



DUKE OFFSHORE LIMITED

Since 1985

**24TH ANNUAL REPORT
2009-2010**

Creating Excellence Globally

Annual Report 2009 – 2010**BOARD OF DIRECTORS**

Avik Duke : Managing Director
Suresh S. Pawar : Director
Pramod D. Patekar : Independent Director
Cmde. Alan Quadros : Independent Director

BANKERS:

1. Standard Chartered Bank
2. IDBI Bank Ltd.

AUDITORS:

B. B. Shah & Co.
Chartered Accountants
Rajguru Apartment, Ground Floor,
Baburao Parulekar Road,
Dadar (West), Mumbai 400 028.

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.: 2301 6761 / 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

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NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of Duke Offshore Limited will be held on Friday 20th August, 2010, 11 a.m. 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, 2010 and the Profit and Loss Account for the year ended 31st March, 2010 along with Directors Report and Auditor's Report thereon.
2. To Appoint Director in place of Mr. Pramod D. Patekar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. B. B. Shah & Company, Chartered Accountants, Mumbai, as Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Audit Committee of the Board of Directors to fix the remuneration of the said Auditors.

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 subject to the provisions of Section(s) 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956 ('the Act') read with Schedule XIII to the said Act, and subject to such other approvals, as may be required, the Company hereby approves the appointment made by the Board Directors of Mr. Avik Duke, (who was appointed as Whole-time Director by the shareholders in the last Annual General Meeting) as Managing Director of the Company for the period from 12th April, 2010 to 27.07.2014 and that the Company be and is hereby authorized to pay Mr. Avik Duke remuneration as set out in the explanatory statement annexed hereto with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in accordance with the limits specified in Schedule XIII and other applicable provisions of the Companies Act, 1956 or any amendments thereto and as may be agreed to from time to time."

Place : Mumbai
Dated : 30th June, 2010

By Order of the board of Director

DUKE OFFSHORE LIMITED

Sd/-

AVIK 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 Friday, 13.08.2010 to Friday, 20.08.2010, (both days inclusive).

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4. **The members are requested to:**

- a) Intimate changes, if any, in their Registered address to the Registrar and share 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) 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, 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

Mr. Avik Duke who was appointed as an Additional Director of the Company on 27.07.2009 by the Board of Directors and appointed by the members of the Company as Whole-time Director for period of Five Years w.e.f. 27th July, 2009.

With effect from 12th April, 2010 the Board of Directors of the Company appointed Mr. Avik Duke as Managing Director of the Company for remaining period of his tenure on the remuneration, terms and conditions and subject to the approval of the Shareholders of the Company.

As required under section 257 of the Companies Act, 1956, notice has been received from a member along with deposit of Rs. 500/- signifying his intention to propose Mr. Avik Duke as candidate for the office of the Managing Director.

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 Managing Director requires the approval of the shareholders in General Meeting by way of ordinary resolution.

INFORMATION ABOUT THE APPOINTEE:

Background Details -

- (1) Mr. Avik Duke, a Indian National, aged 37 years, is a commercial pilot qualified from the USA.
- (2) Mr. Avik Duke has 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 Managing Director.
- (5) The Remuneration proposed to be paid to Mr. Avik Duke is as follows:

Sr.No.	Particular	Rs.(per month)	Rs.(per annum)
1	Basic	1,49,200/-	17,90,400/-
2	Conveyance Allowance	800/-	9,600/-
	Total Remuneration	1,50,000/-	18,00,000/-

BONUS

Mr. Avik Duke is eligible to receive bonus of Rs. 1,50,000 p.a. as Managing Directors of the Company.

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MINIMUM REMUNERATION

Notwithstanding anything hereinabove stated, where in any financial year during the tenure of Mr. Avik Duke, as a Managing Director, if the Company has no profits or its profits are inadequate, Mr. Avik Duke shall be paid remuneration by way of salary, allowances and perquisites not exceeding the maximum limits as prescribed under Para 1 of Section II, Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time.

The remuneration as proposed is within the applicable limits under Schedule XIII to the Companies Act, 1956.

- (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 recommend the resolutions for your approval as set out under item no. 4. None of the Directors is concerned or interested in the said resolutions, except Mr. Avik Duke.

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

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

Sd/-

**AVIK DUKE
MANAGING DIRECTOR**

Place: Mumbai
Dated: 30th June, 2010

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DIRECTORS REPORT

To
The Members

Your Directors take pleasure in presenting the **Twenty Fourth Annual Report** together with the Audited Balance Sheet as at 31 March, 2010 and the Profit & Loss account for the year ended 31st March, 2010.

FINANCIAL RESULTS

(Amount in Rs.)

Particulars	2009-10	2008-09
Services Income	22,938,290	63,309,268
Other Income	942,030	1,406,960
Export Sales	1,690,140	-
Profit before Tax	4,339,891	27,276,354
Less: Provision for Taxations		
Current Taxation	603,000	3,650,000
Deferred Taxation	62,268	(334,219)
Fringe Benefit Tax	-	140,000
Service Tax	-	56,242
Profit after Tax	3,674,623	23,764,331
Add: Excess provision for tax	195	-
Add: Profit/(Loss) b/f from previous year	(28,595,938)	(52,360,269)
Balance of Loss carried to Balance Sheet	(24,921,510)	(28,595,938)

DIVIDEND

The Company is in the process of wiping out the entire amount of losses of Past years on priority, for this reason and with a view to conserve the resources; your directors do not recommended payment of any dividend.

