

YUKEN INDIA LIMITED

50th Annual General Meeting

Moderator: Countdown is going on. Just give us 9 seconds.

Mr. C P Rangachar: All right, all right. 10:30 According to my watch. So tell us when you're ready.

Boardroom: Ready, Sir. Ready.

Moderator: You can start the meeting now, Sir. Thank you.

Mr. C P Rangachar: Okay, thank you. Ladies and gentlemen, I would like to extend a very warm welcome to all of you, to the 50th Annual General Meeting of your company. I'm delighted to say that our Chairman, Mr. Okada is here with us today. A special thanks and, very, very warm welcome to all our [Inaudible] who have put in the effort to join today. [Inaudible] trust and [Inaudible] the company has been [Inaudible] achieve [Inaudible] of [Inaudible] with us [Inaudible] Director, Mrs. Indira and Mr. Parabrahman, Mr. Chandrashekhar Sharma, all independent Directors, and Mr. Tanaka, our Director from Yuken, Japan. We also have esteemed invitees, Mr. R. Srinivasan, and also our senior management team, Mr. Gopalkrishna, Mr. Narasinga, [Inaudible] and Mr. Suhas, our Company Secretary, and Mr. Kiran, our Chief Accounts Officer. A very warm welcome to the representatives from our main Auditors, Walker Chandiok & Co, and also our Secretarial Auditors, V. Sreedharan & Associates, who are attending the meeting from Bangalore. This meeting is being conducted online in compliance with the guidelines issued by the Ministry of Corporate Affairs and SEBI, permitting [Inaudible] AudioVisual Means or OAVM. For the benefit of our members, the company has provided e-voting facilities from 5th September [Inaudible], and who have not yet exercised their vote may do so during the AGM, and the facility will be [Inaudible] 15 minutes after the completion of the AGM. You are also in a position to ask questions through the "Ask Question" tab [Inaudible]. Mr. [Inaudible] has asked me to [Inaudible] today's proceedings [Inaudible] facilitate the events, and with your permission, I will do so. We begin by verification of quorum. I would like to [Inaudible] Suhas, our Company Secretary, to check and confirm that we have the necessary quorum for the meeting.

Mr. Suhas H M: Yes, Sir, we have the quorum.

Mr. C P Rangachar: Okay, fine. So we have a quorum and the meeting is called to order. The notice of the meeting has been with you for some time, and with your permission, may I take it as read? The Auditor's Report by our—

Ms. Indira Prem Menon: Yes.

Mr. C P Rangachar: —Walker Chandiok [Inaudible] company [Inaudible] also formed a part of our Annual Report. There are no qualifications, reservations, or adverse remarks made by the Statutory Auditors in their report for the financial year ending 30th March, 2026. So, with your permission, may I take this report as read? May I also add that [Inaudible] to the Annual Report, correcting the [Inaudible] have also been issued their [Inaudible]. May I now request our Chairman, Mr. Okada, to deliver the Chairman's address to us.

Moderator: Chairman, Sir, you are on mute. Please un-mute and speak. Thank you.

Mr. Tadanori Okada: Dear members, it gives me immense pleasure to welcome you all to your company's 50th Annual General Meeting. On behalf of the Board of Directors and everyone at 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 March 31st, 2026, along with the Directors' Report and audited annual accounts of the company have been shared with you, and may I request that these be taken as read.

I would now like to outline the salient aspects of your company's financial and operational performance for the Fiscal Year 2025-26, followed by an outline of the overall business environment on a consolidated basis. Revenue from operations stood at ₹46,217.32 lakhs as compared to ₹45,735.63 lakhs in previous year. Profit Before Tax at 22,200— excuse me, ₹2,212.39 lakhs as compared to ₹3,166.91 lakhs in previous year. Profit After Tax stood at ₹1,439.03 lakhs as compared to ₹2,460.16 lakhs in previous year. Earning Per Share stood at ₹10.81 as compared to ₹18.94 in the previous year. global economic scenario.

The global business environment continues to undergo significant transformation, with companies increasingly focusing on resilient and diversified supply chains and reducing dependence on concentrated sourcing markets. At the same time, evolving trade policies and tariff measures across major economies have created both challenges and opportunities for the global manufacturing sector. Against this backdrop, India remains well positioned to emerge as a key manufacturing and engineering hub, supported by its growing industrial base, strong engineering capability, expanding domestic demand, and

continued investment, investment in infrastructure and manufacturing. The increasing focus on localization, supply chain diversification, and technological advance presents significant opportunities for Indian companies to strengthen their domestic presence and expand their footprint in global markets. For the Indian manufacturing sector, this evolving global landscape provides an opportunity to enhance competitiveness, improve operational efficiency, develop indigenous capability and build stronger partnerships across international markets.

