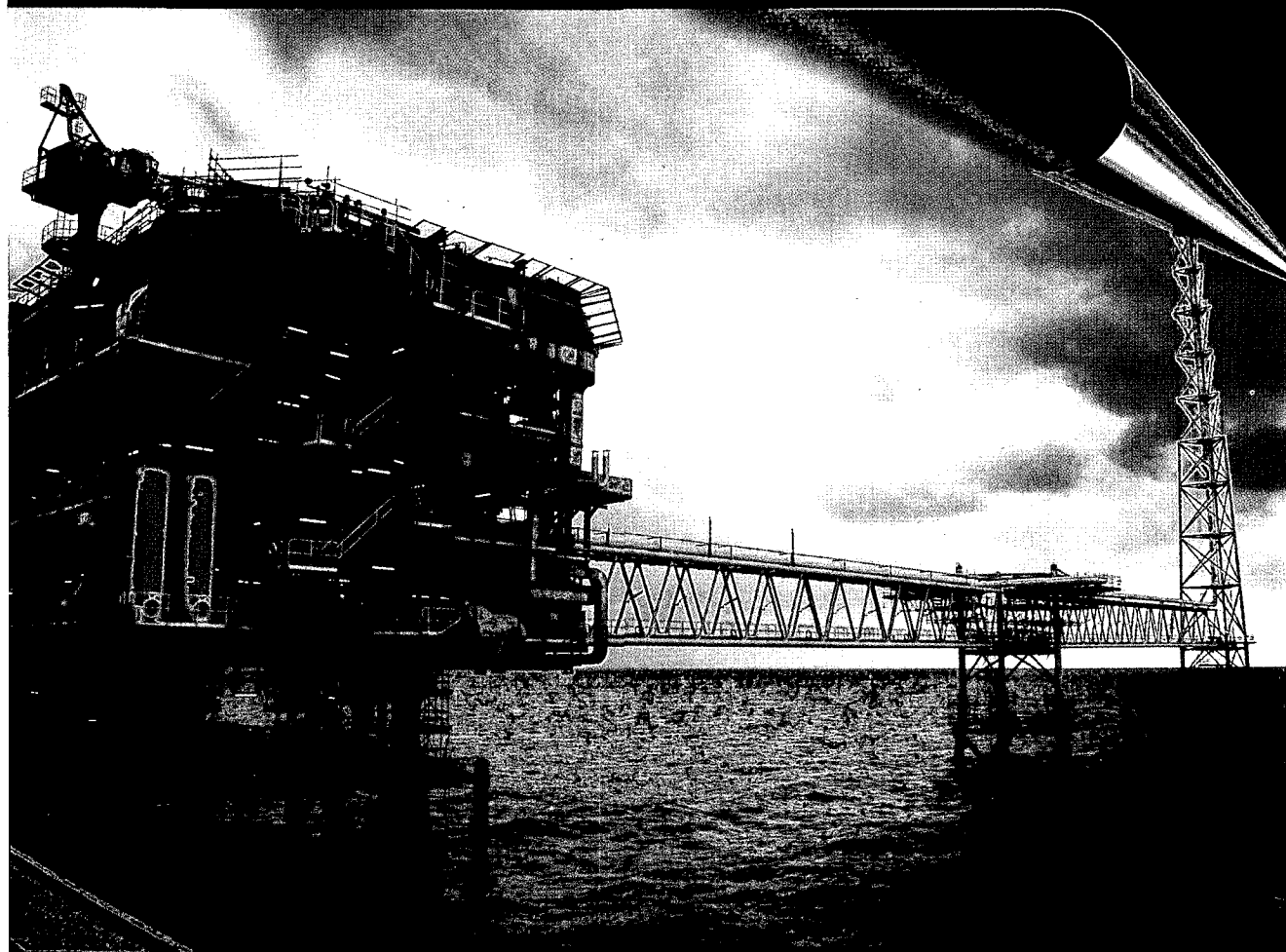


DUKE OFFSHORE LIMITED

23rd Annual Report

2008-2009



DUKE
Offshore

Creating Excellence

Annual Report 2008 – 2009

BOARD OF DIRECTORS

George A. Duke : Managing Director
Suresh S. Pawar : Director
Pramod D. Patekar : Independent Director
Govind M. Tiwari : Director
Avik Duke : Director
Alan Quadros : Independent Director

PURVA SHAREGISTRY INDIA PVT. LTD
9, Shiv Shakti Industrial Estate,
Ground Floor, Sitaram Mill Compound,
J. R. Boricha Road, Lower Parel,
Mumbai – 400 011.
Tel.:- 2301676 / 2301 8261.

REGISTERED OFFICE

403, Urvashi Hsg. Society Ltd.,
Off. Sayani Road, Prabhadevi
Mumbai – 400 025
Ph. : 022 - 2422 1225, 022 - 2436 5789
Fax : 022 - 2422 7606

Website : www.dukeoffshore.com
e-mail : info@dukeoffshore.com

BANKERS

1. Standard Chartered Bank
2. IDBI Bank
3. UCO Bank
4. Janakalyan Sahakari Bank Ltd

AUDITORS:

J.K. Varghese & Co.
Chartered Accountants
102, Saideep, 1st Floor,
Chembur, Mumbai-400 071.
Tel.: 25217793

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NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of Duke Offshore Limited will be held on Friday 28th August, 2009, at 10.00 AM at the Registered Office of the Company situated at 403, Urvashi off. Sayani Road Prabhadevi, Mumbai- 400 025, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended 31st March, 2009 along with Directors Report and Auditor's Report thereon.
2. Mr. Govind Tiwari, Director retires by rotation and the Members of Duke Offshore Limited, thank him for the valuable service rendered by him during his tenure as a Director.
3. To appoint Auditors of the Company and fix their remuneration.

"RESOLVED THAT M/s. B.B. Shah & Company, Chartered Accountants, Mumbai, be and are hereby appointed as Statutory Auditors of the Company to fill the vacancy created by the resignation of J.K. Varghese & Company, Chartered Accountants, Mumbai, for BB Shah & Company, Chartered Accountants to hold office until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Avik Duke who was appointed as an Additional Director of the company during the year holds office till the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a shareholder proposing his candidature for the office of Director, and is hereby appointed as a Whole Time Director of the company, whose period of office shall be liable for retirement by rotation.

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution for the appointment of Mr. Avik George Duke as a Director.

RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 & 310 read with Schedule XIII of the Companies Act, 1956 and such other approvals, if any, as may be required, the Company hereby accords its approval for the appointment of Mr. Avik Duke, as Whole Time Director of the company for a period of Five Years w.e.f. 27.07.2009 at a remuneration of Rs. 1,50,000/- P.M. which excludes all prerequisites and reimbursement on the terms and conditions as set out in draft Letter of Appointment.

