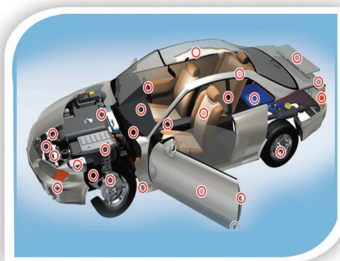




**MOLD-TEK**  
*Technologies Limited*

## 29<sup>TH</sup> ANNUAL REPORT 2012-13



...PIONEERS in  
ENGINEERING KPO SERVICES

## ANNUAL REPORT

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Design & Production

**Capricorn**

Hyderabad



## Board of Directors

**J. Lakshmana Rao**, Chairman & Managing Director

**J. Sudha Rani**, Wholetime Director

**A. Subramanyam**, Director - Technical

**P. Venkateswara Rao**, Director - Commercial

**P. Shyam Sunder Rao**, Non-Executive Director

**M. Srinivas**, Non-Executive Director

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

**Dr. Surya Prakash Gulla**, Non-Executive Director

**C. Vasanth Kumar Roy**, Non-Executive Director

<b>Statutory Auditors</b> Praturi & Sriram Chartered Accountants 201, Sapthagiri Residency 1-10-98/A, Chikoti Gardens Begumpet, Hyderabad - 500 016	<b>Registered Office</b> 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					
<b>Internal Auditors</b> GMK Associates Chartered Accountants 607, Raghava Ratna Towers Chirag Ali Lane Hyderabad - 500 001	<b>Subsidiary Companies</b> <table><tr><td><b>Crossroads Detailing, Inc.</b> 6319 East US HWY 36 Suite #4 Avon, IN 46123, USA.</td><td><b>RMM Global, Inc.</b> 2841 Riviera Drive Suite 306, Akron, Ohio 44333, USA</td></tr></table> <b>Branches of Mold-Tek Technologies Limited</b> <table><tr><td><b>Germany</b> Heinrich Lanz Ring 41a 68519 Viernheim, Germany</td><td><b>Ireland</b> 9, Mount Garrett Walk Tyrrelstown, Dublin-15, Ireland</td><td><b>Netherlands</b> IJdok 23 1013MM Amsterdam</td></tr></table>	<b>Crossroads Detailing, Inc.</b> 6319 East US HWY 36 Suite #4 Avon, IN 46123, USA.	<b>RMM Global, Inc.</b> 2841 Riviera Drive Suite 306, Akron, Ohio 44333, USA	<b>Germany</b> Heinrich Lanz Ring 41a 68519 Viernheim, Germany	<b>Ireland</b> 9, Mount Garrett Walk Tyrrelstown, Dublin-15, Ireland	<b>Netherlands</b> IJdok 23 1013MM Amsterdam
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<b>Legal Advisor</b> M. Radhakrishna Murthy, Advocate Vidya Nagar, Hyderabad						

[www.moldtekindia.com](http://www.moldtekindia.com)

## Notice

NOTICE is hereby given that the 29th Annual General Meeting of the Members of MOLD-TEK TECHNOLOGIES LIMITED will be held on **Friday, 20th day of September, 2013 at 11.00 a.m. at Best Western Jubilee Ridge, Plot No.38 & 39, Kavuri hills, Road No.36, Jubilee Hills, Hyderabad - 500033** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2013 and Statement of Profit and Loss Account for the period ended 31st March, 2013 and the Report of the Directors and Auditors thereon.
2. To declare dividend on equity shares for the year ended 31st March, 2013.
3. To appoint a Director in place of M. Srinivas, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of P. Shyam Sunder, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. Surya Prakash Gulla, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Messrs. Praturi & Sriram, Chartered Accountants, 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

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

"RESOLVED THAT in modification to the resolution passed by the Members of the Company at the 26th Annual General Meeting

held on 30th September, 2010 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 re-appointment of J. Lakshmana Rao, Chairman & Managing Director of the Company for a period of 5 years from 1st April, 2014 up to 31st March, 2019 and increase of remuneration to J. Lakshmana Rao, Chairman & Managing Director of the Company to ₹6,33,000 per month plus perquisites for the period from 1st October, 2013 to 30th September, 2016 in the following manner to be drawn either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and remaining from Mold-Tek Technologies Limited.

#### i. Salary

The Company shall pay to J. Lakshmana Rao in consideration of the performance of his duties a salary of ₹6,33,000 per month, in the scale of ₹6,33,000 - 1,00,000 - 8,33,000 to be drawn either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and remaining from Mold-Tek Technologies Limited.

#### ii. 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.

### iii. 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.

### iv. 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 (1) and (2) above:

- a. 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.
- b. 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.
- c. Leave encashment: Encashment of

leave at the end of the tenure in accordance with the rules of the Company.

- d. 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.

"RESOLVED FURTHER THAT notwithstanding anything contained herein above, where, during the term of employment of the Managing Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any statutory authority, as may be required, the remuneration payable to the Managing Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Section II of Part II of Schedule XIII to the Companies Act, 1956 or such other limits as may be prescribed by the government from time to time as minimum remuneration.

