

YUKEN

YUKEN INDIA LIMITED

24TH ANNUAL REPORT

Report 1999 - 2000 on.com

YUKEN

YUKEN INDIA LIMITED

YUKEN

BOARD OF DIRECTORS

Mr. S Yuki, Chairman

Mr. T Nishio
(Upto 30-07-1999)

Mr. M Egi

Mr. T Misawa

Mr. K Takaku

Mr. C P Rangachar, Managing Director

Mr. R. Srinivasan

Mr. M Narayan

Mr. Asvin Varadarajan

Mr. S G Araokar
(Upto 07-09-1999)

Mr. B R Prabhakara

Mr. B R Jagan

REGISTERED OFFICE & FACTORY:

P. B. No. 16, Whitefield Road
Whitefield
Bangalore - 560 066

Sales Office :

North :

26, Community Centre
Mayapuri, New Delhi - 110 064

East :

41-B, Rash Behari Avenue
Calcutta - 700 026

West :

H-4, Ansa Ind. Premises
Co-Operative Society Ltd.
Saki Vihar road, Sakinaka
Mumbai - 400 072

South :

No. 126, 'Hari Nivas' II Floor
4th Main, II Cross
Malleswaram
Bangalore - 560 003

AUDITORS

M/s. FRASER & ROSS
Chartered Accountants .
Millers Road
Bangalore

BANKERS

STATE BANK OF INDIA
Overseas Branch
87, Mahatma Gandhi Road
Bangalore - 560 001

The Bank of Tokyo Mitsubishi Limited
Sir. P. Mehta Road
Mumbai - 400 001

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Share Holders of Yuken India Limited, will be held at Registered Office, Whitefield Road, Whitefield, Bangalore - 560066 on Monday, the 11th September 2000 at 11.00 AM to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March 2000 and the Profit and Loss account for the year ended on that date together with the reports of the Auditors and the Directors thereon.
2. To appoint a Director in place of Mr. T Misawa, who retires by rotation, but being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. K Takaku, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

5. RESOLVED that pursuant to the provisions of section 31 and other applicable provisions if any of the Companies Act 1956, the Articles of Association of the Company be and are hereby amended in the manner following :
 - i) By inclusion of the following term under Article 2, immediately after definition of the term "Company"
 "Depository" shall mean the term as defined under the Depositories Act, 1996.
 - ii) By substituting the following new Article in place of the existing Article No 3 and the new Article to read as under :
 3. Subject to provisions of the Act and
 Other applicable statutory regulations,
 the Company may purchase its own shares
 or other specified securities from time to time.

Buy Back of Shares
 - iii) By inclusion of the following Article to be numbered as Article 16 (A) after the existing Article 16, to read as under :

16-(A) The Company shall be entitled to,
 dematerialize its existing shares,
 rematerialize its shares held in the
 Depositories and / or to offer its fresh
 shares or buy back its shares in a
 dematerialized form pursuant to the
 Depositories Act, 1996 and the rules
 framed thereunder, if any.

Dematerialization of shares

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do such acts, deeds and things as may be necessary to give effect to the amendment to the Articles of Association in the manner aforesaid.

NOTES

1. The relative explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the Special Business set out in the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The Instrument of proxy for use at the meeting must be lodged at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 05/09/2000 to 08/09/2000 (both days inclusive)
5. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 15 days in advance from the date fixed for the Annual General Meeting to enable the Management to keep the information ready.
6. Members are requested to intimate to the Company changes, if any, in their registered addresses at an early date.

REGISTERED OFFICE :
P. B. No. 16, Whitefield Road
Whitefield
Bangalore - 560 066

Place : Bangalore
Date : 26-06-2000

By order of the Board
C P RANGACHAR
MANAGING DIRECTOR

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT 1956, IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE

ITEM NO 5 :

The Shareholders are aware that the shares of the Company are listed in recognised stock exchanges. As per the guidelines of the Securities and Exchange Board of India (SEBI), the stock exchanges where shares of companies are listed, empowered to direct the Companies to dematerialise the shares. That is to allow holding and trading shares in dematerialised form in the absence of certificates or scrips. Your Company has also received such directions from the stock exchanges to dematerialise the shares. Further the Companies Act, has been amended permitting a Company to buy back its own shares under certain circumstances. The amendments to the Articles of Association proposed are to enable to the Company to permitting holding and trading of shares in dematerialised form and also to enable the Board to buy back the shares of the Company. The Board of Directors recommend adoption of the Resolution in the best interest of the Company. None of the Directors are interested in the Resolution.

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the 24th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2000.