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution for the appointment of Commodore Alan Quadros as an Independent Director.

RESOLVED THAT Commodore. Alan Quadros who was appointed as an Additional Director of the company during the year and hold office till the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a shareholder proposing his candidature for

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the office as Independent Director and is hereby appointed as an Independent Director of the company, whose period of office shall be liable for retirement by rotation.

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

“RESOLVED THAT in modification to the earlier resolutions passed in this regard and as per recommendation of the Remuneration Committee, pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as “the said Act”) (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), approval of the members, be and is hereby accorded for increase in remuneration to Mr. George Duke, Managing Director of the Company from Rs. 15,000 p.m. to Rs. 3,00,000/- p.m. with effect from 1st April 2008, up to the remaining tenure, and the other terms of appointment remaining unaltered”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient, to give effect to this resolution.”

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

“RESOLVED THAT in modification to the earlier resolutions passed in this regard and as per recommendation of the Remuneration Committee, pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as “the said Act”) (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), approval of the members, be and is hereby accorded for increase in remuneration to Mr. Suresh Pawar, Director of the Company from Rs. 15,000 p.m. to Rs. 50,000/- p.m. with effect from 1st April 2008, up to the remaining tenure, and the other terms of appointment remaining unaltered.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient, to give effect to this resolution.”

**By Order of the board of Director
DUKE OFFSHORE LIMITED**

Sd/-

Place: Mumbai
Dated: 27th July, 2009

GEORGE DUKE
CHAIRMAN & MANAGING DIRECTOR

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. THE INSTRUMENTS APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Register of Members and the Share Transfer Books of Company shall remain closed from Friday, 21.08.2009 to Friday, 28.08.2009, (both days inclusive).
4. **The members are requested to:**
 - a) Intimate changes, if any, in their Registered address to the Registrar and Transfer Agents of the Company.
 - b) Quote ledger folio numbers in all their correspondence.
 - c) Get the multiple folios consolidated and also get the shares transferred in joint names if they are held in single name to avoid inconvenience in future
 - d) Have their shares Dmated at Company's NSDL account
 - d) Bring their copies of the Annual Report and the Attendance Slips with them
 - e) Write at least 10 days prior to the date of Meeting for any information which they desire on the accounts, to enable the management to keep the information ready.

EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

ITEM NO. 4 & 5

Mr. Avik Duke was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 27th July, 2009. Pursuant to Section 260 of the Companies Act, 1956, Mr. Avik Duke holds office up to the conclusion of this Annual General Meeting. As required under Section 257 of the said Act, notice has been received from a member along with deposit of Rs. 500/- signifying his intention to propose Mr. Avik Duke as a candidate for the office of Director.

The Board of Directors has also appointed Mr. Avik Duke as a Whole Time Director of the Company for a period of 5 years effective from 27th July, 2009 on the terms and conditions as set out in the resolution, subject to the approval of the shareholders of the Company.

As per the provisions of Section 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956, the appointment of and remuneration to Whole Time Director requires the approval of the shareholders in General Meeting by way of a special resolution.

INFORMATION ABOUT THE APPOINTEE :

- (1) Background Details - Mr. Avik Duke, an Indian National, aged 37 years, is a commercial pilot qualified from the USA.

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- (2) Mr. Avik Duke has had extensive experience in pipe laying and Force Protection management.
- (3) Past remuneration as Vice president Marketing with Chateau D'Ori was
Financial Year 2007-08 Rs. 6,00,000/-
Financial Year 2008-09 Rs. 7,20,000/-
- (4) Job profile - Subject to the superintendence, direction and control of the Board, the day to day management and administration of the Company is vested in the Whole Time Director.
- (5) Remuneration proposed - as set out in the resolution for the item no. 5. The remuneration to Whole Time Director has the approval of the Remuneration Committee.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person - Taking into consideration the size of the Company, the profile of Mr. Avik Duke, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any - Besides, the remuneration proposed, Mr. Avik Duke does not have any other pecuniary relationship with the Company.

The Board of Directors recommends the resolutions for your approval as set out under item no. 4 & 5. None of the Directors except Mr. George Duke is concerned or interested in the said resolutions. The Explanatory Statement together with the accompanying notice may also be regarded as an abstract of the terms of appointment of Mr. Avik Duke, Whole Time Director of the Company and Memorandum of interest of Directors u/s. 302 of the Companies Act, 1956.

ITEM NO. 6

Commodore Alan Quadros was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 27th July, 2009. Pursuant to Section 260 of the Companies Act, 1956, Commodore Alan Quadros office up to the conclusion of this Annual General Meeting. As required under Section 257 of the said Act, notice has been received from a member along with deposit of Rs. 500/- signifying his intention to propose Commodore Alan Quadros as a candidate for the office of Director.

The Board of Directors has also appointed Commodore Alan Quadros as a Independent Director of the Company for a period of 5 years effective from 27th July, 2009 on the terms and conditions as set out in the resolution, subject to the approval of the shareholders of the Company.

The Board of Directors recommends the resolutions for your approval as set out under item No. 6. None of the Directors are concerned or interested in the said resolutions.

The Explanatory Statement together with the accompanying notice may also be regarded as an abstract of the terms of appointment of Commodore Alan Quadros, independent Director of the Company and Memorandum of interest of Directors u/s. 302 of the Companies Act, 1956.

ITEM NO. 7

Currently the Mr. George Duke, Managing Director of the Company is paid Remuneration of Rs.15,000/- p.m. In view of the job profile, the technical expertise, experience and time devoted by Mr. George Duke for the specific requirement of the business of the Company, your Board is of the opinion that the Remuneration needs to be revised from Rs.15,000/- p.m. to Rs.3,00,000/- p.m. Your Directors recommend passing of the resolution. Except Mr. George Duke, Managing Director, None of the Directors are interested in the resolution.

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TEM NO. 8

Currently the Mr. Suresh Pawar, Director Finance of the Company is paid Rs.15,000/- p.m. as Remuneration . In view of the job profile, the qualifications, experience and time devoted by Mr. Suresh Pawar for the specific requirement of the business of the Company , your Board is of the opinion that the Remuneration needs to be revised from Rs.15,000/- p.m. to Rs.50,000/- p.m..

Your Directors recommend passing of the resolution. Except Mr. Suresh Pawar, Director Finance, None of Directors are interested in the resolution.

**By Order of the board of Director
DUKE OFFSHORE LIMITED**

**Sd/-
GEORGE DUKE
CHAIRMAN & MANAGING DIRECTOR**

Place: Mumbai
Dated: 27th July, 2009

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DIRECTORS REPORT

To
The Members

Your Directors hereby present their **Twenty Third Annual Report** together with the Balance Sheet as at 31 March, 2009 and the Profit & Loss account for the year ended 31st March, 2009.

