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Speaker: Good Morning Ladies and gentlemen. It gives me immense pleasure a warm welcome to all of you. A special welcome to Mr. Tadanori Okada Chairman and Director of the Company and Director of Yuken Kogyo Company Limited Japan, our esteemed collaborators. A warm welcome also to Mr. Takahiro, representing Yuken Kogyo Company Limited Japan. We are privileged to have with us today the distinguished members of our board of directors. Mr. **(not clear)**, Mr. T Parabrahman **(not clear)** and Remuneration Committee. Mr. K Chandrashekhar Sharma, Independent Director and Chairman of the Corporate Social Responsibility Committee. Mrs. Indra Prem Menon, Independent Director. Mr. C P Rangachar, Managing Director. On behalf of the company, I extend our heartfelt welcome to all our board members. I also welcome our esteemed invitees including Mr. R. Srinivasan as well as our dedicated management team. Mr. A. Venkata Krishnan, Chief Executive Officer. Mr. K. Gopalkrishna, Executive Director. Mr. V. Balaji Bhat, Executive Committee Member Mr. Suhas H M, Company Secretary and Compliance Officer. A warm welcome to all as well as to the representatives from Walker Chandiok & Co LLP our statutory auditors and Joseph & Chacko LLP, our Secretarial Auditors who are attending the meeting from Bengaluru and most importantly, my heartfelt thanks and a warm welcome to all our shareholders whose trust and continued support from the current cornerstone of our company's success. This year's AGM is being conducted in compliance with the guidelines issued by the Ministry of Corporate Affairs and SEBI allowing us to hold the meeting through video conferencing, other audio visual means. For the benefit of our members, the company has provided e voting facilities from 5th September 2025 to 9th September 2025. Those present today who have not exercised remote e voting may cast their votes during the AGM. A facility to ask questions or share views has also been provided through the Ask Question tab on the screen. Before we begin, I would like to inform you that Mr. Tadanori Okada, chairman of the meeting, has authorized Mr. C.P. Rangachar, Managing Director to conduct today's proceedings on his behalf. With that, I request Mr. C.P. Rangachar to preside over the 49th Annual General Meeting and take the meeting forward. Thank you, sir. Thank you everyone.

C.P. Rangachar: Thank you very much. We are delighted to have Mr. Okada with us. He has been going around our factories and he will be continuing to do so this afternoon as well. And also Mr. Taoka who has come from Japan and has spent quite some time in India to help us to improve. On behalf of Mr. Okada, I will conduct the rest of the proceedings of this AGM. First we need to verify the quorum. I will ask Mr. Suhas to confirm that we have the quorum.

Suhas: Yes sir. We have the quorum.

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C.P. Rangachar: Okay. Suhas has confirmed that we have the quorum a minimum of 30 members and so the meeting is called to order. The notice of the meeting has been circulated to you for quite some time and with your permission to in the interest of saving time, may I take it as read. The auditor's report has been given by Mr. Walker Chandiook & Co LLP chartered Accountants and forms a part of our annual report. As you are aware, there are no qualifications, reservations or adverse remarks made by the statutory auditors in their report for the financial year ended March 31, 2025. And since there are no remarks in the auditor's report, with your permission, may I take this also as read. May I now request Mr. Okada, our Chairman, to deliver his chairman speech please. Okada sir.

