



**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**

**27th Annual Report and Accounts 2015**



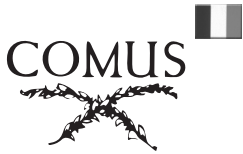
454, Allwood Road  
Clifton, NJ 07012 USA  
Phone : 973-777-6900  
Fax : 973-777-8405  
Email : comusintl@aol.com



Switching Technologies Gunther Limited  
Plots B9 & B10  
Special Economic Zone (MEPZ)  
Kadapperi, Tambaram  
Chennai – 600 045.  
Tel : (91) (44) 4321 9096,  
(91) (44) 2262 2460  
Fax : (91) (44) 2262 8271  
Email : stgindia@stg-india.com  
Website : www.stg-india.com



Comus International  
454, Allwood Road  
Clifton, New Jersey 07012 USA  
Phone : (1) 973-777-6900  
Fax : (1) 973-777-8405  
Email : info@comus-intl.com  
Website : www.comus-intl.com



Comus International Bvba  
Overhaamlan 40  
B-3700 Tongeren, Belgium  
Tel : (0) 32 12 390400  
Fax : (0) 32 12 235754  
Email : info@comus.be  
Website : www.comus.be



Computer Components, Inc  
18-B Kripes Rd.  
P.O. Box 1378  
East Granby, CT 06026  
Tel : (0) 860-653-9909  
Fax : (0) 860-653-9901  
Email : info@relays-unlimited.com  
Website : www.relays-unlimited.com



Comus Europe Limited  
Unit 7, Rice Bridge Industrial Estate  
Thorpe-Le-Soken, Essex, England  
CO16 OHL  
Tel : (0) 44 1255 862236  
Fax : (0) 44 1255 862014  
Email : sales@comuseurope.co.uk  
Website : www.comuseurope.co.uk

## Sensing the World's needs

Assembly and  
technology finely matched to  
offer both standard and custom  
switch and sensor products  
to industry

Bauteile und Technologie wurden soweit in  
Einklang gebracht, daB sowohl fur  
Standard-Schalter und  
Schalter-Sonderanfertigungen als auch fur  
Sensor-Produkte auf dem Markt angeboten  
werden konnten

Les assemblages et la technologie ont ete  
accordee pour qu'ils puissent etre offerts sur  
le marche non seulement pour les  
interrupteurs standards et speciaux mais  
encore pour les capteurs

Assemblaggi tecnologia opportunamente  
uniti per offrire interruttori standard o custom  
e sensoristica per industria



Comus Technology BV  
Jan Campertstraat 11  
6416 SG Heerlen  
The Netherlands  
Tel : (0) 31 45 5439345  
Fax : (0) 31 45 5427216  
Email : info@comus-intl.com  
Website : www.dry-reeds.com



Comus Electronics and  
Technologies India Private Ltd  
No. 31/33 Anjugam Nagar  
2nd Street, Ashok Nagar,  
Chennai - 600083, Tamil Nadu, India  
Tel : + 91 44 42023510, 42319092  
Email : sales@comusindia.com  
Website : www.comusindia.com

# SWITCHING TECHNOLOGIES GÜNTHER LIMITED

Regd. Office: B9 & B10, MEPZ - Special Economic Zone, Kadapperi, Tambaram, Chennai – 600 045.

CIN No. L29142TN1988PLC015647

**BOARD OF DIRECTORS** : **JOHN D.ROLLO – Chairman**  
**ROBERT P.ROMANO – Director**  
**P.RAMESH - Managing Director**  
**MARY PATRICIA GALASSO - Additional Director**  
**A.JEYAGANESAN MUTHIAH - Additional Director**

**BANKERS** : **HDFC BANK LTD**  
**STATE BANK OF INDIA**

**REGISTERED OFFICE & WORKS** : Plots B9 & B10  
MEPZ- Special Economic Zone  
Kadapperi, Tambaram  
Chennai - 600 045  
Phone : 91-44-22622460  
91-44-43219096  
Fax : 91-44-22628271  
e-mail : [stgindia@stg-india.com](mailto:stgindia@stg-india.com)  
CIN No. : L29142TN1988PLC015647

**REGISTRAR FOR** : **CAMEO CORPORATE SERVICES LTD**  
**ELECTRONIC CONNECTIVITY AND** Subramanian Building  
**PHYSICAL SHARE TRANSFERS** No.1, Club House Road,  
Chennai - 600 002  
Phone : 91-44-28460390 (5 Lines)  
Fax : 91-44-28460129  
e-mail : [cameosys@cameoindia.com](mailto:cameosys@cameoindia.com)

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 27th Annual General Meeting of the members of Switching Technologies Gunther Ltd. will be held on Thursday, the 24th September, 2015 at Hotel Grand Palace, 257,G.S.T Road, Chromepet, Near MIT Gate, Chennai 600 044 at 2.30 p.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss Account and Cash Flow Statement for the period ended 31st March 2015 and the Balance Sheet as on that date and the Reports of the Directors' and Auditors' thereon.
2. Reappointment of Mr. Robert P.Romano as director who retires by rotation. The retiring director is eligible for re-appointment.
3. To Reappoint Auditors and to fix their remuneration.

“RESOLVED THAT pursuant to section 139 of the Companies Act, 2013 and the Rules made hereunder, the company hereby ratifies the appointment of M/s. M L Srinivasan & Associates, Chartered Accountants, Chennai, as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS

#### TO PASS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTIONS

#### 4. REAPPOINTMENT OF MR. P. RAMESH AS MANAGING DIRECTOR

“RESOLVED THAT pursuant to the provisions of sections, 2(94), 196, 197, 198, 203 and other applicable provisions, if any, of Companies Act, 2013 read with Schedule V to the Companies Act, 2013 along with other applicable provisions, if any, and rule made there under (including any statutory modification or re-enactment thereof for the time being enforce) and other requisite approvals in this regard, as the case may be and subject to the approval of the members of the company at the Annual General Meeting, consent of the Board be and is hereby accorded to reappoint Mr.P. Ramesh as the Managing Director of the company for a period of five years commencing from 24th July, 2015 to 23rd July, 2020, at a remuneration of Rs.778,153/- p.a (inclusive of all allowances and perquisites), besides yearly increment as recommended by the remuneration committee.

“RESOLVED further that the Board of directors of the company be and is hereby authorized to do all such acts deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

“Further Resolved that None of the directors are personally interested in the above resolution.”

## 5. **AUTHORISATION TO DELIST THE COMPANY'S EQUITY SHARES FROM BOMBAY STOCK EXCHANGE**

The Legal Advisor of the company brought to the notice of the Board that post coming to effect of the Companies Act 2013 read with various rules and regulations, the following matters need to be incorporated at the earliest.

- a) Appointment of whole time company secretary on the rolls of the company
- b) Appointment of whole time Chartered Accountant as CFO on the rolls of the company
- c) Appointment of Independent Directors equivalent to ½ of the boards existing capacity.

The above said requirement was discussed extensively and it was observed that the company having been a loss making company for almost a decade, have managed to improve in the past 3-4 years by adopting cost cutting measures, increasing its productivity and sales and other measures and thereby broken even in the FY 13-14. In the financial year 14-15 a nominal profit of Rs. 49,97,548/- has accrued. The company does not have any financial backing from any investors or banks or any other source. Even the group companies are also reeling under severe financial crisis who were assisting the company by giving debt wavers in past. Hence the company has been managing to stand alone on its own.

Under such circumstances, the secretarial compliances as advised by the Legal Advisor is not only difficult but will also be impossible since it will cost the company an additional burden of approximately Rs. 20 lacs per annum by way of salary to Company Secretary and CFO, if appointed besides giving sitting Fee to additional independent director to be appointed on Board to ensure that the Board consist of 1/2 of independent directors. The above additional cost is to be incurred, if secretarial compliances is to be adhered to, by the company. Hence the company preferred to put forth before the director members of the board to explore the possibilities of de-listing the company purely on the financial crisis ground. It will not be out of place to mention here in that, the company does not have or foresee any secretarial activities for in the near future like issuance of equity or preference shares / Rights Issue / raising Bank loans or seeking investments and Fixed Deposit etc.

All the director members of the Board had taken note of the entire situation and they feel that delisting of shares from Bombay Stock Exchange will be the most viable action in the interest of the company to avoid any damage and legal action for violation of secretarial compliances on account of financial crisis. Hence the Board unanimously passed the following resolutions recommending delisting of equity shares of the company in Bombay Stock Exchange. Hence the following resolution is placed for being passed before this General Body for seeking their approval.

“Resolved that authority be and hereby accorded to delist the equity shares of the company from Bombay Stock Exchange bearing Security Code 517201 and ISIN INE311D01017 with immediate effect”.

