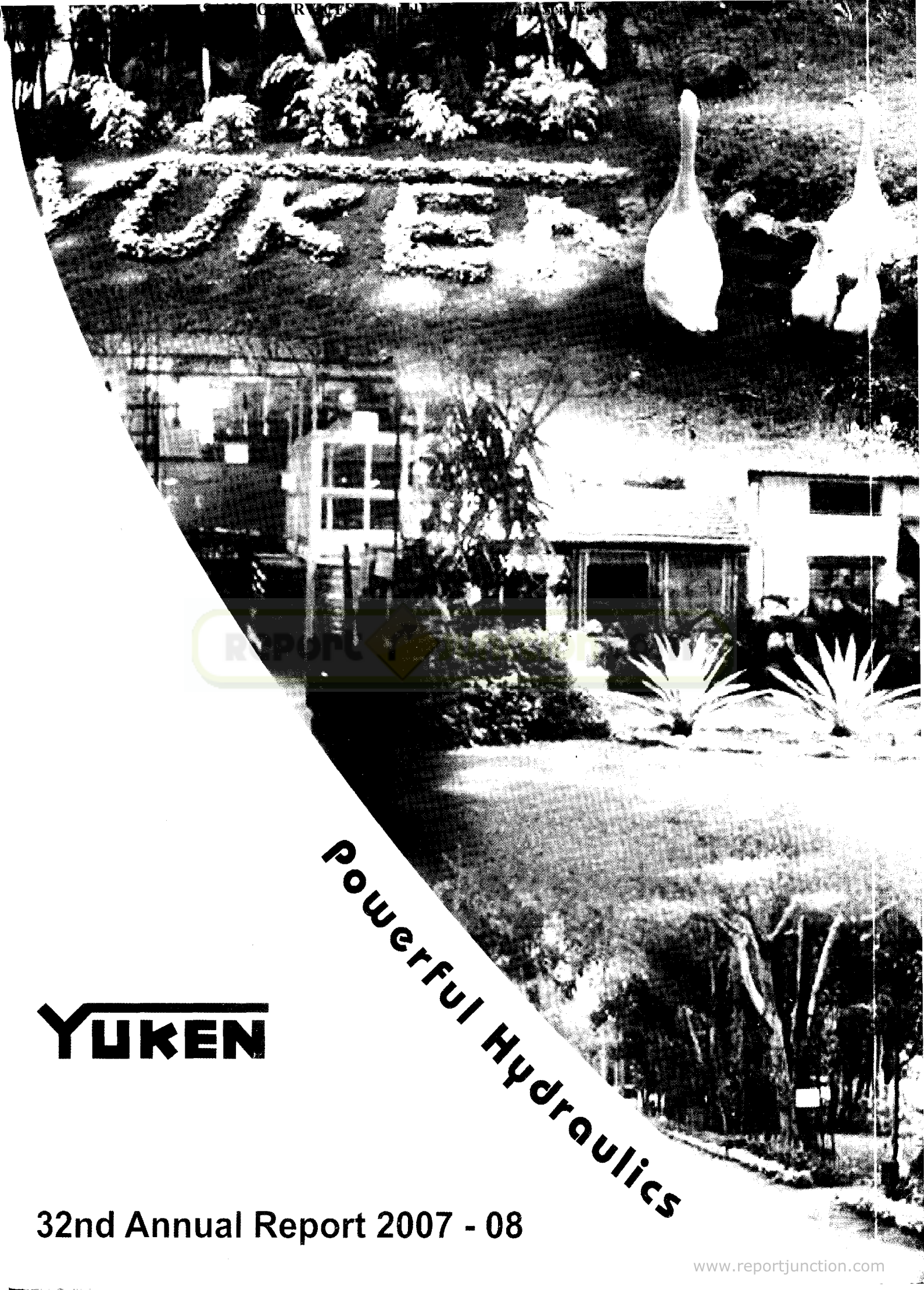




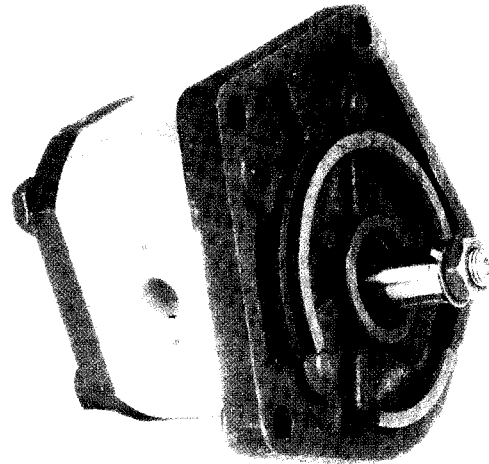
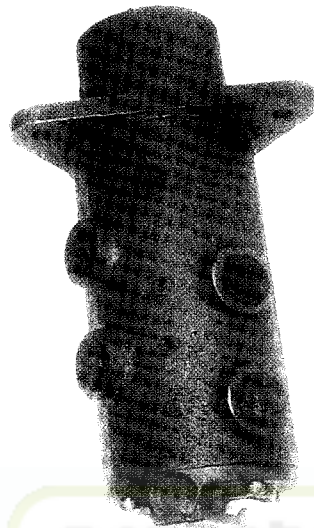
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Powerful Hydraulics

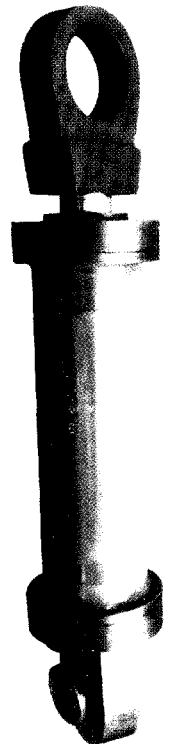
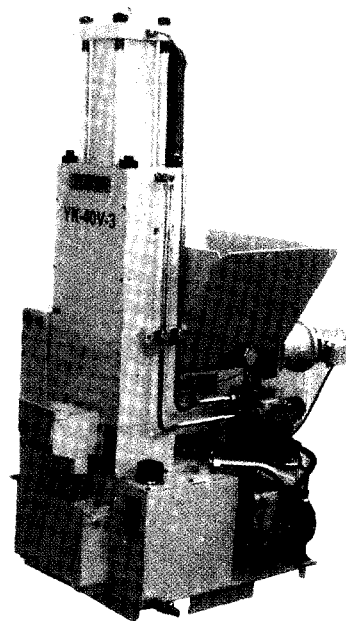
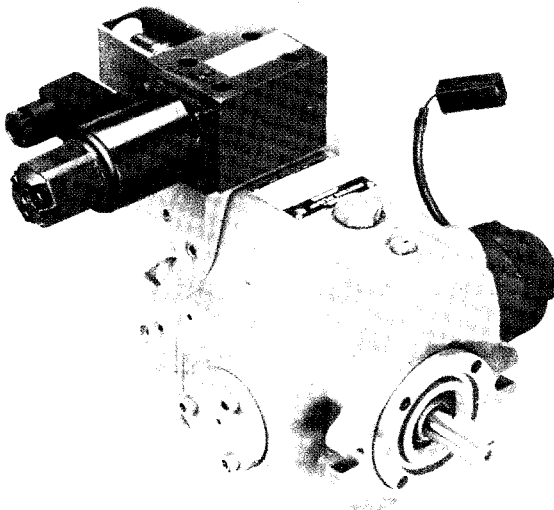
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Products Range



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YUKEN INDIA LIMITED**BOARD OF DIRECTORS**

Mr Y MUKAIDE - Chairman
 Mr Y SAKAKIBARA
 Mr S YAMANOI
 Mr R SRINIVASAN
 Mr V BALAJI BHAT
 CAPT. N S MOHANRAM
 Dr. PREMCHANDER
 Mr C P RANGACHAR - Managing Director

COMPANY SECRETARY

Mr S ANTONY CRUZ

BANKERS

STATE BANK OF INDIA
 BANK OF TOKYO MITSUBISHI UFJ LTD.
 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.

YUKEN INDIA LIMITED

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YUKEN INDIA LIMITED

NOTICE is hereby given that the Thirty Second Annual General Meeting of the members of Yuken India Limited will be held at Woodlands Hotel Pvt. Ltd., No. 5, Raja Ram Mohan Roy Road, Bengaluru - 560 025 on Monday the 8th September 2008 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at March 31, 2008, 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 Mr. Y Sakakibara, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr Premchander, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

"RESOLVED that M/s Deloitte Haskins & Sells, Chartered Accountants, 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."