Operational highlights. During the year, we continue to strengthen our operational capability with a clear focus on productivity, quality, delivery, and cost competitiveness. Several initiatives were undertaken to improve manufacturing efficiency, enhance OEE, optimize inventory, and reduce operational waste. We have also strengthened our focus on quality at source prevention of defect and continuous improvement with the object of moving steadily toward zero defect manufacturing. Our effort in 5S Kaizen process optimization and better utilization of resources are helping us build a strong culture of operational excellence. At the same time, great attention was given to improving delivery performance, strengthening our supply chain, and making our operation more responsive to customer requirements. Digitalization and data-based monitoring are also increasingly becoming an integral part of our operational management. These initiatives have laid a strong foundation for the next phase of our growth. Going forward, our objective will be to achieve higher productivity, superior quality, shorter lead time, and greater cost competitiveness while ensuring that Yuken India remains a reliable and preferred partner for our customers.

Company's performance in the first quarter. In the first quarter, the results for the first quarter ended June 30, 2026 were announced on August 11, 2026. On consolidated basis, your— consolidated basis, your company achieved a total income of ₹30,539.56 lakhs. The Profit Before Tax, ₹694.26 lakhs. The Profit After Tax, ₹520.74 lakhs. Dividend for the fiscal year 2025-26. At its meeting held on May 26th, the Board of Directors recommended a dividend of ₹1.5 per equity share, or ₹10 each. Subject to shareholders' approval at this AGM, the dividend will be paid within 30 days of its conclusion in accordance with the provision of Companies Act 2030. Before I conclude, I wish to convey my heartfelt gratitude to our customers, distributors, suppliers, bankers, auditors, and all stakeholders for their unwavering support and cooperation through our [Unintelligible]. A special thanks to our collaborator, Yuken Kogyo Co Ltd., Japan, for their invaluable guidance. And to our employees at all levels, whose dedication and hard work continue to drive the company forward. I also extend my sincere appreciation to my fellow Directors for their counsel and commitment. We look forward to your continued support and goodwill which remains vital to the

success and growth of your company. With your continued support, we are confident of scaling new heights in the year ahead. Thank you.

Mr. C P Rangachar: Thank you very much, Okada-san, for your—

Mr. Tadanori Okada: Thank you.

Mr. C P Rangachar: —kind words of encouragement. We now have an opportunity for our shareholders to raise their queries and also express their views, with a request only to be brief and to the [Inaudible]. So we have already received [Inaudible] shareholders to be registered for asking questions, and we will give [Inaudible] them in the order in which the requests were received. The first request is from Mrs. Celestine Elizabeth Mascarenhas. [Inaudible] allow her to raise her point.

Moderator: Sir, currently Celestine Elizabeth Mascarenhas is not in the meeting.

Mr. C P Rangachar: Okay. The next one was from Mr. Aloysius Peter Mascarenhas. If he's online, then he can have the mic.

Moderator: Mr. Aloysius Peter Mascarenhas, can you please un-mute yourself and speak? Mr. Mascarenhas, can you please un-mute and speak?

Mrs. Celestine Elizabeth Mascarenhas: Hello? Hello? Hello, I am very much there, but somehow I don't know the— this showed that I am not there. Hello, I'm Mrs. C.E. Mascarenhas. Can you hear me, sir?

Mr. C P Rangachar: Welcome.

Mrs. Celestine Elizabeth Mascarenhas: Okay.

Mr. C P Rangachar: Welcome, welcome, Mrs. Mascarenhas.

Mrs. Celestine Elizabeth Mascarenhas: Thank you. Thank you. I was—

Mr. C P Rangachar: Please speak. You're most welcome.

Mrs. Celestine Elizabeth Mascarenhas: I was very much there. What to do? This is—

Moderator: Madam, you are there as a login from Aloysius Peter, right?

Mrs. Celestine Elizabeth Mascarenhas: Yeah, yeah, it's okay. He will speak next. He will speak next, or I may cover up everything, you know. Okay. So I go ahead with the official part, you know. Okay.