Tadanori Okada: Dear members, it gives me immense pleasure to welcome you all to your company 49th Annual General Meeting. On behalf of the Board of Directors and everyone Yuken India Limited I would like to thank you for your trust and confidence and look forward to your continued support to the Board of Directors and Management. The annual report for the year ended 31st March 2025 along with the Director's report and audited annual account of the company have been shared with you. And may I request that please be taken as read. I would now like to outline the salient aspect of your company's financial and operational performance for the fiscal year 2024-25 followed by an outline of the overall business environment. On a considerate basis, revenue from Operations stood at 45735.663 lakhs as compared to 42253.62 lakh in previous year. Profit before tax at 3166.91 lakhs as compared to 2696.1 lakhs in the previous year. Profit after tax debt 2460.63 as compared to 1878.55 lakhs in previous year. Earning per share stood at 18.94 as compared to 14.75 in the previous year. Global economic scenery over recent years, critical industry shift have emerged. Global supply chains are actively diversifying away from China seeking resilience and approximate partners. At the same time, recent US tariffs on export have presented certain challenges for domestic industries required them to enhance competitiveness and explore new markets. Nevertheless, India remains well positioned to benefit from this Global transition, its lean maturity curve and engineering heritage, rapidly expanding manufacturing footprint and sustained economic growth driven by increased capital expenditure across key sectors. These factors for activity strengthens India's role as a preferred partner in embargoing global manufacturing ecosystem. Operating Hynite this year we reached key milestones including the successful launch of Made in India Piston Pumps. Despite global and domestic challenges, our strong product portfolio, advanced technology and strategic partnership give us confidence in achieving sustainable growth. We will continue to focus on improving operational efficiency, exploring new market, strengthen customer relationship, driving innovation, developing talent and upholding the highest standard of cooperative governance. Strategic Highlight Our Japanese Partner Company has reaffirmed its strong commitment to our long term growth. They plan to infuse an

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additional 60 crore increasing their stake by 2.38%. This comes on top of the area 62.99 crore investments which had already raised our equity based by 7% up to FY 2025-26. Their investments are part of the strategy to expand capacities, broaden our product range and strengthen our presence in both domestic and global market. We have also studied manufacturing in India, the full range of hydraulic products previously made in Japan and other global facilities, enhancing our technological capability, competitiveness and customer values. Company's performance in first quarter the result for the first quarter ended 30 June 2025 were announced on August 13, 2025. On consolidated basis, your company achieved a total income of 10537.05 rupees lakhs the profit before tax 573.53 lakhs the profit after tax 404.85 lakhs defined for the FY 2024-25 and it means each meeting held on May 28th the board of directors commended dividend over 1.5 rupee per equity share of 10 rupee each subject to shareholders approval at this AGM, the dividend will be paid within 30 days of its conclusion in accordance with the provisions of the Companies Act October 30. Before I conclude, I wish to convey my heartfelt gratitude to our customers, distributed suppliers, bankers, auditors and all stakeholders for their unwavering support and cooperation throughout the year ended 31st March 2025. A special thanks to our collaborators Yuken Kogyo Japan for their invaluable guidance and to our employees at all levels for dedication and hard work continue to drive the company forward. I also extended my sincere appreciation to my fellow elected for their council and commitment. We look forward to your continued support and goodwill which remain vital to the success and the growth of your company. With your continuous support we are confident of scaling new height in the years ahead. Thank you.

C.P. Rangachar: Thank you very much Okada for your speech and also the kind sentiments you have expressed. I would like to assure you that we will live up to your expectations. We have received requests from shareholders for questions to be raised at the AGM. Some questions have been received in writing already and some people have registered to raise questions now. So I will now ask the moderator to ask the respective shareholders to raise their questions one by one. Because many of the subjects are common and at the end I will do my best to answer all of them comprehensively. So questions please.

Moderator: Thank you sir. So, inviting the first speaker for the day we have Mr. Aspi Bahmansha Basania. Request Mr. Aspi sir to kindly unmute yourself and on the speaker and speak.

Aspi Bahmansha Basania: Sir can you see me. Can you hear me.

Moderator: We are able to hear you sir.

C.P. Rangachar: Yeah. Yes.

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Moderator: Please click on the camera icon sir.

Aspi Bahmansha Basania: Ok. I have started but it's not starting. Okay, now it started.

Moderator: Yes sir. We are able to see you.

