

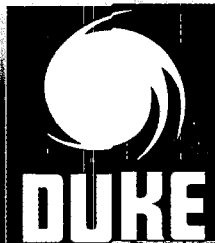
DUKE OFFSHORE LIMITED

Annual Report

2007-2008



PLATFORM IN ARABIAN GULF



DUKE

Offshore

Creating Excellence

Annual Report 2007 – 2008**BOARD OF DIRECTORS**

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

REGISTRAR AND SHARE TRANSFER AGENTS

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.

BANKERS

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

AUDITORS:

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

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 : marketing@dukeoffshore.com

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NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of Duke Offshore Limited will be held on Tuesday 30th September, 2008 at 10.a.m. at the Registered Office of the Company situated at 403, Urvashi Housing Society Limited, 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, 2008 and the Profit and Loss Account for the year ended 31st March, 2008 along with Directors Report and Auditor's Report thereon.
2. Mr. Govind Tiwari Director retires at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.
3. To re-appoint M/s J. K. Varghese Auditors of the Company for year 2008 - 2009 and to fix their remuneration.

By Order of the board of Director
DUKE OFFSHORE LIMITED

Place: Mumbai
Dated: 1st Sept., 2008

GEOGE DUKE
MANAGING DIRECTOR

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 18/09/2008, Thursday to 25/09/2008, Thursday (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) Please Quote ledger folio numbers in all their correspondence.
 - c) Please get the multiple folios consolidated and also have shares transferred in join names if they are held in single name to avoid inconvenience in future.
 - d) Please bring copies of the Annual Report and the Attend. Slips with them at the General Meeting.

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- e) Please write at least 10 days prior to the date of Meeting, if any information is desired on The accounts; to enable the management to keep the information ready.

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

Place : Mumbai
Dated : 1st Sept., 2008

**GEOGE DUKE
MANAGING DIRECTOR**

F.Y 2007 – 2008

DIRECTORS REPORT

To
The Members

Your Directors hereby present their Twenty Second Annual Report together with the Balance Sheet as at 31 March, 2008 and the Profit & Loss account for the year ended 31st March, 2008.

FINANCIAL RESULTS

(Rupees in Lacs)

	Year ended 31st March, 2008	Year ended 31st March, 2007
Income	2.53	7.95
Profit before Deprecation & interest	(8.69)	(8.20)
Less: Interest	Nil	Nil
Depreciation	0.03	0.70
Profit before Taxation	(8.72)	(8.27)
Provision for Taxation (including fringe benefit tax	0.19	0.28
Profit after Taxation	(16.56)	(139.31)
Balance brought forward from previous year	(507.04)	(367.45)
Balance carried forward to Balance Sheet	(523.60)	(507.04)

DIVIDEND

Due to financial loss in the Current Financial year and to conserve the resources, your directors do not recommended declare any dividend.

OPERATIONS

The operations of the company were limited to consolidating and resolving the Company's pending issues. The Management of the Company has been carrying out extensive marketing and new contracts are expected during the ensuing year. With almost all issues being resolved we look forward to the Company being revived in the near future.

FIXED DEPOSITS

The Company has not accepted any deposit from public.

DIRECTORS

Mr. Govind Tiwari, Director retires at the forthcoming Annual General Meeting.

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.

F.Y 2007 – 2008**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. Currently the company is working on revoking the suspension order of BSE and it is envisaged that this will be completed during the ensuing financial year.

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, 2008, the applicable accounting standards has 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 and loss 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, 2008 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 auditors confirming the completion of condition on Corporate Governance as stipulated in revised Clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto.

AUDITORS

M/s. J. K. Varghese Co., Chartered Accountants retired at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act 1956.

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 : 1st Sept., 2008.

GEORGE A. DUKE
MANAGING DIRECTOR

F.Y 2007 – 2008

**CERTIFICATE FROM PRATICING 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 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange.

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 company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement, 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 is less than 50% of the strength of total directors, further since the board meetings are chaired by an executive director, the company does not have the minimum requisite number of independent directors.

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 Grievance Committee.