“Further Resolved that Mr.P Ramesh, Managing Director and Mr.John D Rollo, Director are jointly and severally authorized to initiate necessary actions, sign the documents and to deal with the statutory authorities for delisting of shares”

“Further Resolved that none of the directors are personally interested in the above resolution.”

**6. TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION FOR REGULARISATION OF ADDITIONAL DIRECTOR MS. MARY PATRICIA GALASSO**

“RESOLVED THAT Ms Mary Patricia Galasso, who was appointed as an Additional Director with effect from 17.06.2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing her candidature for the office of a Director, be and is hereby appointed as a director of the company.”

**7. TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION FOR REGULARISATION OF ADDITIONAL DIRECTOR Mr. A. JEYAGANESAN MUTHIAH**

“RESOLVED THAT Mr. A.Jeyaganesan Muthiah, who was appointed as an Additional Director with effect from 17.06.2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.”

**8. TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION FOR APPROVAL OF COST AUDIT FEES FOR THE FINANCIAL YEAR 2015-16**

“RESOLVED THAT consent of the members of the company be and are hereby accorded for appointment of Mr.CMA.John D. Nevin. Cost Accountants for conducting audit of Cost Accounts and Records for the Financial Year 2015-16 pursuant rule 3 & 4 of Companies (Cost Records and Audit) Rules, 2014 issued by Ministry of Corporate Affairs on 30th June 2014, at a fee of Rs.10,000/- excluding applicable Tax”.

For and on behalf of the Board

Place : Chennai  
Date : 24th July 2015

**JOHN D.ROLLO**  
Chairman

**NOTES:**

1. EXPLANATORY STATEMENT TO THE NOTICE IS ANNEXED TO NOTICE AS PER THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013.

2. 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, TO BE VALID, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
3. Members / Proxies should bring the Attendance Slips sent herewith duly filled in for attending the meeting and hand it over at the entrance.
4. Members are requested to bring their copies of the Annual Report to the meeting.
5. Members are requested to immediately intimate any change in their address registered with the Company quoting their respective Folio Number(s).
6. Members who have multiple folios in identical names or joint names in the same order are requested to intimate to the Company these folios to enable the Company to consolidate all such shareholdings into one folio.

The Share Transfer Register and Register of members will be closed from Friday the 18th September, 2015 to Thursday, 24th September 2015 (both days inclusive)

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Monday, the 21st September, 2015 at 09.00 a.m. and ends on 23rd September, 2015 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number has been provided as Serial Number (SL NO.) in the Address Label</li> </ul>
	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant SWITCHING TECHNOLOGIES GUNTHER LIMITED on which you choose to vote.



- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user ID should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Members who do not cast their vote through e-voting during the e-voting period shall be allowed to cast their vote at the AGM through ballot paper. Members who have voted through e-voting can attend the meeting but cannot vote again through ballot paper at AGM.

The result of voting will be announced at the AGM venue on the date of AGM itself.

Mr. K.V.Bhashyam Chari, Advocate has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, forthwith to the Chairman of the Company. After all the items of the notice have been discussed, the Chairman may order poll in respect of items for which demand may be raised by the members present or on its own. If demanded or otherwise, Poll will be conducted and supervised under the Scrutinizer appointed for e-voting as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated with the results of remote e-voting will be announced by the Company at Hotel Grand Palace, 257,G.S.T Road, Chromepet, Near MIT Gate, Chennai 600 044, by the Chairman of the Meeting at the AGM. Further, the result of the voting will be placed on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and also informed to the stock exchanges where the securities of the Company are listed within two (2) days of the AGM.

## **Explanatory Statement**

### **SPECIAL BUSINESS**

#### **ITEM 4**

The Board of directors of the company at their meeting held on 24.07.2015 reappointed Mr. P. Ramesh as the Managing Director of the Company for a period of 5 years effective from 24th July, 2015 on the terms of appointment and remuneration payable to Mr. P. Ramesh, Managing Director of the company as are specified in the draft agreement to be executed between him and the company, a copy of which (as has also been duly approved by the Board) will be placed before the meeting and is subject to the approval of the shareholders and other approvals, if any, as may be necessary.

The principal terms of appointment and remuneration of Mr. P. Ramesh are as follows:

1. Salary: Rs. 5,73,749/- p.a
2. Commission: NIL
3. Perquisites, allowance and other benefits: Rs.2,04,404/- p.a
4. Net Take home Remuneration after statutory deduction: Rs.7,29,449/- p.a.

The Annual Increment will be additionally paid subject to recommendation by the Remuneration Committee.

Notwithstanding anything to the contrary herein contained, where in any financial year, the company has no profits or its profits are inadequate, the company will pay Mr. P. Ramesh, the Managing Director of the company, the remuneration by way of salary, perquisites and allowances as specified above subject to the approval of the Central Government if required.

The Managing Director shall also be entitled to reimbursement of expenses actually incurred by him for the business of the company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

Mr. P. Ramesh, Managing Director shall not be liable to retire by rotation.

The resolution is recommended for your approval.

None of the directors of the company except Mr. P. Ramesh is concerned or interested in the resolution.

#### **ITEM 5**

The Legal Advisor of the company brought to the notice of the Board that post coming to effect of the Companies Act, 2013 read with various rules and regulations, attract the following matters which need to be incorporated at the earliest.

- a) Appointment of whole time company secretary on the rolls of the company
- b) Appointment of whole time Chartered Accountant as CFO on the rolls of the company
- c) Appointment of Independent Directors equivalent to ½ of the boards existing capacity.

The above said requirement was discussed extensively and it was observed that the company being a loss making company for almost a decade, have managed to improve in the past 3-4 years by adopting cost cutting measures, increasing its productivity and sales and other measures and thereby broken even in the FY 13-14. In the financial year 14-15 a nominal profit of Rs. 49,97,548/- has accrued. The company does not have any financial backing from any investors or banks or any other source except from its group companies. The group companies are also reeling under severe financial crisis. Hence the company has been managing to stand alone on its own.

Under such circumstances, the secretarial compliances as advised by the Legal Advisor is not only difficult but will also be impossible since it will cost the company an additional burden of Rs. 20 lacs per annum by way of salary to Company Secretary and CFO, if appointed besides giving sitting Fee to independent director appointed on Board. The above additional cost to be incurred, if secretarial compliances is to be adhered to, by the company. Hence the company preferred to put forth before the director members of the board to explore the possibilities of de-listing the company purely on the financial crisis ground. This apart the company does not have any secretarial activities for the near future like issue of equity / preference shares / Rights Issue / banking and Fixed Deposit etc.

All the director members of the Board had taken note of the entire situation and they feel that delisting of shares from Bombay Stock Exchange will be the most viable action in the interest of the company to avoid any damage and legal action for violation of secretarial compliances on account of financial crisis. Hence the Board unanimously passed the following resolutions.

**“Resolved that** authority be and hereby accorded to delist the equity shares of the company from Bombay Stock Exchange bearing Security Code 517201 and ISIN INE311D01017 with immediate effect”.

**“Further Resolved** that Mr.P Ramesh, Managing Director and Mr.John D Rollo, Director are jointly and severally authorized to initiate necessary actions, sign the documents and to deal with the statutory authorities for delisting of shares”

**“Further Resolved** that None of the directors are personally interested in the above resolution.”

#### ITEM 6

Ms. Mary Patricia Galasso was appointed as an Additional Director w.e.f. 17th June, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Ms. Mary Patricia Galasso’s candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Ms. Mary Patricia Galasso on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 04 for adoption. None of the Directors, except Ms. Mary Patricia Galasso are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 6 to be passed as an ordinary resolution.

#### ITEM 7

Mr. A.Jeyaganesan Muthiah was appointed as an Additional Director w.e.f. 17th June, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mr. A.Jeyaganesan Muthiah’s candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mr. A.Jeyaganesan Muthiah on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 05 for adoption.

None of the Directors, except Mr.A. Jeyaganesan Muthiah are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 7 to be passed as an ordinary resolution.

