director.

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

- 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 on 23.04.2009, 25.04.2009, 19.05.2009, 25.05.2009, 05.06.2009, 08.07.2009, 21.07.2009, 30.07.2009, 03.08.2009, 18.08.2009, 21.08.2009, 02.09.2009, 15.09.2009, 23.09.2009, 19.10.2009, 06.11.2009 and 15.01.2010.

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 six 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 2009-2010 are as under :

Name of the Committee Members	29.06.2009	27.07.2009	27.10.2009	06.11.2009	29.01.2010
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 terms of reference of the Audit Committee are in line with Clause 49 II (C) and (D) of the Stock Exchange listing agreement coinciding with the provisions under Section 292A of the Companies Act, 1956 and, inter alia, includes :

Functions of the Committee

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

4. Remuneration Committee

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

No Remuneration committee meeting was held during the year.

Details of remuneration paid to the Executive Directors during the year 2009-10.

Name	Designation	Salary (Rs.)	Perquisites or Allowances (Rs.)	Contribution to PF & Others (Rs.)	Commission (Rs.)
Shri Kedar Nath Fatehpuria	Chairman and Managing Director	8,10,000	1,51,500	97,200	Nil
Shri Om Prakash Fatehpuria	Joint Managing Director	1,80,000	69,000	21,600	Nil
Shri Kailash Nath Fatehpuria	Deputy Managing Director	4,66,440	1,08,960	55,974	Nil
Shri Vijay Kumar Fatehpuria	Deputy Managing Director	3,49,830	81,720	41,976	Nil