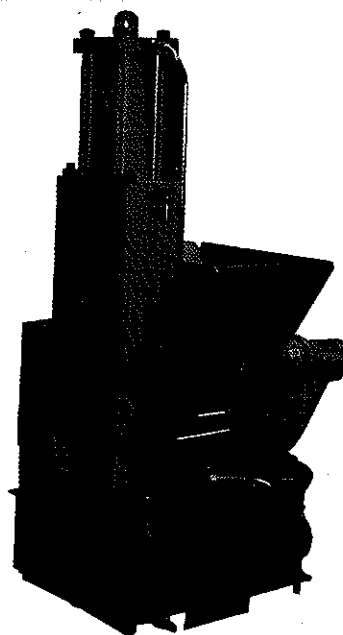
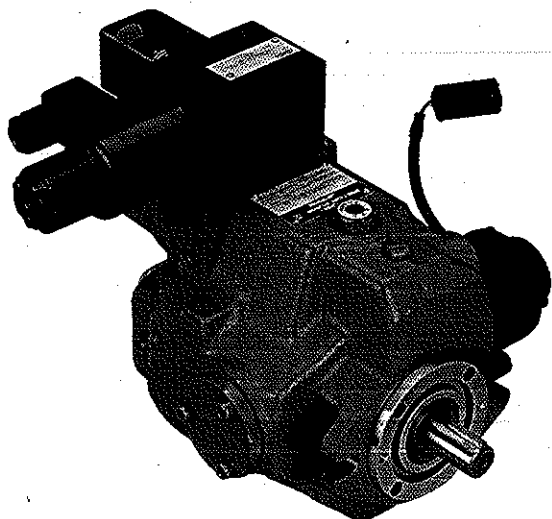
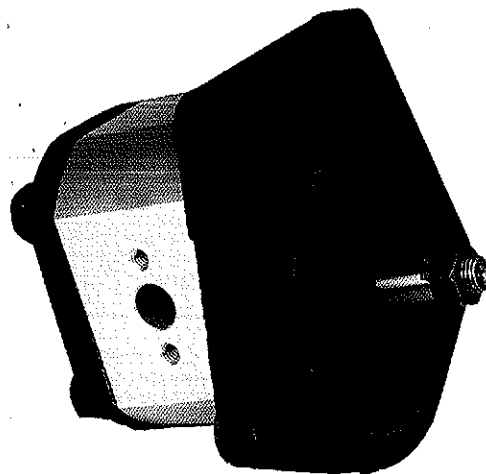
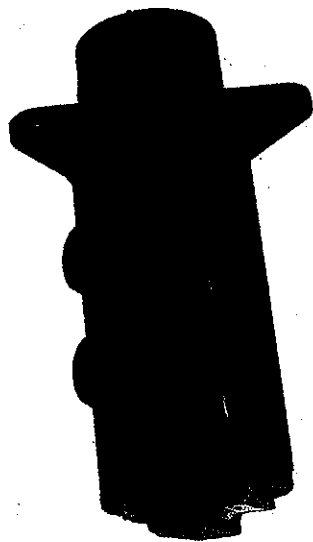


**Friendly Intelligent Powerful Hydraulics**

**YUKEN**

**35th Annual Report 2010-11**

# Products Range



**YUKEN INDIA LIMITED**

**YUKEN**

**BOARD OF DIRECTORS**

**Mr Y MUKAIDE - Chairman**

**Mr Y SAKAKIBARA**

**Mr R SRINIVASAN**

**Mr V BALAJI BHAT**

**CAPT. N S MOHANRAM**

**Dr. PREMCHANDER**

**Mr C P RANGACHAR - Managing Director**

**Mr S YAMANOI - WHOLE TIME DIRECTOR**

**CFO & COMPLIANCE OFFICER**

**Mr H M NARASINGA RAO**

**BANKERS**

1. STATE BANK OF INDIA
2. BANK OF TOKYO MITSUBISHI UFJ LTD.
3. MIZUHO CORPORATE BANK LTD.

**AUDITORS**

**M/S DELOITTE HASKINS & SELLS**  
**Chartered Accountants**

**REGISTERED OFFICE AND WORKS**

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

**FOUNDRY DIVISION**

**No. 16-C, Doddanekundi Industrial Area,**  
**IInd phase, Mahadevapura,**  
**Bangalore - 560 048**

**SALES OFFICES**

**26, Community Centre**  
**Mayapuri, New Delhi - 110 064**

**Indra Prastha, # 46A, Madan Mohan**  
**Malaviya Sarani, Ground Floor,**  
**Kolkata - 700 020**

**H-4, Ansa Indl. Premises**  
**Co-op Society Limited**  
**Saki Vihar Road, Sakinaka**  
**Mumbai - 400 072**

**B-80, 2nd Cross, 1st Phase**  
**Peenya Industrial Area,**  
**Bangalore - 560 058.**

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**NOTICE** is hereby given that the Thirty Fifth Annual General Meeting of the members of Yuken India Limited will be held at Hotel Woodlands (P) Limited, Raja Ram Mohan Roy Road, Bangalore-560025 on 2nd September 2011 at 10.00 am to transact the following business:

**A. ORDINARY BUSINESS:**

1. To consider and adopt the audited Balance Sheet as at March 31, 2011, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Dr.Premchander, who retires by rotation, but being eligible, offers him self for re-appointment.
4. To appoint Mr.Yasuhiro Mukaide as Director in place of Mr.Yasuo Sakakibara.
5. To appoint Auditors and to fix their remuneration.

"RESOLVED that M/s Deloitte Haskins & Sells, Chartered Accountants, (Registration No.008072S) the retiring auditors be and is hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

**B. SPECIAL BUSINESS**

6. To consider and if thought fit, to pass with (or) without modifications the following Resolutions as an ORDINARY RESOLUTION.

RESOLVED that Mr Osamu Tanaka be and is hereby appointed as a Director of the Company, whose office is not liable to retire by rotation.

REGISTERED OFFICE :  
PB 16, Whitefield Road  
Whitefield  
Bangalore 560 066

By order of the Board

**C P Rangachar**  
Managing Director.

Place: Bangalore  
Date: 14.05.2011

## NOTES

1. 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.
2. The Instrument appointing proxy in order to be effective should be lodged at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 29/08/2011 to 02/09/2011 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the meeting.
4. 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.
5. Members are requested to intimate to the Company any changes, if any, in their registered addresses at an early date.
6. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend through ECS. In case of any change in the bank particulars, kindly contact the respective depository accounts for effecting the changes.
9. Under section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund of the Central Government and under Section 205-C of the Companies Act, 1956, no claim shall lie against the company or the said Fund, in respect of Individual amount/s which remained unclaimed or unpaid for a period of seven years from the date of payment, and no payment shall be made in respect of any such claims.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 11.00 am and 1.00 pm upto the date of the meeting.

**Details of Directors seeking appointment / re-appointment at the forthcoming AGM.****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 Company has received separate Notice u/s 257(1) of the Companies Act 1956 in writing from a member proposing the candidature of Mr Osamu Tanaka for appointment to the office of Director not liable to retire by rotation, along with requisite deposit of Rs 500/- .

**Details of Directors seeking appointment /re-appointment at the forthcoming AGM.**

Particulars	Dr.Premchander	Mr Osamu Tanaka
Date of Birth	16th February 1954	3rd June 1946
Date of appointment / re-appointment	From the date of AGM	From the date of AGM
Qualifications	Post Graduate in MSc Chemistry from Delhi University and Fellow, Indian Institute of Management (IIMB), Ahmedabad, PhD-Finance and control.	Bachelor's degree of Accounting from the department of commercial science of Chuo University
Expertise	Work experience includes State Bank of India as Officer Commercial and Industrial Advances, Reliance Consultancy (P) Limited, involving in Organizational Development, Shrishma Fine Chemicals & Pharmaceuticals Limited, in setting up Management Systems and building the organization for growth. In IIMB as Associate Professor -Finance & Control, designed & conducted courses on 1) Mergers and Acquisitions 2) Business Ethics 3) Finance for Business Executives 4) Strategic Cost Management. Also developed long term duration in Company courses after diagnosing the requirements of the Organization. His continuance as Independent Director will benefit the Company to a larger interest.	Joined Yuken Kogyo Co., Ltd in 1982. Worked as Director from 1983 to 1986 in Yuken Kogyo Co. Brasil. Finance Manger of Nihon Cylinder from 1986 to 1988, Manager Production from 1988 to 1992, General Manager - Finance from 1996 to 1999 , Director, West sales Department from 1999 to 2007, Executive Director from 2007 to 2009 , Senior Managing Director from 2009 to till date.
Directorships held in other public Companies	Director: Webtech Services (P) Limited.	NIL
Membership / Chairmanship of committees of other public Companies	NIL	Chairman, Yuken Korea Co., Ltd - from March'2010 to till date. Chair man - Yuken Kogyo (Shanghai) Co., Ltd from Mar'2010 to till date. Chair man - Yuken Kogyo (HK) Ltd., from April'2010 to till date.
No of shares held in the Company	NIL	NIL

**DIRECTORS' REPORT**

Dear Members,

Your Board of Directors are pleased to present the 35th Annual Report and the Audited Accounts for the Financial Year ended 31st March 2011.

**FINANCIAL RESULTS**

The Financial performance of the Company, for the year ended 31st March 2011 is summarized below.