OPERATIONS

The operations of the Company for the financial year under have been profitable. The Company during the year has focused on the rendering of Technical Services in terms of Inspection and Survey of offshore oil field platforms, besides providing specialized training for under water diving, in association with overseas associates.

Due to the global recession the company management considered it prudent to exercise caution on operations and conserve financial resources and only execute contracts where it was certain that our clients would not default on payments.

The company had decided to enter niche business of Defense, by undertaking to provide services to the Indian Navy. The company has acquired one fast interceptor craft and is in the process of acquiring a second one which will be available to prospective clients for long term charter. The company expects this to significantly increase the order book of the ensuing year.

FIXED DEPOSITS

The Company has not accepted any deposits from public.

DIRECTORS

- 1) Mr. Pramod D. Patekar, the Director of the Company, retire by rotation on conclusion of this Annual General Meeting and being eligible, offer himself for re-appointment.
- 2) Mr. Avik Duke has been appointed as Managing Director of the Company at the meeting of Board of Directors held on 10th April, 2010 for the period from 12th April, 2010 to 27.07.2014, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
- 3) **Chairman Emeritus**
Mr. George Duke has resigned as a Managing Director of the Company with effect from 2nd April 2010 and your Directors with a view to have his continued association with the Company and in appreciation for his knowledge, experience, expertise and past association with the Company has appointed him as Chairman Emeritus.

F.Y 2009 – 2010**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 as amended, the names and other particulars of the employees are set out in the annexure to the Directors report.

COMPLIANCE OF LISTING AGREEMENT

Your Directors are happy to place on record that, the management of the Company have pursued seriously and sincerely the compliance requirement of the Bombay Stock Exchange Ltd. and on satisfactory accomplishment of the same, during the current Financial Year, the suspension of the Company's Script on the BSE has been revoked by the management of the BSE vide their letter dated 7th October, 2009 and trading of Company's shares at BSE has re-started since 14th October, 2009.

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 are as follows:

Foreign Exchange Earning

Type of Earnings	Amount (in Rs.)
Inspection & Survey Fees	22,048,862
Export of Air Diving Chamber	1,690,140
TOTAL	23,739,002

Foreign Exchange Outgoing

Type of Expenses	Amount (in Rs.)
Foreign Traveling	5,51,353
Others	10,905
TOTAL	562,258

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, 2010, 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 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, 2010 on a going concern basis.

CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Practicing Company Secretary 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. B. B. Shah & Company, Chartered Accountants, Mumbai, hold office as the Statutory Auditors of the Company, until the conclusion of the ensuing Annual General Meeting and being eligible, are recommended for re-appointment.

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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 48\$ a BBL to 78 \$ a BBL and the upward trend still continue.

The sharp upward trend in oil prices was mainly due to the ever increasing demand for oil by China and India and substantive increase of the consumption of OIL 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.

As much of your Company's potential business directly or indirectly, is with Oil majors in India viz. 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.

Your Company's range of professional services are in the field of, 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. The Company also has pursued providing of specialized diving training essential for oil and gas industries in association with affiliates based in UK.

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 managed to wipe out its previous operating losses significantly.

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 in the near future.

Your Company has taken up to pursue providing support services for coastal surveillance and patrolling. The continued cross border security threat and disturbance from the neighboring countries, will result in compelling demand and wholesome measures by the Government in this area.

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.
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 associates and employees for their contributions to the working of the Company during the year. Harmonious relations continued to prevail in the organization, strengthening the well established traditions of fairness in dealings and commitment to the future growth of associates and employees.

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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 50,25,000 Equity shares of Rs. 10/- each, constituting to Rs. 5,25,00,000/-. There was no increase in the paid up capital of Rs. 5,02,80,000/- during the year under review.

6.2. Fixed Assets

During the year 2009-2010 the Company has added Rs. 19,51,834 to the gross block of fixed assets.

6.3. Net Worth

The Net Worth for the year ended March 31, 2010 is Rs. 24,895,750 compared to the Net Worth of Rs. 21,207,322 for the same period last year registering overall improvement in the Net Worth.

6.4. Revenues

In the year under review the gross revenue of the Company was Rs. 25,570,460 compared to Rs. 64,716,228 for the same period in the previous year.

6.5. Operating Profit (EBIDTA)

The Company earned as operating profit Rs. 43,39,891/- representing 18% of gross revenue. Although the employee related costs have gone up, but the Office and Administration expenses has reduced considerably. The Company has exercised adequate control on all other expenses to augment sustainable profitability.

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 endeavor of our HR initiatives to continually seek association of 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 engineers associated with the company, prior to their deployment with any project.

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**

Sd/-
AVIK DUKE
MANAGING DIRECTOR

Place : Mumbai
Dated : 30th June, 2010.

Annexure "A" to the Director's Report

INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2010.

(A) Employed throughout the year and were in receipt of remuneration of not less than Rs. 24,00,000 per annum.

Sr. No.	Name	Designation	Remuneration per Annum	Qualification and experience	Date of Comm. of Employment	Last Employment Held
1	Mr. George Duke	Chief Executive Officer	Rs.36 Lacs	(a) Graduate from National Defence Academy, Pune, 1964 (b) Onboard Training Indian Naval Ships, 1965 (c) Ex Indian Navy VSM, NM & BAR. Chief Promoter of Duke Offshore Ltd.	12th Dec, 1985	Commander in Indian Navy.