Mr. C P Rangachar: Right.

Mrs. Celestine Elizabeth Mascarenhas: Respected Chairman Tadanori Okada, MD C P Rangachar, CEO Rakesh Kumar, and other honorable Directors on the Board, my dear fellow shareholders in this VC, I am Mrs. C E Mascarenhas speaking from Mumbai. First of all, I thank the Company Secretary and his team for sending me an annual e— Annual Report well in time, but I would prefer a physical copy, so you can send it later. I also thank the team for registering me as a speaker and giving me this platform to speak, which is— was easy to operate. Of course, my name, but the next name I could do it. Also, big thanks to the KFin team. The Annual Report is full of information, facts, figures, self-explanatory, adhering to all the norms of corporate governance. Our work is very good. We have Japanese on our Board, so naturally it has to be good working because wherever the Japanese— Japan people— I have been to Japan also, it is a great treat to be there. So definitely our results, everything is good. Our product is good. And good market capitalization. Now, congratulations for all the awards and accolades received during the year. Also thanks for the CSR, good CSR work, and ESG and climatic changes are well documented in our Annual Report. Now I come to some queries, or to understand better, I cannot say queries. We are a leading global provider of oil, hydro equipment specializing in manufacturing hydraulic components such as pumps, valves, valves, valves like pressure controls, flow control, direction control, modular controls, logic valves, proportional valves, and then key chip capacity machines, etc. Now my query is. In which among these, like valves, pumps, or other products, we get good revenue along with good margins? Which, any one or all? We are a— how many manufacturing plants we have and what is the average capacity utilization of this plant? How many engineers do we have in the R&D innovations, male-female ratio, average age, and attrition level? Also, I would like to know how much is spent on AI, GenAI, GenAI, cyber, cyber and data security. Lastly but not the least, the challenges we are facing due to this West Asia war, Middle East unrest, geopolitical disturbances, currency fluctuations, and various— and the oil crisis. And how are we de-risking ourselves, or how are we handling ourselves? So I have— I will support all the resolutions. As I know, good performance and looking for a bonus. Once you had given a fantastic bonus many years back, I still remember it. So I end up wishing you all, all the entire team, very good health because health is wealth. Where there is health, there will be wealth. And I end up wishing you all good festivities which are in the offing. And I say Namaskar and Vande Mataram. Also, do remember us at the time of the festivities, just like your family people. We are a part of the family. I have been a shareholder for a very long time, so do remember us that time. Thank you very much for giving me patient hearing.

Mr. C P Rangachar: Would Mr. Mascarenhas like to add some points?
[Unintelligible]

Moderator: Sir, she has completed. Next speaker, please.

Mr. C P Rangachar: The next speaker is Mr. Mascarenhas. So if she has covered all the points, then we can move on to the next speaker.

Moderator: We can move on to the next speaker.

Mr. C P Rangachar: Oh, fine. The next is Mr. Bhesania. Mr. Bhesania, please.

Mr. Aspi Bamanshaw Bhesania: Chairman Sir, can you see me and hear me? Am I audible and visible?

Mr. C P Rangachar: I can see you and hear you both. Yes, you are visible and perfectly audible.

Mr. Aspi Bamanshaw Bhesania: Okay, Sir. Chairman, Sir, I am Aspi from Bombay. So they outside the Congress led the management on very good results, and especially our Company Secretary For sending the link. Although KFin Tech doesn't inform me of the speaker number, he informed me of the speaker number also. So I congratulate the management on good results and congratulations on—

Mr. C P Rangachar: Thank you, Sir.

Mr. Aspi Bamanshaw Bhesania: —the 50th AGM. 50th AGM, you completed half a century. So what are your plans to celebrate the 50th year? I'm not expecting a bonus, a split, rights, nothing. I just want you to make the company debt-free. That should be the first and foremost priority for the company to become debt-free, because otherwise you'll just unnecessarily pay interest. So curtail the dividend, do whatever you want, but make the company debt-free. And, I also congratulate on the share price being at a 12-month high of ₹1,135, but, it's not at all-time high. The all-time high was ₹1,570. So when do you expect us to have an all-time high of 1,570? So our results are lackluster. There's no growth coming. So can you please explain why there is no growth when our products are so nice? The good demand is there, then why is there no growth coming? The results are almost sort of, within a narrow range. Sometimes it's up, sometimes it's down. And how do you see margins going forward? Sir, inventory and trade receivables appear to be very much on the higher side, so please control. So thank you very much and all the best for the future. I hope I get proper replies. Thank you, Sir.