"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. Subramanyam be and is hereby re-appointed as Wholetime Director (Director-Technical) for a period of five years with effect from 1st September, 2014 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 re-appointed as Wholetime Director (Director-Technical) for a period of five years with effect from 1st September, 2014 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. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 314 and other applicable provisions of the Companies Act, 1956, read with Director's Relatives (Office or Place of Profit) Rules, 2003, as amended from time to time, and all other applicable provisions, if any, of the Act, the consent/approval of the Company be and is hereby accorded to appoint





J. Rana Pratap as Corporate Manager - NBD, holding office of profit under the Company, he being a relative of J. Lakshmana Rao, Managing Director and J. Sudha Rani, Wholetime Director of the Company, with effect from 8th April, 2013 on a monthly remuneration not exceeding ₹2,45,000 p.m. including all perquisites.

"RESOLVED FURTHER THAT J. Rana Pratap, shall also be entitled for reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered as and when they may determine and deem fit and proper, to revise the above terms of remuneration and to promote/re-designate him to the higher grade(s)/scale(s) with all perquisites, usual allowances, incentives, facilities and benefits as applicable to such grade(s)/scale(s) within the limit of remuneration prescribed by the central government without requiring their prior approval for holding an office or place of profit in the Company from time to time under the applicable rules of Director's Relatives (Office or Place of Profit) Rules, 2003 read with Section 314 (1B) of the Companies Act, 1956."

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

"RESOLVED THAT pursuant to Section 314 and other applicable provisions of the Companies Act, 1956, read with Director's Relatives (Office or Place of Profit) Rules, 2003, as amended from time to time, and all other applicable provisions, if any, of the Act, the consent/approval of the Company be and is hereby accorded to appoint

A. Durga Sundeep as Chief Manager - ITB, holding office of profit under the Company, he being a relative of A. Subramanyam, Wholetime Director of the Company, with effect from 8th April, 2013 on a monthly remuneration not exceeding ₹2,45,000 p.m. including all perquisites.

"RESOLVED FURTHER THAT A. Durga Sundeep, shall also be entitled for reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered as and when they may determine and deem fit and proper, to revise the above terms of remuneration and to promote/re-designate him to the higher grade(s)/scale(s) with all perquisites, usual allowances, incentives, facilities and benefits as applicable to such grade(s)/scale(s) within the limit of remuneration prescribed by the Central Government without requiring their prior approval for holding an office or place of profit in the Company from time to time under the applicable rules of Director's Relatives (Office or Place of Profit) Rules, 2003 read with Section 314 (1B) of the Companies Act, 1956."

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

**J. LAKSHMANA RAO**  
Chairman & Managing Director

Hyderabad  
21st August, 2013

## 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 7 to 11 is annexed.
3. In terms of Articles of Association of the Company, M. Srinivas, P. Shyam Sunder and Dr. Surya Prakash Gulla, Directors of the Company retire by rotation at 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 meeting are requested to send a certified copy of board resolution authorizing their representatives to attend and vote on their behalf in the meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number(s) in the Attendance Slip for attending the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2013 to 20th September, 2013 (both days inclusive), for the purpose of payment of dividend. The dividend declared at the Annual General Meeting will be paid to the Members whose names appear in the Register of Members of the Company at the end of the Business Hours on 17th September, 2013 and in respect of shares held in electronic form to those deemed members whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).
7. Members are requested to notify change of address, if any, with pincode to the Company or to its Registrar and Share Transfer Agent quoting reference of their folio number and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
8. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Secretarial Department so as to reach the Company at least 7 days in advance before the date of the Annual General Meeting, specifying the point(s).
9. Individual Members can now take the facility of making nomination of their holding. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder and the joint-holder(s), if any. A minor can be nominee provided the name of the guardian is given in the nomination form. Non- individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. For further details in this regard Members may contact the Registrar and Share Transfer Agent of the Company, M/s. XL Softech Systems Limited, 3 Sagar Society, Road





- No. 2, Banjara Hills, Hyderabad - 500 034, Andhra Pradesh.
10. Securities and Exchange Board of India (SEBI) has issued a circular clarifying that it shall be mandatory for the transferee(s) to furnish copy of Permanent Account Number (PAN) card to the Company/Registrar and Transfer Agent of the Company for registration of transfer of shares in the physical mode. Members may please take a note of the same.
  11. Members are requested to note that as per Section 205A of the Companies Act, 1956 dividend not encashed or claimed within seven years from the date of transfer to the Company's unpaid dividend account, will be transferred to the Investor Education and Protection Fund established under Section 205C of the said Act. Members who have not yet encashed the Dividend warrant(s) for the year 2005-06 to 2011-12 are requested to forward their claims to the Company's Registrar and Share Transfer Agent. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as referred above, no claim shall lie with the Company in respect of such amount.
  12. The certificate from the auditors of the Company certifying that the Company's stock option schemes are being implemented in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, and in accordance with the resolutions of the Members passed at the general meetings will be available for inspection by the Members at the Annual General Meeting.
  13. Company has established its credentials in ITES - KPO services in mechanical and civil engineering domains with many clients in USA & Europe. To grow rapidly using these client contacts and business development offices in various locations in USA & Europe, Company is diversifying into IT projects and staffing solutions. The rising demand for I.T. in all sectors of economy is expected to drive growth for our Company.
- Hence the main object clause of the Memorandum of Association needs to be amended to make them specifically align with the Company's current business operation and proposed diversification into I.T. services.