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

For S. S. Risbud & Co.
Practicing Company Secretary
Proprietor
Membership No. :- 13774

Place: Mumbai
Date: 1st Sept.,2008

F.Y 2007 – 2008**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 facts of its operations and all dealings which is *shareholders, employees, lenders, creditors, customers, and the government*. The Board of Directors by considering itself by 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 present strength of the Board is 4 (Four) Directors comprises of 2 (Two) Executive Directors and 1 (One) Non-Executive Directors including 1 (One) Independent Director. The Chairman of the Board is Executive Director.

During the financial year ended 31st March, 2008, total 6 (six) Board Meetings were held on 21/04/ 2007, 23 /07/ 2007, 30 /9 / 2007, 29/10/2007, 22/12/2007 and 29/01/2008.

The last Annual General Meeting was held on 28th September 2007.

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	Managing Director	6	Yes	Yes	One
Mr. Suresh Pawar	E. D.	6	Yes	Yes	One
Mr. Govind Tiwari	N. E.	6	Yes	Yes	One
Mr. Pramod D. Patekar	I.N.E	2	Yes	Yes	One

ED = Executive director, INE = Independent Non-Executive Director, N. E. = 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 2007 – 2008**6. GENERAL BODY MEETINGS**

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

Fin. Year	Date	Location	Time
31-3-2005	28-9-2005	Registered Office	3.00 p.m.
31-3-2006	28-9-2006	Registered Office	3.00 p.m.
31-3-2007	28-9-2007	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 Ahmedabad 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 the 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 2007-2008.
- 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

30th September, 2008

Financial Year

1st April, 2007 to 31st March, 2008

Book Closure

Thursday, 18 Sept., 2008 to Thursday 25th September (Both days inclusive)

Dividend

No Dividend is declared.

Listing of shares

The Company's shares are listed only at Bombay Stock Exchange Limited. Listing fees for Bombay Stock Exchange has been paid. The Company is in the process of delisting from the Kolkata and Ahmedabad Stock Exchanges.

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. Boridia Road Lower Parel, Mumbai -400 011. 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 is the shareholding pattern as on 31st March, 2008.

DUKEOFFSHORE LIMITED

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Pattern of shareholding by ownership as on 31st March, 2008.

Category	No. of Shares Held	% of Shareholding
A Promoter's holding.		
1. Promoters *		
Indian Promoters		
—Directors	2807735	55.84
—Director's Relatives	546430	10.87
—Director's Promoters	14035	02.80
2. Persons Acting in Concert #M		
SUB-TOTAL	3494900	69.51
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	0	00.00
4. Others	0	00.00
A. Private Corporate Bodies	393400	07.82
B. Indian Public	1127900	22.47
C. NRI/OCB	100000	0.20
D. Others	0	00.00
SUB-TOTAL	1533100	30.49
GRAND TOTAL	5028000	100.00

Dematerialization of shares and liquidity

2,49,700 shares representing 4.97% of shareholding has been dematerialized.

Registered Office

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

10. Auditor's Certificate on Corporate Governance

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

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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 2008.

George Duke
Managing Director

Place: Mumbai
Date: 1st Sept., 2008.

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 2008, 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, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2007, 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, 2008;
 - (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: 1st September, 2008

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 not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets have not been physically verified by the management during the year and there is no regular program of verification which, *in our opinion*, is not 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 not disposed off a substantial part of its fixed assets hence; reporting on the going concern status in this regard does not arise.
 - ii. Since the company has not undertaken any contract work no inventories were maintained.
 - 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 301 of 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 sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.
 - v. According to the information and explanations given to us, the company has not accepted deposits from public to which the provisions of section 58A and 58AA of the Companies (Acceptance of Deposits) - Rules, 1975 apply.
 - vi. *In our opinion*, the company has an internal audit system commensurate with the size and nature of its business.
 - vii. 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.
 - viii. *In our opinion*, the company has accumulated losses as at 31st March, 2008 and it has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
 - ix. *In our opinion* and according to the information and explanations given to us, the Company has defaulted in repayment of dues to financial institution. The company has not issued any debenture.
 - x. 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.
 - xi. *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.
-

- xii. 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.
- xiii. 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.
- xiv. 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.
- xv. 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.
- xvi. 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.
- xvii. 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.