FINANCIAL RESULTS

(Rupees)

	Year ended 31st March, 2009	Year ended 31st March, 2008
Income	64,716,227	2,165,320
Profit /(Loss) before Deprecation & interest	27,470,921	(1,577,442)
Less: interest	Nil	Nil
Depreciation	194,568	3,503
Profit/ (loss) before Taxation	27,276,353	(1,580,944)
Provision for Taxation (including fringe benefit tax)	3,512,023	(19,163)
Profit / (Loss) after Taxation	23,764,330	(1,600,107)
Balance brought forward from previous year	(52,360,268)	(50,703,911)
Balance carried forward to Balance Sheet	(28,595,938)	(52,360,268)
Balance carried forward to Balance Sheet	(28,595,938)	(52,360,268)

DIVIDEND

The Company is in the process of wiping out all earlier losses during the ensuing financial years and to conserve the resources, your directors do not recommended declaring any dividend.

OPERATIONS

The operations of the company have shown considerable progress during the current financial year and the Company has wiped out approximately 50% of its losses.

FIXED DEPOSITS

The Company has not accepted any deposit from public.

DIRECTORS

Mr. Govind Tiwari, Director retires at the forthcoming Annual General Meeting and the Board of directors thank him for the services rendered to the Company by him.

Mr. Avik Duke and Commodore Alan Quadros have been appointed as Director of the Company with effect from 27th July, 2009.

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PARTICULARS OF EMPLOYEES

The information required under the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 is not given as there was no employee who was drawing the remuneration as per the limits prescribed under the said Rules.

COMPLIANCE OF LISTING AGREEMENT

The equity shares of the Company are listed at Bombay Stock Exchange Ltd. The Company has paid annual listing fee for the year 2008-2009 to Bombay Stock Exchange. The Company had applied to the BSE for revoking of suspension on 3rd November, 2008. The matter is awaiting BSE Board approval which is expected in the near future.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information as required under the provision of Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable to the Company hence Particulars u/s 217 (1) (e) of the Companies Act, 1956 are not given.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956 with respect of the Director's responsibilities Statement, it is hereby confirmed;

- i) That in the preparation of the annual Account for the financial year 31st March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affair of the company at the end of the financial year and of the profit of the company for the year under review.
- iii) 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.
- iv) That the Directors have prepared the Accounts for the financial year ended 31st March, 2009 on a going concern basis.

CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's Practicing Company Secretary confirming the compliance of conditions for Corporate Governance as stipulated in revised Clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto.

AUDITORS

M/s. B. B. Shah & Company, Chartered Accountants offers themselves to be appointed as statutory auditors of the Company for the F.Y 2009-10 in place of M/s. J. K. Varghese Co., Chartered Accountants, who resigned as statutory Auditors of the Company. The Company has received a certificate from them to the effect that their appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act 1956.

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MANAGEMENT'S DISCUSSIONS AND ANALYSIS

1. Industry Trends and Developments –

During the year under review, crude oil prices have fluctuated wildly from approx 82 \$ a BBL to 147 \$ a BBL and then came crashing down to about 35 \$ a BBL.

The sharp upward trend till July 2008 was mainly due to the ever increasing demand for oil by China and India and sustentative increase by most developed countries, the unrest in oil producing countries like Nigeria, Venezuela, threat of war with Iran and the unstable conditions in Iraq. These global conditions fueled the speculative market and combined they held the world to economic ransom.

Although the high oil prices were not the primary cause of the Global economic recession, they were the cause of the economic crisis being brought on earlier and with added vengeance.

With the Global economic crises sweeping the world end 2008, the demand for oil dropped drastically and oil prices crashed to under 35 \$ a BBL. However, the spurt in oil prices from 35 \$ to 75 \$ a BBL in a period of 5 months that the oil industry is the first industry to climb out of the recessionary trend. During the preceding 6 months, the banking sector, the housing, automobiles and all other sectors have bore the brunt of the recession, how ever the oil production industry has not been put back significantly.

As much of your Company's potential business is with ONGC/GAIL & other oil companies and as their future development and investment plans have not changed, we expect the company's future business potential to be increased rather than reversed.

ONGC has announced that it will invest close to USD 30 billion in the Eleventh Five Year Plan to 2012, which is about 60% higher than its investment in the Tenth Five Plan.

Your Company's range of professional services are inspection of oil fields platform & operations, diving services, vessel management and marine logistics, fabrication, process and electrical engineering, installation and hook up – commissioning of offshore oil platforms, further we send divers abroad for specialized diving courses for oil and gas industries.

2. The year in perspective:

Your Company has made significant progress with on going projects in the oil industry especially on offshore oil platforms and has wiped out approx 50 % of its previous operating losses.

3. Future Prospects & Outlook:

Your Company is continuing with existing contracts and the management has bid/is bidding for several other contracts which should enable your Company to substantially increase its turn over and profitability during the ensuing year.

4. Business Risks and Management's assessments -

Your Company has identified the following risks that may arise:

1. Continuing recessionary trends may significantly affect the oil industry. If economic stability is not significantly restored and recessionary trends do not recede, the demand for energy products may diminish. This could have a major impact on the oil industry and demand for oil and gas, fall in prices of commodities and oil and manufactured goods.

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2. Competitive companies, especially those companies entering the oil industry from recessionary hit industries, will create additional low priced competition in bidding.
3. Availability of financial resources. The Company expects a substantial increase in revenue by way of additional contracts. However these contracts may require heavy investment for procurement of assets. The non availability of adequate funding due to continued recessionary trends may be a serious cause of concern to meet our projected targets.

5. Human Resources and Industrial Relations -

The Board wishes to express its deep appreciation to all employees for their contributions to the working of the Company during the year. Harmonious relations continued to prevail in the organization, strengthening the ell established traditions of fairness in dealings and commitment to the future growth of employees.

6. Financial Condition and Operational Performance

6.1. Share Capital

The Company has at present only one class of shares. The authorized share capital is Rs 52,500,000 in Equity shares of Rs. 10/- each. The paid up Share capital is Rs. 50,280,000/-. There was no increase in the paid up capital of Rs. 50,280,000/- during the year under review.

6.2. Fixed Assets

During the year 2008-2009 the Company has added Rs. 1,140,085 to the gross block of assets.

6.3. Net Worth

The Net Worth for the year ended March 31, 2009 is Rs. 21,684,062 compared to negative net-worth, for the same period last year registering overall improvement and positive net-worth.

