

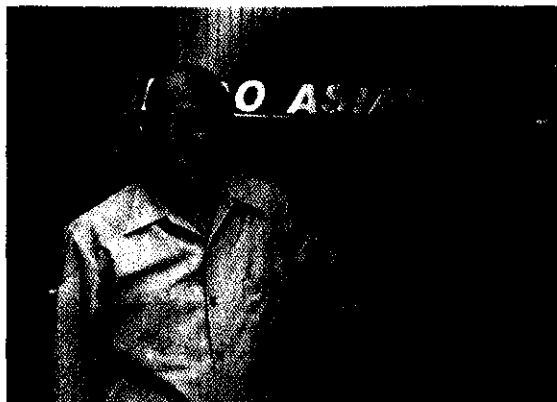
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INDO ASIAN FUSEGEAR LIMITED

CHAIRMAN'S VISION



V.P. Mahendru, CMD

"Never in the history of mankind has Power played such a decisive role in defining the progress & prosperity of the world we inhabit. Whether nuclear, petroleum-based or electrical, Power is the key to a brighter future.

At Indo-Asian, we recognise this fact in all its entirety & continue to dedicate our concerns towards building better electrical control & protection equipment than ever before. Our key focus remains quality in tune with customer satisfaction & towards that end manufacturing technologically superior & environment-friendlier products that are safe & secure in the use of electric power.

At Indo Asian, every single employee every day, strives to live up the organisational credo : Made in India, for the world."

BOARD OF DIRECTORS

V.P. Mahendru

Chairman-cum-Managing Director

P.K. Ranade

Joint Managing Director

Vinay Mahendru

Executive Director

R.C. Bansal

Director

D.N. Davar

Director

**GENERAL MANAGER
CORPORATE PLANNING & FINANCE**

A.K. Ghosh

**SR. MANAGER (LEGAL)
& COMPANY SECRETARY**

B.S. Bhadauriya

AUDITORS

J.C. Bhalla & Co.,

Chartered Accountants
New Delhi

BANKERS

State Bank of Patiala
State Bank of India
Canara Bank

CORPORATE OFFICE

207-208, Hemkunt Tower,
98, Nehru Place, New Delhi-110019

REGD. OFFICE & WORKS

51 Kms, G.T. Karnal Road, Murthal,
Distt. Sonapat, Haryana

WORKS

By-Lane, Nakodar Road, Jalandhar, Punjab

CFL UNIT

A-39, Hosiery Complex, Phase-II Extn.,
Noida, U.P.

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NOTICE

Notice is hereby given that the **Seventeenth** Annual General Meeting of the members of **INDO ASIAN FUSEGEAR LIMITED** will be held on **Saturday, the 30th September, 2000**, at **9:00 A.M.** at **51 Kms. G.T. Karnal Road, Murthal, Distt. Sonapat, Haryana - 131 027**, to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000, and the Profit and Loss Account of the Company for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- 2) To declare a dividend for the Financial Year ended 31st March, 2000.
- 3) To appoint a Director in place of Sh. Vinay Mahendru, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Sh. D.N. Davar, who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT in accordance with the provisions of Sections 16,94 and all other applicable provisions, if any, of the Companies Act, 1956, and any amendment or re-enactment thereof, the present Authorised Share Capital of Rs. 10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10/- each, be and is hereby increased to Rs. 15,00,00,000/- divided into 1,30,00,000 Equity Shares of Rs. 10/- each and 20,00,000 Preference Shares of Rs. 10/- each and that Clause V of the Memorandum of Association of the Company, be altered accordingly."