SPECIAL BUSINESS:

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as a **Special Resolutions:**

6. "RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, the approval of the shareholders be and is hereby accorded for payment of following remuneration to Mr C P Rangachar, Managing Director of the Company for the remaining term of his office from 01.05.2008 to 30.04.2010:

1. Salary : In the scale of Rs.300000 – Rs. 500000 with authority to Board to fix such annual increment as it deem fit.
2. Commission on Net Profits : As may be determined by the Board of Directors subject to over all remuneration not exceeding 5% of the net profits of the company.
- a) Housing : Free Furnished Accommodation.
- b) Gas, Electricity, Water : Actual.
- c) Medical re-imbursement : Self and Family at Actual
- d) Leave Travel Allowance : Self and Family once a year. Actual reimbursement.
- e) Club Fees : Club Fees subject to a maximum of two clubs. No Life Membership.
- f) Personal Accident Insurance : Self and Family. Premium not to exceed Rs 6000/- p a.
- g) Provident Fund : As per Company's rules.
- h) Superannuation : As per Company's rules
- i) Gratuity : Half month's salary for each completed year of service.

YUKEN INDIA LIMITED**YUKEN**

- j) Motor Car : Free use of car with driver
- k) Telephone & Fax : Free Telephone & Fax at residence
- l) Earned Leave : One month's leave with full pay and allowances for every completed 11 months of service.
- m) Encashment of Leave : Leave accumulated and not availed of during his term as Managing Director may be allowed to be encashed at the end of his term.

"FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year, the remuneration payable to the Managing Director shall not exceed the limits prescribed under Schedule XIII, Part II, Section II, 1(B)"

"FURTHER RESOLVED THAT the Board of Directors of the company be and is hereby authorized to take all such actions as may be necessary, desirable (or) expedient to give effect to the above resolution."

7. Commission to Directors:

RESOLVED that pursuant to section 309 (4) of the Companies Act 1956 and other applicable provisions if any, the approval of the members be and is hereby accorded for payment to the Directors of the Company, other than Managing (or) Whole time Director, commission at the rate not exceeding 1% of the net profits of the Company to be equally divided amongst them and that, this authorization for payment of commission on net profits shall remain valid for a period of 5 years commencing from the Financial Year 2009-10.

REGISTERED OFFICE :

PB 16, Whitefield Road
Whitefield
Bangalore 560 066

By order of the Board

SANTONY CRUZ
Company Secretary

Place: Bangalore

Date: 14.06.2008

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: 6

The members are aware that Mr C P Rangachar was re-appointed as Managing Director of the Company for a period of five years, commencing from 01.05.2005 on certain remuneration including salary, commission, perquisites and benefits, which re-appointment and remuneration payable were approved by the shareholders at the Annual General Meeting held on 26.9.2005. The terms of his appointment was modified partially at the Annual General Meeting held on 04/09/2006 and the remuneration was fixed for 3 (Three) years with effect from 01/05/2005. That is up to 30.04.2008. His salary for the remaining 2(two) years required to be approved by members.

It may also be noted that in the event of absence or inadequacy of profits during any financial year, the remuneration is restricted to the limits prescribed under Schedule XIII, Part II, Section II, 1(B) to the Act, based on the effective capital of the company as at 31.03.2008. It may further be noted that the revised remuneration structure which is to take effect from 01.05.2008 is for a period of two years, and the same requires the approval of the shareholders by means of a special resolution. Hence the Special Resolution is placed before you which the Board of Directors recommends for adoption.

None of the Directors except Mr. C P Rangachar is interested in the Resolution.

YUKEN INDIA LIMITED

The information required to be provided under Schedule XIII, Part II, Section II, 1(B) is set out herein below:

I General Information :

1. Nature of Industry : Manufacturing Industry : Oil Hydraulic Equipments.
2. Date of Commencement of Commercial Production : 28/06/1976
3. In case of New Company : Not Applicable.
4. Financial Performance based on given indicators :

(Rs in Lakhs)

	Year ended 31 st March	
	2006-07	2005-06
i) Total Revenues	8604	7145
ii) Profit/(Loss) Before Dep, Interest and Tax (PBDIT)	1060	799
iii) Less Interest	226	207
iv) Profit/(Loss) Before Depreciation and Tax (PBDT)	932	606
v) Less Depreciation	184	182
vi) Profit/(Loss) After Tax (PAT)	442	242
vii) Dividend.	88	62
5 Export Performance and net foreign exchange collaborations		
i) FOB Value of Sales	227	98
ii) Expenditure in FC	886	1110
iii) Value of Import	1070	711
6. Foreign investments or Collaborators, if any: 40% by Collaborators in the equity of the Company		