6.4. Revenues

In the year under review the total revenue of the Company was Rs. 64,700,000 compared to Rs. 2,165,000 million for the same period in the previous year.

6.5. Operating Profit (EBIDTA)

We earned as operating profit of Rs. 33,800,000 representing 52% of gross revenue.. Although the employee related costs have gone up, the Company exercised adequate control on all other expenses and consequently profitability has gone up.

6.6. Developments in Human Resources / Industrial Relations

The success of your company during the preceding year has been driven by our highly qualified and experienced personnel. Your company recognizes that the value of our human resources is the key to success in any organization. It is the endeavour of our HR Department to continually seek to recruit the best in the industry who are highly motivated and dedicated personnel. It is also the company's philosophy to have continues in house training for our engineers prior to any project deployment.

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ACKNOWLEDGMENT

Your Directors acknowledge with gratitude the assistance, co-operation and support received by the Company from the Government and various other agencies and Commercial Banks during the year under review

**By Order of the board of Director
DUKE OFFSHORE LIMITED**

Place : Mumbai

Dated : 27th July, 2009.

**Sd/-
GEORGE DUKE
CHAIRMAN & MANAGING DIRECTOR**

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S. S. RISBUD & CO.

Company Secretaries

303, Sai Anand, Subhash Nagar, Chendani Koliwada, Mith Bunder Road, Thane (E) – 400603. Tel : 25328047

**CERTIFICATE FROM PRACTISING COMPANY SECRETARY REGARDING
COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To the Shareholders of Duke Offshore Limited,

We have examined the compliance of conditions of Corporate Governance by **Duke Offshore Limited** for the year ended 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Management for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit or 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, subject to the following:-

The Board of Directors of the Company does not have an optimum combination of executive and non-executive directors. The number of non-executive directors is less than 50 percent of the strength of total directors, further since the board meeting are chaired by an executive director, the Company does not have the minimum requisite number of independent director.

We state that no investor grievance is pending against the Company exceeding one month as per records maintained by the Company, which are presented to the Shareholders / Investors Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company no the efficiency or effectiveness with the Management has conducted the affairs of the Company.

For S.S. RISBUD & CO.

Company Secretaries

Sanjay S. Risbud

Proprietor

C.P. No. 5117

Place:- Thane.

Date: 27.07.2009

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CORPORATE GOVERNANCE REPORT

The Bombay Stock Exchange Ltd., has implemented the revised provisions of clause 49 of the Listing Agreement from December 31st, 2005; the Company has already taken steps to comply with the revised provisions to the maximum extent possible.

As per Schedule IC of Clause 49 of Listing Agreement which requires to incorporate certain mandatory disclosure with regard to Corporate Governance Report. In pursuance of the said requirements, the Board of Directors reports the following:-

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings with its shareholders, employees, creditors, customers, and the government. The Board of Directors by considering themselves as trustees of its shareholders aims at maximizing shareholders value and protecting the interest of other stakeholders.

2. BOARD OF DIRECTORS

A fundamental requirement for Board membership is independence, knowledge and experience based upon the absence of relationship and interest that could compromise or could be perceived as compromising the ability of a Director to exercise judgment in the best interest of the Company.

The Board functions as a full Board and it meets at regular intervals. Policy formulation, evaluation of performance and control functions vest with the Board.

The Board of Directors of the Company consists of Executive and Non-Executive Directors. The Number of Directors currently on the Board are 6. There are 3 Executive Directors, 1 Non Executive Director and 2 Independent Directors. The Chairman of the Board is Executive Director.

During the financial year ended 31st March, 2009, total 9 (Nine) Board Meetings were held on 10/04/2008, 22/04/2008, 23/04/2008, 05/06/2008, 29/07/2008, 13/09/2008, 16/10/2008, 03/01/2009 and 24/01/2009. The last Annual General Meeting was held on 30th September 2008.

Board Meeting Attendance record of the Directors in 2008 -2009

Name of Director	Designation &Category	No. of Board Meeting in the year	Attendance Last AGM	No. of Outside Directorship	No. of Outside Board / Committee
Mr. George Duke	Chairman	9	Yes	Yes	One
Mr. Suresh Pawar	E. D.	9	Yes	Yes	One
Mr. Govind Tiwari	E. D.	9	Yes	Yes	One
Mr. Pramod D. Patekar	I.N.E	9	Yes	Yes	One

ED = Executive director, INE = Independent Non-Executive Director

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Code of conduct:

The Board has formulated a code conduct for the Board members and senior management of the Company. All Board members and senior management have affirmed their compliance with the code. A declaration to their effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

3. AUDIT COMMITTEE**Terms of reference**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process-by the management, including the internal auditor and the independent auditor.

Composition and Attendance at the Audit Committee Meeting:

The company has an Audit Committee of the Board comprising of 3 directors. This Committee comprises of the following "Non Executive Independent Directors": who met 3 (Three) times during the year (i.e.) on

Name of Director	Status	No. of Meeting held	No. of Meeting Attended
Mr. Pramod D. Patekar	Non Executive Independent Director	3	3

4. REMUNERATION COMMITTEE

The purpose of the Remuneration Committee of the board of directors of DUKE OFFSHORE LTD. shall be to discharge the Board responsibilities relating to remuneration of the company's executive director and senior management. The committee has overall responsibility for approving and evaluating the executive directors and senior management remuneration plans, policies and programs of the company.

The following are the members of Committee:

1. **George A. Duke**
2. **Suresh Pawar**
3. **Govind Tiwari**

5. SHAREHOLDERS GRIEVANCES COMMITTEE:

The Board of Directors has constituted a Shareholders / Investor's Grievance Committee, comprising of Mr. George A. Duke and Mr. Suresh Pawar where Shri Suresh Pawar, Director is designated as Compliance Officer of the Company. The Committee looks into redressing of shareholders complaints like non transfer of shares, non receipt of Balance Sheet, non receipt of declared dividend etc.

F.Y 2008-2009**6. GENERAL BODY MEETINGS**

Date, Time, and venue for the last 3 (Three) Annual General Meetings are given below:-

Fin. Year	Date	Location	Time
31-3-2006	28-9-2006	Registered Office	3.00 p.m.
31-3-2007	28-9-2007	Registered Office	10.00 a.m.
31-3-2008	30-9-2008	Registered Office	10.00 a.m.
Notes			

1. There were no special resolution passed by the Company at any of the above meeting expect Special resolution passed at the Annual General Meeting held on 23rd September 2003 regarding delisting from Kolkata Stock Exchange and Ahmadabad Stock Exchange.
2. There was no special resolution passed through postal ballot last year.
3. At the ensuing Annual General Meetings, there are no resolution proposed to be Passed through postal ballot

7. DISCLOSURES

- i The company has not entered into any materially significant related party transaction during the year that may have potential conflict with the interests of the company at large
- ii There has been no incidence of non-compliance by he company of the any statutory regulations, nor any penalty or stricture imposed by the Stock Exchange or SEBI or any other statutory authority on any matter relating to the capital market over the last four years.
- iii The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
- iv In the preparation of financial statements the Company has followed Accounting Standards issued by the institute of Chartered Accountants of India to the extent applicable.
- v The constitution of whistle blower policy is a non - mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2008 - 2009.
- vi The Company has complied with all mandatory requirements of clause 49 of listing requirements.