Aspi Bahmansha Basania: Sir I am Aspi from Bombay. Sir thanks for giving me an opportunity to speak. Sir at the outset I congratulate on excellent results. Margin has also improved for which I congratulate our MD and CFO. So I hope they continue to perform well. So this is the 49th AGM. Sir I would request you to do some celebration for the 50th year. I am not interested in a bonus or a split or anything. I would like the capital appreciation rather than splitting the share. Because splitting just reduces the market price of the share. Sir then you have a manufacturing unit in Mumbai. Where in Mumbai? I haven't heard about it. Sir some preferential allotment of shares to the promoter. Sir, why don't you come with a small rights issue if you want further cash. The company will be exporting to which countries and considering the geopolitical tensions will we be able to have sizable exports? Sir, 1,29,109 shares are in physical still. Sir I would request the company secretary to go out of a way to help the shareholders to demet. Since KFin Tech puts all possible obstacles in dematting. I have all my shares in Demet in this company but other companies I am having lot of problems. So I anticipate that similar problems will be faced by other shareholders also. So please help the shareholders in dematting the shares. Sir thank you very much and all the best for the future.

C.P. Rangachar: Thank you. Thank you very much, Mr. Aspi.

Moderator: Thank you, sir. Moving on to our next speaker. The next speaker for the day is Ms. Celestine Elizabeth. I request you to kindly unmute yourself, turn on the speaker and speak.

Celestine Elizabeth Mascarenhas: Can you hear me?

Moderator: Yes, you are audible, ma'am.

Celestine Elizabeth Mascarenhas: Am I audible.

C.P. Rangachar: Yes.

Celestine Elizabeth Mascarenhas: Thank you. Thank you so much. I will not put my video because I am always scared video. Then my bandwidth gets out, you know, Respected chairman, other very distinguished members on the dais. My dear fellow shareholders, I'm Mrs. C.E. Mascarenhas speaking from Mumbai. As many speakers have spoken before me, so there is very less left for me. But I would ask you for a physical copy. Physical copy of the annual report. Though I did get the e copy but

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because of age I am having a lot of problems reading the small text. So please kindly send me a physical copy. Our working is good. Everything is good. I heard even many speakers now about the unit in Mumbai. Even I am also keen where exactly? So we can always, when we have some time we can go there and provided health is good, we can just go and see it and whatever work is done that would give us a good idea remaining of course my earlier fellow person said no bonus and all. But I would have definitely asked. Okay, no bonus, no rights. Of course I welcome it. At least have some celebration on the occasion of 50th next year will be 50th. At least you can have some goodies or something. That celebration can be done that doesn't come with the bonus or anything. So I request that that could be done. And lastly one question I will ask you future roadmap for the next five years. Which vertical will be the growth engine driver along with good margins. With this I support all the resolutions. I wish you and the entire team very good health. Because health is well and also very good festive seasons which are coming one after Dussehra and after the Deepavali and so many others. So I wish you all the best. Thank you very much. Namaskar.

Moderator: Thank you ma'am.

C.P. Rangachar: Thank you very much ma'am.

Moderator: Moving on to our next speaker.

C.P. Rangachar: But we have.

Moderator: Yeah. Sorry sir, you want to say something? Okay. Moving on to our next speaker. The next speaker is Mr. Manoj Yuvaraj Bagadia. I request Mr. Manoj sir to kindly unmute yourself turn on the speaker and speak.

Manoj Yuvaraj Bagadia: Can you hear me sir?

Moderator: Yes sir. You are audible.

Manoj Yuvaraj Bagadia: Yeah. Thank you very much for the opportunity, sir. And I also need to thank secretarial department for making this smooth transition to speak at the AGM. Sir, my first question is parent has committed a good amount of money now in ensuring and ensuring their commitment to the Indian subsidiary now so if you can just throw some light on what are we planning to do with this money as well as what is the longer term plan and strategy for the Indian company. And there are two growth opportunities, one is in the domestic market and other is the export market. So if you can just talk about what is our growth strategy for the domestic market. Where do you see yourself in next three to five years as well as in terms of the exports if we become an

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export hub because we parentage plants only in about five or six countries. Hello sir, there is some disturbance.

Speaker: Yes we can hear you. We can hear you.