Moderator: MD Sir, you are on mute. Please, you may un-mute and speak.

Mr. C P Rangachar: Yeah, Mr. Bhesania, we lost you on the audio. Could you just repeat what you said? Your last point was to explain why there has been no growth. The point you raised after that was not audible. Could you kindly repeat?

Moderator: Sir, Bhesania was very much audible and he's currently not in the meeting, Sir.

Mr. C P Rangachar: Okay, all right.

Moderator: You, you can go to the next speaker, please.

Mr. C P Rangachar: Okay, the next speaker is, Mr. Bagadia. Mr. Bagadia, please.

Moderator: Mr. Bagadia is currently not available in the meeting, Sir.

Mr. C P Rangachar: I beg your pardon?

Moderator: Mr. Bagadia is currently not available in the meeting, Sir. You can move on to the next speaker.

Mr. C P Rangachar: Okay, he has sent his questions in writing. We can, we can address them. Then we have Priyankar Sarkar. Is Mr. Sarkar online?

Moderator: Mr. Priyankar Sarkar, can you please un-mute and speak. Yeah, he's there, Sir.

Mr. C P Rangachar: Yes, please.

Mr. Priyankar Sarkar: Hi, Sir. Good morning to the Board.

Mr. C P Rangachar: Good morning.

Mr. Priyankar Sarkar: Sir, a few pointed questions towards understanding the business better. So we serve quite a few different industries, right? So in the coming years, which sectors do you see that the growth will be coming from? You know, what kind of clients— clientele rather— where the growth will be coming from? That's point one. Second is on the CapEx front. So we have done about ₹140 crores of CapEx if I take FY25 and FY26, put together. So what kind of revenue can we expect from the above CapEx done, right? Because this couple of years has been flat, right? FY26 over FY25. So what kind of revenue— or the other way to put it is, with our current gross block, what can be the peak revenue that we can generate with the current gross block, right? Third, Sir, just to understand the business a bit better, if you can help us, who would be our main competitors in the domestic market as well as globally? That will help me understand the competitive intensity of this business. And the last question I have, Sir, is, what would be our revenue and EBITDA margin expected for FY27? And the follow-up to that is, do we have any long-term revenue target in mind, let's say FY29 or 30, maybe 4 or 5 years out, you know, that we want to achieve? I won't hold that Board accountable, but an aspirational figure, if you can guide

us towards that, please. If you can kindly answer these questions, that will be great. Thank you very much.

Mr. C P Rangachar: We'll answer all [Inaudible] Mr. Trivedi, please.

Mr. Himanshu A. Trivedi: Hello. Am I audible? Am I audible, sir?

Mr. C P Rangachar: Yes, yes. We [Inaudible]

Mr. Himanshu A. Trivedi: Yeah, yeah. Yeah, good morning, all of you. Respected Chairman—

Mr. C P Rangachar: Good morning.

Mr. Himanshu A. Trivedi: Tadanori Okada and other Board of Directors sitting on the dais. Myself, Himanshu Trivedi from Gujarat, Vadodara. First of all, I'm thankful to our Company Secretary who sent us the soft copy of the AGM Notice, well in advance, which is full of information, facts and figures in place, which is easy to follow and easy to understand. So, I'm thankful to you and your entire Secretarial team. The report is nicely prepared. All corporate governance and all parameters are covered in the AGM Notice. So I don't have many questions. Because, I have full faith in the Board and their working. I support all the agenda items. I have already sent my question and queries through the email, well, in advance, with the view to save the time of AGM, and give the opportunity to speak to the rest of the speaker-shareholders. As a speaker, Sir, I still have 2 questions. What is the market share? We have domestic as well as international markets. What would be the profit sharing ratio in the coming financial year? And Sir, let me know if the company thinks over any launching of new machinery and plant renovation in the current financial year. I wish good luck and a bright future for the coming financial year and the coming festivals. Thank you for allowing me to speak. And how much rupees approximately cost, during, we expand in R&D, sir? During the festival, please remember, speaker-shareholders, as same as your family and as same as your employees. Thank you for allowing me to speak. Thank you, Sir.

