

NOTICE

NOTICE is hereby given that the Thirty Ninth 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, Bangalore – 560025 on 15th September, 2015 at 10.00 AM to transact the following business:

A. ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet of the Company as at March 31, 2015, 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. Osamu Tanaka (DIN: 03618881) who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as Auditors and to fix their remuneration and to consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 139, 142 and other applicable provisions if any of the Companies Act, 2013 and rules made thereunder, and pursuant to the recommendations made by the Audit Committee of the Board of Directors of the Company and pursuant to the resolution passed by the members of the Company in its 38th Annual General Meeting held on 09th September, 2014, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No. 008072S) as Auditors of the Company be and is hereby ratified to the effect that they shall hold office until the conclusion of Forty First Annual General Meeting of the Company to be held in the year 2017, and the Board of Directors be authorized to fix their remuneration for the year ending 31st March, 2016."

B. SPECIAL BUSINESS:

5. To appoint Mrs. Vidya Rangachar (DIN: 02612252) as a Director of the Company

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

"RESOLVED THAT Mrs. Vidya Rangachar (DIN: 02612252) who was appointed as an Additional Director of the Company on 30th March, 2015 in terms of Section 161 of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

6. To re-appoint Mr. CP Rangachar (DIN: 00310893) as the Managing Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of section 196 and 197 of the Companies Act, 2013 ("Act") read with Schedule V thereto, and other applicable provisions if any, of the Act, or any statutory modifications or re-enactment thereof, the approval of shareholders be and is hereby accorded for the re-appointment of Mr. CP Rangachar (DIN: 00310893) as the Managing Director of the Company for a period of five years with effect from 01st May, 2015 and for payment of remuneration for the first 3 (three) years of his appointment upon such terms and conditions as set out in the Explanatory Statement annexed to this Notice".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary, proper and expedient to give effect to the above resolution".

REGISTERED OFFICE:

PB 16, Whitefield Road
Whitefield
Bangalore 560 066

By order of the Board

C P Rangachar
Managing Director

Place: Bangalore

Date: 09th May, 2015

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. 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.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 11th September, 2015 to Tuesday, the 15th September, 2015 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the meeting.
3. 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.
4. Members are requested to intimate to the Company changes, if any, in their registered addresses at an early date.
5. An Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. 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.
8. Under section 124(5) of the Companies Act, 2013, 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 125 of the Companies Act, 2013, 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.
9. 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 up to the date of the meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic format, therefore, are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy Computer Share Private Limited.
- 11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address to facilitate easy and faster dispatch of all communications including Annual Report, Notices, Circulars etc., from the Company electronically.**
12. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing the members facility to exercise their right to vote at the 39th Annual General Meeting by electronic means through e-voting services provided by Karvy Computer share Pvt. Ltd. Members whose names appear in the Register of Members as on 10th September, 2015, i.e., the date prior to the commencement of Book Closure are entitled to vote on the Resolutions set forth in this Notice.

PROCEDURE FOR E-VOTING

1. In case of member receives an e-mail from Karvy Computer Share Private Limited [applicable to members whose e-mail IDs are registered with the Company / Depository Participant(s)]
 - (i) The said e-mail contains your user ID and Password / PIN for e-voting. Please note that the password is an initial password.
 - (ii) To use the following URL for remote e-voting: <https://evoting.karvy.com>
 - (iii) Enter the login credentials (please refer to the user id and initial password mentioned in the Attendance Slip / via e-mail forwarded through electronic notice.)

	For Shareholder(s)/Beneficial Owner(s) Holding Shares in Demat Form:-
	For NSDL:- 8 characters DP ID followed by 8 Digits Client ID
User –ID	For CDSL:- 16 Digits Beneficiary ID
	For Members holding shares in Physical Form:- Folio Number registered with the Company
Password	Your unique password is printed on the AGM Attendance slip / via e-mail forwarded through the electronic notice.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iv) After entering the details appropriately, click on LOGIN.
- (v) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *,#,@ etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, e-mail ID etc., on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) You need to login again with the new credentials.
- (vii) On successful login, system will prompt to select the "EVEN" (E-voting Event Number) i.e., Yuken India Limited (the number is provided in the Attendance Slip / via e-mail forwarded through the electronic notice). However, if you are already registered with Karvy Computer Share Private Limited for e-voting, you can use your existing User ID and Password for casting your vote.
- (viii) On the voting page, you will see Resolution Description against the same and enter the number of shares as on the cut-off date (10th September 2015) under FOR/AGAINST or alternately you may enter partially any number FOR and partially AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
- (ix) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote click on "CANCEL" and accordingly modify your vote.
- (x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xi) Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send the scanned copy (PDF format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@yukenindia.com or evoting@yukenindia.com with a copy to evoting@karvy.com.
2. In case a member receives physical copy of the notice of AGM (applicable to members whose e-mail IDs are not registered with the Company / Depository Participant(s) are requesting physical copy)
- (i) Enter the login credentials (please refer to the user id and initial password mentioned in the attendance slip of the AGM).
- (ii) Please follow all steps from Sl.No.1 (i) to (xi) above, to cast vote.
3. The e-voting period commences on 12th September 2015 at 9.00 am and will end at 5.00 pm on 14th September 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th September 2015, may cast their vote electronically. The e-voting module will be disabled on 14th September 2015 at 5.00 pm.

