



# Urja Global Limited

*Annual Report*

*2010-11*



# URJA GLOBAL LIMITED

## 2010-2011



*Regd. Office*  
3, Gagan Vihar, Delhi 110092

## Corporate Information

<b>Registered Office</b>	Urja Global Limited 3, Gagan Vihar, New Delhi-110 092
<b>Corporate Office</b>	A-56, Sector-16, Noida- 201301 Tel. No. : (91) 120-4633000
<b>Bankers</b>	Axis Bank Ltd IDBI Bank Yes Bank
<b>Statutory Auditor</b>	P V R N & Co. Chartered Accountants
<b>Board of Directors</b>	Puneet Mohlay <i>Chairman</i>  S. Venkita Subrahmoni <i>Managing Director</i>  Avinash Kumar Agarwal <i>Executive Director (Finance)</i>  Aditya Venketesh <i>Whole Time Director</i>  Rajesh Kumar Gupta <i>Independent Director</i>  D. N. Raina <i>Independent Director</i>  Harijanto Soepangkat Widjaja <i>Independent Director</i>
<b>Company Secretary</b>	Bhawna Gupta
<b>Audit Committee</b>	Puneet Mohlay <i>Chairman</i>  Rajesh Kumar Gupta Avinash Kumar Agarwal
<b>Remuneration Committee</b>	Puneet Mohlay <i>Chairman</i>  Rajesh Kumar Gupta Harijanto Soepangkat Widjaja
<b>Shareholders'/ Investors Grievance committee</b>	Puneet Mohlay <i>Chairman</i>  Rajesh Kumar Gupta Avinash Kumar Agarwal
<b>Stock Exchange where securities of the Company is Listed</b>	<b>Bombay Stock Exchange Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

## CHAIRMAN'S SPEECH

Dear Shareholders,

Welcome to the 19<sup>th</sup> Annual General Meeting of Urja Global Limited. I wish to thank you all for the confidence reposed in your board of directors.

As all of you know that India can substitute expensive sources such as diesel with solar to meet growing peak power demand.

Fortunately India is both densely populated and has high solar insolation, providing an ideal combination for solar power in India. Under the plan, solar-powered equipment and applications would be mandatory in all government buildings including hospitals and hotels. The scope for solar PV growth in India is massive, especially growth in distributed solar as over 600 million people - mostly in rural areas - currently don't have access to electricity. It is useful for providing grid quality, reliable power in rural areas where the line voltage is low and insufficient to cater to connected load. The Govt. of India is planning to electrify 18,000 villages by year 2012 through renewable energy systems especially by solar PV systems. This offers tremendous growth potential for Indian solar PV industry.

The Company is now venturing into business of providing on grid & off grid power solutions through solar energy. The product line includes solutions for domestic as well as commercial sectors and has a vast range in models and pricing. Some of the products are going to be imported from different countries and some custom made domestically.

The Directors' Report, Auditor's Report and the Audited Accounts with notes thereon are already with you for quite some time. The Annual Report sent to you gives you a fairly detailed review of your Company's performance and in any case, as the lawyers say - *res ipsa loquitur* - "the thing speaks for itself".

We are feeling confident about the next leg of the Company's growth. Our Company's strategy for the next three years envisages consolidation of our core activities to reach the number one position in India as well as prove our strength in overseas markets which are dominated by multinational companies. We look to a buoyant tomorrow.

We thank every stakeholder of the Company - customers, suppliers, employees, the government and investors - for their faith and confidence in the Company. We look forward to qualitative growth that creates value over the long term. The value that is sustainable and consistent.

Thank you for your continued support.

Sd/-  
**Puneet Mohlay**  
Chairman

## NOTICE

Notice is hereby given that the **19<sup>th</sup> Annual General Meeting** of the Members of the Company will be held on Thursday, 4<sup>th</sup> August, 2011 at 10:30 A.M. at Hindi Bhawan, 11, Vishnu Digambar Marg, New Delhi 110002 to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2011 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Harijanto Soepangkat Widjaja, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

### Special Business:

4. 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 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, **Mr Avinash Kumar Agarwal** be and is hereby appointed as the Whole Time Director designated as Executive Director (Finance) of the Company for a period of one year with effect from 14<sup>th</sup> May, 2011 at a remuneration not exceeding Rs. 50,000/- p.m. (Rupees Fifty Thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof or such other amount, with the liberty to the Board of Directors to alter and vary the terms and conditions of appointment and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or statutory modification(s) or re-enactment thereof.