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S. S. RISBUD & CO.
Company Secretary

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 2010, 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.

Company Secretary

Sd/-

Sanjay S. Risbud

Proprietor

C.P. NO. 5117

Place : Thane.

Date : 30.06.2010.

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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 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 2 (Two) Non-Executive Independent Directors. The Chairman of the Board is Executive Director.

During the financial year ended 31st March, 2010, total 5 (Five) Board Meetings were held on 25/04/2009, 08/07/2009, 28/10/2009, 30/11/2009 and 28/01/2010. The last Annual General Meeting was held on 28th, August, 2009.

Board Meeting Attendance record of the Directors in 2009 -2010

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	CEO	5	Yes	Yes	One
Mr. Suresh Pawar	E. D.	5	Yes	Yes	One
Mr. Avik Duke	E. D.	5	Yes	Yes	One
Mr. Pramod Patekar	I.N.E	5	Yes	Yes	One
Cmdr. A. Quadros	I.N.E	5	NO	Yes	One

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

Mr. Avik Duke has been appointed as Managing Director of the Company at the meeting of Board of Directors held on 10th April, 2010 for the period from 12th April, 2010 to 27.07.2014, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.

Mr. George Duke has resigned as a Managing Director of the Company with effect from 2nd April 2010 and your directors place on record appreciation for his association with the Company as a Managing Director in the past.

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.

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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 2 Directors. This Committee comprises of the following "Non Executive Independent Directors": who met 3 (Three) times during the year (i.e.).

Name of Director	Status	No. of Meeting held	No. of Meeting Attended
Mr. Pramod D. Patekar	Non Executive Independent Director	3	3
Comde. Alan Quadros	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. Avik Duke

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.

6. GENERAL BODY MEETINGS

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

Fin. Year	Date	Location	Time
31-3-2007	28-9-2007	Registered Office	10.00 AM.
31-3-2008	30-9-2008	Registered Office	10.00 AM
31-3-2009	28-08-2009	Registered Office	10.00 AM

Notes

1. There were no special resolution passed by the Company at any of the above meeting
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.

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- 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 2009 – 2010.
- 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 published in the newspaper, i.e. Free Press Journal and Nav Shakti

9. GENERAL SHAREHOLDER INFORMATION

- AGM Date :-** 20th August, 2010
- Financial Year :-** 1st April, 2009 to 31st March, 2010.
- Book Closure :-** Friday 13th August, 2010 to Friday 20th August, 2010. [Inclusive of both days]
- 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 Ltd., has been paid.
- Stock Code :-** Bombay Stock Exchange Ltd., 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 Shareregistry 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, 2010.

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Pattern of shareholding by ownership as on 31st March, 2010.

Category	No. of Shares Held	% of Shareholding
A Promoter's Holding		
1. Promoters *		
Indian Promoters		
--Directors	2856235	56.81
--Director's Relatives	546430	10.87
--Director's Promoters	140735	02.80
2. Persons Acting in Concert #	0	0
SUB-TOTAL (A)	3543400	70.48
B. Non-Promoters Holding		
3. Institutional Investors	0	00.00
A. Mutual Funds and UTI	0	00.00
B. Banks, Financial Institutions, Insurance (Central/ State Govt. Institution/ Non Government Institutions)	0	00.00
C. FIIS	0	00.00
4. Others	0	00.00
A. Private Corporate Bodies	385700	07.67
B. Indian Public	1087800	21.63
C. NRI/OCB	11100	0.22
D. Others	0	00.00
SUB-TOTAL (B)	1484600	29.52
GRAND TOTAL	5028000	100.00

Dematerialization of shares and liquidity

3358385 Shares representing 66.79% 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.

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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 2010.

Sd/-
Avik Duke
Managing Director

Place : Mumbai
Date : 30th June, 2010.

DUKE OFFSHORE LIMITED

F.Y 2009 – 2010

AUDITOR'S REPORT

To the Members of **DUKE OFFSHORE LIMITED**.

We have audited the attached Balance Sheet of **M/S. DUKE OFFSHORE LIMITED**, as on 31st March, 2010 and also the Profit and Loss Account and also the cash flow statement for the year ended 31st March, 2010 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.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable.
3. Further to our comments in the Annexure referred to above, we report that:
 - (i) 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;
 - (ii) 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 these books of the Company.
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) Based on the representations made by the Directors of the Company and taken on record by the Board of Directors and the information and explanations given to us, we report that none of the Director of the Company is disqualified from being appointed as a Director of the Company, as on 31.03.2010 in terms of Section 274 (1)(g) of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the notes thereon and subject to **Note No. 4 (b) relating to non provision of Gratuity Liability in compliance with AS 15**, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2010 and
 - (b) in the case of the Profit and Loss Account, of the profit of the year for the year ended on 31st March, 2010.
 - (c) In the case of Cash flow statement, of the Cash Flows for the year ended on that date.