**ITEM 8**

As per recommendation given by the audit committee and further considered by the Board of Directors, Company has appointed the Cost Auditor for the financial year 2015-16. However as per provisions of section 148 of the Companies Act, 2013 and rule 14 of the Companies (Audit and Auditors) Rules, 2014, it required to approve the profession fees, which has been decided by the Board of Directors for Cost Audit for the financial year 2015-16. During the year Board has approved the professional fee of Rs.10,000/- excluding applicable Tax for cost audit of cost accounts and records maintained by the company. Accordingly your company proposes to approve the said professional fees of Rs.10,000/- excluding applicable tax for cost audit by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

For and on behalf of the Board

Place : Chennai  
Date : 24th July 2015

**JOHN D.ROLLO**  
Chairman

Brief Resume of Directors/persons seeking appointment/ re-appointment at this Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	<b>Ms. Mary Patricia Galasso</b>	<b>Mr. Robert P. Romano</b>	<b>Mr. P. Ramesh</b>	<b>Mr. A.Jeyaganesan Muthiah</b>
<b>Age</b>	74	77	51	49
<b>Nationality</b>	American	American	Indian	Indian
<b>Date of Appointment</b>	17/06/2015	08/11/1995	28/03/2009	17/06/2015
<b>Shareholding in the Company</b>	Nil	Nil	07 Nos.	Nil
<b>Qualification</b>	12th Std.	Matriculation	B.E.	B.Tech
<b>Expertise in specific functional area</b>	Admin.	Production	Mechanical & Production Engineering	Mechanical Engineering
<b>Directorships held in other companies</b>	Nil	Comus Electronics & Technologies India Pvt. Ltd - Chennai	Comus Electronics & Technologies India Pvt. Ltd - Chennai	Nil
<b>Chairmanships/ Memberships of Committees in other companies</b>	Nil	Committee Member of Remuneration Committee at STG	Nil	Nil

## BOARD'S REPORT

The Board of Directors of your company presents their 27th Annual Report together with the audited accounts for the financial year ended 31st March 2015.

### FINANCIAL RESULTS

	Year ended 31.03.2015 (₹)	Year ended 31.03.2014 (₹)
Sales and other Income	<b>189,773,472</b>	165,149,751
Profit before interest and Depreciation	<b>10,409,198</b>	11,666,823
Interest	--	--
Profit before depreciation	<b>10,409,198</b>	11,666,823
Depreciation	<b>2,927,146</b>	1,310,192
Profit before taxation and exceptional item	<b>7,482,052</b>	10,356,630
Exceptional item	--	--
Profit before taxation after exceptional item	<b>7,482,052</b>	10,356,630
Provision for taxation		
– Current tax	<b>2,400,000</b>	2,553,000
– Deferred tax	<b>84,504</b>	33,126
Profit / (Loss) after taxation and exceptional item	<b>4,997,548</b>	7,770,504

### PERFORMANCE OF THE COMPANY

The Sales and other income during the year had considerably increased to ₹ 189.77 million compared to ₹ 165.15 million during the year ended 2014. Your company is proud to present much better result due to introduction of various cost cutting measures, productivity enhancement measures and scrap generation control measures.

Your company is also proud to present the financial figures without obtaining any debt waivers or otherwise, from its parent group to prepare the accounts on Going Concern basis, which was otherwise, customary practice in past. This itself will be proving the efficiency, effectiveness and pro-active commitment of the present management. The present management is confident of moving further forward to convert the company into profitable position.

## **AUDITOR'S QUALIFICATION**

It is our pleasure to inform all the August Members that your auditors have not qualified any transaction. Your auditors have prepared and presented the accounts of the company as "Going Concern". The Leave Encashment and Gratuity Liability in respect of the employees of the company have been made on the basis of Actuarial Valuation as mandated under Accounting Standard AS 15.

## **HOLDING COMPANY DETAILS**

Your Company is a Subsidiary of M/s. Gunther America Inc. which holds 61.22% of Equity shares in your company. Your Company doesn't have any subsidiary company.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The details pertaining to the Management Discussion and Analysis have been given as Annexure A to this Report.

## **FUTURE PROSPECTS/FINANCIAL POSITION**

Your company has broken even and made profit. Your company continues to focus on the current good work being done on operational side, cost cutting measures and increasing the productivity. Your company is contemplating on adding new products in the product department proximity (sensor). Your company is also working out various measures to upgrade the machineries and equipment by adopting itself to latest technologies.

## **MANUFACTURING FACILITIES IN YOUR COMPANY**

The company is into the manufacturing of Electronic components Reed Switches, Proximity Sensors, Ball Switches, etc.

In this regard the specialist machineries like automatic sealing machines called as Badalex and Semi-Automatic Sealing machines, Bihler Press, automatic and manual Plating line besides ancillary equipments are used in various process departments.

## **RESEARCH & DEVELOPMENT**

No major Research and development activities are carried out. However, a little Research & Development is being done in the Badalex and Semi automatic department to keep pace with technological up-gradation.

## **INFORMATION SYSTEMS**

Your Company has adequate and proper information systems in place and it has taken proper measures to safeguard all electronic data and information to the best possible level it can.



## **BUSINESS RESPONSIBILITY REPORT**

The details pertaining to Business Responsibility have been given in Annexure B to this Report.

## **DEPOSITS**

The Company has neither invited nor accepted any deposits during the year.

## **DIRECTORS**

Pursuant to provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Robert P. Romano retires by rotation at the ensuing Annual General Meeting.

Pursuant to provisions of Companies Act, 2013 and Articles of Association of the Company, Ms. Mary Patricia Galasso retires at the ensuing AGM.

Pursuant to provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. A.Jeyaganesan Muthiah retires at the ensuing AGM.

Further, Mr. P. Ramesh- Managing Director having already completed his 1st Term of Appointment offers himself for reappointment as Managing Director of the Company for another term of 5 years being eligible for the same.

## **KEY MANAGERIAL PERSONNEL**

Your Company has Mr. P. Ramesh, Managing Director in the category of Key Managerial Personnel as mandated by the provisions of Section 203 of the Companies Act, 2013. The Company is taking sincere efforts to appoint Whole Time Company Secretary and Chief Financial Officer to comply with the said provisions of the Act at the earliest, provided always subject to financial viability of your company. It will not be out of place to mention herein that company is literally reeling under financial stress. The company is not able to manage / ensure meticulous compliance of listing agreement due to financial constraints. That is the reason for your company to bring in the option of de-listing the equity shares of the company from Bombay stock exchange.

## **SECRETARIAL AUDIT REPORT**

Your Company has appointed Ms. U. Veena Iyer, Company Secretary in Whole Time Practice vide Board Resolution as Secretarial Auditor of the Company to give Secretarial Audit Report for FY 2014-15. As per the provisions of section 204 of the Companies Act, 2013, the Secretarial Audit Report from Ms.U. Veen Iyer, Practicing Company Secretary has been obtained and the same is attached as Annexure F to this report.

## **STATUTORY AUDITORS**

Statutory Auditors of the Company, M/s. M.L.Srinivasan & Associates, Chartered Accountants reappointment for FY 2015-16 is to be ratified at this Annual General Meeting as per the provisions

of section 139 of the Companies Act, 2013. A certificate from the Auditors has been received to the effect that their Re-appointment, if made, would be within the prescribed limits.

**COST AUDITOR**

Your Company has appointed Mr.CMA.John D. Nevin as Cost Auditor of the Company under the provisions of the Companies Act, 2013 for FY 2014-15.They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

**AUDIT COMMITTEE**

The Audit Committee of your company consisted of 02 Directors as at 31st March, 2015.

The Committee has reviewed the Accounts for the year ended March 31, 2015. The members of the Audit Committee are Mr. John D Rollo and Mr. P.Ramesh.

**POLICY TO PREVENT SEXUAL HARASSMENT AT WORK PLACE**

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('Act'), your Company has constituted an Internal Complaints Committee. No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL complaints report. This is in compliance with section 22 of the Act.

**PERSONNEL**

The industrial relations continued to remain cordial throughout the period.

**DEPOSITORY SYSTEM**

To facilitate the dematerialization of shares your company has appointed M/s. Cameo Corporate Services Limited, Chennai as Electronic Share Transfer Agent for providing electronic connectivity with National Securities Depository Ltd. and Central Depository Services (India) Ltd. M/s.Cameo Corporate Services Limited, Chennai is handling the dematerialization of shares and share transfers – both electronic and physical.

**LISTING WITH STOCK EXCHANGES**

Your company's shares are listed in BSE Ltd. (Bombay Stock Exchange).The listing continued throughout the year and the listing fees due to date have been paid.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the requirements of Section 134 of the Companies Act, 2013, the Directors confirm that:

- a) In the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) The Directors had selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the Profit of the Company for the year.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual Accounts have been prepared on a 'Going Concern' basis.
- e) That the proper policies and procedures have been adopted for ensuring the orderly and efficient conduct of its business, including adherence to code of conduct and policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information and that such policies and procedures are adequate and were operating effectively.
- f) That proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

## **CORPORATE GOVERNANCE**

As required by the existing clause 49 of the Listing Agreements with the Stock Exchanges, a detailed report on Corporate Governance is included in the Annual Report. The Auditors have certified the Company's compliance of the requirements of Corporate Governance in terms of clause 49 of the Listing Agreement and the same is annexed to the Report on Corporate Governance.

## **DISCLOSURES AND INFORMATION UNDER THE COMPANIES ACT, 2013**

Pursuant to section 134 and any other applicable section of the Companies Act, 2013 (the Act), following disclosures and information is furnished to the shareholders:

- (a) Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo 'Annexure C' to this Report gives information in respect of Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo, required under Section 134(3)(m) of the Companies Act, 2013, and forms a part of the Board's Report.