Manoj Yuvaraj Bagadia: Okay, so if you can throw some light on in terms of the export opportunity and making this as a export hub, what, what kind of opportunities do you foresee? Second thing is in terms of the customer segment, infra auto, consumers and a lot of other. Apart from that is there a significant inroads that we see in the defense sector or defense business? So that's another question. If we talk about our EBITDA margin sir, we have seen improvement over last few years but do you see it to stabilize around this level improve or where do you see it? Because I mean a company has been there, we have done modernization, a lot of technological developments so hopefully our cost structure should become lower and we should be able to improve the margin. So if you can just talk about where do you see the margins again in next three to five years from current 12, 13%? What we have seen. Also if you can talk about, if we look at the sales, how do you see the product sale spares and components and services and how do you see this composition changing over next three to five years? Last two questions sir, what is the CapEx plan for next two, three years? And last question is sir, what's the capacity utilization at various plants and at full utilization, where do you see the turnover of the company? Thank you very much sir again for the opportunity and all the best.

C.P. Rangachar: Thank you. Thank you for your interest.

Moderator: Thank you Mr. Manoj Sir. The next speaker for the day is Mr. Aloysius Peter Mascarenhas. Request you to kindly unmute yourself. Turn on the camera and speak.

Celestine Elizabeth Mascarenhas: Hello.

Moderator: Yes. You are audible ma'am.

Aloysius Peter Mascarenhas: Hello. Hello. I am the next speaker in the queue. Can I proceed sir?

Moderator: Yes sir, please.

Aloysius Peter Mascarenhas: Thank you. Respected chairman sir, very distinguished members of the board and my fellow shareholders. Good morning to you all. My name is Aloysius Mascarenhas. I am a proud shareholder of this prestigious company which is near and dear to me. It has rewarded many a time I handsomely so now looking forward for the grand celebration which is a 49th year, the 50th year is going on. So I call upon you all to celebrate with some mementos to the shareholders who have spoken and many

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questions have been asked earlier. So I would only like to know who are our peers and competitors and our market share rest. I don't want to repeat what is already been said. So I end my speech wishing you personally, all the board members and more importantly all the employees, all the very best in the days and years to come. With this sir, thank you very much for patient hearing. Good luck. Goodbye.

Celestine Elizabeth Mascarenhas: Because they are open. Thank you. Namaskar.

Aloysius Peter Mascarenhas: Thank you. Namaskar.

Celestine Elizabeth Mascarenhas: Thank you. Namaskar.

Moderator: Thank you. Thank you sir. Moving on to the next speaker. The next speaker for the day Mr. Keshav Garg. I request Mr. Keshav Garg to kindly unmute yourself turn on the speaker, turn on the camera and speaker. Mr. Keshav Garg. Mr. Keshav Garg I request you to kindly unmute yourself. Mr. Keshav Garg from Pune. Sorry sir. No feedback received. Moving on to the next speaker. The next speaker for the day is Mr. Rangan. Mr. Rangan V. Rangan V from Pune. Sorry, Mr. Rangan V from Chennai hasn't joined the meeting sir. Moving on to next speaker, Ms. Maya Mules Salva. Yes, Ms. Maya, request you to kindly unmute yourself, turn on the camera and speak. Ms. Maya Mules Salva from Mumbai.

Maya Mules Salva: Hi. Good Morning.

Moderator: Yes, you are audible sir. Good morning sir.

Mules Salva: This is Mules Salva. First of all, thanks for allowing me to speak here. Unfortunately I just joined because my link was giving me some trouble. So I don't know about the questions raised by the previous speakers, but first let me congratulate our promoter for increasing stake in the company continuously and giving us confidence in the present scenario where all the promoters are encasing their stakes whereas our promoters are increasing the stacks. And thank you so much for that. I think many questions must have been asked so I will limit myself to only two questions. One is probably the capacity utilization and whether the expansion is done or we are still on the expansion mode. I believe we are trying to introduce lot of products from our parents in India and making India as the base for export. So my question is on that first and the second is the customer segment wise, if you can share some what you call uh, percentage and where do you see the growth coming from? I mean the which sector you feel that the growth will come. And there is one suggestion from my side, if you can start maybe once in a while some earning call kind of interaction with the investors and one request from my side that I would be happy to visit our new facilities in the near future if you can allow me the same. Thank you so much and wish you all the very best.