## **Explanatory Statement**

### **(Pursuant to Section 173(2) of the Companies Act, 1956)**

#### **Item 7**

J. Lakshmana Rao was re-appointed as Managing Director for a period of 3 years with effect from 1st April, 2011 and the Members of the Company approved his re-appointment at the 26th Annual General Meeting held on 30th September, 2010. J. Lakshmana Rao was re-appointed as Managing Director of Mold-Tek Packaging Limited for a period of 3 years with effect from 1st April, 2011 and the Members of the Mold-Tek Packaging Limited approved his re-appointment at its 14th Annual General Meeting held on 19th September, 2011.

Remuneration of J. Lakshmana Rao was revised with effect from 1st April, 2011 subject to approval of

Central Government and the Members of the Company approved the revision in remuneration at the 26th Annual General Meeting held on 30th September, 2010 and the revision in remuneration was approved by the members of Mold-Tek Packaging Limited at its 14th Annual General Meeting held on 19th September, 2011. The remuneration was proposed to be paid either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and remaining from Mold-Tek Technologies Limited.

Further, the Central Government vide its letter (letter dated 21st May, 2011 to Mold-Tek Technologies Limited and letter dated 4th June, 2011 to Mold-Tek

Packaging Limited) approved the payment of remuneration to J. Lakshmana Rao for a period of 3 years up to 31st March, 2014 to be paid either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and remaining from Mold-Tek Technologies Limited.

His present term as Managing Director expires on 31st March, 2014. The Board of Directors and Remuneration Committee at its meeting held on 21st August, 2013 subject to the approval of Members at general meeting, re-appointed J. Lakshmana Rao for a period of 5 years from 1st April, 2014 to 31st March, 2019.

Members may be aware that there has been substantial increase in overall growth and volume of business of the Company. In view of the increased volume of business, the duties and responsibilities of Managing Directors has also increased manifold and therefore the Board of Directors and Remuneration Committee at its meeting held on 21st August, 2013 reviewed remuneration payable to J. Lakshmana Rao from 1st October, 2013 to 30th September, 2016 keeping in view the objectivity of remuneration package payable to executives while striking a balance between the interest of the Company and the shareholders.

As per the provisions of Section 198, 269, 309 and Schedule XIII of the Companies Act, 1956 approval of the Members of the Company is required for re-appointment and revised remuneration payable to the Managing Director. Further, as the remuneration proposed exceeds the limits prescribed under Schedule XIII, approval of central government i.e. Ministry of Corporate Affairs is required. Hence, the Resolution is placed before you for approval.

The General Information as required pursuant to Clause 1(B)(iv) of Section II of Part II of Schedule XIII of the Companies Act, 1956 is contained in the statement annexed hereto.

The Explanatory Statement together with the accompanying notice should be treated as abstracts

of the terms of agreement and memorandum of concern or interest under Section 302 of the Companies Act, 1956.

The Board recommends the Resolution for approval of the Members.

None of the Directors, except J. Lakshmana Rao, A. Subramanyam and J. Sudha Rani shall be deemed to be interested in the said Resolution.

## Items 8 & 9

A. Subramanyam and P. Venkateswara Rao were appointed as Wholtime Directors of the Company with effect from 1st September, 2009 for a period of 5 years at its 25th Annual General Meeting held on 30th September, 2009. Their present term as Wholtime Director of the Company expires on 31st August, 2014. In view of the performance, capabilities and experiences of A. Subramanyam and P. Venkateswara Rao, the Board of Directors and Remuneration Committee at its meeting held on 21st August, 2013 subject to the approval of Members at General Meeting re-appointed A. Subramanyam and P. Venkateswara Rao as Wholtime Director for a further period of 5 years with effect from 1st September, 2014.

A. Subramanyam and P. Venkateswara Rao are also Deputy Managing Directors of Mold-Tek Packaging Limited.

As per the provisions of Sections 198, 269, 309 and Schedule XIII of the Companies Act, 1956 approval of the Members of the Company is required for appointment/re-appointment/ payment of remuneration to the Managing Director, Executive Director and Wholtime Director. Hence, the Resolutions are placed before you for approval. In case the remuneration proposed exceeds the limits prescribed under Schedule XIII, approval of central government i.e. Ministry of Corporate Affairs will be obtained.

The General Information as required pursuant to Clause 1(B)(iv) of Section II of Part II of Schedule