**Resolved further that** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**Resolved further that** the Board of Directors and/ or Company Secretary of the Company be and is hereby authorized, jointly or severally, to take all necessary steps to give effect to the aforesaid resolution.”

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

**“Resolved that Mr S. Venkita Subrahmoni**, who was appointed as an Additional Director of the Company w.e.f. 20<sup>th</sup> April, 2011 to hold office till the date of the ensuing Annual General Meeting, be and is hereby appointed as Director of the Company, whose office shall be liable for determination through retirement by rotation.”

**Resolved further that** pursuant to Article 108 of the Articles of Association of the Company and the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, Mr S. Venkita Subrahmoni be and is hereby appointed as the Managing Director of the Company for a period of one year with effect from 20<sup>th</sup> April, 2011 at a remuneration to be decided by the Board, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or statutory modification(s) or re-enactment thereof.

**Resolved further that** in the capacity as such, Mr S. Venkita Subrahmoni shall have substantial powers of management to be exercised under the superintendence, control and direction of the Board of Directors.

**Resolved Further That** the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution.”

6. 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 81(1A) of the Companies Act, 1956 (hereinafter referred to as “the Act”) and other applicable provisions of the Act, if any, and subject to the enabling provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the applicable guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Government of India (“GOI”), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or sanctions, and which may be agreed to by the Board of Director of the Company (hereinafter referred to as “the Board” which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent of the members of the Company be and is hereby accorded to the Board to create, issue and allot up to 5,00,00,000 (five crores) convertible warrants with an entitlement to convert into/exchange with, at the option of the warrant holder(s) (hereinafter referred to as the convertible warrants), equal number of Equity Shares of a face value of Rs 10 each the Company, at a price of Rs 40/- per share (i.e. at a premium of Rs 30/- each), in one or more tranches, within a period of eighteen months from the date of issue, by way of preferential allotment to the promoters and strategic investors, as per the terms and conditions given in the Explanatory Statement annexed to this notice, which, inter alia, include:

- a. Issue of up to 5,00,00,000 Convertible Warrants to the following promoters and strategic investors of the company with an entitlement to convert into/exchange with the equal number of Equity Shares of the Company, in one or more tranches, at the option of the warrant holder(s), within a period of 18 months from the date of issue of such Convertible Warrants:

SN	Name of the proposed allottees	Number of Convertible Warrants
1	Nandanvan Commercial Pvt. Ltd.	20000000
	Sub-total (A)	20000000
2	Puneet Mohlay	100000
3	Suresh Singh	200000
4	Delta Merchandise Pvt. Ltd.	4000000
5	Sanjay Singh	200000
6	Manorama Singh	200000
7	Gati Commotrade Pvt. Ltd.	4000000
8	Windows Investments Pvt. Ltd.	1900000
9	Ajay Singh	200000
10	Banshi Commosale Pvt. Ltd.	4000000
11	Neha Singh	200000
12	Santosh Kumar Shah	1000000
13	Pasupati Estate Pvt. Ltd.	4000000
14	Indergiri Finance Ltd.	4000000
15	Everest Enclave Pvt. Ltd.	4000000
16	Vinod dugar	1000000
17	Sheetal dugar	1000000
	<b>Sub-total (B)</b>	<b>30000000</b>
<b>Total</b>		<b>50000000</b>

- b. Entitlement of the Convertible Warrant to the extent not exercised shall be lapsed and up-front amount paid on such warrants shall be forfeited.
- c. The resultant Equity Shares on conversion of the Warrants shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI Guidelines.
- d. The Relevant Date for the purpose of pricing of issue of the resultant Equity Shares on conversion of the Warrants in accordance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 is 5<sup>th</sup> July, 2011 being the 30<sup>th</sup> day prior to 4<sup>th</sup> August, 2011 (i.e., the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue).

**Resolved Further That** the Board of Directors of the Company be and is hereby authorised to reduce, change or modify the number of Convertible Warrants to be issued, to finalize and modify the terms and conditions, quantum, pricing, timings and all other matters relating to the issue and allotment of the aforesaid preferential issue of convertible warrants and resultant equity shares, to agree to such conditions or modifications that may be imposed, required or suggested by the Securities & Exchange Board of India (the SEBI), Stock Exchange(s) or other authorities, or that may otherwise be deemed fit or proper by the Board without being required to seek any further consent or approval of the Company in General Meeting and to settle all questions or difficulties that may arise with regard to the aforesaid in such manner as it may determine in its absolute discretion and to take such steps and to do all such acts, deeds, matters and things as may be required, necessary, proper or expedient, to give effect to this Resolution.