8. MEANS OF COMMUNICATIONS

The Company's quarterly results in the format prescribed by the Stock Exchange are approved and taken on record by the Board within the prescribed time frame and sent immediately to the BSE. These results are publish in the newspaper, i.e. Free Press Journal and Nav Shakti

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9. GENERAL SHAREHOLDER INFORMATION

AGM Date

28th August, 2009

Financial Year

1st April, 2008 to 31st March, 2009.

Book Closure

Friday 21st August, 2009 to Friday 28th August, 2009.

Dividend

No Dividend is declared.

Listing of Shares

The Company's shares are listed only at **Bombay Stock Exchange Ltd.** Listing fees for Bombay Stock Exchange has been paid. The Company has voluntary de-listed its shares from the Kolkata and Ahmadabad Stock Exchanges which delisting was effected from 31st March 2009 & 04th September 2008 respectively.

Stock Code

Bombay Stock Exchange, Mumbai
Physical Script Code No. – 531417
De-mat Script Code No. –ISIN: INE 397G01019

Registrar & Transfer Agents

Share Transfers in physical and de-mat form is handled by the Company's Share Transfer Agents M/s. Purva Share Registry Pvt. Ltd., having their office situated at 9, Shiv Shakti Industrial Estate, Ground Floor, Sitaram Mill Compound, J. R. Boricha Road Lower Parel, Mumbai -400011. Tel No. 2301 6761, 2301 8261

Share Transfer System

All the transfers are received, processed and approved by the Registrar and share transfer agents and sent back to transferee.

Shareholding Pattern

The following the pattern of shareholding as on 31st March, 2009.

DUKE OFFSHORE LIMITED

F.Y 2008-2009

Pattern of shareholding by ownership as on 31st March, 2009.

Category	No. of Shares Held	% of Shareholding
A Promoter's holding.		
1. Promoters *		
Indian Promoters		
—Directors	2817735	56.04
—Director's Relatives	546430	10.87
—Director's Promoters	140735	02.80
2. Persons Acting in Concert #		
SUB-TOTAL	3504900	69.71
B. Non-Promoters Holding		
3. Institutional Investors		00.00
A. Mutual Funds and UTI		00.00
B. Banks, Financial Institutions, Insurance (Central/ State Govt. Institution/Non Government Institutions)		00.00
C. FIIS		00.00
SUB-TOTAL	--	00.00
4. Others		00.00
A. Private Corporate Bodies	393600	07.82
B. Indian Public	1119500	22.27
C. NRI/OCB	10000	0.20
D. Others	--	00.00
SUB-TOTAL	1523100	30.29
GRAND TOTAL	5028000	100.00

Dematerialization of shares and liquidity

303000 shares representing 6.03% of shareholding has been dematerialized.

Registered Office

403, Urvashi Housing Society Ltd., Off. Sayani Road, Prabhadevi, Mumbai 400 025.

10. Practicing Company Secretary's Certificate on Corporate Governance

Practicing Company Secretary's Certificate on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Director's Report.

F.Y 2008-2009

Management Certificate on clause 49 (1D) of the Listing Agreement.

To
The Members
Duke Offshore Limited

This is to affirm that the Board of Directors of Duke Offshore Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provision of clause 49 (1D) of the Listing Agreement with the Stock Exchange and Board of Members and Senior Management Personnel of the Company have confirmed the compliance of the provision of the said code for the financial year ended 31st March 2009.

Sd/-
George Duke
Managing Director

Place: Mumbai
Date: 27th July, 2009.

AUDITOR'S REPORT

To the Members of **DUKE OFFSHORE LIMITED**

1. We have audited the attached Balance Sheet of DUKE OFFSHORE LIMITED as at 31st March, 2009, and the Profit & Loss account and also 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.
2. 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 Statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of Section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c. The Balance sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statements dealt with by this report are prepared in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e. On the basis of written representations from the directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009, from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us, said accounts, read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - (ii) in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

For J.K.VARGHESE & CO,
Chartered Accountants

Place : Mumbai
Dated: 27th July, 2009

Sd/-
Jacob K. Varghese
Chartered Accountant

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph (3) of our report of even date)

- i. In respect of its Fixed Assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets except for the opening balances of Capital Work in progress and Equipments which was written off during the year.
 - b. The fixed assets (except Capital working in progress and equipments as stated in para (a) above have been physically verified by the management during the year and there is no regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us, the company has written off a substantial part of its fixed assets, which was unidentifiable due to the heavy losses in the previous years. The company could able to get sizable contracts during the year hence not affected the going concern status of the company.
 - ii. The company, during the year has provided services and does not have inventories. Hence, clause 2 of para 4 of the order is not applicable to the company.
 - iii. The Company has not taken loan from any Company covered in the register maintained under Section 301 of the Companies Act, 1956,. The Company has not granted loan to any company covered in the register maintained under section 301of the Companies Act, 1956.
 - iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the service contracts. During the course of our audit, we have not observed any major weakness in internal controls.
 - vi. According to the information and explanations given to us, the company has not accepted any deposits from public to which the provisions of section 58A and 58AA of the Companies (Acceptance of Deposits) - Rules, 1975 apply.
 - vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
 - viii. In respect of statutory dues:

According to the information and explanations given to us, in our opinion, the company is regular in depositing with appropriate authorities.
 - ix. In our opinion, the company has accumulated losses as at 31st March, 2008 and it has incurred cash profits during the year ended on 31st March, 2009 covered by our audit and cash loss in the immediately preceding financial year. The accumulated losses of the company are more than 50% of the net worth of the company at the year end.
 - x. In our opinion and according to the information and explanations given to us, the Company has repaid during the year the loan outstanding form Financial Institution be way of one time settlement.
 - xi. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
-

- xii. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiii. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. According to the information and explanations given to us, and the representations made by the management the Company has not given any guarantee for loans taken by others from any Bank or financial institution.
- xv. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of long term and short term usage of funds, we are of the opinion that, prima-facie, short term funds have not been utilized for long term purposes.
- xvi. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xvii. According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures. Accordingly the provisions of clause 4(xix) of the Companies (Auditors report) Order, 2003 are not applicable to the company.
- xviii. The Company has not raised any money by public issue during the year.
- xviii. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit, nor have we informed of such case by the management.