(b) Annual return

The extracts of the annual return as provided under sub section (3) of Section 92 of the Act is given in Form No. MGT 9 as 'Annexure D', attached and forms a part of this report.

(c) Board meetings

The Board of Directors of your Company met 09 times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

(d) Loans, Guarantees & Investments

Your Company has not lent any loan or made any investments or given any guarantees to any other entity/ body corporate. As such no disclosure is required to be made in this Report and also in the relevant Registers.

(e) Related Party Transactions

All related party transactions entered into by your Company during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Prior approval of the Audit Committee was obtained for those transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable. Attention of members is also drawn to the disclosure of transactions with related parties set out in Notes to Accounts in the Independent Auditors' Report forming part of the Annual Report. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

(f) Particulars of Employees:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure E to this Report. The information required pursuant to Section 197 of the Companies Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Compliance Officer, whereupon a copy would be sent.

(g) Risk Management

Your Company had formed a Risk Management Committee consisting of the Managing Director and other 2 Directors. The Committee identifies, evaluate business risks and opportunities. This Committee has formulated and implemented a policy on risk management to ensure that the company's reporting system is reliable and that the company complies with relevant laws and regulations. The Board of Directors of your Company are of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

Your Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

(h) Nomination & Remuneration Policy for Senior Management

The details relating to ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2014-15 is given in 'Annexure E' attached and forms part of this Report.

(i) Financials

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statement relates and the date of the report.

There are no qualifications, reservations or adverse remarks in the Auditors Report.

With respect to the qualifications made in the Secretarial Audit Report for the financial year 2014-15, the Board wishes to offer the following clarifications with respect to each qualification

1. With respect to Appointment of Women Director, the company was under legal advice that it is not bound to have woman director as per the law. Accordingly company has replied vide its letter dated 25/03/2015 & 15/04/2015 to Bombay Stock Exchange and letter dated 13/07/2015 to Registrar of Companies, Chennai.

Nevertheless, a woman director had been appointed on 17.06.2015

2. With respect to Appointment of Key Managerial Personnel, i.e. appointment of whole time Company Secretary and a Chartered Accountant as Chief Financial Officer, the Company is and has been on its best possible efforts to appoint them, subject to the financial viability of the company. However, as there are lot of practical difficulties in scouting for a candidate with suitable qualifications, experience and financial constraints faced by the company to offer to the proposed candidates, the appointment is yet to be made. However, the Board assures that this issue will be resolved at the earliest.



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**ACKNOWLEDGEMENT**

The directors thank authorities of Madras Export Processing Zone, Reserve Bank of India, State Bank of India, HDFC Bank for the guidance and assistance rendered to the company and the employees for their effort and co-operation.

For and on behalf of the Board

Place : Chennai

Date : 24th July 2015

**JOHN D.ROLLO**

Chairman

## ANNEXURE-A

### Forming Part of the Board's Report Management Discussion and Analysis

#### INDUSTRY STRUCTURE AND DEVELOPMENTS

Your company was established in the year 1988. Your company is into the manufacturing and sale of reed switches. The reed switches is one of the unique kind of switches. Your company is the only company in India, other than one M/s. Reed Relays Electronics Limited (RRE), based at Bangalore manufacturing reed switches. Your company champions in manufacturing of customised miniature and Standard reed switches, which RRE does not manufacture at their facility. Your company comes under the category of Electrical and Electronic Industrial segment.

Your company has got all its machines and equipments dating more than 35 years old. Nevertheless, your company has customized the machinery and equipment to suit the latest technological up gradation and need of the hour. This apart, your company have been developing SMD Reed Switches and CRR Sensor as an extension of reed switches and your company have been fairly successful in this field.

#### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

##### A) Segment wise / Division wise Operations

Particulars	AS ON 31.03.2015		AS ON 31.03.2014	
	Quantity	Value	Quantity	Value
Segment wise	(in Nos.)	(₹)	(in Nos)	(₹)
Reed Switches	8,220,231	144,939,238	6,863,725	129,407,399
Proximity Sensors	390,512	29,750,608	323,334	22,545,507
Ball Switch	536,000	8,111,479	400,000	5,998,076
Others	-	2,990,101	-	3,358,526
<b>TOTAL</b>	<b>9,146,743</b>	<b>185,791,426</b>	<b>7,587,059</b>	<b>161,309,508</b>

##### B) Other Initiatives -

Initiation has been taken up by your company for development of SMD Reed Switches and CRR Sensors.

##### C) Outlook –

Your company was a sick and loss making company for more than a decade. Effective 2007-08 financial year, lot of measures which includes cost reduction measures and productivity

increasing measures were introduced. The result where encouraging. In the FY 13-14 your company managed to break even. In the current financial year 14-15 company has managed to present a nominal profit of Rs.49,97,548/- Going forward prospects will be bright.

D) Finance and Investments

Your company has not taken any loan or deposit etc. from any one, except for issuance of zero coupon redeemable preference shares of Rs.98,17,800/- totaling 98,178 Nos. of shares of Rs.100/- each, having been issued to M/s. Gunther America Inc., which is the holding company. The said redeemable preference shares is due for redemption on 14.02.2021.

E) Human Resource Development and Industrial Relations

Human Resource Development and Industrial Relations was very cordial. Your company has successfully concluded 3 year wage agreement with the STG employees' union on 20.03.2015. The said agreement will be for a period of 3 years from October 2014 to September 2017.

F) Policy to Prevent Sexual Harassment at the work place

The policy exists to receive complaints with respect to sexual harassment.

G) Internal Control Systems and Their Adequacy

Your company has got sufficient internal control system. Your company has appointed independent third party internal auditor, and cost auditors besides statutory auditor. The present system is sufficient to meet the requirement of the company

H) Information Security

Your company has a foolproof information security system. The data backup are taken and kept separately so as to return back to the working in case of any unforeseen circumstances. This apart, your company has introduced adequate measures to avoid theft of information.

I) Opportunities and Threats & Risks and Concerns

Your company is located in to MEPZ-SEZ area. There is a minimum commitment of exports given by your company to the Development Commissioner of MEPZ-SEZ as mandated by law. Secondly, your company has entered into an export marketing agreement with the group companies. As per the agreement, the group companies provide the Raw Material and your company converts them into Finished Goods and export them back to the group companies. Under such scenario after meeting the commitments of the group company as per the agreement and also the commitment given to the MEZ-SEZ authorities, your company can make independent sales of left over finished goods. In general demand for your company's products keeps fluctuating upward and downward and is very volatile. Still your company is able to sustain itself in the volatile atmosphere.





With regard to the threat the major threat is the obsolescence of technology involved in the production machinery and equipment. Your company has however been successful in customizing those machinery and equipments to suit the latest technological recoverment vis-a-vis production and export requirement.

K) Cautionary Statement

Your company is on the verge of recovery from being a loss making company. However, this recovery depends on the continuity of flow of orders from the customers which at times goes all time low due to slump in the market.

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**ANNEXURE-B**  
**Forming Part of the Board's Report**  
**BUSINESS RESPONSIBILITY REPORT FOR**  
**SWITCHING TECHNOLOGIES GUNTHER LIMITED**

**Part A:**

**SUSTAINABILITY EFFORTS BY SWITCHING TECHNOLOGIES GUNTHER LTD.**

Your company's plants and machineries are age old and the manufacturers of those plants and machineries have either closed their facilities or stopped manufacturing the same. Nevertheless, your company has been customizing the repairs and maintenance aspect to suit the technological up-gradation requirements. This has been possible by utilizing the in-house intellectual expertise and also be appointing outside consultants. One such major initiative taken was installation of PLC in the plating area which has helped the company in reducing the scrap rate considerably. The second such major initiative executed was repair and maintenance of air conditioner system.

Your company's other sustainable efforts were to focus on reducing the scrap rate and increasing the productivity. This has been introduced in all segments of the production processes.

**Part B:**

**BUSINESS RESPONSIBILITY INITIATIVES BY SWITCHING TECHNOLOGIES GUNTHER LIMITED**

Your company is very particular in keeping the surrounding environment green and clean. In this regard, your company has ensured meticulous compliance of pollution control norms.

Your company is very particular about taking care of requirements of its workers and their family members. Even though the company is under severe financial crisis, the company still manages to assist its employees in the best possible way within its meets and bounds. This will be evidenced from the very fact that till the year 2007 – 08, your company was stuck with lots of labour issues, besides being rendered sick company and having been referred to BIFR. Now, due to initiatives taken by your management over a period of time, the company has not only come out of clutches of BIFR but has also broken even in the financial year 2013-14. This could not have been possible without the paternistic approach of your company towards the needs and requirements of the employees.