**Resolved Further That** for giving effect to this Resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the convertible warrants and the utilization of the issue proceeds of the Shares for the Company's plans, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit."

**Date:** 07.07.2011  
**Place:** Delhi

**For and on Behalf of the Board**  
**For Urja Global Ltd**

**Sd/-**  
**Bhawna Gupta**  
**Company Secretary**

**NOTES:**

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.
- B. The register of members and share transfer books of the Company will remain closed from Friday, 29<sup>th</sup> July, 2011 to Thursday, 4<sup>th</sup> August, 2011 (inclusive both days).
- C. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- D. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.



- E. The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item No. 4 to 6 above, is annexed hereto.
- F. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- G. Members are requested to notify any change in their address, if any, to the registrar & share transfer agent of the Company- M/s Alankit Assignments Limited, 2E/21, Jhandewalan Extn., New Delhi-110055 in respect of the physical shares and to the Depository Participants in respect of the shares held in Demat form.
- H. Details as per clause 49 of the listing agreement, of Mr. Harijanto Soepangkat Widjaja, person who is proposed to be appointed/ re-appointment in the annual general meeting, are given in the report on Corporate Governance, which is enclosed with the Directors' Report.
- I. Members are requested to quote their folio Nos. / DPID Nos. in all future correspondence(s) with the Company.

## **Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956**

### **Item No. 4:**

Mr Avinash K Agarwal was on the Board of Directors of the Company as Whole Time Director for a period of one year w.e.f. 01.04.10. His term as WTD was expired on 31.03.2011.

Keeping in view, the active involvement of Mr Avinash K Agarwal in the business affairs of the Company, your Board also proposes to appoint him as a Whole Time Director the company with effect from the date of your approval for a period of one year at a monthly remuneration of Rs 50,000 per month and other perquisites as detailed in the resolution. The Board of directors of the Company and the remuneration committee of Board of directors has approved his appointment and payment of remuneration subject to approval of members.

As per the provisions of section 269 read with schedule XIII of the Companies Act, 1956, the aforesaid appointment and payment of remuneration to Mr Avinash K Agarwal as a Whole Time Director require approval of members of the Company.

The Board recommends the propose resolutions at item no 4 for adoption of members in the larger interest of the Company.

None of the Directors of the Company other than Mr. Avinash K Agarwal, is interested and concerned in the proposed resolutions.

### **Item No. 5:**

Mr S. Venkita Subrahmoni was appointed on the Board of Directors of the Company as Additional Director w.e.f. 20<sup>th</sup> April, 2011 to hold office until the date of ensuing Annual Gneral Meting.

The Company has received notices in writing along with the requisite deposit under Section 257 of the Companies Act, 1956 proposing the candidature of Mr S. Venkita Subrahmoni for the office of Director of the Company in the ensuing General Meeting.

Further, the Board appointed, subject to the approval of members, Mr S. Venkita Subrahmoni as Managing Director of the Company, for a period of one year w.e.f. 20<sup>th</sup> April, 2011.

It is proposed to seek members' approval for the appointment and remuneration payable to Mr S. Venkita Subrahmoni as Managing Director, in terms of applicable provisions of the Act.

The brief particulars of the terms of appointment and remuneration payable to Mr S. Venkita Subrahmoni are as under:-



- a. Salary and perquisites & allowances per annum: 1% of the profits generated from the projects bought and developed by Mr. Venkita Subrahmoni from time to time, on review of performance on yearly basis, solely at discretion of the management. The Company will pay Rs. 50000/- as advance every month that will be adjusted out of the aforesaid 1% of the profits generated. In case of no profits generation by him, the total advance given will be refundable at the end of the year by him.
- b. The incentive/bonus is not to be included for the computation of the aforesaid ceiling of remuneration provided that such payment shall be within overall ceiling of remuneration permissible under the Act.
- c. Reimbursement of expenses: Re-imbursement of telephone and/or mobile phone(s) bills, conveyance, or other out of pocket expenses incurred in course of the official duties shall not considered as perquisites.
- d. The office of the Managing Director may be terminated by the either side with a notice period of 3 (three) months in writing.
- e. The employment of aforesaid director may be terminated by the Company without notice or payment in lieu of notice:
  - (i) If the Director is found guilty of any gross negligence, default or misconduct, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or
  - (ii) In the event of any serious repeated or continuing breach or non- observance by the Director of any of the stipulations contained in the terms of employment with the Company; or
  - (iii) In the event the Board expresses its loss of confidence in the Director.
- f. Upon termination by whatever means of the Director's employment:
  - (i) The Director shall immediately tender his resignation from the office as Director of the Company and from such other offices held by him in the Company, in any subsidiary and associate company without claim for compensation for loss of office;
  - (ii) The Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiary or associate company
  - (iii) The Managing Director shall adhere to the Company's Code of Business Conduct and Ethics for Directors and Management personnel.