II. Information about the appointee:

- 1) Background Details: Mr Rangachar is an Electrical Engineer from BITS, Pilani. Had extensive training in Plastics in Europe, US & Japan. Involved in wide range of activities such as Technology Transfer and Collaborations.
- 2) Past remuneration: 2006-07 Total Gross remuneration drawn : Rs 3893813
- 3) Recognition or awards: CII-Award for Continuous Contribution.
- 4) Job Profile and is suitability. Mr Rangachar continues as the Managing Director right from inception of the Company (ie from the year 1976).
- 5) Remuneration proposed : as indicated in the Notice of AGM.
- 6) Comparative Remuneration:

The Company comes under unique segment of Hydraulics and hence the comparative remuneration

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profile with respect to industry, size of the Company, profile of the position and persons are not available and hence not comparable. However, companies nearly similar to our size are paying its Managerial persons Rs 5 lakhs to Rs 8 lakhs per month.

- 7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.

Mr C P Rangachar as an individual member and along with his family is holding less than 1% of the Companies shares.

III. Other Information:

- | | |
|---|-----|
| 1. Reasons of loss or inadequate profits: | N/A |
| 2. Steps taken or proposed to be taken for improvement: | N/A |
| 3. Expected increase in productivity and profits in measurable terms: | N/A |

IV. Disclosures :

- Shareholders of the Company shall be informed of the remuneration package of the managerial person.- **incorporated in the notice.**
 - The following disclosures shall be mentioned in the Board of Directors' Report under the heading "Corporate Governance" attached to the Annual Report.
 - all elements of remuneration package }
 - details of fixed component and performance linked incentives. } **incorporated**
 - Service contract, notice period }
- Stock option details , if any.

ITEM NO : 7

The members at their twenty eighth Annual General Meeting held on 30th August 2004, approved the Resolution for payment of Commission to the Directors, other than Managing or Whole time Directors, at the rate not exceeding 1% of the net profits of the Company to be equally divided amongst them. This Resolution is valid for a period of 5 years commencing from the financial year 2004-05 and up to 2008-09. All the Directors except the Managing Director are interested in the Resolution to the extent the Commission is payable to them in accordance with the proposed Resolution.

NOTES

- 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.
- 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.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 02/09/2008 to 05/09/2008 (both days inclusive) for determining the names of members eligible for dividend on equity shares , if declared at the meeting.
- The dividend approved at the meeting will be paid only to those members whose names appear in the register of members as on 08/09/2008
- 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.

YUKEN INDIA LIMITED

7. Members are requested to intimate to the Company changes, if any, in their registered addresses at an early date.
8. 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.
9. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
10. In order to provide protection against fraudulent encashment of dividend warrants, members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s Karvy Computershare Private Limited, the following information to be incorporated on dividend warrants:
 - (i) Name of the Sole/First Joint Holder and the Folio Number.
 - (ii) Particulars of the Bank Account, viz: Name of the Bank, Branch, Complete address of the Bank, type of account, and account number.
11. Members who hold shares in dematerialized form may kindly note that their bank account details, as furnished by their depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of or change in such bank account details.
12. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the members for remittance of dividend through Electronic Clearing System (ECS). Members holding shares in physical form and desirous of availing this facility are requested to contact Company's Registrars & Transfer Agents, M/s Karvy Computershare Private Limited.
13. 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.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING;

Mr Y Sakakibara :

1) Profile & Expertise: Mr Yasuo Sakakibara is currently the Managing Director of Yuken Kogyo Co. Ltd, Japan. He has vast experience in the field of oil Hydraulics. His rich knowledge in Hydraulics will further strengthen Yuken India. His continuance as a Director will benefit the Company to a larger interest.

2) Shareholding in the Company: Mr Yasuo Sakakibara does not hold any shares in the Company.

3) Directorship and Committee Membership (excluding Yuken)

NIL

Dr Premchander

1) Profile & Expertise: Dr Premchander is a post graduate in MSc Chemistry from Delhi University and a Fellow, Indian Institute of Management, Ahmedabad, PhD-Finance and control.

Work experience include 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, Indian Institute of Management (IIMB) as Associate Professor Finance & Control, designed & conducted courses on, i) Mergers & Acquisitions ii) Business Ethics iii) Finance for Business Executives iv) Strategic Cost Management v) 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.

YUKEN INDIA LIMITED



2) Shareholding in the Company:

Dr Premchander does not hold any shares in the Company.

3) Directorship and Committee Membership (excluding Yuken):

i) Directorship:

Managed Webtech Services (P) Limited.

ii) Membership: NIL

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