FINANCIAL RESULTS

	Rs. in lacs	
	99-2000	98-99
<u>INCOME</u>	2806.68	2399.88
Profit before Taxation	67.06	3.57
Surplus brought forward from previous year	38.56	17.49
Investment Allowance Reserve written back	-	18.00
	105.62	39.06
<u>Less:</u>		
Provision for Taxation	10.00	0.50
Balance available for appropriation	95.62	38.56
Your Directors recommend the following appropriation		
i) Transfer to General Reserves	5.00	-
ii) Transfer to Debenture Redemption Reserves	-	-
v) Surplus carried to Balance Sheet	90.62	38.56
	95.62	38.56

YEAR IN RETROSPECT

The Company has been able to achieve a turn over of Rs 2807 Lacs compared to Rs 2400 Lacs in 1999, an increase of 17%. The operations of the Company for the year under review have resulted in a net profit of Rs 57.06 Lacs. Consistent efforts are being made by the Company to improve the performance.

DIVIDEND

In view of marginal surplus available, your Directors do not consider it prudent to recommend a dividend for the year.

YUKEN INDIA LIMITED**YUKEN****DIRECTORS**

Under Section 256(1) of the Companies Act 1956, and Article 116 of the Articles of the Company, Mr. T Misawa and Mr K Takaku are liable to retire by rotation at this Annual General Meeting. They being eligible, offer themselves for re-appointment.

PERSONNEL

Industrial relations remained cordial throughout the year. Your Directors would like to place on record their appreciation of the valuable contribution by the workmen representatives in arriving at an amicable wage settlement after series of negotiations.

INFORMATION REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYMENT) RULES 1975:

Sl No.	Name	Designation	Gross remuneration Rs.	Qualification	Age	Date of commencement of Employment	Experience (including previous years if any)	Last employment held/designation/ Organisation
1.	C P Rangachar	MD	987116	BE MIE	58	1978.05.01	36	Director-Polyene General Industries (P) Ltd Madras
2.	Yukihiko Kokubun	Resident Engineer	1928823	Graduate Engineer	61	1995.06.02	37	Engineer Yuken Kogyo Co Ltd., Japan

NOTE:

1. Employment throughout the year under review and were in receipt of remuneration for that year in the aggregate of not less than Rs. 6,00,000 or more
2. Annual remuneration as above include salary, perquisites, commission and Company contribution to PF and superannuation funds.
3. The above appointments are contractual.

INFORMATION UNDER SECTION 217 (1)(c) OF THE COMPANIES ACT 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988:

1. **Conservation of Energy:**

The manufacturing activities of the Company do not consume substantial power/energy. Hence no specific steps have been taken to conserve energy

2. **Foreign Exchange Earnings and outgo** (Rs in Lacs)

Foreign Exchange Earnings:-

Export Sales	3.25
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Foreign Exchange outgo:

i) Import of Rawmaterials Components	287.81
ii) Travel	7.14
iii) Royalty(net)	1.58

3. Research and Development (R&D)**a) Specific areas in which R&D carried out by the Company.**

Continuous improvements in Pumps and Valves manufactured by the Company.

b) Benefits derived as a result of above R & D efforts.

Special Products developed to meet specific requirements of customers.

c) Future Plan of action:

- Development of additional range of products.
- Focus on process improvements to enable the Company to penetrate the export market.

d) Expenditure on R & D.

There is a continuous increase on R&D expenditure as the scope of activities carried out by this department goes on increasing. The exact amount spent has not been apportioned this year.

4) Technology Absorption, Adaptation and Innovation:**a) Efforts in brief, made towards technology absorption, adaptation and innovation.**

- ❖ Special models of pumps and valves have been designed to meet specific needs of customers and these have enabled us to extend our customer base to include a wider range of industries.
- ❖ Indigenisation is continuous, on going effort.

b) Benefits derived as a result of the above efforts.

- ❖ Reduction of material cost.
- ❖ Quality improvement
- ❖ Ability to innovate and produce new products.

C) Information regarding technology imported during the last five years reckoned from the beginning of the financial year.

i) Technology imported

None

ii) Year of Import:

Not applicable.

iii) Has technology been fully absorbed:

Not applicable.

iv) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action:

Not applicable.

AUDITORS

The Auditors M/s. Fraser & Ross, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

ACKNOWLEDGEMENTS

Your Directors express their sincere thanks to the Company's Foreign Collaborators, Banks, Financial Institutions and Government Bodies for their continued assistance and co-operation. Our employees are an invaluable resource in times of far reaching changes and your Directors wish to acknowledge their contribution with a sense of great pride.

For and on behalf of the Board of Directors,

B R PRABHAKARA

Director

B R JAGAN

Director

C P RANGACHAR

Managing Director

Place : Bangalore

Date : 26/06/2000