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Moderator: Thank you sir.

C.P. Rangachar: Thank you. Thank you very much.

Moderator: The next speaker for the day is Mr. Hitesh K. Hitesh K from Chennai. Request you to kindly unmute yourself, turn on the camera and proceed with the questions please. Mr. Hitesh K.

Hitesh K: Yeah. Am I audible?

Moderator: Yes sir, you are audible sir.

Hitesh K.: Sure. Thank you for the opportunity. I had sent my questions in advance. I will just highlight the important ones. Sir, we find many players who claim to be manufacturing hydraulic components including the entire hydraulic system and power packs. How should one look at the structure of the industry? Could you just show throw some light on this end. How does UK distinguish itself in this industry? What is the competition intensity within hydraulic components which is your pumps and valves, cylinders, hydraulic systems and power packs and which are the key end user industries and the level of competition intensity in each of these end user industries if you can share that. Second is, despite having a large market share in the industry and integrated operations, why is it that we still make margins like 8 to 12% EBITDA margin bracket and with just 10% ROC? You know when we talk to the industry players we understand that, you know I think the entire industry makes subpar margins and one primary reason that they say is because UK products are very competitive in the market and hence we are also not able to improve upon our pricing. Any thoughts to why this kind of way of operating in the industry in India? Thirdly, what is your contribution of spares and services in the overall revenues and what is the company doing to build this business? Is there a room to scale the segment in a big way? Fourth, could you please share the revenue mix from customized or made to order products in the revenue profile and how has this mix evolved over the period? Sir, in your opening remarks you had shared that you know the capacity expansion that we are undertaking will also be catering to the requirements of the parent company. Can you share what will be the margins, you know, on export business? Because we have hardly exported all this while. Now when the exports picks up, do you think this margin will be better than what we see in India which is the case with other industrial companies that we look at? Fifth is, you know the AR talks about recent investment to enhance capacities and expand large range of products manufactured in India for domestic and global markets. UK and India has commenced manufacturing of full range of hydraulic products previously made in Japan. Now how much of our capacity increase as a result of this CapEx? When is this capacity coming on stream? Which are the new products the company has added previously which were made

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in Japan and which you have added and with whom do we compete in for these new products in India. What is the likely profitability from these new products and then how do we plan to expand our geographic footprint? Would it be only through a parent company or will also be directly tapping new geographies overseas? Lastly you know besides I think there's a total 150 crore CapEx which is there anything else that is there on the drawing board stage if you can highlight on those. And sir it's my sincere request. You know last year also we participated in the AGM but you know the management did not give answers to many of these questions and this is the only time that we get to hear from you. There's very little information disclosure also from the company during the year. So it's my request if you can please do justice to this platform and you know share as much insight which will be helpful for us as investors. I'm looking forward to your response. Thank you very much.

C.P. Rangachar: Thank you. Thank you very much for your interest.

Moderator: Thank you Hitesh. Moving on to the next speaker.

C.P. Rangachar: Yes.

Moderator: Mr. Pritesh Thailakshi Chadda from Mumbai. Mr. Pritesh.

Pritesh Thailakshi Chadda: Yeah hi, can you hear me?

Moderator: Yes sir. You are audible sir.

Pritesh Thailakshi Chadda: Okay, so I'm not repeating the questions which are asked earlier. So my first question is in your annual report there is a mention that we commence the manufacture of complete range of hydraulic products presently manufactured in Japan. So we would like to know what earlier was not manufactured in India and with this statement what starts getting manufactured in India. So that's my first statement. My first question. My second question is the parent has committed about 120 crore on equity investment in India. We would like to know the broader vision around this 120 crore of equity investments as to which product areas will this 120 crore equity investment land up going into. My third question is mobility is a certain portion of your business. However globally the hydraulics have a larger business time in mobility. So are we doing a larger CapEx in mobility and there is a supply global supply change happening in mobility. Are we going to be beneficiaries of this global supply chain in mobility? My question, the other question is on a larger vision. So five years from now let's say if I had to look in FY30 for UK what will be the export revenue size which is 10 crore today, what will be the total company size 5 years from now? Considering you can investment bets in India, what should be the larger margin number that we should look at? And my last question is on the capacity utilization front, what is the capacity utilization on the