For **B.B. SHAH & COMPANY**
Chartered Accountants

Date : 30th June, 2010
Place : Mumbai

Sd/-
Bipin B. Shah
(Partner)
(Member Ship No.16862)

F.Y 2009 – 2010**ANNEXURE TO THE AUDITORS REPORT**

(Referred to in paragraph 2 of Report of even date on the accounts for the year ended on 31st March, 2010)

As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 our comments in respect of matters specified in paragraphs 4 and 5 of the said order are as follows:

- i. (a) According to the information and explanations given to us and in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and the situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year at reasonable intervals. As explained to us, no material discrepancies were noticed as compared to the book records, on such physical verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not made substantial disposal of the fixed assets during the year and the going concern status of the Company is not affected.
- ii. (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us, there were no material discrepancies notices on physical verification of inventories as compared with the book records.
- iii. (a) As explained to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) According to the information and explanations given to us, the Company has taken interest free loan from One (1) party listed in the register maintained under section 301 of the Companies Act, 1956. In respect of said loan, the maximum amount outstanding at any time during the year was Rs. 6,201,356/- and the year-end balance of loans taken from this party was Rs.4,230,356/- .
- (d) In our opinion and according to information and explanations given to us, other terms and conditions of loans taken by the company are not prima facie prejudicial to the interest of the Company.
- (e) According to the information and explanations given to us, the company is generally regular in repaying the principal amount.
- 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 nature of its business for the purchase of inventories and fixed assets and also for sale of goods and Services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls procedure.
- v. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 in our opinion and according to information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements that needed to be entered into the register maintained under section 301 of the Companies Act, 1956, and consequently the paragraph v(b) of the order is not applicable.
- vi. According to the information and explanations given to us, the company has not accepted deposits from the public. Accordingly, the provisions of section 58A and 58AA of the Companies (Acceptance of Deposit) Rules, 1975 apply.
- vii. According to the information and explanations given to us and in our opinion, the Company has no formal internal audit department as such. However, its control procedures ensure reasonable internal checking of its financial and other records.
- viii. According to the information and explanations given to us, the maintenance of cost records have not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956, in respect of activities of the Company.

DUKE OFFSHORE LIMITED

ix. In Respect of Statutory Dues :

- (a) According to the information and explanations given to us and according to the records, the Company has been regular in depositing undisputed statutory dues, including, Income Tax, and any other statutory dues with appropriate authorities during the year. As per the information and explanations given to us and in our opinion, the statutes relating to Sales Tax, Employees Provident Fund, Employee's State Insurance, Customs duty, Excise Duty & Cess, are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March , 2010 for a period of more than six months from the date of them becoming payable.

- (b) The disputed statutory dues being interest U/s. 234 aggregating to Rs. 14,52,975/- for the A.Y. 2003 - 04 that have not been deposited on account of pending waiver application before appropriate authorities are as under.

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to Which the amount relates	Forum where the matter is Pending
Income Tax Act 1961	Income Tax	14,52,975	2003 - 2004	Chief Commissioner of Range 10(1), Mumbai

- x. The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. However, it has not incurred cash losses both in the current as well as immediately preceding financial year.
- xi. In our opinion and according to information and explanations given to us, the Company has no outstanding dues at the beginning of the year and has not taken any dues during the financial year and therefore the question of default in repayment of dues to financial institutions, banks and debenture holders does not arise.
- xii. In our opinion and according to information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, the clause 4(xiii) and sub-clauses (a) to (d) of the Order is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in share, securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanations given to us, the Company has not availed any term loans and consequently the paragraph 4(xvi) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us, the Company has not raised any funds on short-term or long-term basis and consequently the paragraph 4(xvii) of the Order is not applicable to the Company.
- xviii. During the year the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, the Company has not issued any debentures and consequently the paragraph (xix) of the Order is not applicable.
- xx. The Company has not raised any money by public issue during the year.
- xxi. Based upon the audit procedures performed and information and explanations given by the management, we report no fraud on or by the Company has been noticed or reported during the course of our audited.

For **B.B. SHAH & COMPANY**
Chartered Accountants

Date : 30.06.2010
Place : Mumbai

Sd/-
Bipin B. Shah
(Partner)
(Member Ship No.16862)

ANNUAL REPORT 2009-2010

BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	Schedule No.	As on 31.03.2010 (Rs.)	As on 31.03.2009 (Rs.)
I SOURCES OF FUNDS :			
Share Holders Fund			
Share Capital	1	49,817,260	49,803,260
Borrowed Funds			
Unsecured Loans	2	4,230,356	6,201,356
Total Rs		54,047,616	56,004,616
II APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	3	1,336,095	21,738,429
Less : Accumulated Depreciation		501,047	20,777,864
Net Block		835,048	960,565
Investments	4	9,633,691	22,371,986
Current Assets, Loans and Advances			
Current Assets	5		
Sundry Debtors		348,706	2,340,084
Cash & Bank Balances		14,140,163	2,243,689
Loans & Advances	6	12,769,837	6,516,878
	(A)	27,258,706	11,100,651
Current Liabilities & Provisions			
Current Liabilities	7	4,480,287	3,568,741
Provisions	8	4,393,000	3,790,000
	(B)	8,873,287	7,358,741
Net Current Assets	(A - B)	18,385,419	3,741,910
Deferred Tax Assets	9	271,950	334,218
Miscellaneous Expenditure (To the extent not written off or adjusted)			
Profit & Loss Account	10	24,921,510	28,595,938
		54,047,616	56,004,616
Notes on Accounts and Significant Accounting Policies	15	-	-

As per our report of even date attached

For **B.B. SHAH & COMPANY**

Chartered Accountants

Sd/-

Bipin B. Shah

(Partner)

(Member Ship No.16862)

Place : Mumbai

Dated : 30th June, 2010

For **DUKE OFFSHORE LIMITED**

AVIK G. DUKE

(Managing Director)

SURESH S. PAWAR

(Director)