Mr. C P Rangachar: Thank you, thank you very much, Mr. Trivedi. We'll cover all these questions. Then we have a question from Mr. Yogesh Patil. Mr. Patil, are you online, please?

Moderator: Yeah, he is there, Sir. Mr. Patel, can you please un-mute and speak?

Mr. Yogesh Patil: Hello, can you hear me? Hello.

Moderator: Mr. Patil, can you please speak?

Mr. Yogesh Patil: Yeah, yeah.

Moderator: We could see that you have already un-muted. Can you please speak?

Mr. Yogesh Patil: Can you hear me?

Moderator: It's very feeble, Sir. Your voice is very low. Hello? Sorry, Sir, we are not getting your voice. Mr. Yogesh Patil, we are not getting your voice.

Mr. Yogesh Patil: Hello? Can you hear me now?

Moderator: No. Sir, there seems to be some connectivity issue. We will move on to the next speaker, please.

Mr. Yogesh Patil: Hello, hello, hello.

Mr. C P Rangachar: I don't have any other speakers, but if there is anyone else registered and would like to raise a question, [Unintelligible]

Moderator: Yeah, we move on to the next speaker-shareholder, Mr. Henil Manoj Bagadia.

Mr. C P Rangachar: Yes, please.

Moderator: Mr. Henil Manoj Bagadia, can you please un-mute and speak?

Mr. Henil Manoj Bagadia: Hi Sir, I hope I'm audible.

Moderator: Yes, you are audible. Please proceed.

Mr. Henil Manoj Bagadia: So thanks a lot for the opportunity, Sir. I have actually sent a list of questions in the name of Henil Bagadia. I hope you've received the same. If you could acknowledge that.

Mr. C P Rangachar: Yes, Mr. Bagadia, we have received your questions. Would you like to say anything else? Your written questions will be addressed.

Mr. Henil Manoj Bagadia: Yes, Sir. So if you could give me about just 2 minutes, if I could address some important aspects, it would be great. So if we actually see—.

Mr. C P Rangachar: Sir, could you speak a little louder?

Mr. Henil Manoj Bagadia: Hi, I hope I'm audible now. I'm more louder and audible.

Mr. C P Rangachar: Yes, please.

Moderator: Your voice is very low, Sir.

Mr. Henil Manoj Bagadia: Hello? Hello?

Moderator: Yes, Sir, please speak, but a little louder, please.

Mr. Henil Manoj Bagadia: Yeah, so at the parent level, I think so the parent had given a clear strategy, with— and has also done growth infusion. So, I've also mentioned that as a part of my questions but if you could give some more understanding on product IPs, because our parent has got much more product IPs, and, how tangible shift are we seeing from the Chinese, from the China manufacturing into the India manufacturing? And also the more, more on the roadmap from the 2-3% share to the 15-20% share that we have alluded to. So if we actually see the mobile hydraulic space, I think so, there is a particular, if you actually see the track, we have actually enter— we've been in the mobile gears and pump space And we're actually going from about 35 lakhs to about 60 lakhs. And Dynamatic is a very strong player out there. So, the entire TAM also happens to be about 2,000+ crores. So if you give some more understanding on what are our right-to-wins, our vendor approvals, also in this space, how is the competition from the Chinese in the low-end space? And as India is targeting a 300 million ton national steel policy, what opportunity do they actually see from the HPU space? So on the CapEx, if you could give some more understanding on the new asset block, the Y3 asset block that you've actually got. And historically we've done about 2, 2.5 times asset turnover. So in this new block, is it going to be more export-oriented? Is it going to be a higher asset turnover? Is it going to be more niche? Is it something that we are going to do more for the parent? Some more clarity out here would really help. So the threats that you had mentioned from the hybrid and electromechanical actuation, which is actually then the lower space, which is then the which is then the, in the lower space and not on the higher, the weight space. If it gives some more understanding on how the adoption is and the hydro and the electric EMA space, or what product IPs are we, can we actually get from the parent in order to serve this segment in a much better way. So lastly, with respect to talent, I think the most important part is talent, I think so. Some of the global MNCs are putting up GCCs in Pune and different other cities, and retaining talent is becoming a very important part. So If you give some more understanding on how, what the plans do we have to retain the talent, because that is going to be the most important part of our growth. So thanks a lot for the opportunity, and I have actually given a detailed question. So if you could address the same in your answer speech, thank you and best of luck.

Moderator: Thank you, Mr. Bagadia.