Your company contributes one day meal to an orphanage – cum – old age home located at Goodlife Centre, Tambaram, Chennai on the eve of company's establishment day every year.

Your company contributes towards its employees participating in cricket tournament every year.

## ANNEXURE-C

### **Conservation of Energy, Technology absorption & Foreign Exchange Earnings & Outgo**

#### **Forming Part of the Board's Report**

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo.

A. Conservation of Energy

Adequate repairs and maintenance of production facilities and improvements in infrastructure were carried out throughout the financial year for achieving energy conservation.

B. Technology Absorption

Presently the Company does not have a technical collaboration.

C. Foreign Exchange earnings and outgo

Foreign Exchange earned on the export of Reed Switches and others on FOB basis during the period under review amounts to ₹ 1838.84 lacs. Foreign exchange outgo on account of Imported Raw Materials, Stores and Capital Goods other expenditure was ₹ 910.76 lacs whereas expenditure in foreign currency on account of Interest was – Nil –.

**ANNEXURE-D**  
**FORMING PART OF BOARD'S REPORT**  
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L29142TN1988PLC015647
ii	Registration Date	27/04/1988
iii	Name of the Company	SWITCHING TECHNOLOGIES GUNTHER LIMITED
iv	Category/Sub-category of the Company	Company Limited by shares and Indian Non government company
v	Address of the Registered office & contact details	Plots B-9,B-10 Madras Export Processing Zone, Kadapperi, Tambaram, Chennai - 45.
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road, Chennai- 600002 Tel: 044-28460390; Fax: 044-28460129; Email: <a href="mailto:cameosys@cameoindia.com">cameosys@cameoindia.com</a>



## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SI No	Name & Description of main products/services	“NIC Code of the Product /service”	“% to total turnover of the company”
1	Reed Switches	DIVISION 26 / GROUP 261	78.01%
2	Proximity Sensors	DIVISION 26 / GROUP 261	16.01%
3	Ball Switches	DIVISION 26 / GROUP 261	4.37%
4	Others	DIVISION 26 / GROUP 261	1.61%

## III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN/ FEDERAL ID	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	GUNTHER AMERICA INC., 454, Allwood Road Clifton, NJ 07012, USA	22-3318810	Holding Company	61.22%	2(46)

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) Indian	0	0	0	0	0	0	0	0.00	0
a) Individual/HUF	0	0	0	0	0	0	0	0.00	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0.00	
c) Bodies Corporates	0	0	0	0	0	0	0	0.00	0
d) Bank/Fl	0	0	0	0	0	0	0	0.00	0
e) Any other	0	0	0	0	0	0	0	0.00	0
SUB TOTAL:(A) (1)	0	0	0	0	0	0	0	0.00	0
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0.00	0
b) Other Individuals	0	0	0	0	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks/Fl	0	0	0	0	0	0	0	0.00	0
e) Any other...	1500000	0	1500000	61.22	1500000	0	1500000	61.22	0
SUB TOTAL (A) (2)	1500000	0	1500000	61.22	1500000	0	1500000	61.22	0.00
Total Shareholding of Promoter	1500000	0	1500000	61.22	1500000	0	1500000	61.22	0.00
(A)= (A)(1)+(A)(2)									
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0.00	0
b) Banks/Fl	400	200	600	0.02	400	200	600	0.02	0.00
c) Central govt	0	0	0	0	0	0	0	0.00	0
d) State Govt.	0	0	0	0	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0	0	0	0	0.00	0
g) FIIS	0	0	0	0	0	0	0	0.00	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.00	0
i) Others (specify)	0	0	0	0	0	0	0	0.00	0
SUB TOTAL (B)(1):	400	200	600	0.02	400	200	600	0.02	0.00
(2) Non Institutions									
a) Bodies corporates	56012	2550	58562	2.39	31729	2450	34179	1.40	1.00
i) Indian	0	0	0	0	0	0	0	0.00	0
ii) Overseas	0	0	0	0	0	0	0	0.00	0
b) Individuals	0	0	0	0	0	0	0	0.00	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	438054	212385	650439	26.55	460450	207635	668085	27.27	0.72
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	145429	0	145429	5.94	158359	0	158359	6.46	0.53
c) Others (specify)									
i) Hindu Undivided Families	73894	0	73894	3.02	74126	0	74126	3.03	0.01
ii) Non Resident Indians	20176	0	20176	0.82	13201	0	13201	0.54	0.28
iii) Clearing Members	750	0	750	0.03	1300	0	1300	0.05	0.02
iv) Trusts	150	0	150	0.01	150	0	150	0.01	0.00
SUB TOTAL (B)(2):	734465	214935	949400	38.75	739315	210085	949400	38.75	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)= (B)(1)+(B)(2)	734865	215135	950000	38.78	739715	210285	950000	38.78	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>2234865</b>	<b>215135</b>	<b>2450000</b>	<b>100.00</b>	<b>2239715</b>	<b>210285</b>	<b>2450000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	GUNTHER AMERICA INC	1500000	61.22	0	1500000	61.22	0	0
	Total	1500000	61.22	0	1500000	61.22	0	0



**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1500000	61.22	1500000	61.22
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	At the end of the year	1500000	61.22	1500000	61.22

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	For each of the top 10 shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	210345	8.58	210345	8.58
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-16504	NA	-16504	NA
	At the end of the year (or on the date of seperation, if seperated during the year)	193841	7.91	193841	7.91

**(v) Shareholding of Directors & KMP**

Sl. No.	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	10	0.00041	10	0.00041
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer / bonus / sweat equity etc.)	-3	-0.00012	-3	-0.00012
	At the end of the year	7	0.00029	7	0.00029

**V INDEBTEDNESS – NIL****VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount (₹)
		Mr. P. Ramesh - MD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	729563.00	729563.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	48590.00	48590.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00
2	Stock option	0.00	0.00
3	Sweat Equity	0.00	0.00

SI.No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount (₹)
		Mr. P. Ramesh	
4	Commission	0.00	0.00
	as % of profit	0.00	0.00
	others (specify)	0.00	0.00
5	Others, please specify	0.00	0.00
	Total (A)	778153.00	778153.00
	Ceiling as per the Act	1096321.00	1096321.00

**B. Remuneration to other directors: NIL**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER  
WTD : NIL**

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL**

## Annexure –E

### Forming Part of the Board’s Report Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Note: The information provided below is on standalone basis for Indian Listed entity.

- (1) Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year:

Sr. No.	Name of Director	Ratio of remuneration to median remuneration of all employees
1	Mr. P. Ramesh- Managing Director	2:1

- (2) The percentage increase in remuneration of Managing Director in the financial year was 2.09%.
- (3) The percentage increase in the median remuneration of employees in the financial year was 8.26%
- (4) The number of permanent employees on the rolls of company as on 31st March, 2015 was 137.
- (5) The average increase in remuneration of the employees was 8.26%. Average increase in remuneration is guided by factors like economic growth, inflation, mandatory increases, external competitiveness and talent retention. On the other hand, the overall wage bill is impacted by the increase in remuneration and other structural changes in manufacturing processes, etc. Whilst the Company has a strong cost focus, employee cost being one of the key areas for cost monitoring and control, the results of any structural initiatives needs to be measured over a long term horizon and cannot be strictly compared with annual performance indicators.
- (6) The increase in remuneration of the Key Managerial Personnel was 2.09%.
- (7) The market capitalization of the company and the price earnings ratio as at the closing date of the current financial year and previous financial year is tabled below:

	As at 31.03.2015	As at 31.03.2014	Percentage Increase/ (Decrease)
Market Capitalisation (₹ in Crores)	23.26	14.95	55.66%
Price Earnings Ratio	339.5	478.6	(29.06%)
Current Market Price	94.95	61.00	55.65%

- 8) The closing market price of the shares of the Company as at March 31, 2015 was ₹ 94.95/- (BSE) and as at March 31, 2014 was ₹ 61/- (BSE). The increase/ decrease in the market quotations of the shares of the company is as tabled below;

Date	March 31,2015	March 31,2014
Market Price as on	94.95	61.00

- (9) The total managerial remuneration comprises of remuneration of the Managing Director. The remuneration to Managerial personnel is as per the provisions of Companies Act, 2013.
- (10) Remuneration of Key Managerial Personnel of the Company i.e. Managing Director is indicated as below:

Name of KMP	Particulars of Remuneration	As on 31st March, 2015	As on 31st March, 2014
Mr. P. Ramesh- Managing Director	Salaries and Allowances	683429.00	667516.00
	Contribution to PF and other Funds	46134.00	44744.00
	Perquisites	48590.00	43211.00
<b>TOTAL</b>		<b>778153.00</b>	<b>755471.00</b>

The Pay is based on the contributions made by the KMP for the company.

- (11) Remuneration is as per the remuneration policy of the company.

