

DUROFLEX ENGINEERING LIMITED



**ANNUAL REPORT
2006-2007**

DUROFLEX ENGINEERING LIMITED

Regd. Office: A-2, Basement, Arcadia Building, Nariman Point, Mumbai – 400 021

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of Duroflex Engineering Limited will be held at A-2, Basement, Arcadia Building, Nariman Point, Mumbai – 400 021 on Wednesday, 19th September, 2007 at 11.30 a.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended on 31st March, 2007 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Suresh Puralkar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

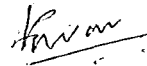
SPECIAL BUSINESS

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

“RESOLVED THAT Ms. Alpa Parekh who was appointed as an Additional Director and who holds office upto the date of this Annual General Meeting of the Company, and is eligible for re-appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956

proposing her candidature for the office of a Director, be and is hereby appointed as a Director."

By Order of the Board,
For Duroflex Engineering Limited



Director

Date: 29th June, 2007

Place: Mumbai

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) An Explanatory Statement as required by Section 173 of the Companies Act, 1956, relating to item no. 4 of the Notice is annexed hereto.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 18th September, 2007 to Wednesday, 19th September, 2007 (both days inclusive) for the purpose of annual book closure.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

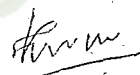
PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

Item No. 4

During the year, Ms. Alpa Parekh was appointed as Additional Director by the Board at its Meeting held on 23rd January, 2007. As per Section 260 of the Companies Act, 1956 the said Director holds office only upto the date of the forthcoming Annual General Meeting of the Company and is eligible for re-appointment. The Company has received notice under Section 257 of the Companies Act, 1956 in respect of the above candidate, proposing her appointment as a Director.

None of the Directors except the aforesaid individual is interested in the said resolution. The Directors recommend the resolution for approval of the Members.

By Order of the Board,
For Duroflex Engineering Limited



Director

29th June, 2007

Registered Office:
A-2, Basement,
Arcadia Building,
Nariman Point,
Mumbai - 400 021.

DUROFLEX ENGINEERING LIMITED

A-2, Basement Arcadia, Nariman Point, Mumbai-400021.

DIRECTORS' REPORT

To,
The Members,

Your Directors present the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2007.

WORKING RESULTS

During the year under review, the Company has earned profit of Rs. 4,87,346.00 as against the profit of Rs. 32,416/- in the previous year. After making provision for Income Tax of Rs. 80,000/- the balance profit of Rs.4,07,346.00 in the Profit & Loss Account has been carried over to the Balance Sheet.

DIVIDEND

In order to conserve the resources, the Directors do not recommend any dividend for the year.

AUDITORS

The Auditors, M/s. Shabbir S. Bagasarawala, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956 and they are not disqualified under amended Section 226(3) (e) of the said Act.

COMPLIANCE CERTIFICATE

The Company has obtained Compliance Certificate from the Practicing Company Secretary pursuant to Section 383 A of the Companies Act, 1956 and the same is annexed hereto forming part of this Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Mr. Suresh Puralkar retires by rotation but being eligible, offers himself for reappointment.

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Mr. Ulhas Pawaskar resigned from the Board of Directors with effect from 23rd January, 2007.

The Board has appointed Ms. Alpa Parekh as an Additional Director on the Board with effect from 22nd January, 2007. As an Additional Director, she holds office till the ensuing Annual General Meeting. Accordingly her appointment as a Director is included in the Notice and in the relevant explanatory statement.

DIRECTORS ' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2 AA), your Directors confirm that they had :-

- i) followed the applicable accounting standards in the preparation of the annual accounts.
- ii) selected such accounting policies and applied them consistently, made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2007 and of the profit of the Company for the year ended 31st March, 2007.
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company, preventing, detecting fraud and other irregularities.
- iv) prepared the annual accounts for the Financial year ended 31st March, 2007 on a going concern basis.

DEPOSITS

The Company has not invited nor accepted any Deposits from the public under the Companies (Acceptance of Deposits) Rules, 1975 read with Section 58A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

The Company has no such employee as would be covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information as required under Section 217 (1) (e) of Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable to the Company during the year under review being not having any manufacturing activities.

By Order of the Board of Directors



DIRECTOR



DIRECTOR

Place: Mumbai

Date: 29th June, 2007.