For J.K.VARGHESE & CO.

Chartered Accountants

Place: Mumbai

Dated: 1st September, 2008

Jacob K. Varghese

Chartered Accountant

DUKEOFFSHORE LIMITED**BALANCE SHEET AS AT 31.3.2008.**

SOURCES OF FUNDS	Schedule Nos.	31.3.2008 Rupees	31.3.2007 Rupees
Share Capital	A	49,803,260	49,803,260
Reserves and Surplus	B	(52,360,268)	(50,703,911)
Secured Loan	C	2,708,128	3,817,689
Unsecured loan	D	8,423,295	7,988,823
Total		8,574,415	10,905,861
APPLICATION OF FUNDS			
Gross Block	E	23,166,472	23,166,472
Less Depreciation and write off		15,129,935	12,506,431
Net Block		8,036,537	10,660,041
Deposit		400,000.00	100,000
Current Assets,			
Debtors	F	22,000	198,000
Cash and Bank Balances	G	978,089	2,037,292
Loans and Advances	H	130,787	930,787
		1,130,875	3,166,079
Less: Current Liabilities	I	992,997	3,020,259
Net current Assets		137,878	145,820
Total		8,574,415	10,905,861

Notes on Accounts**K****0****(1)**

As per our Report of even date Attached

For **J.K.Varghese & Co.**,
Chartered AccountantsFor **Duke Offshore Limited****Jacob K.Varghese**
Chartered Accountant
Mumbai: 1st September, 2008

Director

Director

DUKEOFFSHORE LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008.**

		31.3.2008	31.3.2007
INCOME:		Rupees	Rupees
Professional Charges		22,000.00	750,000.00
Interest received on F.D.		-	2,261.00
Export Income		231,760.92	-
Profit on Sale of Non-Trade Investments		-	42,812.27
TOTAL INCOME		253,760.92	795,073.27
EXPENDITURE			
Expenses	J	1,122,761.52	1,615,200.18
Depreciation	E	3,503.83	7,510.85
TOTAL EXPENDITURE		1,126,265.35	1,622,711.03
Profit(Loss) before Taxation		(872,504.43)	(827,637.76)
Sundry balances written off		1,911,560.50	(10,432,340.73)
Assets written off		(2,620,000.00)	(2,620,705.00)
Profit(Loss) before Taxation		(1,580,943.93)	(13,880,683.49)
Previous year expenses		(56,250.00)	
Fringe Benefit Tax		(19,163.00)	(25,920.00)
Income Tax		-	(2,500.00)
Final Settlement to Patel Mach. Tools		-	(50,000.00)
Balance of Profit and Loss account		(1,656,356.93)	(13,959,103.49)
Brought forward from Last years		(50,703,911.30)	(36,744,807.81)
Profit available for appropriation		(52,360,268.23)	(50,703,911.30)
Balance carried to balance sheet.		(52,360,268.23)	(50,703,911.30)

Notes on Accounts- Schedule**K**

As per our Report of even date Attached

For J.K.Varghese & Co.,**Chartered Accountants****For Duke Offshore Limited****Jacob K. Varghese**
Proprietor.**Director****Director**

Mumbai

Dated:1st September, 2008

DUKEOFFSHORE LIMITED

Schedule: A

Particulars	31.3.2008	31.3.2007
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	(52,360,268)	(50,703,911)
TOTAL	(52,360,268)	(50,703,911)
Schedule: C		
SECURED LOANS Medium Term loan from Financial Institution Loan from Financial Companies	2,708,128 -	2,708,128 1,109,561
TOTAL	2,708,128	3,817,689
Schedule: E		
UNSECURED LOANS From Director Others	6,201,356 2,221,939	6,098,823 1,890,000
TOTAL	8,423,295	7,988,823
Schedule: F		
Debtors(Unsecured) considered Good		
Debts Outstanding for a period exceeding 6 months		
-Considered Good	-	-
-Considered doubtful	-	-
Other debts considered Good	22,000	198,000
TOTAL	22,000	198,000