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assets which are on ground today for whatever CapEx that you have done so we can know that these assets can have what kind of revenues maximum and based on the 120 crore investment that we are doing, how much asset turn or whatever CapEx that we are doing, what is the asset turn on that CapEx and when should we see the optimum utilization of that CapEx? I hope I am very clear in my question, sir.

C.P. Rangachar: Yes, very clear. Thank you very much.

Pritesh Thailakshi Chadda: Thank you very much and all the best you guys, thank you.

Moderator: Moving on to the next speaker, the next speaker for the day is Mr. Yunit Saigal. I request Mr. Yunit to unmute yourself on the camera and proceed. Mr. Yunit Saigal.

Yunit Saigal: Hello.

Moderator: Yes sir.

Yunit Saigal: Am I audible okay?

Moderator: Yes sir. You are audible sir.

Yunit Saigal: Good afternoon management and thank you for this opportunity and arranging this AGM. So I have already sent my detailed question and hope management will address each one of them properly because as a shareholder we only get this chance on this event to understand the ongoing development properly. So broadly I just want to know how you really plan to create shareholder value this year and upcoming year, especially when our company is getting good support from the parent company. And also I request management to consider a quarterly business update. It's not about a full financial but just one pager update about where the business now is now heading towards and what is the you know, basic numbers like utilization or some kind of expansion so that shareholders have a proper idea about where the business is going on. And at last I want to know whether there are any upcoming expos you will be participating in. And sir, let me know, do you have my questions with you or should I ask here only?

C.P. Rangachar: Sorry, we don't have your questions so if you could speak I, I can make a note.

Yunit Saigal: Okay, okay, definitely sir, I just want to know the revenue mix of each and every segment like in your valves, power packs and pumps and also their margin for each segment and going forward, which part do you see making the key growth driver and are there any upcoming products that can lead to higher margin, that can lead to better margin. So and also you highlighted that the import substitution will play a major

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tailwind. So is there any substitution really playing out on ground or it will take some time because due to the cheaper import that we are get that the other companies are getting. So, and, and what are your outlook for the upcoming year? Like in FY26 and FY27, how do you see the utilization planning out? Like what is the current utilization right now and how are you going to scale it going forward? And, and margins are a bit fluctuating so can we expect it to stabilize at 12-13% so I want your view on this also and is there any upcoming CapEx and yeah, that's all. Thank you very much sir. And how and at last just how will we going to unlock the share at holder value? Thank you very much.

C.P. Rangachar: Thank you. Thank you very much.

Moderator: Thank you sir. With this we have given a chance for all the speaker shareholders who have joined. I am giving back to the board sir.

C.P. Rangachar: Thank you very much. First, I am very glad that the shareholders have taken so much interest, read the balance sheet in detail and asked very important questions about the present status and the future of the company. To my mind this reflects not only your own abilities but also your keen interest in the future of this company and I am very grateful for your continued support and look forward to that in the future as well. One of the main questions asked was about the investment. As you know the collaborators have already invested over 60 crores last year and have committed to another 60 crores this year which is a very substantial investment in your company. This not only expresses their confidence in Yuken India, your company, but also their confidence that this company will become a very important manufacturing base for them in the years to come. The investment will be used almost entirely for increasing our capacity which means adding floor space, adding machines, adding balancing equipment so that we are able to increase our production range and also increase the production quantity. Now specifically one of the most important products in the hydraulic industry are piston pumps which Yuken has been making for a long time. Very, very long time in fact. But we have been importing so far now we have already commenced production of these piston pumps in India and month by month the production is being increased. In fact we have also started re export of the production here back to Yuken subsidiaries in other countries. The piston pump is a product which goes in two main sectors of hydraulics, the industrial hydraulics as well as the mobile hydraulics. And as we increase our production we will be able to enter the mobile hydraulics where in the past we did not have much market presence or market share. So the biggest focus will be on increasing production of piston pumps. Apart from this, as you know, Yuken does has a lot of focus on R&D and they keep on improving their products in Japan. So one of the main products in the hydraulic industry is the solenoid valve and Yuken is developing the next generation of solenoid valves and it will be produced simultaneously in India as well as