DUKE OFFSHORE LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010**

PARTICULARS	Schedule No.	For the year ended 31.03.2010 (Rs.)	For the year ended 31.03.2009 (Rs.)
(i) Income			
Exports Sales		1,690,140	-
Direct Income	11	22,938,290	63,309,268
Other Income	12	942,030	1,406,960
Sub Total		25,570,460	64,716,228
(ii) EXPENDITURE			
Purchases for Exports		2,072,527	-
Employees Remuneration & Benefits	13	6,659,912	4,264,083
Office and Administrative Expenses	14	12,204,677	26,567,862
Assets Written Off		-	6,413,361
Depreciation		293,452	194,568
Sub Total		21,230,568	37,439,874
PROFIT BEFORE TAXATION		4,339,891	27,276,354
(iii) Less : Tax Expense			
Fringe Benefit Tax		-	140,000
Income Tax		603,000	3,650,000
Deffered Tax		62,268	(334,219)
Service Tax		-	56,242
PROFIT AFTER TAXATION		3,674,623	23,764,331
Excess / Short Provision For Tax		195	-
Balance of loss brought forward from Last Year		(28,595,938)	(52,360,269)
Balance carried to Balance Sheet		(24,921,510)	(28,595,938)

Notes on Accounts and Significant
Accounting Policies 15
As per our report of even date attached

For **B.B. SHAH & COMPANY**
Chartered Accountants
Sd/-
Bipin B. Shah
(Partner)
(Member Ship No.16862)

Place : Mumbai
Dated : 30th June, 2010

For **DUKE OFFSHORE LIMITED**

AVIK G. DUKE
(Managing Director)

SURESH S. PAWAR
(Director)

ANNUAL REPORT 2009-2010

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31 ST MARCH, 2010

Particulars	Amount (Rs.) 31.03.2010	Amount (Rs.) 31.03.2009
SCHEDULE : 1		
Share Capital		
Authorised		
52,50,000 (P.Y. 52,50,000) Equity Shares of Rs. 10/- each	52,500,000	52,500,000
	52,500,000	52,500,000
Issued, Subscribed and Paid-up:		
50,28,000 (P.Y.50,28,000) Equity Share of Rs.10/- each fully paid up	50,280,000	50,280,000
Less : Calls In Arrears	(462,740)	(476,740)
Total Rs.	49,817,260	49,803,260
SCHEDULE : 2		
Unsecured Loan		
From a Share Holder	4,230,356	6,201,356
Total Rs. (B)	4,230,356	6,201,356
SCHEDULE : 4		
Investments- (At Cost)		
Unquoted - Others		
Fixed Deposits With Bank		
Standard Chartered Bank	-	15,371,986
The IDBI Bank Ltd	500,000	-
Quoted : Others		
Investments in Mutual Fund		
205378.97 Units (P.Y. NIL) DSP Blackrock World Energy Fund	2,100,000	-
448196.01 Units (P.Y.NIL) DWS Twin Advantage Fund	4,800,000	-
4160.25 Units (P.Y. NIL) H D F C Top 200 Fund Growth	645,000	-
148432.09 Units (P.Y. NIL) Kotak Equity Arbitrage Fund - Dividend	1,588,691	-
(P.Y. 603512.361) No.of units of ICICI Prudential Income Fund-	-	7,000,000
	9,633,691	22,371,986
Aggregate Market Value of Quoted Investments	9,105,902	69,403,922
SCHEDULE : 5		
Current Assets , Loans and Advances		
Current Assets		
Sundry Debtors		
Unsecured considered good		
Outstanding for a period exceeding Six Months	348,706	2,340,084
Cash and Bank Balance		
Cash on Hand	229,902	517,237
Balance in Current Account with Scheduled Banks	13,910,261	1,726,452
Total Rs.	14,488,869	4,583,773

DUKE OFFSHORE LIMITED

DUKE OFFSHORE LIMITED											
ASSESSMENT YEAR 2010 - 2011											
Schedule - 3											
FIXED ASSETS (AT COST)											
Particulars of Assets	@	GROSS BLOCK			DEPRECIATION			W.D.V as on 31.03.2010	W.D.V as on 31.03.2009		
		As on 01.04.2009	ADDITIONS During the Year	Deductions W/off	As on 31.03.2010	Provided During the Year	Deduction 31.03.2010			As on 31.03.2010	
Office Equipment	13.91%	-	35,429	-	35,429	-	4,205	4,205	31,224	-	
Computers	40.00%	266,063	50,006	-	316,069	68,747	83,950	152,697	163,372	197,316	
Printer	40.00%	6,492	19,500	-	25,992	92	7,796	7,888	18,104	6,400	
Mobile Phone	13.91%	42,300	30,000	-	72,300	1,966	7,405	9,371	62,929	40,334	
Motor Car	25.89%	853,305	-	-	853,305	136,789	185,506	322,295	531,010	716,516	
LCD T V	13.91%	-	33,000	-	33,000	-	4,590	4,590	28,410	-	
TOTAL		1,168,160	167,935	-	1,336,095	207,595	293,452	-	501,047	835,048	960,565
Previous Year		22,206,472	1,140,085	1,608,128	21,738,429	14,169,935	194,568	6,413,361	20,777,864	960,565	80,365,637

For DUKE OFFSHORE LIMITED

AVIK G. DUKE
(Managing Director)

SURESH S. PAWAR
(Director)

For B.B. SHAH & COMPANY
Chartered Accountants
Sd/-

Bipin B. Shah
(Partner)
(Member Ship No. 16862)