**DUKE OFFSHORE LIMITED
FIXED ASSETS**

Schedule D

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION AND WRITE OFF				NET BLOCK	
		AS ON 1.4.2007	ADDN.	DEDN.	AS ON 31.3.2008	As on 1.4.2007	For the Year	Assets Written Off	Upto 31.3.2008	As on 31.3.2008	As on 31.3.2007
1	Equipments	16,622,351.99	-	-	16,622,351.99	11,536,908.00		2,620,000.00	14,156,908.00	2,465,443.99	5,085,443.99
2	Gas cylinders	960,000.00	-	-	960,000.00	960,000.00			960,000.00	-	-
3	Computer	13,125.00	-	-	13,125.00	6,562.50	2,625.00		9,187.50	3,937.50	6,562.50
4	Capital W. I. P.	5,556,044.80	-	-	5,556,044.80		-		-	5,556,044.80	5,556,044.80
5	Epson Printer	14,950.00	-	-	14,950.00	2,960.49	878.83		3,839.32	11,110.68	11,989.51
		23,166,471.79	-	-	23,166,471.79	12,506,430.99	3,503.83	2,620,000.00	15,129,934.82	8,036,536.97	10,660,040.80

DUKE OFFSHORE LIMITED

Director

Director

DUKEOFFSHORE LIMITED**Schedule:G**

Cash & Bank Balances		
Cash in Hand	974,795	1,515,374
Balance with Scheduled Banks In current accounts	3,294	521,918
TOTAL	978,089	2,037,292
Schedule: H		
LOANS & ADVANCES (Unsecured considered Good, unless Otherwise stated)		
Advance paid for Export (Honda Siel)	-	800,000
T.D.S.	50,307	50,307
Deposits other than Banks	80,480	80,480
TOTAL	130,787	930,787
Schedule: I		
Current Liabilities and Provisions		
Sundry Creditors for Purchases	299,034	1,244,607
Sundry Creditors for Expenses	693,963	543,891
Advance received for export(Solar Africa)	-	1,231,761
TOTAL	992,997	3,020,259

For Duke Offshore Limited

Director

Director

DUKEOFFSHORE LIMITED

SCHEDULE TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 S MARCH,2008 SCHEDULE J:

Particulars	31.3.2008	31.3.2007
Payment to Employees	Rupees	Rupees
Directors Remuneration	360,000.00	340,000.00
Staff welfare	356.00	1,089.60
Total	360,356.00	341,089.60
Operating and other expenses		
Professional and consultancy fees	43,816.00	796,440.40
Traveling and conveyance	293,033.28	75,396.15
Telephone Charges	31,244.81	46,917.12
Postage and Telegram	4,069.00	4,344.56
Motor Car expenses	44,883.60	76,138.81
Office expenses	1,075.00	5,136.50
Bank Charges	1,613.00	5,390.20
Sales Promotion Expenses	29,316.66	44,497.53
Audit fees	22,472.00	20,000.00
Repairs and Maintenance	25,565.00	30,506.00
Filing fees	8,082.00	13,807.00
Books and subscription	5,829.67	946.00
Printing And Stationery	14,421.50	47,265.75
Professional Tax	2,500.00	2,500.00
Listing fees	33,750.00	15,000.00
Membership and Subscription	800.00	1,734.00
Legal expenses	12,250.00	-
Rent urvashi	60,000.00	60,000.00
Accounting Charges	20,000.00	-
Diving Expense	10,000.00	-
Web Site Charges	6,450.00	-
Share Transfer & Registration Charges	28,496.00	-
Sales Tax	-	520.00
Interest	36,607.00	
Miscellaneous expenses	8,729.00	3,622.56
Advertisement	14,841.00	15,934.00
Electricity charges	2,561.00	8,014.00
Total	762,405.52	1,274,110.58
Grand total	1,122,761.52	1,615,200.18