- 7) 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 Sections 80, 81 and all other applicable provisions, if any, of the Companies Act, 1956, and enabling provisions in the Memorandum and Articles of Association of the Company and Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and subject to the approval of the Securities & Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other concerned authorities and departments, if any, and to the extent necessary and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them in granting any such approvals, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee) and any duly authorised Committee thereof for the time being exercising the powers conferred on by the Board by this Resolution, the consent of the Company be and is hereby accorded to the Board to Offer/Issue/Allot redeemable **Preference Shares**, Equity Shares/Convertible or Non-Convertible Debentures, whether fully or partly, Secured Premium Notes with or without detachable warrants and/or other financial instruments (hereinafter referred to as "Securities") as the Board at its sole discretion may at any time hereafter decide and which securities when issued or allotted would ultimately result in an increase in the paid up capital of the Company by an amount not exceeding Rs. 5 Crores (Rupees Five Crores only) to such person or persons, whether or not shareholders of the Company, as the Board may at its sole discretion decides including one or more of the Promoters, the Public, the Members, Employees of the Company and/or Group Companies, Non Resident Indians, Foreign Collaborators, Overseas Corporate Bodies, Foreign Institutional Investors, Domestic Companies, Indian Mutual Funds, Financial Institutions, Banks, other entities whether in India or abroad, in one or more combinations thereof whether through Right Issue, Public Issue, Private Placement or Preferential Allotment, Exchange of Securities, Conversion of Loan or by any one or more or a combination(s) of the above modes/methods or otherwise and at such time or times and in one or more tranches as the Board may at its absolute discretion think fit and decide and on such terms and conditions including the number of Securities to be issued, the face value, the price of issue, rate of interest, rate preferential dividend, redemption period, manner of redemption, premium on redemption, the number of equity shares to be allotted on redemption/conversion, the ratio, conversion period, fixing of record date or book closures, provided that the issue price of the Equity Shares to be issued in the first instance or on conversion of the Securities or upon exercising the rights entitlement attached to the warrants/other instruments shall be at a price as may be determined by the Board of Directors."

"RESOLVED FURTHER THAT such of these Securities to be issued, as are not subscribed may be disposed off by the Board in its absolute discretion, at such price and in such manner and/or on such terms as the Board in its sole discretion think most beneficial to the Company, including offering or placing them with Banks/Financial Institutions/Investment Institutions/Mutual Funds/Foreign Institutional Investors/Body(ies) Corporates or such other persons or otherwise as the Board may in its absolute discretion deem fit and proper."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit proper or desirable and to settle any questions, difficulties, doubts that may arise in regard to the Offer/Issue/Allotment of the Securities and in regard to utilisation of proceeds of the issue of Securities towards the Company's activities/other corporate needs and to finalise all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit."

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

"RESOLVED that the consent of the Members, be and is hereby accorded to the Board of Directors thereby vesting authority for transfer of Equity Shares/Preference Shares/Fully Convertible Debentures/Partly Convertible Debentures/Non-Convertible Debentures and/or other securities being purchased by Foreign Institutional Investors (FIIs) and/or other persons/entities as permitted by the Government of India/Securities & Exchange Board of India/Reserve Bank of India/other competent authority from time to time upto 40% or such other higher percentage as may be stipulated for each series of securities issued and listed on any of the Stock Exchanges under Portfolio Investment Scheme and/or any other Scheme."

"RESOLVED FURTHER THAT should this limit be enhanced by the Central Government/Reserve Bank of India/other competent authority, the permission of the Members is hereby granted to the Board of Directors to permit the said 40% or any such enhanced limit as may be permitted by the Government of India/Reserve Bank of India/other competent authority."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable and to settle any question, difficulty or doubt that may arise in regard to the transfer of Equity Shares/Preference Shares/Fully Convertible Debentures/Partly Convertible Debentures/Non-Convertible Debentures/other Securities."

9) 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 314 and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government and subject to such modifications and variations as the Central Government may prescribe, the consent of the Company, be and is hereby accorded to the appointment of Sh. Vivek Mahendru, who is a relative of Sh. V.P. Mahendru, Chairman-cum-Managing Director and Sh. Vinay Mahendru, Executive Director of the Company, and to hold and continue to hold an office or place of profit under the Company as "President (Operations)" or with such designation as the Board of Directors may, from time to time, decide with effect from 1st October, 2000, on the terms and conditions as are set out in the Explanatory Statement, with the authority to the Board of Directors to alter and vary the said terms and conditions as may be directed by the Central Government and agreed to between the Board of Directors and Sh. Vivek Mahendru."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this Resolution."

10) 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 314 and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government and subject to such modifications and variations as the Central Government may prescribe, the consent of the Company, be and is hereby accorded to the appointment of Sh. Vimal Mahendru, who is a relative of Sh. V.P. Mahendru, Chairman-cum-Managing Director and Sh. Vinay Mahendru, Executive Director of the Company, and to hold and continue to hold an office or place of profit under the Company as "President (Corporate Affairs)" or with such designation as the Board of Directors may, from time to time, decide with effect from 1st October, 2000, on the terms and conditions as are set out in the Explanatory Statement, with the authority to the Board of Directors to alter and

INDO ASIAN

vary the said terms and conditions as may be directed by the Central Government and agreed to between the Board of Directors and Sh. Vimal Mahendru."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board of Directors,
for **INDO ASIAN FUSEGEAR LIMITED**

Regd. Office :