**ANNEXURE-F**

**FORMING PART OF THE BOARD'S REPORT MR – 3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2015  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of  
the Companies (Appointment and Remuneration of  
Managerial Personnel) Rules, 2014]**

To,

The Members

**SWITCHING TECHNOLOGIES GUNTHER LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SWITCHING TECHNOLOGIES GUNTHER LIMITED**.

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **SWITCHING TECHNOLOGIES GUNTHER LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit.

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SWITCHING TECHNOLOGIES GUNTHER LIMITED** for the financial year ended on **31st March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The following laws are specifically applicable to the Company, as per the representation given by the company:
- (a) The Factories Act, 1948
  - (b) Environment Laws as applicable for the Company
  - (c) ESI Act, 1948
  - (d) PF Act, 1952

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India- NOT APPLICABLE
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above to the extent applicable to the company and also after following necessary procedures for the same. As also the company has paid additional fees wherever required with respect to filing of forms as a matter of compliance as per the provisions of necessary Statutes Applicable to it.

We further report that

The Board of Directors of the Company consisted of 3 Directors. There were no changes in the composition of the Board in the nature of appointment of Managing Director during the aforesaid Financial Year.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were passed unanimously in the meetings of the Board.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the company:

- i. Has appointed Women Director on Board on 17th June, 2015 as Additional Director. However, company's standpoint is that the appointment of women director clause is not applicable to it due to its paid up share capital amount. As such it has responded likewise in all its correspondences to SEBI and Registrar of Companies, Chennai vide letters dated 25.03.2015, 15.04.2015, 15.07.2015 and 13.07.2015 in respect of the notices received from them.
- ii. Has Managing Director Mr. P. Ramesh in the category of Key Managerial Personnel. The Company is yet to formally appoint other 2 Key Managerial Personnel namely Company Secretary and Chief Financial Officer in Whole Time Employment as per the provisions of section 203 of the Companies Act, 2013.
- iii. Has formed a Stakeholders Relationship Committee which is mandatory in case of shareholders exceeding 1000 in numbers.
- iv. Has an established Vigil Mechanism as per the provisions of section 177(9) of the Companies Act, 2013.

For Switching Technologies Gunther Limited  
CIN:L29142TN1988PLC015647

Place : Chennai  
Date : 24.07.2015

Sd/-  
U. VEENA IYER  
Company Secretary In Practice  
ACS – 26839, COP -10830

Note: This report is to be read with our letter of even date which is annexed as Annexure FA and forms an integral part of this report.



**‘Annexure FA’**

To,

The Members

**SWITCHING TECHNOLOGIES GUNTHER LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the company. We have relied on the report of the statutory auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Company was following system of obtaining reports from various departments to ensure compliance with applicable laws and now is in the process of implementing electronic system for compliance management to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Switching Technologies Gunther Limited  
CIN:L29142TN1988PLC015647

Place : Chennai  
Date: 24.07.2015

Sd/-  
U. VEENA IYER  
Company Secretary In Practice  
ACS – 26839, COP -10830

## REPORT ON CORPORATE GOVERNANCE

Clause 49 of the listing agreement with the Indian Stock Exchanges stipulates the norms and disclosure standards that have to be followed on the Corporate Governance front by listed Indian companies.

### 1. THE COMPANY'S PHILOSOPHY

The Company is one of the group companies of Comus International based in New Jersey, USA. The company is in a field of manufacturing and sales of electrical and electronic components which among others includes Reed Switches. Besides the operational part, your company has come a long way from being a sick company to breaking even and posting a nominal profit this year. This could be possible because of the management's strong commitment towards patrenistic approach for its employees at large on one hand, and towards intellectual support and guidance in the operational side on the other hand.

The Company's philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare of all its stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the market place with the right approach and values. This will enhance the value for all its stakeholders.

### THE GOVERNANCE STRUCTURE

#### 2. BOARD OF DIRECTORS

##### a) Board Structure

The Board of Directors of the Company comprises 03 Directors, which includes a Managing Director i.e. Mr. P. Ramesh

No Director is related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013

##### b) Board meetings held and Directors' attendance record

The Board meets at least once in a quarter to consider among other businesses, quarterly performance of the Company and financial results. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. During the year 09 Board meetings were held.

Table 1: Details about the Company’s Board of Directors & meetings attended by the Directors during the year:

Name of Director	Category	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Director-ships in other public companies as at year end	Number of Chairmanships / memberships in Board Committees in other companies as at year end
Mr.John D.Rollo	Independent Director	09	09	Yes	No	No
Mr.Robert.P.Romano	Non-executive Director	09	04	No	Yes	Yes
Mr.P.Ramesh	Managing Director	09	05	Yes	No	No

None of the Directors is a member of more than 10 Board-level committees, or a Chairman of more than five such committees, as required under Clause 49 of the listing agreement.

- c) Information supplied to the Board Among others, includes:
- i) Annual operating plans and budgets, capital budgets, and any updates thereon,
  - ii) Quarterly results of the Company,
  - iii) Minutes of meetings of audit committee and other committees,
  - iv) Information on recruitment and remuneration of senior officers just below the Board level,
  - v) Materially important show cause, demand, prosecution and penalty notices,
  - vi) Fatal or serious accidents or dangerous occurrences,
  - vii) Any materially significant effluent or pollution problems,
  - viii) Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company,
  - ix) Any issue which involves possible public or product liability claims of a substantial nature,
  - x) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property,
  - xi) Significant labour problems and their proposed solutions,

- xii) Significant development in the human resources and industrial relations front,
- xiii) Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement,
- xiv) Non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services like delays in share transfer.

The Board of the Company is presented with all the information under the above heads, whenever applicable. These are submitted either as part of the agenda papers well in advance of the Board meeting or are tabled in the course of the Board meeting.

- d) Directors with materially significant related party transactions, pecuniary or business relationship with the Company Except for drawing remuneration – none of the Independent Directors have any other materially significant related party transactions, pecuniary or business relationship with the Company. Attention of Members is drawn to the disclosures of transactions with related parties set out in Financial Statements forming part of the Annual Report.
- e) Remuneration of Directors:

No sitting fees, etc., is provided to any of its directors. However, Mr.P.Ramesh, Managing Director being a working director, is drawing salary from the company as per the contract. The details of remuneration package of the Managing Director is given in Table 2.

Table 2: Details of Remuneration in Rupees paid or payable to Managing Director for the year ended March 31, 2015.

amount in ₹

Name of Managing Director	Relationships with Directors	Sitting Fees	Salary and Allowances	Perquisites	Provident Fund	Total
Mr.P.Ramesh	-N.A-	Nil	683429.00	48590.00	46134.00	778153.00

#### 4. COMMITTEES OF THE BOARD

The Company has an Audit Committee, The Stakeholder's Relationship / Shareholders Committee and Nomination and Compensation Committee also exist. The Company also introduced Risk Management Committee which is in accordance with provisions of Clause 49 of Listing Agreement.

**(a) The Composition of Committees is as below**

Name of Director	Position in the Committee			
	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee
Mr. John D Rollo	Member	Chairman	Member	Member
Mr. P. Ramesh	Chairman	-	Chairman	Chairman
Mr. Robert P. Romano	-	Member	Member	Member

**(b) Attendance Details for Board Committee Meetings**

Name of Meeting	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee
Meetings Held	04	01	01	01
Directors' Attendance:				
Mr. John D Rollo	Yes	Yes	Yes	Yes
Mr. P. Ramesh	Yes	-	Yes	Yes
Mr. Robert P. Romano	-	Yes	Yes	Yes

**(c) Terms of reference of Board Committees:**

The terms of reference for Audit Committee include the matters specified in Section 177 of the Companies Act, 2013 as well as clause 49 of Listing Agreement as follows:

**(1) Audit Committee:**

- a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending the appointment / removal of external auditor, fixation of audit fees and approval for payment for any other services.
- c) Financial statements before submission to the board for approval with particular reference to:
- d) Matters that needs to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013.

- e) Change, if any, in accounting policies and practices and reasons for the same.
  - f) Major accounting entries involving estimates based on exercise of judgement by the management.
  - g) Significant adjustments made in the financial statements arising out of audit findings.
  - h) Compliance with listing and other requirements relating to financial statements.
  - i) Disclosure of any related party transactions.
  - j) Any qualification in the draft audit report.
  - k) Reviewing with the management, the quarterly / annual financial statement before submission to the Board for approval.
  - l) Reviewing with the management, performance of the statutory and internal auditors, and adequacy of the internal control system.
  - m) Reviewing the adequacy of internal audit function, if any, including the structure of Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - n) Discussion with internal auditors any significant findings and follow up thereon.
  - o) Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
  - p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
  - q) Evaluation of internal financial controls and risk management systems.
  - r) Looking into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
  - s) Reviewing the functioning of Whistle Blower mechanism.
- (2) Remuneration Committee

The terms of remuneration Committee are as below.