Other Instructions:

- (i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the downloads section of <https://evoting.karvy.com>.
 - (ii) If you are already registered with Karvy Computershare Pvt. Ltd. for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - (iii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communications.
 - (iv) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 10th September 2015.
 - (v) Mr. Abhishek Bharadwaj A B, Practicing Company Secretary (Membership No. ACS 24229) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (vi) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - (vii) The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.yukenindia.com and on the website of Karvy Computershare Pvt. Ltd. within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
13. Electronic copy of the Notice of the 39th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail ids are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

Mrs. Vidya Rangachar has been appointed as an Additional Director on the Board of the Company on 30th March, 2015 in compliance with the provisions of section 149(1), 161(1) and 175 of the Companies Act, 2013 read with the rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Clause 49(II)(A)(1) of the Listing Agreement who shall hold the office of the Director upto the date of this Annual General Meeting.

The Company has received requisite notice from a member under section 160 of the Companies Act, 2013 proposing the candidature of Mrs. Vidya Rangachar to be appointed as a Director liable to retire by rotation.

The detailed profile of Mrs. Vidya Rangachar, Directorships held by her in other companies is included separately in this Notice.

None of the Directors or KMP except Mr. C.P. Rangachar and Mrs. Vidya Rangachar is interested in this resolution.

Item No. 6

Since the previous term of Mr. C.P. Rangachar as the Managing Director of the Company had expired on 30th April, 2015, the Board of Directors has re-appointed him as the Managing Director for a further period of 5 years with effect from 01st May, 2015, subject to the approval of Members. Since he attained the age of 70 years, he is required to be re-appointed as the Managing Director with the approval of the shareholders of the Company.

Hence he is proposed to be re-appointed as the Managing Director of the Company for a further term of 5 years subject to the provisions of section 196, 197 and Schedule V of the Companies Act, 2013.

Terms of appointment:

1. Term of office will be from 01st May, 2015 to 30th April, 2020.
2. Remuneration for an initial period of 3 years will be paid as recommended by the Nomination and Remuneration Committee.

Information as required under Section (II)(B)(iv) of Part II of Schedule V:**I. General Information:****(1) Nature of industry**

The Company is carrying on the business of designing, manufacturing and supplying of oil hydraulics used in various industries.

(2) Date or expected date of commencement of commercial production

The Company commenced its commercial production on 1st May, 1978.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – Not Applicable**(4) Financial performance based on given indicators**

(Rs. in lakhs)

Particulars	2014-15	2013-14
Total Income	18,610	16,512
Total expenditure	17,677	15,591
Profit before interest, depreciation and tax	933	921
Finance cost	418	376
Depreciation	458	431
Profit before Exceptional items and tax	57	114
Exceptional items	-	201
Profit after Exceptional items & before tax	57	315
Provision for taxation (Net of deferred tax)	(16)	61
Profit after tax	73	254

(5) Foreign investments or collaborations, if any.

The Company has been established in collaboration with Yuken Kogyo Company Limited, Japan, who hold 40% equity of the Company.

II. Information about the appointee:**(1) Background details**

Mr. C P Rangachar is an Electrical Engineer from BITS, Pilani. He entered Plastics Business immediately after graduation. He had extensive training in Plastics Technology in Europe, US & Japan. He was involved in a wide range of activities including Technology Transfer, Capital Equipment and Collaborations.

He held / is holding the following positions in various organizations:

- Member of Industrial Development Bank of India - Southern Regional Advisory Committee during 1997- 99.
- Chairman of CII – Southern Region for the year 1998-99.
- Chairman CII Fluid Power Division.
- Chairman of CII - National Council for Small Industry; Plastics Institute; Fluid Power society etc.
- Past President of the Indian Machine Tool Manufacturers' Association [IMTMA].
- Organizer and Faculty for many Events, Seminars.
- Published several papers and articles in India & abroad.
- President, IMTMA Machine Tool Industry Park.
- Chairman, WWF Karnataka State Advisory Board.