51 Kms. G.T. Karnal Road,
Murthal, Distt. Sonapat
Haryana.

Dated : 14th August, 2000

(B.S. BHADAURIYA)
SR. MANAGER (LEGAL)
& COMPANY SECRETARY

IMPORTANT NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
3. Explanatory Statements under Section 173(2) of the Companies Act, 1956, in respect of Special Business set out under Item Nos. 6 to 10 are annexed herewith.
4. **The Equity Shares of the Company are now available for dematerialisation with National Securities Depository Limited (NSDL) and the script would be under compulsory demat trading for all investors effective from 26th February, 2001. Shareholders desirous of converting their Equity Shares in demat form may send their requests through their respective Depository Participants (DPs).**
5. Members are requested to notify any change in their addresses, specifying the full address in block letters with Pin Code of the Post Office to the Company's Registered Office.
6. Members are requested to bring their copy of Annual Report at the meeting.
7. Members seeking further information on the Accounts or any other matter are requested to write to the Company at least 15 days before the meeting so that the relevant information can be kept ready at the meeting.
8. Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, the 26th September, 2000 to Saturday, the 30th September, 2000** (both days inclusive), for the purpose of Annual General Meeting and payment of dividend, if any.
9. Dividend on Equity shares as recommended by the Board of Directors, if declared at the meeting, will be paid to those members of the Company whose name(s) appear(s) on the Register of Members on **Monday, the 25th September, 2000**. In respect of shares held in Electronic Form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited for this purpose.
10. The amount of unclaimed/unpaid dividend for and upto the financial year ended 31st March, 1994, has already been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205-A of the Companies Act, 1956. Those members who have not so far claimed their dividends for the said periods may claim the same by submitting an application in prescribed Form II to the Registrar of Companies, NCT of Delhi & Haryana, Paryavaran Bhawan, 2nd floor, CGO Complex, Lodi Road, New Delhi - 110 003.
11. Pursuant to the provisions of Section 205-A of the Companies Act, 1956, as amended, dividend for the Financial Year ended 31st March, 1995, and thereafter, which remain unpaid or unclaimed for a period of 7 (seven) years will be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encashed dividend warrant(s) so far for the Financial Year ended 31st March, 1995, or any subsequent financial years are requested to write to the Company.

12. Members desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit the prescribed Form 2B for this purpose to the Company.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6

The present Authorised Share Capital of the Company is Rs. 10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10/- each. In order to enable the Directors to issue, at present, 10,00,000 Preference Shares of Rs. 10/- each aggregating to Rs. 100 Lakhs to foreign collaborator Heinrich Kopp AG, Germany, and also other securities from time to time to meet the funds requirement of the Company, it is desired that the Authorised Share Capital of the Company, be increased and re-classified as mentioned in Resolution No. 6.

The proposed increase in the Authorised Share Capital requires approval of the Members in general meeting.

The Clause V of the Memorandum of Association of the Company will also require alteration so as to reflect the aforesaid increase and re-classification in the Authorised Share Capital.

None of the Directors of the Company are, in any way, concerned or interested in the said Resolution.

ITEM NO. 7

Your Company has entered into foreign collaboration arrangement with Heinrich Kopp AG, Germany, for manufacture of new generation Miniature Circuit Breakers (MCBs) and also for establishing R&D facilities for development of new innovative designs for wide range of MCBs jointly in India and Germany.

Under the aforesaid arrangement, Heinrich Kopp will initially invest Rs. 100 Lakhs in the Preference Shares of your Company.

Further, the Company is evaluating various other proposals for setting up of manufacturing facilities for new products for which it may be necessary to raise resources for various purposes including capital expenditure, working capital requirements, strategic investments, any mergers, amalgamations, acquisitions, reconstructions or arrangements or any other reorganisation as the Board may decide, for which the Board of Directors consider that it would become necessary to raise financial resources at appropriate time(s) by issue of appropriate instruments, at such price or prices, to such persons and in such manner, as stated in the Resolution.

As the Members are aware, as part of the liberalisation in the economic policies, the Government of India has permitted free pricing of securities including equity shares and preference shares. The Company, in consultation with its Merchant Bankers and other Advisors, will fix the detailed terms of the issue which will be in line with the requirements of guidelines issued by the Securities & Exchange Board of India (SEBI), Reserve Bank of India (RBI) and other regulatory authorities.

Consent of the Members is being sought to authorise the Board of Directors for issuing, at present, Preference Shares to foreign collaborator Heinrich Kopp AG, Germany and also for issuing other Securities as may be required in future, as stated in the resolution which would result in issuance of further shares of the Company in accordance with the terms and nature of the Securities.