Practices of the Company and in particular, policies regarding remuneration of Managing Directors, who may be appointed in senior management in accordance with the criteria laid down, recommend to Board their appointment and removal, and evaluate every Director's performance, qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of Managing Director, key management

personnel and other employees, Exchange Board (SEBI) of India (Share Based Employee Benefits) Regulations.

(3) Stakeholders Relationship / Shareholders Committee

This committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of Balance Sheet and non receipt of declared dividends, as required in Clause 49 of the Listing Agreement as well as those required under Companies Act, 2013.

Name and designation of Compliance Officer: - Mr. P.Ramesh, Managing Director

There are no pending share transfers as on March 31, 2015.

(4) Risk Management Committee

The Risk Management Committee was constituted by the Board on 10.05.2014 adhering to the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee shall have the following role, duties, responsibilities and authority:

This Committee shall be responsible to monitor and review the risk management plan of the Company, Risk Policy and its periodic review, Ensuring appropriate risk management systems and controls are in place and its evaluation and review, Risk assessment and risk minimisation procedures.

No Complaint is outstanding as on March 31, 2015

#### 4. GENERAL BODY MEETINGS

a) Details of last three Annual General Meetings (AGMs)

Year	Venue	Date	Time
September 2012	Hotel Grand Palace, 257, G.S.T Road, Chennai 600 044.	27/09/2012	2.30 p.m
September 2013	Hotel Grand Palace, 257, G.S.T Road, Chennai 600 044.	26/09/2013	2.30 p.m
September 2014	Hotel Grand Palace, 257, G.S.T Road, Chennai 600 044.	25/09/2014	2.30 p.m

## b) Details of Special Resolutions passed in last 3 AGMs

Year	Special Resolution Passed
September 2012	Nil
September 2013	Nil
September 2014	Nil

## c) No EGM has been conducted in last 3 years

## d) Details of postal ballot held during last year

Resolutions were passed unanimously by show of hands. No division took place.

**5. DISCLOSURES**

## a) Materially significant related party transactions that may have potential conflict of interests of Company at large – NIL

## b) The complaint received under Whistle Blower Policy - NIL

## c) The complaints received under Policy to Prevent Sexual Harassment at the work place -NIL

## d) Details of compliance with mandatory requirement

Particulars	Clause of Listing agreement	Compliance Status Yes/No/NA
II. Board of Directors	49 (II)	
(A) Composition of Board	49 (II A)	Yes
(B) Independent Directors	49 (II B)	Yes
(C) Non-executive Directors' compensation & disclosures	49 (II C)	Yes
(D) Other provisions as to Board and Committees	49 (II D)	Yes
(E) Code of Conduct	49 (II E)	Yes
(F) Whistle Blower Policy	49 (II F)	Yes
III. Audit Committee	49 (III)	
(A) Qualified & Independent Audit Committee	49 (III A)	Yes
(B) Meeting of Audit Committee	49 (III B)	Yes



Particulars	Clause of Listing agreement	Compliance Status Yes/No/NA
(C) Powers of Audit Committee	49 (III C)	Yes
(D) Role of Audit Committee	49 (III D)	Yes
(E) Review of Information by Audit Committee	49 (III E)	Yes
IV. Nomination and Remuneration Committee	49 (IV)	Yes
V. Subsidiary Companies	49 (V)	N/A
VI. Risk Management	49 (VI)	Yes
VII. Related Party Transactions	49 (VII)	Yes
VIII. Disclosures	49 (VIII)	Yes
(A) Related party transactions	49 (VIII A)	Yes
(B) Disclosure of Accounting Treatment	49 (VIII B)	Yes
(C) Remuneration of Directors	49 (VIII C)	Yes
(D) Management	49 (VIII D)	No
(E) Shareholders	49 (VIII E)	Yes
(I) Proceeds from public issues, rights issue, preferential issues, etc	49 (VIII I)	NA
IX. CEO/CFO Certification	49 (IX)	Yes
X. Report on Corporate Governance	49 (X)	Yes
XI. Compliance	49 (XI)	Yes

e) Details of Non-compliance:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

f) Declaration by Managing Director

The declaration by the Managing Director stating that all the Board Members and senior Management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2015, is annexed to the Corporate Governance Report.



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**Declaration by Managing Director**

I, P.Ramesh, Managing Director of Switching Technologies Gunther Ltd., hereby confirm, pursuant to clause 49(II) (E) of the listing agreement that the Board of Directors of Switching Technologies Gunther Ltd. has laid down a code of conduct for all Board members and senior Management of the Company.

Place: Chennai  
Date: 24th July 2015

P.RAMESH  
Managing Director

## Auditors' Certificate on Corporate Governance

To  
The Members of Switching Technologies Gunther Limited

We have examined the compliance of conditions of Corporate Governance by Switching Technologies Gunther Ltd., ("the Company") for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreements of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management.

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit, nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and their representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **M.L.Srinivasan & Associates**  
Chartered Accountants  
Firm Registration No.006505S

**M.L.SRINIVASAN**

Partner

Membership No. 203154

Place : Chennai  
Date : 24th July 2015

## INDEPENDENT AUDITORS' REPORT

To the Members of Switching Technologies Gunther Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Switching Technologies Gunther Limited ("the company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor/s Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act and
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred.

For **M.L.Srinivasan & Associates**

Chartered Accountants

Firm Registration No.006505S

**M.L.SRINIVASAN**

Partner

Membership No. 203154

Place : Chennai

Date : 10-06-2015

## ANNEXURE REFERRED TO IN THE AUDITORS' REPORT

**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:**

- i. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. The Company has formulated a programme of physical verification of all the fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets, in accordance with this programme, fixed assets have been physically verified as at the end of the year by the management and no material discrepancies were noticed on such verification.
- ii.
  - a) Physical verification of inventories was conducted by the management at the year end.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) On the basis of our examination of the records of inventory and in our opinion, the Company is maintaining proper records of inventory and no material discrepancies have been noticed on physical verification of inventories as compared to the books and records.
- iii. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 and therefore paragraph 3(iii) of the order is not applicable.
- iv. In our opinion and according to information and explanations given to us, having regard to the explanation that most of the items purchased / sold are of a special nature for which alternative quotations are not available, there are adequate internal control systems commensurate with size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the purchase or sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses, if any, in internal control system.
- v. The company has not accepted any deposits from the public.
- vi. We have broadly reviewed the cost records maintained by the company specified by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund,

Employees State Insurance, Income Tax, Sales tax, Excise duty, Cess, Investor Education Protection Fund, Wealth tax, VAT and other material statutory dues, if any, applicable to it with the appropriate authorities during the year. As at the last day of the financial year, there are no arrears of such undisputed statutory dues outstanding for a period of more than six months from the date they became payable.

- (b) As at 31st March 2015 according to the records of the Company, the following dues of Income tax, have not been deposited by the Company on account of disputes:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (in Rupees)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income tax Act, 1961	Income tax	20,61,790	Assessment Year 2012-13	CIT(Appeals), Chennai and Assistant Commissioner of Income tax, Company Range, Chennai

- viii. The accumulated losses at the end of the year are not more than fifty percent of its net worth and the Company has not incurred cash losses during the current financial year as well as in the previous financial year.
- ix. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company did not have any term loans outstanding during the year.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **M.L.Srinivasan & Associates**

Chartered Accountants

Firm Registration No.006505S

**M.L.SRINIVASAN**

Partner

Place : Chennai

Date : 10-06-2015

Membership No. 203154

## BALANCE SHEET AS AT 31st MARCH, 2015

(Amount in ₹)

	Note	As at		As at
		31st March 2015		31st March 2014
<b>EQUITIES AND LIABILITIES</b>				
<b>Shareholders' Fund</b>				
Share Capital	1	34,317,800		34,317,800
Reserves and Surplus	2	<u>(4,725,330)</u>	<u>29,592,470</u>	<u>(9,722,878)</u> 24,594,922
<b>Share Application Money Pending Allotment</b>				
<b>Non-Current Liabilities</b>				
Long Term Borrowings	3	-		-
Deferred Tax Liability (Net)		<u>117,630</u>	<u>117,630</u>	<u>33,126</u> 33,126
<b>Current Liabilities</b>				
Short Term Borrowings				
Trade Payables	4	23,267,228		26,635,551
Other Current Liabilities	5	18,407,150		22,406,601
Short Term Provisions	6	<u>3,373,391</u>	<u>45,047,769</u>	<u>3,665,860</u> 52,708,012
<b>TOTAL</b>			<u><u>74,757,869</u></u>	<u><u>77,336,060</u></u>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Fixed Assets				
Tangible Assets	7	8,703,737		9,600,953
Intangible Assets	7	<u>222,426</u>		<u>350,139</u>
			<b>8,926,163</b>	9,951,091
<b>Current Assets</b>				
Current Investments				
Inventories	8	54,651,723		50,798,549
Trade Receivables	9	3,411,327		3,575,734
Cash and Bank Balances	10	3,899,310		9,952,238
Short Term Loans and Advances	11	<u>3,869,345</u>		<u>3,058,448</u>
			<b>65,831,706</b>	67,384,969
<b>TOTAL</b>			<u><u>74,757,869</u></u>	<u><u>77,336,060</u></u>
Significant Accounting Policies				
Notes on Financial Statements	1 to 25			