( Rs in Lakhs )

Particulars	2010-11	2009-10
Total Income	15,084	11,632
Total Expenditure	13,115	10,064
Profit before Interest, Depreciation & Tax	1,969	1,568
Interest	251	279
Depreciation	252	252
<b>Profit Before Tax</b>	<b>1,466</b>	<b>1,036</b>
Provision for Taxation(Net of deferred tax)	486	343
<b>Profit After Tax</b>	<b>980</b>	<b>693</b>
Balance in profit and Loss Account	2,658	2,122
<b>Amount available for appropriation</b>	<b>3,638</b>	<b>2,815</b>
<b>Appropriations:</b>		
General Reserve	100	70
Proposed Dividend	75	75
Tax on Proposed Dividend	12	12
Balance Carried to Balance Sheet	3,451	2,658
<b>Total</b>	<b>3,638</b>	<b>2,815</b>

**REVIEW OF PERFORMANCE**

During the year under review, the Company achieved a turn over of Rs 15,084 Lakhs compared to Rs 11,632 Lakhs in 2010. The operations of the Company for the year under review have resulted in a net profit of Rs.980 Lakhs.

**DIVIDEND**

Your Directors are pleased to recommend a dividend of 25% on the equity shares of the Company for the year ended 31st March 2011, subject to the approval of the members at the ensuing Annual General Meeting.



**INDUSTRIAL RELATIONS**

Employee relations continue to be cordial. Your Directors would like to express their appreciation to all the employees for their contribution to the operations of the Company during the year.

**CORPORATE GOVERNANCE**

Your Company is committed to maintaining high standards of Corporate Governance. A Report on Corporate Governance along with a certificate from the statutory auditors on compliance of Corporate Governance norms, is part of this Annual Report.

**Information required under section 217(2A) of the Companies Act 1956 Read with Companies  
(Particulars of Employment) Rules 1975**

In terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the 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. Having regard to the provisions of Section 219(1)(b)(iv) of the said act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particular may write to the Compliance Officer at the registered office of the Company.

**I. 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/ organization
1	C P Rangachari	MD	Rs.8,053,653	BEME	68	1978.05.01	46	Director- PGI(P) Ltd, Chennai

1. Employment throughout the year under review and were in receipt of remuneration for that year in the aggregate of not less than Rs 60,00,000 or more.
  2. Annual remuneration as above includes salary, allowances and perquisites.
  3. The above appointment is contractual.
- II. Employees of the Company who were employed for part of the financial year and in receipt of remuneration at a rate, which in aggregate was not less than Rs 500,000/- pm - **NIL**

**DIRECTORS**

Under section 256(1) of the Companies Act, 1956, and article 116 of the Articles of the Company, Dr. Premchander, Director is liable to retire by rotation at this Annual General Meeting. He is eligible and offers himself for re-appointment. Brief Resume of Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and membership, their share holding in the Company are provided in the notice of AGM.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to section 217 (2AA) of the Companies Act, 1956 your Directors confirm that:

1. In the preparation of the accounts for the year ended 31st March 2011, the applicable accounting standards have been followed.

2. Such accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the financial year ended 31st March 2011 and of the profit of the Company for that year.
3. Proper and sufficient care has been taken 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.
4. The accounts for the year ended 31st March 2011 have been prepared on a going concern basis.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis (MDA), which forms part of this Directors' Report, sets out an analysis of business including the industry scenario, performance, financial analysis and risk mitigation.

**CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Accounting Standard AS-21 on Consolidated Financial statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, the Audited Consolidated Financial Statements are provided in the Annual Report.

**SUBSIDIARY COMPANIES**

In Accordance with the general Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance sheet, Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance sheet of the Company.

The Company will make available the Annual Accounts of the subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the subsidiary Companies will also be kept open for inspection by any investor at the Registered Office of the Company and that of the respective subsidiary Companies. The consolidated Financial Statements presented by the Company include financial results of its subsidiary Companies.

During the year under review, Your Company has the following subsidiary Companies viz (i) Coretec Engineering India Pvt Ltd, Bangalore (ii) Yuflow Engineering Pvt. Ltd, Chennai and (iii) Prism Hydraulics Pvt Ltd, Belgaum.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company recognizes the community as an important stakeholder in our business and believes in 'sustainability' as a core parameter of its business strategy.

The Company provides opportunities to Engineering and Management Institute students to undergo in-plant training/projects as part of their academic curriculum, thus enabling to appreciate application of theoretical knowledge and get an exposure to the industrial practices.

The Company's employees participate in blood donation camps every year and donate blood.

Employees are trained in 'First -Aid' regularly. The Company has rain water harvesting systems in place covering the entire Factory premises.