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in Japan. So part of the investment is dedicated for making the latest design of solenoid valves in India. Apart from this, as you know, the machine tool industry is a very big market for us and we have indigenously develop many products for this industry so that we are not only able to retain our leadership position but also become more competitive by being able to make these products here. Apart from this, the high technology in hydraulics is proportional valves which has a fairly big market and a growing market in the future. Now we have already started producing some of the components required for manufacture of proportional valves and we have just imported special machinery to make these components in India. So we will not only be manufacturing proportional valves in India, but also have an opportunity of supplying some of the components to Yuken Japan. Another objective of this investment by Yuken Kogyo is to use India as a manufacturing hub for Yuken globally. Many of the products which we have already been manufacturing have now been transferred to India completely which means that India is the only location where these products are manufactured and they are exported to Yuken global markets from the production in India. So once we increase the production of proportional valves, we would have covered the entire hydraulics technology, particularly for industrial hydraulics, with the exception of servo valves which we still import from Yuken Japan and will continue to do so for some more time. The timing of the investment is as follows. Part of the investment has already been made mainly in terms of equipment and these are the ones which are being used already for manufacture of piston pumps and other products. Part of the expansion is going on and most of it will be completed this year. A part of it will spill over to next year. So by next year the entire investment would be complete. But as you are aware, it is not possible to switch on and achieve full production immediately because one is we indigenize gradually. We don't make all the parts in India straight away. We start making some of the parts and increase gradually the indigenous production. Second thing is, along with this we have to look at customer acceptance and sales. Whereas we are very well known in the industrial market, in the mobile market we were not active because we didn't have those products. But we have started reaching our customers in these markets also. And I'm very pleased to inform you that the acceptance has been very very good. The other question was what is our product mix? Our basic products, as you know, are hydraulic pumps and valves and cylinders and hydraulic power units. Hydraulic power units are aggregates which are customized for different applications. The sales breakup between the two is about 70 to 30. The business from the hydraulic power units has also become very promising this year. The main sectors for us are of course, machine tools, where we have more than 90% market share. But apart from that, we are into the power sector, we are into the steel sector, and we are into the material handling sector. Many of these sectors, especially power and steel, are showing very good signs of growth. And we are getting increasing acceptance, particularly in the steel plants, and also much better market share in these

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sectors in the future. Our main target is to increase our market share in the mobile market, because that forms about 65 to 70% of the total hydraulics business. For this, as you know, we already have a gear pump division which we are expanding, and it will be increasing its production and market share in the mobile market. And as I mentioned, the piston pumps will also give us market share in a very important part of the mobile sector, which is construction machinery. So we are confident that in the years to come, we will have a significant growth in the mobile sector as well. Today in the industrial market, our role on share would be over 50%. In the mobile, it is very, very weak low. So our total market share would be now around 10% or so. But we are hoping to increase it in the years to come by increasing our production range and also our production capacity. The margins in the power unit sector are of course, much lower than the margins in the element pumps and valves. And this is all over the industry. But it helps us to build up a market share and also to build up shares sales of spares in the aftermarket. The sale of spares, unfortunately, is not very much maybe less than 2 to 3% of our total sales. That is because fortunately or unfortunately, your company product quality is very good and they do not fail for years and years. So the spares market is not as much as we would like it to be. But this in turn gets us a lot of customer confidence and repeat orders. Many questions were raised about our 50th year. And we will definitely come back to you with our plans for this celebration. We are extremely grateful to the shareholders, especially those who have been shareholders for a long time, for your continued faith in the company and your support. There is a question about manufacturing in Bombay. Our manufacturing in Bombay is very, very small. It is limited to power units for a few customers. And actually it is a part of our West Zone office. Our West Zone office happens to be in an industrial area and in the rear portion of the shed we do the manufacture of power packs. In fact, a good bit of the power pack manufacture is subcontracted. We do the final testing here so that we ensure the quality you are of course most welcome to go and take a look at our facilities in the West Zone office. Also have a cup of tea with our branch manager for West Zone. The export from India will be mainly through Yuken subsidiary companies because they know the products and they will be able to give proper guidance and service to the customers. While initially we have been exporting back to the parent company, gradually we will be exporting to the subsidiary companies as well to Europe as well as to US. And we hope to increase our export as a share of sales substantially. At present it is below 5%. In the next five years it should really reach about 20% of our sales. The sales are around 500 crores now on a consolidated basis and if the Indian economy continues to grow between around 6.5% per annum, we should be able to achieve 10 to 15% annual growth in sales. This would take us to around a thousand crores consolidated sales by the year 2030. Regarding EBITDA, I do agree that the margin is low, but as I mentioned earlier, if you make an investment, it takes time for the return to come and we are in the process of still making investments.