ANNUAL REPORT 2009-2010

SCHEDULE : 6		
Loans & Advances		
Unsecured considered good		
Deposits		
Security Deposits for Office Premises	400,000	400,000
MTNL deposit	80,480	80,480
Advances Recoverable in Cash or in kind or for value to be received	12,289,357	6,036,398
Total Rs.	12,769,837	6,516,878
SCHEDULE : 7		
Current Liabilities		
Sundry Creditors for Goods & Expenses	4,480,287	3,568,741
Total Rs.	4,480,287	3,568,741
SCHEDULE : 8		
Provisions		
Provision For Income Tax A.Y. 2009 - 2010	3,650,000	3,650,000
Provision For Income Tax A.Y. 2010 - 2011	603,000	-
Provision For FBT A.Y. 2009 - 2010	140,000	140,000
	4,393,000	3,790,000
SCHEDULE : 9		
Deferred Tax Liability / (Assets)		
Opening Deferred Tax Assets	334,218	-
Add:- Provided During the year	(62,268)	334,218
Closing Deferred Tax Assets	271,950	334,218
SCHEDULE : 10		
Miscellaneous Expenditure (To the extent not written off or adjusted)		
Profit & Loss Account	24,921,510	28,595,938
	24,921,510	28,595,938
SCHEDULE : 11		
Direct Income		
Crain Hire Charges	314,600	-
Inspection & Survey	22,048,862	62,768,768
Service Charges	574,828	540,500
	22,938,290	63,309,268

DUKE OFFSHORE LIMITED

SCHEDULES FORMING PART OF THE PROFIT & LOSS A/C. FOR THE YEAR ENDED ON 31 ST MARCH, 2010

Particulars	For the Year 31.03.2010	Amount (Rs.) 31.03.2009
SCHEDULE:12		
Indirect Income		
Difference in Foreign Exchange Rate	(67,232)	486,595
Dividend Income	433,946	73,810
Interest Income	457,216	842,915
Duty Drawback	18,047	-
Profit on Sale of Mutual Fund	98,400	-
Sundry Credit Balance W/off	1,653	3,640
	942,030	1,406,960
SCHEDULE :13		
Employees Remuneration Benefits		
Directors Remuneration	1,950,000	4,215,000
Salaries and other Benefits	4,181,600	-
Bonus	511,300	-
Diwali Gift Articles	2,508	-
Staff Welfare Expenses	14,504	49,083
	6,659,912	4,264,083
SCHEDULE :14		
Office and Administrative Expenses		
Accommodation Charges - Foreign	867,627	423,863
Advertisement Expenses	73,181	62,742
Annual Custody Fees	77,210	-
Audit Fees	50,000	44,120
Bank Charges	44,603	32,223
BSE Listing Fees	540,000	-
Business Development Expenses	233,200	144,598
Commission Expenses	-	950,000
Conveyance Expenses	139,198	149,553
Courier Charges	31,588	21,427
Machine Hire Charges	100,000	150,000
Diving Expenses	-	60,000
Electricity Charges	38,997	33,061
Insurance Charges	122,705	112,028
Interest Expenses	-	23,868
Listing Fees	18,170	33,750
Membership & Subscription Charges	2,300	11,796
Motor Car Expenses	184,965	82,160
Printing & Stationery	86,401	119,903
Legal & Professional Fees	6,641,781	20,022,559
Rent for Office Premises	366,000	366,000
Repairs & Maintenance	176,739	228,892
Shares Transfer & Registrar Charges	59,152	37,937
Telephone Charges	209,941	166,790
Traveling Expenses	311,857	687,483
Traveling Expenses - Foreign	1,470,883	2,331,756
Miscellaneous Expenses	358,180	271,354
Total Rs.	12,204,677	26,567,862

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	Amount(Rs.) 31.03.2010	Amount (Rs.) 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITY		
Net Profit / (Loss) before Tax & Extraordinary Item	4,339,891	27,276,354
a) Adjustments for Additions /(Subtractions)		
Services tax		- (56,242)
Depreciation	293,452	194,568
Assets W/off		- 6,413,361
Dividend received	(433,946)	(73,810)
Interest received	(457,216)	(842,915)
Call Money recd	14,000	-
Operating profit before Working Capital Changes	3,756,182	32,911,316
b) Adjustment for working Capital		
(Increase)/ Decrease in current Assets	(4,261,581)	(8,304,174)
(Increase)/ Decrease in Current Liabilities	911,351	2,575,744
Cash Generated from Operation Activity	405,951	27,182,886
Net Cash Generated from Operation Activity	405,951	27,182,886
B. CASH FLOW INVESTING ACTIVITY		
Purchase of Fixed Assets	167,935	1,140,085
Sale of Fixed Assets	-	1,608,128
Fixed Deposits	14,871,986	(15,371,986)
Purchases of Mutual Fund	(19,291,217)	(7,000,000)
Sale of Mutual Fund	17,157,526	-
Interest Income	457,216	842,915
Dividend Income	433,946	73,810
Net Cash Generated from Investing Activities	13,461,523	(20,987,218)
C. CASH FLOW FROM FINANCING ACTIVITY		
Repayment of Loan	(1,971,000)	(4,930,067)
Net Cash Generated From Financing Activities	(1,971,000)	(4,930,067)
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	11,896,474	1,265,601

DUKE OFFSHORE LIMITED

A. CASH & CASH EQUIVALENT AT THE BEGINNING OF THE YEAR		
Cash	517,237	974,793
Current Account with Schedule Bank	1,726,452	3,295
	2,243,689	978,088
B. CASH & CASH EQUIVALENT AT THE END OF THE YEAR		
Cash	229,902	517,237
Current Account with Schedule Bank	13,910,261	1,726,452
	14,140,163	2,243,689
NET INCREASE IN CASH & CASH EQUIVALENT (A-B)	11,896,474	1,265,601

Notes :-

1. Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) rules, 2006.
2. Previous year's figures have been regrouped / reclassified wherever applicable.