In compliance with the provisions of Sections 269, 309, 310 and other applicable provisions of the Act read with Schedule XIII of the Act, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

The Board recommends the proposed resolution for adoption in the larger interest of the Company.

None of the Directors, except Mr S. Venkita Subrahmoni is concerned or interested in the resolution.

#### Item No. 6:

The Company proposes to expand its business operations and also proposes to venture into the business of power generation. Your company needs funds for the purpose for various power projects, acquisitions of mines of coal & limestone, solar plants; through purchase, acquisition of lease rights, takeover, joint ventures, strategic tie-ups, or any other modes in India and/ or abroad. To augment the fund requirements of the Company, your Board proposes to issue 5,00,00,000 Convertible Warrants to Promoters and various Strategic Investors at issue price of Rs.40/- per share (including premium of Rs.30/- per share) with an entitlement to convert into/exchange with the equal number of Equity Shares of the Company, in one or more tranches, at the option of the warrant holder(s), within a period of 18 months from the date of issue of such Convertible Warrants.

Since your Company is a listed company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and other applicable provisions, if any. In terms of the provisions of the Companies Act, 1956, and the aforesaid SEBI Guidelines, the relevant disclosures/details are given below:

**Instrument and Numbers:** The Company is proposing to issue the following instruments on preferential allotment basis:

- a. Convertible Warrants not exceeding 5,00,00,000 to the promoters and various strategic as per the special resolution at item no. 6 of this notice.

b. The Holder(s) of these warrants shall be entitled to convert the warrants into/exchange with the Equity Shares of the Company in the ratio of 1:1, i.e., one equity shares for every one warrant held within a period of 18 (eighteen) months from the date of issue of Convertible Warrants. The warrant holder(s) shall make a written request to the Company to exercise the entitlement and send the same along with complete balance payment payable on the resultant shares at least 30 days before the exercise of the entitlement. Entitlement of the Convertible Warrants to the extent not exercised shall lapsed and up-front amount paid on such warrants shall be forfeited.

**Relevant Date & Issue Price:** The relevant date for the purpose of determination of issue price of the equity shares/ resultant equity shares is 5<sup>th</sup> July, 2011. As per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, minimum issue price of the equity shares in preferential issues have to be calculated as follows:

a) The average of weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date; or

b) The average of weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;

whichever is higher.

The shares of the Company are listed on the Bombay Stock Exchange. The valuation of Shares as per aforesaid guideline was below the issue price of Rs. 40/- per share. Therefore, the issue price of the resultant Equity Shares is fixed at Rs. 40 per share as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

**Payment:**

In terms of the provisions of the SEBI Guidelines, 25% of the issue price of the resultant equity shares shall be payable at the time of issue of warrants. The up-front amount paid will be adjusted against the final payment required to be made for acquiring shares in exchange with the warrants. The up-front amount paid shall be forfeited if and to the extent, option(s) to acquire shares is not exercised.

**Identity & Particulars of proposed allottee:**

Present preferential issue of convertible warrants is proposed to be made to the following Promoters and Strategic Investors:

SN	Name of the proposed allottees	Number of Convertible Warrants
1	Nandanvan Commercial Pvt. Ltd.	20000000
	Sub-total (A)	20000000
2	Puneet Mohlay	100000
3	Suresh Singh	200000
4	Delta Merchandise Pvt. Ltd.	4000000
5	Sanjay Singh	200000
6	Manorama Singh	200000
7	Gati Commotrade Pvt. Ltd.	4000000
8	Windows Investments Pvt. Ltd.	1900000
9	Ajay Singh	200000
10	Banshi Commosale Pvt. Ltd.	4000000
11	Neha Singh	200000
12	Santosh Kumar Shah	1000000
13	Pasupati Estate Pvt. Ltd.	4000000
14	Indergiri Finance Ltd.	4000000
15	Everest Enclave Pvt. Ltd.	4000000
16	Vinod dugar	1000000
17	Sheetal dugar	1000000
	Sub-total (B)	30000000
<b>Total</b>		<b>50000000</b>