Signatures to Schedules A to J

For Duke Offshore Limited

Director

Director

DUKEOFFSHORE LIMITED

CASH FLOW FUND STATEMENT FOR THE YEAR ENDED 31st MARCH, 2008

Particulars	2007-2008 Rupees	2006-2007 Rupees
A Cash flow from operating activities		
a. Net Loss before Tax & Extraordinary item	(872,504.43)	(827,638)
Adjustment for:-		
Previous years expense (NET)	(50,000.00)	(50,000)
Depreciation	3,503.83	7,511
Operating profit before Working Capital changes	(919,000.60)	(870,127)
b. Adjustment for working capital:-	(140,202.00)	17,028
Assets Purchased	(1,059,203)	(853,099)
Direct Taxes Paid	-	(13,125)
Net Cash Flow from Operating Activity	-	(4,212)
	(1,059,203)	(870,436)
Cash and cash equivalent at beginning of the year	(1,059,203)	(870,436)
Cash and cash equivalent at the end of the year	2,037,292	2,907,728
	978,089	2,037,292

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

For and on behalf of the Board of
Directors of Duke offshore Ltd.

Jacob K.Varghese
Proprietor

Director

Director

Place : Mumbai
Dated : 1st September,2008

**SCHEDULE ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS 31ST MARCH,
2008 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE:****SCHEDULE K: 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 (except Capital work in progress).
- 2) Capital Expenditure
Assets under erection / installation and advance given for capital Expenditure are shown as " capital work in progress ", which are yet to identified and adjusted.
- 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. Secured loan includes Rs.27,08,128 due to M.S.F.C towards term loan taken and the mortgage property which was sold by MSFC. No effect of neither the sale (shown as work in progress in the accounts) nor the interest due if any is provided in the books of accounts.
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. Managerial Remuneration:
The remuneration under section 198 of the Companies Act, 1956 paid or
-

DUKEOFFSHORE LIMITED

Provided to the Managing Director and whole time Directors are as under:-

	2007-2008 Rupees	- 2006-2007 (Rupees)
Salary and allowances	3,40,000	3,40,000
8. Remuneration to Auditors		
For Audit	22,448	22,448
For other Services	22,448	0
9. Earnings Per Share (EPS)		
Nominal Value per equity Share (Rs)	10	10
Profit (Loss) after Tax	(16,56,356)	(13,959,103)
Total number of equity shares	52,50,000	52,50,000
Earnings per share	-0.32	-2.65

10. Previous year figures have been re-grouped/ rearranged wherever necessary.
11. The Export Income received of Rs 2,31,761/- does not pertain to income arising from pursuing the main objects specified in the Memorandum of Association. Company is taking steps to start the operation in full swing during the next accounting year.
12. 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

For Duke Offshore Ltd.,

Jacob K. Varghese
Chartered Accountant

George A. Duke
Director

Suresh Pawar
Director.

Place: Mumbai
Dated: 1st September, 2008

**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	31.03.2008		
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	95,67,412	Total Assets	95,67,412
Sources of Funds			
Paid-up Capital	4,98,03,260		
Secured Loans	27,08,128		
Unsecured Loans	84,23,295		
Application of funds			
Net Fixed Assets	80,36,534	Net Current Assets	1,37,878
Preliminary Expenses	0		
Accumulated losses	5,23,60,268		
4. Performance of Company			
Turnovers & other Income	2,53,761	Loss	8,72,504
Total Expenditure	11,26,265		
Earnings per share in	-0.32	Dividend Rate	% Nil
5. Generic Names of Principal Services of the Company			
Item Code No. (ITC Code)			
Product description		: Professional Charges	

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

For Duke Offshore Ltd.,

Jacob K. Varghese
 Chartered Accountant

George A. Duke
 Director

Suresh Pawar
 Director.

Place: Mumbai
 Dated: 1st September, 2008

DUKEOFFSHORE LIMITED

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 22nd Annual General Meeting of the Company held on Tuesday the 30th day of September, 2008 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 HEAR-----

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 Tuesday, 30th September, 2008 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