For DUKE OFFSHORE LIMITED

AVIK G. DUKE
(Managing Director)

SURESH S. PAWAR
(Director)

For **B.B. SHAH & COMPANY**
Chartered Accountants
Sd/-
Bipin B. Shah
(Partner)
(Member Ship No.16862)

Schedule : 15**SCHEDULE ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON
31ST MARCH 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE:****1. SIGNIFICANT ACCOUNTING POLICIES****A. ACCOUNTING CONVENTIONS AND CONCEPTS**

Financial statements are based on historical cost convention and on the basis of a going concern and comply with Accounting Standards referred to in section 211(3C) of the Companies Act, 1956. The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis.

B. BASIS OF PRESENTATION

The financial statements have been prepared to comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ("ICAI")/Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 ("the Act"). The Accounting Policies have been applied consistently by the Company.

C. USE OF ESTIMATES

The preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period/year. Actual results could differ from those estimates.

D. FIXED ASSETS

Fixed assets are stated at cost of acquisition, inclusive of freight duties, taxes and other incidental expenses.

E. DEPRECIATION

Depreciation on Fixed Assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life except.

F. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Profit and Loss Account.

Foreign currency Current assets and Current liabilities are translated at year end exchange rates and the resulting gains/(losses) are recognized in the Profit and Loss Account. Consequent to the introduction of Companies (Accounting Standards) Rules, 2006, the exchange differences in respect of foreign currency loans/liabilities relating to fixed assets are recognized in the Profit and Loss Account.

G. INVESTMENTS

(a) Long Term Quoted investments are stated at cost unless there is a permanent diminution in the value. A provision for diminution is made to recognized decline other than temporary, in the value of long term investments.

(b) Current investments are stated at lower of cost and fair value of the category of such investments.

H. EMPLOYEE BENEFITS

Gratuity Liability is accounted as and when due for payment. The Laws relating to Provident Funds and ESIC are not applicable to the company.

J. TAXES ON INCOME

The income tax provision comprises of current tax, fringe benefit tax and deferred tax. Current tax is the amount of tax payable in respect of income for the year. In accordance with the Accounting Standard-22 –Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India/ The Companies (Accounting Standards) Rules, 2006, the deferred tax on timing difference between book profit and tax profit for the year is accounted Based on the rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. However, deferred tax assets arising from timing difference are recognized to the extent of their virtual /reasonable certainty about its reliability in future years.

L. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimate of recoverable amount.

DUKE OFFSHORE LIMITED

M. OPERATING LEASES

Lease arrangements where substantially all the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases are recognized in the Profit and Loss Account on a straight line basis over the period of the lease.

N. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated values in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO ACCOUNTS:

1. CONFIRMATION

Some of the Balances in respect of amounts receivable and payable to certain parties are subject to conformation and reconciliation thereof from the respective parties.

2. MANAGERIAL REMUNERATION-DIRECTORS

Particulars	31-03-2010	31-03-2009
Salary & Allowances	21,50,000.00	42,15,000.00
Total	21,50,000.00	42,15,000.00

3. OUTSTANDING PAYMENT TO MICRO & SMALL ENTERPRISES:

The Company initiated the process of identifying Micro Small and Medium Enterprises (MSME) by requesting vendors for confirmation to the letters circularized by it. As no response have been received up to now, from the vendors to whom request were made, it is considered that there are no dues/ payments to SME's for the current year. Accordingly, disclosure as envisaged in part I of Schedule VI of the Companies Act, 1956 is not applicable which has been relied upon by the auditors.

4. CONTINGENT LIABILITY AND OTHER COMMITMENT:

- a) Claim against the company not acknowledged as debts Rs. 14,52,975/- (P.Y. Rs. 27,49,462/-) consist of Income Tax Dues for the financial year 2002-03, for which the Company has sought waiver of the penal interest from the office of Chief Commissioner of Income Tax Range 10 (1), Mumbai.
- b) The Company has not made Compliance of AS-15 issued by the ICAI with regard to provision for Gratuity amounting to Rs. 17,50,000/- dues payable to employees as the same is accounted as and when due for payment. Accordingly the profit of the company to that extent has been overstated and liability was understated.