(2) Past remuneration

Total Gross Remuneration drawn during 2014-15: Rs. 49.84 lakhs

(3) Recognition or awards

Mr. C P Rangachar has been awarded with CII-Award for Continuous Contribution.

(4) Job profile and his suitability

Mr. C P Rangachar promoted Yuken India Limited (YIL) in collaboration with Yuken Kogyo Company Limited (YKC), Japan, and has been its Managing Director since 01/05/1978. During his tenure, Company has emerged as one of the leading manufacturers and suppliers of hydraulic machines in India and maintained its position in the industry. As CEO and Managing Director, he shall devote his whole time and attention towards the business in the best interests of the Company and its stakeholders.

(5) Remuneration Proposed

1. Salary	: In the scale of Rs. 350,000 – Rs. 700,000 with authority to Board to fix such annual increments as it deems fit
2. Commission on Net Profits	: As may be determined by the Board of Directors subject to overall remuneration not exceeding 5% of the net profits of the Company.
3. Perquisites	
a) Housing	: Free Furnished Accommodation
b) Gas, Electricity, Water	: Actual
c) Medical reimbursement	: Self and Family at Actual
d) Leave Travel Allowance	: Self and Family once a year. Actual reimbursement
e) Club Fees	: Subject to a maximum of two clubs. No life membership
f) Personal Accident Insurance	: Self and Family. Premium not to exceed Rs. 6,000/- 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
j) Motor Car	: Free use of car with driver
k) Telephone & Fax	: Free telephone and 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.
Note: In case of inadequacy of profits, remuneration in accordance with Schedule V of the Companies Act, 2013 will be paid.	

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Since the Company falls under unique segment of Hydraulics, the comparative remuneration profile with respect to industry, size of the Company, profile of the position and persons are not available and hence not comparable. However, companies of similar size are paying their Managerial Personnel Rs. 8 lakhs to Rs. 10 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 members, is holding less than 1% of equity shares of the Company.

III. Other information:**(1) Reasons for loss or inadequate profit**

- The Company was consistently making profits in the past .Due to present market scenario, the profits for the year has declined.
- The Company has started a new line of products in 2012, which is yet to achieve the break-even level.

(2) Steps taken or proposed to be taken for improvement

- New products have been introduced by the Company
- Exploring new markets
- Focusing on cost cutting and improving profitability

None of the Directors or KMP except Mr. C.P. Rangachar and Mrs. Vidya Rangachar is interested in this resolution.

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

Particulars	Mr.Osamu Tanaka	Mrs.Vidya Rangachar	Mr. C.P. Rangachar
Date of Birth	03/06/1946	10/10/1947	23/07/1942
Date of appointment	02/09/2011	30/03/2015	01/05/1978
Qualifications	Bachelor's degree of Accounting from Chuo University	Bachelor of Engineering	i. B.E in Electrical Engineering from BITS, Pilani ii. M.E
Expertise	Joined Yuken Kogyo Company Limited (YKC) in 1982. Worked as a Director from 1983 to 1986 in YKC – Brasil, as Finance Manager 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 2011, President from 2011 till date.	Managing Director of M/s. Benefic Investment and Finance Company Private Limited	Promoter of Yuken India Limited in collaboration with YKC. Appointed as the Director on 01/05/1978 and acting as the Managing Director since then. Promoter and Director of Sai India Limited. Member-Industrial Development Bank of India - Southern Regional Advisory Committee – 1997-99. Actively associated with various professional bodies. Was Chairman of CII – Southern Region 1998-99, Chairman CII Fluid Power Division; Chairman of CII - National Council for Small Industry; Plastics Institute; Fluid Power society etc., and Past President of the Indian Machine Tool Manufacturers' Association [IMTMA]. Organizer and Faculty for many Events, Seminars; Published several papers and articles in India & abroad. Currently working as President, IMTMA Machine Tool Industry Park and Chairman, WWF Karnataka State Advisory Board
Directorships held in other public Companies	NIL	NIL	1. Polyene Film Industries Limited 2. Natural Capsules Limited 3. Sai India Limited
Membership/ Chairmanship of committees of other public Companies	NIL	NIL	1. Natural Capsules Limited – Member of Audit Committee
No of shares held in the Company	NIL	4,000 equity shares of Rs.10/- each	21,100 equity shares of Rs.10/- each