Mr. C P Rangachar: Thank you, [Unintelligible] Okay.

Moderator: Yeah, we move on to the last speaker, Prakashini Ganesh Shenoy. Ms. Shenoy, can you please un-mute your audio, switch on your camera, and

ask your question, please? Shenoy, can you please un-mute and speak? Yes, we could see that you have already un-muted. Can you please speak now? Prakashini Ganesh Shenoy, can you please speak? Sorry, Sir, he got disconnected. Chairman Sir, MD Sir, with this we have completed with the speaker-shareholders, and I hand over back to you for further proceedings, please. Thank you.

Mr. C P Rangachar: Thank you, shareholders, for the questions. It indicates to me the deep interest [Inaudible] Some of the details which you have asked shows the depth of knowledge which you have, and [Inaudible] most of the points are common, so I'll address them in, in different sections. First, pertaining to investments.

Moderator: MD Sir, we are not getting your voice, please.

Mr. C P Rangachar: Okay, is it better now?

Moderator: Yes, Sir. Yes, please proceed, Sir.

Mr. C P Rangachar: All right. The first question was regarding investment and returns. You know, in a capital investment manufacturing industry, the investment [Inaudible] to give a return— you have to start manufacturing the new [Inaudible], scale up the production gradually. It is not something which you switch off like, like a tap and switch it on. So, we are making progress as per the schedule. The new investment is planned to make the next generation of products in our country, which will be both for the domestic market as well as for export technology products. And they are the current advanced line of products which are made by Yuken globally and compare with the best made by our competitors also. So the returns will be visible in the first quarter of— and it will take a couple of years to be able to use the full capacity. And you will see the results in the increase in production and improvement in margins, improvement in the return on capital employed. The exports with this completion, we hope, will grow to about 10%, of our total sales, and we hope to have a growth of between 15 to 20% over the next 4 or 5 years because the economy looks very, very positive today, and the forecast by all our customers is very robust.

As many of you mentioned, we were mainly into industrial hydraulic products, and we have now started manufacturing over the last few years products for the mobile market. The production of many of these products has already been introduced into the market, and we hope to increase the mobile hydraulics market to about 30% in the next couple of years. The profit margin was low last year because of the new regulations of the government and the geopolitical supply chain issues. But as you have seen in the last quarter of the previous year [Inaudible] the first quarter of this year, as mentioned by our Chairman, Mr.

Okada, the performance of the company has been very good, and we are confident [Inaudible] performance will continue for the rest [Inaudible]. With this, we hope to improve the operating profit to 15% over the next three years, and also to improve the ROCE levels also as the capacity utilization increases. The [Inaudible] which are taken and the expansion as I [Inaudible] will have already been erected. Commissioning is and initial trials are going on, and we hope that by the end of this year or the first quarter of next year, all the machines will be fully commissioned and work, although it may take some time to use them to the full capacity. All the sectors which we address, which are covered in our Annual Report, have shown robust growth, and we will continue to retain or increase our market share in each of these sectors.

Actually, a question was mentioned, was raised about the steel plant sector. Well, Sir, steel plant sector is also, as mentioned by you, expected to grow very sharply to reach 360 million tons over the next 5 years. And I'm happy to report to you that our acceptance as a supplier by most of the major steel plant producers has made very good progress, and we hope to have an increasing share of this business in the years to come. Then there are some specific questions which were raised which I will address. One was regarding the product range of Yuken Japan and also the electrical mechanical actuators. Well, We will be producing the high-end technology products of Yuken Japan, including piston pumps. We have started already with the ones which have a bigger market, but the ones with higher pressure with the smaller market will be introduced later. Also production of proportional valves in the country. Regarding gear pumps, the [Inaudible] is very, very large and also very competitive. [Inaudible]

Moderator: Dear Sir, MD Sir, you are on mute. Please, you may have to un-mute and speak.

Mr. C P Rangachar: All right. I'll start again. The gear pump market is very competitive and there are very large players who are established in this already. So our strategy is to approach customers with high-quality products and to increase our sales to them over a period of time. Also, we make gear pumps with cast iron bodies and high pressures, which we have been exporting for the last 15 years. We want— we are increasing the supply of these to the customers. These are not mass markets, but these are high technology niche markets where we are very strong, and we intend to focus on this. But gradually we will increase our presence in the gear pump market by increasing our offering, our product range, and also making some high technology products. In the gear pump sector. There is a question about defense. We are very much into the defense. We do not make any guns, but we supply to the people who make weapons and armaments and guns. It is a long-drawn process with a very, very stringent quality control. We have been very successful. All our customers are very happy with our product

development and our supplies. And we expect to serve the nation by being a responsible supplier of hydraulics in an increasing manner over the next few years.