For J.K.VARGHESE & CO.
Chartered Accountants

Place: Mumbai
Dated:27th July, 2009

Sd/-
Jacob K. Varghese
Chartered Accountant

DUKE OFFSHORE LIMITED

BALANCE SHEET AS AT 31.3.2009

SOURCES OF FUNDS	Schedule Nos.	31.3.2009 Rupees	31.3.2008 Rupees
Share Capital	A	49,803,260	49,803,260
Reserves and Surplus	B	(28,595,938)	(52,360,268)
Secured Loan	C	-	2,708,128
Unsecured loan	D	6,201,356	8,423,295
		<u>27,408,678</u>	<u>8,574,415</u>
APPLICATION OF FUNDS			
Gross Block	E	21,738,429	23,166,472
Less Depreciation and write off		20,777,864	15,129,935
Net Block		960,565	8,036,537
INVESTMENT			
Units in EICIC Prudential & FDRS		22,371,986	-
Deposit (Urvashi)		400,000	400,000
Current Assets,			
Debtors	F	2,340,084	22,000
Cash and Bank Balances	G	2,243,689	978,089
Other Current Assets	H	2,750,671	
Loans and Advances	I	3,366,205	130,787
		10,700,649	1,130,876
Less: Current Liabilities	J	7,358,741	992,997
Net current Assets		3,341,908	137,878
Deferred Tax Assets		334,218	-
Total		27,408,678	8,574,415

Notes on Accounts

As per our Report of even date Attached
For **J.K.Varghese & Co.,**
Chartered Accountants

M

For **Duke Offshore Limited**

Sd/-

Jacob K.Varghese
Chartered Accountant

Sd/-

Director

Director

Mumbai:

Dated: 27th July, 2009

DUKE OFFSHORE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

		31.3.2009	31.3.2008
INCOME:		Rupees	Rupees
Professional Charges		62,768,768.05	22,000.00
Service Charges		540,500.00	-
Export Income		-	231,760.92
Other Income	K	1,406,959.10	1,911,560.00
TOTAL INCOME		64,716,227.15	2,165,320.92
EXPENDITURE			
Expenses	L	30,831,944.48	1,122,761.52
Assets written off		6,413,360.79	2,620,000.00
Depreciation	E	194,568.33	3,503.83
TOTAL EXPENDITURE		37,439,873.60	3,746,265.35
Profit(Loss) before Taxation		27,276,353.55	(1,580,944.43)
Provision for taxation		3,650,000.00	-
Deferred Tax		334,219.00	-
Fringe Benefit Tax		140,000.00	(19,163.00)
Service Tax		56,241.88	-
Profit(Loss) after Taxation		23,764,330.67	(1,600,107.43)
Previous year expenses		-	(56,250.00)
Balance of Profit and Loss account		23,764,330.67	(1,656,357.43)
Brought forward from Last years		(52,360,268.73)	(50,703,911.30)
Profit available for appropriation		(28,595,938.06)	(52,360,268.73)
Balance carried to balance sheet.		(28,595,938.06)	(52,360,268.73)

Notes on Accounts- Schedule M

As per our Report of even date Attached
For J.K.Varghese & Co.,
Chartered Accountants

For Duke Offshore Limited

Sd/-
Jacob K. Varghese
Chartered Accountant
Mumbai
Dated:27th July, 2009

Sd/-
Director Director

DUKE OFFSHORE LIMITED

Schedule: A

	31.3.2009	31.3.2008
SHARE CAPITAL		
AUTHORISED CAPITAL 52,50,000 Shares of Rs.10/- each (Previous year 52,50,000 share of Rs 10/- each)	52,500,000	52,500,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL 50,28,000 shares of Rs.10/- each fully paid up Less: Calls in Arrears	50,280,000 (476,740)	50,280,000 (476,740)
TOTAL	49,803,260	49,803,260
Schedule: B		
RESERVES AND SURPLUS Profit and Loss Account	(28,595,938)	(52,360,268)
TOTAL	(28,595,938)	(52,360,268)
Schedule: C		
SECURED LOANS Medium Term loan from Financial Institution	-	2,708,128
TOTAL	-	2,708,128
Schedule: D		
UNSECURED LOANS From Director Others	6,201,356 -	6,201,356 2,221,939
TOTAL	6,201,356	8,423,295
Schedule: F		
Debtors(Unsecured) considered Good		
Debts Outstanding for a period exceeding 6 months		
-Considered Good	2,340,084	-
-Considered doubtful	-	-
Other debts considered Good	-	22,000
TOTAL	2,340,084	22,000

**DUKE OFFSHORE LIMITED
FIXED ASSETS**

Schedule E

No.	Particulars	GROSS BLOCK				DEPRECIATION AND WRITE OFF				NET BLOCK	
		AS ON 1.4.2008	ADDITIONS	DEDUCTIONS	AS ON 31.3.2009	As on 1.04.2008	For the year	Assets written Off	Upto 31.3.2009	As on 31.3.2009	As on 31.3.2008
1	Equipments	16,622,351.99	-	-	16,622,351.99	14,156,908.00		2,465,443.99	16,622,351.99	-	2,465,443.99
2	Computers	28,075.00	237,988.00	-	266,063.00	13,026.82	55,720.42		68,747.24	197,315.76	15,048.18
3	Capital Work in Progress	5,556,044.80	-	1,608,128.00	3,947,916.80	-	-	3,947,916.80	3,947,916.80	-	5,556,044.80
4	Mobile phone	-	42,300.00	-	42,300.00	-	1,966.19		1,966.19	40,333.81	-
5	Motor Car	-	853,305.00	-	853,305.00	-	136,789.23		136,789.23	716,515.77	-
6	Laser Printer	-	6,492.00	-	6,492.00	-	92.49		92.49	6,399.51	-
	TOTAL	22,206,471.79	1,140,085.00	1,608,128.00	21,738,428.79	14,169,934.82	194,568.33	6,413,360.79	20,777,863.94	960,564.85	8,036,536.97

