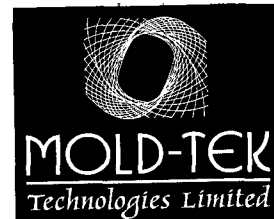


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MOLD-TEK
Technologies Limited

25th Annual Report
2008 - 2009

ANNUAL REPORT
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Board of Directors

J. Lakshmana Rao, Chairman & Managing Director

J. Sudharani, Wholetime Director

A. Subrahmanyam, Director - Technical

P. Venkateswara Rao, Director - Commercial

P. Shyam Sunder Rao, Non-Executive Director

Dr. K. Venkata Appa Rao, Non-Executive Director

C. Vasanth Kumar Roy, Non-Executive Director

M. Srinivas, Non-Executive Director

Statutory Auditors

Praturi & Sriram

Chartered Accountants

201, Sapthagiri Residency

1-10-98/A, Chikoti Gardens

Begumpet, Hyderabad - 500 016

Internal Auditors

GMK Associates

Chartered Accountants

607, Raghava Ratna Towers

Chirag Ali Lane

Hyderabad - 500 001

Bankers

ICICI Bank Limited

Legal Advisor

M. Radhakrishna Murthy, Advocate

Vidya Nagar, Hyderabad

Registered Office

Plot # 700, Road No. 36,

Jubilee Hills, Hyderabad - 500 033

Phone + 91 40 4030 0300/01/02/03/04

Fax + 91 40 4030 0328

E-mail ir@moldtekindia.com

finance@moldtekindia.com

Susidiary Companies

Crossroad Detailing, Inc.

816 W. Main Street

Farmersburg, Indiana 47850, USA

RMM Global, Inc.

226 S. College Square,

Bloomington,

Indiana 47404, USA

Notice

NOTICE is hereby given that the 25th Annual General Meeting of the Members of MOLD-TEK TECHNOLOGIES LIMITED will be held on **30th day of September, 2009 at 10.30 a.m. at Swagath-De-Royal Hotel, No. 2-36, Kothaguda X Roads, Cyberabad, Hyderabad - 500081** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2009 and Profit and Loss Account for the year ended 31st March, 2009 and the Report of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended 31st March, 2009.
3. To appoint a Director in place of C. Vasanth Kumar Roy, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. K.V. Appa Rao, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Messrs. Praturi & Sriram, Chartered Accountants, Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass, with or without modifications, the following resolutions as a **Special Resolution**:

"RESOLVED THAT in modification to the resolution passed by the members of the Company at the 23rd Annual General Meeting held on 26th September, 2007 and subject to the approval of Central Government, if required, and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded towards

the increase of remuneration to J. Lakshmana Rao, Chairman & Managing Director of the Company from Rs.3,00,000 per month to Rs.3,40,000 per month plus perquisites for the period from 1st April, 2009 to 31st March, 2013 in the following manner and that he shall be holding office of the Chairman & Managing Director for the remaining period of his tenure.

a. Salary:

The Company shall pay to J. Lakshmana Rao in consideration of the performance of his duties a salary of Rs.3,40,000 per month, in the scale of Rs.3,40,000-70,000-5,50,000.

b. Perquisites & Allowances:

In addition to the above salary, J. Lakshmana Rao shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowances in lieu thereof, reimbursement of expenses or allowance for gas, electricity, water, furnishing etc., medical reimbursement, leave travel allowances, club fee, stock options and such other perquisites and allowances under the Company's rules. The total cost of the aforesaid perquisites, allowances and other benefits (including Rent/HRA) shall be restricted to 50% of the salary per month.

c. Commission:

In addition to the salary and perquisites as above, J. Lakshmana Rao shall be entitled to commission at the rate of 1.50% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Companies Act, 1956.

d. Other Benefits:

In addition to the above salary and perquisites, J. Lakshmana Rao shall be entitled to the following annual benefits which shall not be included in the



computation of the ceiling of remuneration specified in paragraph (a) and (b) above:

- i. **Provident and Superannuation Fund:** The Company's contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act. The said contribution will not be included in the computation of the ceiling on remuneration.
- ii. **Gratuity:** Gratuity payable shall not exceed one half month's salary for each completed year of services and will not be included in the computation of the ceiling on remuneration.
- iii. **Leave encashment:** Encashment of leave at the end of the tenure in accordance with the rules of the Company.
- iv. **Provision of car and telephone:** J. Lakshmana Rao shall be entitled to a motor car for use on Company's business and telephone at residence, however use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to J. Lakshmana Rao.
- e. J. Lakshmana Rao shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.
- f. He will not be eligible for any sitting fees of the Company's Board/Committee Meetings.
- g. **Minimum Remuneration:**
Where in any financial year during the currency of the tenure of J. Lakshmana Rao, the Company has no profits or its profits are inadequate, the Company shall pay to J. Lakshmana Rao remuneration by way of salary and perquisites not

exceeding the limits specified herein above.

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter and vary such revised terms and conditions in accordance with the laws from time to time in force and to alter and vary such terms and conditions as may be approved by the Central Government without being required to seek the further approval of members within the limits as prescribed above and any action taken by the Board in this regard be and is hereby ratified and approved."

7. To consider and, if thought fit, to pass, with or without modifications, the following resolutions as a **Special Resolution:**

"RESOLVED THAT in modification to the resolution passed by the members of the Company at the 24th Annual General Meeting held on 29th September, 2008 and subject to the approval of Central Government, if required, and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded towards the increase of remuneration to J. Sudharani, Wholetime Director of the Company from Rs.1,10,000 per month to Rs.1,50,000 per month plus perquisites for the period from 1st April, 2009 to 31st March, 2013 in the following manner and that she shall be holding office of the Director for the remaining period of her tenure.

a. Salary:

The Company shall pay to J. Sudharani in consideration of the performance of her duties a salary of Rs.1,50,000 per month, in the scale of Rs.1,50,000-30,000-2,40,000.

b. Perquisites & Allowances:

In addition to the above salary, J. Sudharani shall be entitled to perquisites and allowances like reimbursement of expenses or allowance for gas, electricity, water, furnishing etc., medical reimbursement, leave travel allowances, club fee, stock options and such other perquisites and allowances under the Company's rules. The total cost of the aforesaid perquisites, allowances and other benefits shall be restricted to 20% of salary per month.

c. Other Benefits:

In addition to the above salary and perquisites, J. Sudharani shall be entitled to the following annual benefits which shall not be included in the computation of the ceiling of remuneration specified in paragraph (a) and (b) above.

- i. Provident and Superannuation Fund: The Company's contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act. The said contribution will not be included in the computation of the ceiling on remuneration.
- ii. Gratuity: Gratuity payable shall not exceed one half month's salary for each completed year of services and will not be included in the computation of the ceiling on remuneration.
- iii. Leave encashment: Encashment of leave at the end of the tenure in accordance with the rules of the Company.

- iv. Provision of car and telephone: J. Sudharani shall be entitled to a motor car for use on Company's business and telephone at residence, however use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to J. Sudharani

- d. J. Sudharani shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.

- e. She will not be eligible for any sitting fees of the Company's Board/Committee Meetings.

f. Minimum Remuneration:

Where in any financial year during the currency of the tenure of J. Sudharani, the Company has no profits or its profits are inadequate, the Company shall pay to J. Sudharani remuneration by way of salary and perquisites not exceeding the limits specified herein above.

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter and vary such revised terms and conditions in accordance with the laws from time to time in force and to alter and vary such terms and conditions as may be approved by the Central Government without being required to seek the further approval of members within the limits as prescribed above and any action taken by the Board in this regard be and is hereby ratified and approved."

8. To consider and, if thought fit, to pass, with or without modifications, the following resolutions as a **Special Resolution**:



"RESOLVED THAT subject to the approval of Central Government, if required, pursuant to the provisions of Sections 316(2), 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), A. Subrahmanyam be and is hereby appointed as Wholetime Director (Director-Technical) for a period of five years with effect from 1st September 2009 at a remuneration of 0.5% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Companies Act, 1956.

"RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

9. To consider and, if thought fit, to pass, with or without modifications, the following resolutions as a **Special Resolution**:

"RESOLVED THAT subject to the approval of Central Government, if required, pursuant to the provisions of Sections 316(2), 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), P. Venkateswara Rao be and is hereby appointed as Wholetime Director (Director-Commercial) for a period of five years with effect from 1st September 2009 at a remuneration of 0.5% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Companies Act, 1956.

"RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider

necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

10. Issue of shares under the Employees Stock Option Scheme

To consider and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof for the time being in force), and in accordance with the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as 'the SEBI Guidelines applicable to the ESOS') as amended till date and subject to such approvals, consents, permissions and sanctions, as may be required, and subject to such conditions as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as "the Board," which term 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) is hereby authorised to create, offer, issue and allot up to 2,00,000 Equity Shares, from time to time in one or more tranches, to or for the benefit of the employees of the Company, under the "Moldtek Technologies Limited Employees Stock Option Scheme" (the ESOS).

"RESOLVED FURTHER that subject to the terms stated in the ESOS, the equity shares allotted pursuant to the aforesaid Resolution shall in all respects rank *pari passu* with the existing equity shares of the Company.

"RESOLVED FURTHER that the ESOS shall be operated by the Remuneration Committee/ Compensation Committee of the Directors of the Company constituted by the Board.

"RESOLVED FURTHER that the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors, Directors or officers of the Company.

"RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board or the Remuneration Committee/Compensation Committee of the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue and grant of options, period and requirements of vesting, exercise price, allotment or other related matters, as it may, in its absolute discretion deem fit, as per the SEBI Guidelines applicable to the ESOS."

"RESOLVED FURTHER that the Board, based on the recommendation of the Compensation Committee, be and is hereby authorised to amend or modify all or any of the terms and conditions of the ESOS in accordance with the SEBI Guidelines applicable to the ESOS and the Companies Act, 1956, for the time being in force unless such amendment or modification is detrimental to the interests of the employees of the Company."

11. To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Special Resolution**

"RESOLVED THAT subject to the approval of the members in the General Meeting, and pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification (s) or re-enactments thereof, for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company, Foreign Exchange Management Act, 2000, the Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed or proposed to be listed and subject to the approval of Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other concerned authorities, if any and to the extent necessary

and such other approvals, permissions and sanctions as may be necessary and subject to that conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to, by the Board of Directors of the Company (here in after referred to as Board) and/or a duly authorized Committee thereof for the time being exercising the powers conferred by the Board, the Company be and hereby authorised to create, issue, offer or allot 2,50,000 (Two lakhs fifty thousand) Equity Shares at a price of Rs.80 per share [comprising nominal value of Rs.10 and premium of Rs.70 per share and the issue price being not less than the price as arrived at, in accordance with the terms of Chapter XIII of SEBI (Disclosure and Investor Protection) Guidelines, 2000] either in for cash or for consideration other than cash or in satisfaction of a genuine debt, as may be deemed most appropriate by the Board, on preferential basis to Strategic Investors (Non-Promoter Group) as detailed below:

| Name of the Person | No. of Shares |
|---|-----------------|
| Strategic Investors (Non-Promoter Group) | |
| Darashaw & Company Private Limited | 2,00,000 |
| Hoist Holdings Private Limited | 50,000 |
| TOTAL | 2,50,000 |

"RESOLVED FURTHER THAT new shares herein referred to shall be subject to the Memorandum and Articles of Association of the Company and will rank 'pari passu' in all respects including payment of the dividend with existing Equity shares in the Company.

"RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director/directors or any other officer or officers of the Company to give effect to the aforesaid resolutions including to execute any document on behalf of the company and to represent the Company before any government authorities and to appoint any professional advisor/consultants/lawyers."



"RESOLVED FURTHER that subject to SEBI guidelines and other applicable laws, the Board be and is here authorized to decide and approve terms and conditions of the issue of above mentioned Equity Shares and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.

"RESOLVED FURTHER that for the purpose of giving effect to the above, the Board be and is hereby authorized to agree, make and accept all such terms(s), conditions(s), modification(s) and alteration(s) as it may deem fit, including, condition(s), modification(s) and alteration(s) stipulated or required by any relevant authorities or by their bye-laws, rules, regulations or guidelines, and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment, to finalise and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and/or incidental as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the Company."