5. RELATED PARTY DISCLOSURE

(A) Key Management Personnel

- (i) Mr. George Duke- CEO
- (ii) Mr. Avik Duke – Managing Director
- (iii) Mr. Suresh Pawar – Director
- (iv) Mr. Prood Patehekar – Independent Director
- (iii) CMDE. Alan Quadros – Independent Director

Transactions with related parties during the year. Disclosure in respect of transactions that are more than 10% of the same type with related parties during the year:
Remuneration to the Key Management Personnel

Name of the Key Personnel	Nature	31-03-2010	31-03-2009
Mr. George Duke	CEO	39,00,000.00	36,00,000.00
Mr. Suresh Pawar	Director	6,50,000.00	6,15,000.00
Mr. Avik Duke	Director	15,00,000.00	—
Total		60,50,000.00	42,15,000.00

6. AUDITOR'S REMUNERATION INCLUDES

Particular	2009-2010 Rs.	2008-2009 Rs.
Statutory Audit Fees	50,000.00	20,000.00
For Other Services	122,089.00	NIL
Add : Service Tax	18,289.00	2,472.00
Total	190,378.00	22,472.00

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7. DEFERRED TAX ASSET/(LIABILITY)

In compliance with Accounting Standard-22 issued by the Institute of Chartered Accountants of India, the company has recognized in these Financial Statements Deferred tax Assets/Liabilities for future tax implications attributable to the timing differences that result between the profits offered for the Income Tax and the profit as per the financial statements.

The Deferred Tax Assets/Liabilities are measured as per the tax rates / laws that

Sr. No.	Particulars of Items resulting in Timing Differences	Deferred Tax Liability / (Assets)					
		Opening Balance		Reversed / Charged during the Year		Closing Balance	
		As on 01.04.2009	As on 01.04.2008	2009-10	2008-09	As on 31.03.2010	As on 31.03.2009
1	On Depreciation	(334,218)	-	62,268	(334,218)	(271,950)	(334,218)
	Net Effect	(334,218)	-	62,268	(334,218)	(271,950)	(334,218)

8. EARNING PER SHARE (EPS)

(Amount in Rs.)

Particulars	2009-10	2008-09
Nominal Value per Equity Share (Rs.)	10	10
Profit (Loss) After Tax	3,674,623	23,764,331
Total Number of Equity Share	5,028,000	5,028,000
Earnings Per Share	0.73	4.73

9. Additional Information pursuant to the provisions of paragraph 3, 4C, & 4D part II of Schedule VI of the Companies Act, 1956, (to the extent Applicable)

Foreign Exchange Earning	Type of Earnings	Amount (in Rs.)
	Inspection & Survey Charges	22,048,862
	Export of Air Diving Chamber	1,690,140
	TOTAL	23,739,002

Foreign Exchange Outgoing	Type of Expenses	Amount (in Rs.)
	Foreign Traveling	5,51,353
	Others	10,905
	TOTAL	562,258

10. Quantitative and Other Information

A. Particulars in Respect of Licensed and Installed Capacity and Actual Production (As Certified By Management)

- Licensed Capacity – Not Applicable
- Installed Capacity – Not Applicable
- Quantitative Details

Items	UOM	Opening Stock		Purchases		Sales		(Shortage)/ Excess (Wastage)	Closing Stock	
		Qty	Value (Rs.)	Qty	Value(Rs.)	Qty	Value(Rs.)		Qty	Value(Rs.)
Air Diving Chamber	UNIT	- (NIL)	- (NIL)	1 Unit (NIL)	2,072,527 (NIL)	1 Unit (NIL)	2,022,787 (NIL)	- (NIL)	- (NIL)	- (NIL)
	Total			1 Unit (NIL)	2,072,527 (NIL)	1 Unit (NIL)	2,022,787 (NIL)			

Note: Figures in brackets relates to previous year

Signatures to Schedule 1 to 15 forming an integral part of Balance Sheet and Profit & Loss Account for the Year ended March 31, 2010. As per our Report of even date attached

For **B.B. SHAH & COMPANY**

Chartered Accountants

Sd/-

Bipin B. Shah

(Partner)

(Member Ship No.16862)

Place : Mumbai

Dated : 30th June, 2010

For **DUKE OFFSHORE LIMITED**

AVIK G. DUKE

(Managing Director)

SURESH S. PAWAR

(Director)

DUKE OFFSHORE LIMITED

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

<u>Company's Registration details :</u>		
Registration No.	:	38300
State Code	:	11
Balance Sheet Date	:	31st March, 2010
<u>Capital Raised during the year :</u>		
Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL
<u>Details of Mobilisation and Deployment of funds :</u>		
Total Liabilities	:	56,004,616
Total Assets	:	56,004,616
Sources of funds :		
Paid - up Capital	:	49,803,260
Share Application Money	:	-
Reserves & Surplus	:	-
Secured Loans	:	-
Unsecured Loans	:	6,201,356
Deferred Tax (Asset)/Liability	:	(271,950)
<u>Application of funds :</u>		
Net Fixed Assets	:	960,565
Investments	:	22,371,986
Net Current Assets	:	3,741,910
Misc. Expenditure	:	-
Profit & Loss A/c	:	24,921,510
Pre Operative Expenses	:	-
Deferred Tax Asset	:	-
<u>Performance of Company : (Amt. In Rs.)</u>		
Total Income	:	25,570,460
Total Expenditure	:	21,230,568
Profit / (Loss) before Tax	:	4,339,891
Profit / (Loss) after Tax	:	3,674,623
Earning per share in Rs.	:	0.731
Diluted Earnings per share in Rs	:	0.731
Dividend rate %	:	N. A.

For DUKE OFFSHORE LIMITED

AVIK G. DUKE
(Managing Director)

SURESH S. PAWAR
(Director)

Place : Mumbai
Dated : 30th June, 2010

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 24th Annual General Meeting of the Company held on Friday 20th August, 2010 at 11 AM 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 Friday 20th August, 2010 at 11 AM. 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



If undelivered please return to :

DUKE OFFSHORE LIMITED

403, Urvashi, 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