DUKE OFFSHORE LIMITED

Director

Director

DUKE OFFSHORE LIMITED

DUKE OFFSHORE LIMITED

Schedule:G

Cash & Bank Balances		
Cash in Hand	517,237	974,795
Balance with Scheduled Banks In current accounts	1,726,452	3,294
TOTAL	2,243,689	978,089
Schedule:H		
Other Current Assets		
Accrued Interest	68,029	-
Dividend Receivable On ICICI Prudential	73,810	-
Income Tax A.Y. 2003-04	1,000,000	-
Prepaid Expenses	2,625	-
The Publicity Society of India	268	-
Advance to J.K. Engineering Works	370,000	-
Advance to Eurotech Cylinder Pvt. Ltd.	131,456	-
Purchase for export(Closing stock)	1,104,484	-
TOTAL	2,750,671	-
Schedule: I		
LOANS & ADVANCES		
(Unsecured considered Good, unless Otherwise stated)		
Advance Income Tax A.Y.2009-10	3,000,000	-
Advance FBT A.Y.2009-10	45,000	-
T.D.S. & Advance tax	240,726	50,307
Deposits other than Banks	80,480	80,480
TOTAL	3,366,205	130,787
Schedule: J		
Current Liabilities and Provisions		
Sundry Creditors for Purchases	363,809	299,034
Sundry Creditors for Expenses	3,204,932	693,963
Provision for Fringe Benefit tax	140,000	-
Provision for Taxation	3,650,000	-
TOTAL	7,358,741	992,997

For Duke Offshore Limited

Sd/-
Director Director

DUKE OFFSHORE LIMITED

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

SCHEDULE K:

	31.3.2009	31.3.2008
	Rupees	Rupees
Other Income		
Dividend from ICICI Prudential	73,809.56	-
Interest on fixed deposit with banks	842,915.48	-
Exchange rate fluctuation (EEFC closing balance)	486,594.56	-
Sundry credit balance written off	3,639.50	1,911,560.00
Total	1,406,959.10	1,911,560.00

SCHEDULE L:

	31.3.2009	31.3.2008
	Rupees	Rupees
Payment to Employees		
Directors Remuneration	4,215,000.00	360,000.00
Staff welfare	49,082.60	356.00
Total	4,264,082.60	360,356.00
Operating and other expenses		
Professional, consultancy and technical fees	19,051,233.80	43,816.00
Traveling and conveyance	3,592,654.23	293,033.28
Telephone Charges	166,789.73	31,244.81
Postage and Telegram and courier	26,736.00	4,069.00
Motor Car expenses	92,506.20	44,883.60
Office expenses	4,713.00	1,075.00
Bank Charges	32,222.95	1,613.00
Sales Promotion Expenses	144,598.39	29,316.66
Audit fees	44,120.00	22,472.00
Repairs and Maintenance	228,891.75	25,565.00
Filing fees	2,252.00	8,082.00
Commission	950,000.00	-
Equipment Hire charge	150,000.00	-
Training & Certificate Charges	89,360.00	-
Books and subscription	5,280.00	5,829.67
Printing And Stationery	119,902.50	14,421.50
Professional Tax	5,000.00	2,500.00
Listing fees	33,750.00	33,750.00
Membership and Subscription	11,796.00	800.00
Insurance Travel	112,028.00	-
Legal expenses	971,325.00	12,250.00
Rent urvashi	366,000.00	60,000.00
Accounting Charges	110,000.00	20,000.00
Diving Expense	60,000.00	10,000.00
Web Site Charges	2,200.00	6,450.00
Share Transfer & Registration Charges	37,937.00	28,496.00
Interest	23,868.00	36,607.00
Miscellaneous expenses	36,894.47	8,729.00
Advertisement	62,742.00	14,841.00
Electricity charges	33,060.86	2,561.00
Total	26,567,861.88	762,405.52
Grand total	30,831,944.48	1,122,761.52

Signatures to Schedules A to M

For Duke Offshore Limited

Sd/-

Director

Director

DUKE OFFSHORE LIMITED

CASH FLOW FUND STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	2008-2009 Rupees	2007-2008 Rupees
A. CASH FLOW FROM OPERATING ACTIVITY		
Net Profit/(Loss) before Tax & Extraordinary item	27,276,353.55	(872,504.43)
a. Adjustments for Additions/(Substractions)		
Previous years expense (NET)	-	(50,000.00)
Service tax (another company)	(56,241.88)	-
Depreciation	194,568.33	3,503.83
Assets W/off	6,413,360.79	-
Dividend Recd	(73,809.56)	-
Interest Recd	(842,915.48)	-
Operating profit before Working Capital changes	32,911,315.75	(919,000.60)
<i>b. Adjustment for working Capital:</i>		
(Increase) / Decrease in Current Assets	(8,304,174.10)	(140,202.00)
(Increase) / Decrease in Current Liabilities	2,575,743.91	-
Cash Generated from Operations	27,182,885.56	(140,202.00)
<i>Net Cash Generated from Operation Activity</i>	27,182,885.56	(140,202.00)
B. CASH FLOW FROM INVESTING ACTIVITY		
Assets Purchased	1,140,085.00)	-
Assets Sold	1,608,128.00	-
Fixed Deposits	(15,371,986.30)	-
Investment in Mutual Fund	(7,000,000.00)	-
Interest Recd	842,915.48	-
Dividend Recd	73,809.56	-
<i>Net Cash Generated From Investing Activities</i>	(20,987,218.26)	-
C. CASH FLOW FROM FINANCING ACTIVITY		
Loan Repaid	(4,930,066.71)	-
<i>Net Cash Generated From Financing Activities (Total C)</i>	(4,930,066.71)	-
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	1,265,600.59	(1,059,202.60)

DUKE OFFSHORE LIMITED

A. CASH & CASH EQUIVALENT AT THE BEGINNING OF THE YEAR		
Cash	974,793.00	1,515,374.57
Short Term Deposits	-	-
Current Account with Schedule Bank	3,295.19	521,917.79
	978,088.19	2,037,292.36
B. CASH & CASH EQUIVALENT AT THE END OF THE YEAR		
Cash	517,236.86	974,794.57
Short Term Deposits		
Current Account with Schedule Bank	1,726,451.92	3,295.19
	2,243,688.78	978,089.76
NET INCREASE IN CASH & CASH EQUIVALENT (A+B)	1,265,600.59	(1,059,202.60)
		-

As per report of even date attached
Directors
Chartered Accountants
For **J.K.VARGHESE & CO.,**

For and on behalf of the Board of
of **Duke Offshore Limited**

Sd/-
Jacob K.Varghese
Proprietor

Sd/-
Director **Director**

Place : Mumbai
Dated : 27th July, 2009

SCHEDULE ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st MARCH, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE:**SCHEDULE M: Notes to Accounts:****STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