12. To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Special Resolution**:

"RESOLVED THAT subject to the approval of the members in the General Meeting, and pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification (s) or re-enactments thereof, for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company, Foreign Exchange Management Act, 2000, the Listing Agreement entered into by the Company with the Stock Exchanges where the Shares of the Company are listed or proposed to be listed and subject to the approval of Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other concerned authorities, if any and to the extent necessary and such other approvals, permissions and sanctions as may be necessary and subject to that conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and

sanctions which may be agreed to, by the Board of Directors of the Company (herein after referred to as Board) and/or a duly authorized Committee thereof for the time being exercising the powers conferred by the Board, the Company be and hereby authorised to create, issue, offer or allot 8,80,000 (Eight lakhs eighty thousand only) Fully Convertible Warrants (Convertible into equal number of Equity Shares within a period of 18 months from the date of allotment of Warrants) at a price of Rs.80 per warrant [comprising nominal value of Rs.10 and premium of Rs.70 each and the issue price being not less than the price as arrived at, in accordance with the terms of Chapter XIII of SEBI (Disclosure and Investor Protection) Guidelines, 2000] either in for cash or for consideration other than cash or in satisfaction of a genuine debt, as may be deemed most appropriate by the Board on preferential basis to the following Promoters/Promoter Group of the Company and Strategic Investors and others (Non-Promoter Group) as detailed below:

| Name of the Persons | No. of Warrants |
|---|-----------------|
| Promoters and Promoter Group | |
| J. Rana Pratap | 1,10,000 |
| J. Navya Mythri | 1,10,000 |
| A. Subrahmanyam | 90,000 |
| J. Bhujanga Rao | 60,000 |
| P. Venkateswara Rao | 20,000 |
| N. Padmavathi | 25,000 |
| M. Srinivas | 10,000 |
| Sub-total (Promoter and Promoter Group) | 4,25,000 |
| Non Promoter Group (Strategic Investors) | |
| K. Vengala Rao | 50,000 |
| K. Sujani Kumari | 50,000 |
| T. Vimala | 10,000 |
| K. Raghava | 10,000 |
| Pratima | 50,000 |
| A. Bhavani Prasad | 1,00,000 |
| K. V. S. S. Raju | 25,000 |
| T. Balaji | 10,000 |
| Darashaw & Company Private Limited | 1,00,000 |
| Hoist Holdings Private Limited | 50,000 |
| Sub-total (Non-Promoter Group) | 4,55,000 |
| TOTAL | 8,80,000 |

"RESOLVED FURTHER THAT new shares allotted on conversion of warrants herein referred to shall be subject to the Memorandum and Articles of Association of the Company and will rank pari passu in all respects including the payment of dividend with existing Equity shares in the Company.

"RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director/directors or any other officer or officers of the Company to give effect to the aforesaid resolutions including to execute any document on behalf of the company and to represent the Company before any government authorities and to appoint any professional advisor/consultants/lawyers.

"RESOLVED FURTHER that subject to SEBI guidelines and other applicable laws, the Board be and is here authorized to decide and approve terms and conditions of the issue of above mentioned Equity Shares Warrants and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.

"RESOLVED FURTHER that for the purpose of giving effect to the above, the Board be and is hereby authorized to agree, make and accept all such terms(s), conditions(s), modification(s)

and alteration(s) as it may deem fit, including, condition(s), modification(s) and alteration(s) stipulated or required by any relevant authorities or by their bye-laws, rules, regulations or guidelines, and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment, to finalise and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and/or incidental as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the Company.

"RESOLVED FURTHER that the Board shall also seek listing of such Equity Shares and Shares resulting on conversion of warrants of the face value of Rs.10 each at all the Stock Exchanges where the Equity Shares of the Company are already listed."

By Order of the Board
for **MOLD-TEK TECHNOLOGIES LIMITED**


J. LAKSHMANA RAO

Chairman & Managing Director

Hyderabad
1st September, 2009

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, and, on a poll, to vote instead of himself/herself and such proxy need not be a Member of the Company. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of items 6 to 12 is annexed.
3. In terms Articles of Association of the Company, C. Vasanth Kumar Roy and Dr. K.V. Appa Rao,

Directors of the Company retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Information about such Directors as stipulated under Clause 49 of Listing Agreement is contained in the statement annexed hereto. The Board of Directors of the Company recommends the respective re-appointments of the aforesaid Directors.

4. Members/Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting along with the copy of the Annual Report. Corporate members intending to send their authorized representatives to attend the