There is a talk of commodity price dumping from China. It is there in every sector, including ours. But I'm happy to report that some of those customers who bought Chinese products have come back to us and have become loyal customers once again. So this is a threat which is very much there. It will not go away, but we have to meet this threat by giving good quality products at reasonable prices and good service. Regarding the molding line, it is getting erected. It is a very, very large piece of equipment. There are 15 containers, and the entire construction of the building, the erection, everything is being done in-house. So it does take a little time, but it is going on as per schedule, and we hope in the last quarter we'll be able to start trial production on this. The capacities available in the company have been mentioned in our Annual Report. You may kindly refer to that. Regarding Coretec, I'm happy to report that the production has improved and the profit margins have improved. You will see better performance in the next few quarters as well. Kolben has been in a niche market supplying closed-loop systems to some customers. The first few years were to get an entry into the market, and then over the next couple of years, we hope to indigenize this, which will improve the profit margins because the product has been established and accepted by some of the very discerning customers.

There are questions regarding debtors and inventory. These are normal. Nothing has gone out of control. As the sales of the company increases, naturally the borrowings will also increase. We don't have any intentions of acquiring any companies, nor do we have any land parcels which are available for encashment. We do not— we are not in the electromechanical actuation space. We don't have any— [Inaudible] entering e-motors that we [Inaudible] it's very, very high-tech, and there are only premium [Inaudible] who use these. [Inaudible] lower-level [Inaudible] strength for us, and, including electronics. In fact, our electronic division—.

Moderator: MD Sir, you are on mute, please. MD Sir.

Mr. C P Rangachar: Sorry.

Moderator: MD Sir, you are on mute. Please un-mute and speak.

Mr. C P Rangachar: I don't know why it wants to shut me up. Anyway, regarding talent, it is always a challenge.

Moderator: We are not getting MD sir's voice, please. I'm sorry, we are not getting MD sir's voice. Can someone take it up?

Member of the Board: Hello?

Moderator: Yes, Sir, you are audible. Yeah, yeah, most of the questions were already answered by Mr. Rangachar, and the last one was that talent. Of course, he says that it is challenging, and of course we'll try to retain the talents and hope to do better in the coming years. Most of the questions he has answered, madam. So can we go to the next? Hello?

Moderator: Yes, Sir, you may please proceed.

Member of the Board: Your company has provided you with the facility of e-voting from 5th September 26th To 9th September 26th. Those who have not availed of the e-voting facility can exercise now. The E-voting platform will open for the next 15 minutes. Further, we have appointed Mr. Abhishek Bharadwaj, FCS, as Scrutinizer. The outcome of the results along with the Scrutinizer's Report will be placed on the website of the company as well as of the registrar of transfer agents of the company for your reference. Mr. C P Rangachar Sir requested Mr. Suhas H M, to convey a vote of thanks.

Mr. Suhas H M: Thank you, Sir. As we come close to the 50th Annual General Meeting of the company, it's my privilege to extend heartfelt gratitude to everyone who has made this event successful. Firstly, my sincere thanks to Mr. Tadanori Okada, our Chairman, for his continued support and leadership. A special thanks to Mr. C.P. Rangachar, our Managing Director, for chairing today's meeting and his continued excellent, excellent leadership. I express my deepest appreciation to all the members of the Board, Key Managerial Personnel, and the senior managerial personnel, and all the employees of the company for the continued support. I express my warm acknowledgement to our Secretary Auditor, M/s V. Sreedharan & Associates, our Statutory Auditors, M/s Walker Chandiok & Co LLP, Stock Exchanges. A special thanks to KFin Technologies Limited, our Registrar and Share Transfer Agent, for their excellent support in conducting this annual general meeting as well as providing the e-voting facility to the members of the company. Depositories for their support. Special thanks to all the shareholders of the company for reposing their continued confidence in our company. Thank you. Now the meeting is closed. Members have 15 minutes' time to cast their votes who have not cast it till now. Thank you.

Member of the Board: Thank you. Thank you.