- a) Accounting convention
The accounts have been prepared in accordance with the historical cost convention and on the basis of going concern. Accounting policies not specially referred to otherwise, are consistent and in consonance with generally accepted accounting principles.
- 1) Fixed Assets
Fixed Assets are stated at cost of acquisition or construction, net of tax / duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use; less depreciation
- 2) Capital Expenditure
Assets under erection / installation and advance given for capital Expenditure are shown as " capital work in progress ", which were yet to identified and adjusted. The same was written off during the year (see point 3 below).
- b) Depreciation
Depreciation on fixed assets is provided on straight-line method at the rate and in the manner specified in schedule X IV to the companies' act 1956.
- c) Revenue recognition
The company follows mercantile system of the accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- e) Balances of creditors, debtors, deposits and advances are subject to confirmation.
- f) In the opinion of the board of Director, current assets, loans and advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein below.
1. Contingent Liabilities not provided for are as under:-
- a) Income tax demand disputed in appeal. (amounts to be ascertained)
- b) Claims against the company not acknowledged as debts.
(Amounts not ascertainable)
2. Calls in arrears amounting to Rs.4,76,740/- (Previous year Rs.4,76,740) is reduced from the issued, subscribed and paid up capital for which formalities for the forfeiture is yet to be done.
3. During the year Secured loan taken from M.S.F.C was settled with one time payment of Rs. 11,00,000/ The balance standing in the loan account amounting to Rs.16,08,128 was adjusted with the work in progress and the balance work-in progress of Rs. 39,47,916/- was written off during the year.
4. Cash in hand was not physically verified and is as per the books of accounts maintained.
5. Sundry Debtors and Sundry Creditors shown in the Balance sheet are subject to confirmation.
6. As per the information available, no amounts are due to any Small Scale Industrial undertaking.
7. Provision for current tax is made after taking into consideration benefits admissible under the provision of Income Tax Act, 1961 and the set off is taken for the carried forward of business loss and depreciation. Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

8. Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end in respect of monetary assets are recognized in the Profit and Loss account.

9. Managerial Remuneration:

The remuneration under section 198 of the Companies Act, 1956 paid or Provided to the Managing Director and whole time Directors are as under:-

	2008-2009 (Rupees)	2007-2008 (Rupees)
Salary and allowances	42,15,000	3,40,000
10. Remuneration to Auditors For Audit	44,120	22,448
11. Earnings Per Share (EPS)		
Nominal Value per equity Share(Rs)	10	10
Profit (Loss) after Tax	23,764,330	(15,80,944)
Total number of equity shares	50,28,000	50,28,000
Earnings per share	4.73	—30

12. Previous year figures have been re-grouped/ rearranged wherever necessary.

13. Additional information required in terms of Part-IV of Schedule VI to the Companies Act, 1956 is attached herewith.

As per our report of even date attached
For J.K. Varghese & Co.,
Chartered Accountants

Jacob K. Varghese
Chartered Accountant

Place: Mumbai
Dated:27th July 2009

For Duke Offshore Ltd.,

Sd/-
Director Director.

DUKE OFFSHORE LIMITED

ADDITIONAL INFORMATION UNDER PART IV OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

Registration No.	11-38300	State Code
Balance Sheet date	31.03.2009	

2. Capital raised during the year

Public issue	Nil	Right issue	Nil
Bonus issue	Nil	Private Placement	Nil

3. Position of Mobilisation and Deployment of Funds (Rupees)

Total Liabilities	3,47,67,419	Total Assets	3,47,67,418
Sources of Funds			
Paid-up Capital	4,98,03,260		
Secured Loans	-		
Unsecured Loans		62,01,356	
Application of funds			
Net Fixed Assets	9,60,565	Net Current Assets	33,41,908
Preliminary Expenses	-		
Accumulated losses	2,85,95,938		

4. Performance of Company

Turnovers & other Income	6,47,16,227	Profit	2,72,76,353
Total Expenditure	3,74,39,873		
Earnings per share in	4.73	Dividend Rate %	Nil

5. Generic Names of Principal Services of the Company

Item Code No. (ITC Code)	:
Product description	: Professional Charges

For Duke Offshore Ltd.,

Sd/-

Director

Director.

ATTENDANCE SLIP

DUKE OFFSHORE LIMITED

403, Urvashi Housing Society Ltd. Off. Sayani Road, Prabhadevi, Mumbai – 400 025

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER THE ENTRANCE OF THE MEETING HALL. Joint Share-holders may obtain additional Attendance Slip at the Venue of the Meeting.

DP.Id*
Client Id*

NAME AND ADDRESS OF THE MEMBER:

No. of Share(s) Held:

I hereby record my presence at the 23rd Annual General Meeting of the Company held on Friday 28th August, 2009 at 10.a.m. at 403, Urvashi Housing Society Ltd. Off. Sayani Road, Prabhadevi, Mumbai – 400 025

Signature of Member / Proxy

(Name)

NOTE:

Please sign this attendance slip and hand it over at the verification counter of Meeting Hall.

*Applicable for investors holding shares in electronic form.

TEAR HERE

PROXY FORM
DUKE OFFSHORE LIMITED

403, Urvashi Housing Society Ltd. Off. Sayani Road, Prabhadevi, Mumbai – 400 025

DP.Id*
Client Id*

I/We,

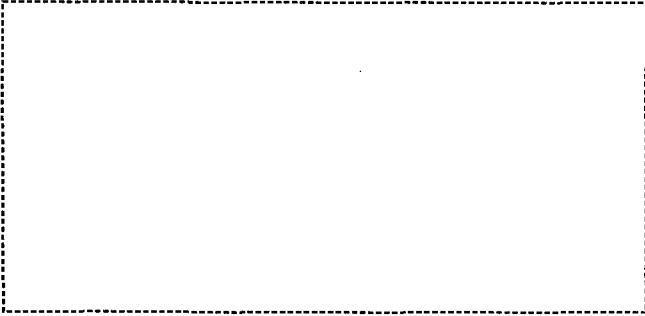
Of being Member / Members of Duke Offshore Ltd., of failing him of

as my / our proxy to vote for me / us and on my /our behalf at the Annual General Meeting of the company to be held on Friday 28th August, 2009 at 10.a.m. at 403, Urvashi Housing Society Ltd. Off. Sayani Road, Prabhadevi, Mumbai – 400 025

*Applicable for investors holding shares in electronic form.

- NOTE: 1. The proxy form signed across the Rs. 1/- stamp should reach Company's Registered Office at least 48 hours before the schedule time of Meeting.
2. The Form should be signed across the stamp as per specimen signature registered with the Company.
3. A proxy need not be a member.
4. The above Attendance slip should be sent to the Proxy appointed by you and not to the Company.

BOOK-POST



Offshore Creating Excellence

If undelivered please return to :

DUKE OFFSHORE LIMITED

403, Urvashi Hsg. Society Ltd.,
Off. Sayani Road, Prabhadevi Mumbai 400 025

Ph. : 022 - 2422 1225, 022 - 2436 5789

Fax : 022 - 2422 7606

Website : www.dukeoffshore.com

E-mail : marketing@dukeoffshore.com