The resolution set out at this Item No. 7 is an enabling resolution conferring authority on the Board to cover all present and future corporate requirements and contingencies.

Accordingly, consent of the Members is being sought pursuant to the provisions of Sections 80, 81 and all other applicable provisions, if any, of the Companies Act, 1956, and also in terms of provisions of the Listing Agreements executed by the Company with various Stock Exchanges in India where the Company's Securities are listed.

The Directors recommend the Resolution for approval of the Members.

All the Directors of the Company may be deemed to be concerned or interested to the extent they may be entitled to the Securities that may be offered to them on rights basis or otherwise and applied for and allotted to them.

ITEM NO. 8

The investment by Foreign Institutional Investors (FIIs), in the shares/convertible debentures of Indian Companies is permitted to the extent of 24% of the total paid-up equity capital of such Companies. Recently, the Government of India has raised the limit of such investments to 40% of the paid-up equity capital of such Companies or paid-up value of each series of convertible debentures, subject to the approval of Board of Directors and approval of Members of the Investee Company by way of a Special Resolution.

Since the increased investment by FIIs, if any in future, is considered to be in the interest of the Company, the

Board recommends passing of the Special Resolution as set out in Item No. 8 of the accompanying Notice. The resolution set out at this Item No. 8 is an enabling resolution conferring authority on the Board to facilitate investments by FILs in your Company, if desired in future.

None of the Directors of the Company are, in any way, concerned and interested in the said Resolution.

ITEM NO. 9

Sh. Vivek Mahendru is an MBA from University of Aston in Birmingham, United Kingdom. He has 20 years of rich and diversified experience in London, UK, as well as in India in production and marketing of Switchgear products including latest and modern electrical protection devices.

The Board of Directors after taking into account the increase in the Company's activities and decentralisation of the operating units have considered that it would be desirable and in the interest of the Company to appoint Sh. Vivek Mahendru, as President (Operations) with effect from 1st October, 2000, on remuneration and other terms and conditions as are set out below :-

Name : Sh. Vivek Mahendru
Designation : President (Operations)
Date of Appointment : 01/10/2000

- A. **Salary** : Rs. 44,000/- per month with annual increments upto 20% as may be decided by the Board of Directors of the Company.
- B. **Commission** : Upto ½% of the net profits subject to maximum of 50% of the salary per annum as may be decided by the Board of Directors.
- C. **Perquisites** : In addition to salary and commission, he will be entitled to perquisites like unfurnished accommodation/House rent allowance (in case no accommodation is provided), gas, electricity, water, medical reimbursement, leave travel concession, club fees, personal accident insurance and such other perquisites in accordance with the rules of the Company from time to time, provided that the aggregate value of such perquisites shall not exceed Rs. 3,72,000/- per annum.

The ceiling on remuneration and perquisites shall not include the following benefits :

- (i) Company maintained car and telephone at residence;
- (ii) Company's contribution to provident fund, superannuation fund and payment of gratuity as per rules of the Company;
- (iii) Encashment of leave at the end of the tenure as per rules of the Company.

The Board and the Chairman-cum-Managing Director may entrust Sh. Vivek Mahendru, with such duties and responsibilities as they may consider appropriate from time to time.

Sh. Vivek Mahendru is a relative of Sh. V.P. Mahendru, Chairman-cum-Managing Director and Sh. Vinay Mahendru, Executive Director, within the meaning of the Companies Act, 1956, and therefore, approval of the Members under Section 314 of the Companies Act, 1956, is necessary for him to hold and continue to hold an office or place of profit in the Company on the remuneration and other terms and conditions as provided in the Resolution and this Explanatory Statement.

The Board of Directors are being authorised to accept such modifications, alterations and amendments as may be directed by the Central Government while according approval under Section 314(1B) of the Companies Act, 1956, as accepted by Sh. Vivek Mahendru.

Members are requested to accord their approval to the Resolution.

Except Sh. V.P. Mahendru and Sh. Vinay Mahendru, no other Directors are, in any way, concerned or interested in the said Resolution.

The Board of Directors of the Company recommends the passing of the Special Resolution as set out in Item No. 9 of the accompanying Notice.

ITEM NO. 10

Sh. Vimal Mahendru is a Bachelor of Engineering (Industrial Engineering) and also an MBA from George Washington University, USA. He has 13 years of rich and diversified experience in information technology, implementation of ERP Systems, International business, setting up of new projects and production as well as marketing of Switchgear products in India and abroad.

The Board of Directors are of the opinion that in view of the rapid expansion of the operations of the Company world over including addition of new products and also decentralisation of various operating units, it would