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So while EBITDA will grow, it will grow steadily year by year. Because apart from the capacity utilization, we are also spending money on automation, which would help us to reduce the manufacturing cost and at the same time to improve the quality. We hope to reach 18 to 20% EBITDA by the year 2030. Just trying to see if any of the points have been capacity utilization may be in the region of 60 to 70%. It is difficult to define capacity utilization exactly because we have different lines for production of different products and basically we have two basic products for units and elements. But overall it would be in the region of 60 to 70%. We are of course trying to improve on this, including for the last few years we have been running part of the equipment unmanned 24x7 and we intend to increase this trend as the years go by. With this I hope we have covered most of the points. If there are any points which remain unanswered, please do write to us. We will be very happy to respond to you and some shareholders expressed interest in visiting the factory. Let me extend a very hearty welcome to all shareholders. You are more than welcome to visit your factory and see the facilities which we have created and also to have interaction with our senior executives. Thank you very much. The company has provided you with the voting facility from 5th to 9th as explained by our CFO. The e voting platform will remain open for another 15 minutes and we would request those of you who have still not exercised your vote to please do so immediately. Mr. Abhishek Bharadwaj is the scrutinizer for the voting and the report will be placed on the website of the company as well as that of the registrar and transfer agents for the company for your reference. May I now request Mr. Suhas to deliver a word of thanks to the shareholders.

Suhas: Ladies and gentlemen, as we come to the conclusion of the 49 AGM I take my privilege to express my sincere gratitude to everyone who has contributed to successful of this 49th AGM. First and foremost I would like to thank Mr. Tadanori Okada, our chairman, for his leadership and for attending today's. A special thanks to our Managing Director Mr. C.P. Rangachar for attending today's meeting efficiently. Our deepest appreciation to distinguished board members Mr. **(not clear)**, Mr. T Parabrahman, Mr. K Chandrashekhar Sharma and Mrs. Indra Prem Menon. We also thank our senior management Mr. K. Gopal Krishna, Executive Director, Mr. A. Venkata Krishnan Chief Executive Officer and Mr. V. Balaji Bhat Executive Committee Member, and Mr. H.M. Narasimha Rao Chief Financial Officer for their continuous commitment to this company and special thanks to statutory auditors, secretarial auditors, **(not clear)** auditors and Mr. Vishek Bharatwaj, scrutinizer and also to the depositories and strategic exchanges and KFin Technologies Limited our registrar and share transfer agents and we are grateful to our collaborators Yuken Kogyo Company Limited Japan for their trust and leadership and finally very special thanks to all the shareholders for your continued confidence in the company and for joining us today through video conferencing to make this AGM a

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very successful. With that we bring the proceedings of 49th Annual General Meeting to a close. Thank you once again.

C.P. Rangachar: Thank you Suhas. The meeting is closed.