As per our Report of even date

**For M.L.SRINIVASAN & ASSOCIATES**

Chartered Accountants

Firm Reg No. 006505S

**M.L.SRINIVASAN**

Partner

Membership No. 203154

Date : 10.06.2015

Place : Chennai

**JOHN D. ROLLO**

Chairman

Date : 29.05.2015

Place : USA

**For and on behalf of the Board****ROBERT P. ROMANO**

Director

Date : 29.05.2015

Place : USA

**P. RAMESH**

Managing Director

Date : 29.05.2015

Place : Chennai



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

	Note	As at 31st March 2015	As at 31st March 2014
<b>INCOME</b>			
Revenue from Operations	12	<b>185,791,426</b>	161,309,508
Other Income	13	<b>3,982,046</b>	3,840,243
<b>Total Revenue</b>		<b>189,773,472</b>	<b>165,149,751</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	14	<b>106,227,452</b>	88,936,271
Changes in Inventories of Finished Goods and Stock-in-Process	15	<b>(710,791)</b>	(704,999)
Power and Fuel	16	<b>8,837,617</b>	7,893,361
Employee Benefit Expenses	17	<b>51,872,330</b>	44,305,425
Depreciation	18	<b>2,927,146</b>	1,310,192
Other Expenses	19	<b>13,137,666</b>	13,052,870
<b>Total Expenses</b>		<b>182,291,420</b>	<b>154,793,121</b>
Profit Before Tax		<b>7,482,052</b>	10,356,630
<b>Tax Expenses</b>			
Current Tax		<b>2,400,000</b>	2,553,000
Deferred Tax		<b>84,504</b>	33,126
<b>Profit for the Year</b>		<b>4,997,548</b>	<b>7,770,504</b>
<b>Earnings per equity share of face value of ₹10 each</b>			
Basic and Diluted		<b>2.04</b>	3.17

Significant Accounting Policies

Notes on Financial Statements

1 to 25

As per our Report of even date

**For M.L.SRINIVASAN & ASSOCIATES**

Chartered Accountants

Firm Reg No. 006505S

**For and on behalf of the Board****M.L.SRINIVASAN**

Partner

Membership No. 203154

Date : 10.06.2015

Place : Chennai

**JOHN D. ROLLO**

Chairman

Date : 29.05.2015

Place : USA

**ROBERT P. ROMANO**

Director

Date : 29.05.2015

Place : USA

**P. RAMESH**

Managing Director

Date : 29.05.2015

Place : Chennai



**CASH FLOW STATEMENT AS AT 31st MARCH 2015**

(Amount in ₹)

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>April 1, 2014 to March 31, 2015</b>	<b>April 1, 2013 to March 31, 2014</b>
Profit before taxation and exceptional item	7,482,051	10,356,630
Adjustments for:		
Depreciation	2,927,146	1,310,192
Interest income	<u>(113,938)</u>	<u>(90,000)</u>
	<b>2,813,208</b>	<b>1,220,192</b>
Operating profit before working capital changes	<b>10,295,259</b>	<b>11,576,822</b>
Adjustments for:		
(Increase)/Decrease in sundry debtors	164,407	(2,654,240)
(Increase)/Decrease in inventories	<b>(3,853,174)</b>	(13,275,225)
(Increase)/ Decrease in loans and advances	<b>(810,897)</b>	(350,922)
Increase/(Decrease) in current liabilities and provisions	<u><b>(7,660,242)</b></u>	<u>14,354,618</u>
	<b>(12,159,907)</b>	<b>(1,925,769)</b>
Cash generated from operations	<b>(1,864,647)</b>	9,651,054
Direct Taxes	<b>(2,400,000)</b>	<b>(2,553,000)</b>
<b>A. NET CASH FROM OPERATING ACTIVITIES</b>	<b>(4,264,647)</b>	7,098,054
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to fixed assets (including capital work in progress and advances)	<b>(1,902,217)</b>	(1,421,027)
Proceeds from sale of fixed assets	-	-
Interest received	<b>113,938</b>	90,000
<b>B. NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,788,280)</b>	<b>(1,331,027)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application money received	-	-
Repayment of Borrowings	-	(124,600)
<b>C. CASH FLOW FROM/ (USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>(124,600)</b>
<b>NET CASH FLOWS DURING THE YEAR (A+B+C)</b>	<b>(6,052,927)</b>	<b>5,642,427</b>
Cash and cash equivalents (opening balance)	<b>9,952,238</b>	4,309,813
Cash and cash equivalents (closing balance)	<b>3,899,311</b>	9,952,238

As per our Report of even date

**For M.L.SRINIVASAN & ASSOCIATES**

Chartered Accountants

Firm Reg No. 006505S

**M.L.SRINIVASAN**

Partner

Membership No. 203154

Date : 10.06.2015

Place : Chennai

**JOHN D. ROLLO**

Chairman

Date : 29.05.2015

Place : USA

**For and on behalf of the Board**

**ROBERT P. ROMANO**

Director

Date : 29.05.2015

Place : USA

**P. RAMESH**

Managing Director

Date : 29.05.2015

Place : Chennai

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015**

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

	(Amount in ₹)	
	As at 31st March 2015	As at 31st March 2014
<b>1. SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
50,00,000 Equity Shares of ₹10 each	50,000,000	50,000,000
100,000 Redeemable Preference Shares of ₹100 each	10,000,000	10,000,000
<b>TOTAL</b>	<u>60,000,000</u>	<u>60,000,000</u>
<b>Issued, Subscribed and Paid up :</b>		
2,450,000 equity shares of ₹10 each	24,500,000	24,500,000
98,178 Zero Coupon Preference Shares of ₹100 each, redeemable on 14.02.2021	9,817,800	9,817,800
<b>TOTAL</b>	<u>34,317,800</u>	<u>34,317,800</u>

1.1 Break up of Shares issued in the last five years.

- a. The Company has issued 98,178 Zero Coupon Redeemable Preference Shares of ₹100/- each totaling to ₹98,17,800/- on 14-02-2009 redeemable at par after the expiry of 5 years from the date of allotment.
- b. RBI has given permission for extension of redemption of 98,178 Zero Coupon Preference Shares of ₹.100 each allotted to M/s. Gunther America Inc, 454, Allwood road, Clifton, N.J. 07012 USA for 7 years from 14-02-2014, vide their letter No. CHE:FED:F ID/7630/25.19.319/2013-14 dated May 19, 2014. The preference share holders have also consented for extension of Zero Coupon Preference Shares.

1.2 The details of Shareholders holding more than 5% shares

Name of the Shareholder	Type of Share	As at 31st March 2015		As at 31st March 2014	
		Number of Shares	% of Holding	Number of Shares	% of Holding
Günther America Inc.	Equity	1,500,000	61%	1,500,000	61%
Günther America Inc.	Preference	98,178	100%	98,178	100%

1.3 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Equity Shares</b>		
Equity Shares at the Beginning of the year	24,500,000	24,500,000
Add : Shares Issued during the year	-	-
Less: Shares Cancelled during the year	-	-
<b>Equity Shares at the end of the year</b>	<u>24,500,000</u>	<u>24,500,000</u>
<b>Preference Shares</b>		
Preference Shares at the Beginning of the year	9,817,800	9,817,800
Add : Shares Issued during the year	-	-
Less: Shares Cancelled during the year	-	-
<b>Preference Shares at the end of the year</b>	<u>9,817,800</u>	<u>9,817,800</u>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

	As at 31st March 2015	As at 31st March 2014
<b>2. RESERVES AND SURPLUS</b>		
Capital Reserve:		
Capital Subsidy received from State Govt.		
As per last Balance sheet	3,500,000	3,500,000
Profit and Loss Account :		
As per last Balance sheet	(13,222,878)	(20,993,382)
Add : Profit / (Loss) for the year	4,997,548 (8,225,330)	7,770,504 (13,222,878)
<b>TOTAL</b>	<b>(4,725,330)</b>	<b>(9,722,878)</b>
<b>3. LONG TERM BORROWINGS</b>		
Secured :		
Secured Loans	-	-
Unsecured :		
Unsecured Loan	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>4. TRADE PAYABLES</b>		
Micro, Small & Medium Enterprises	557,840	321,700
Others	22,709,388	26,313,850
<b>TOTAL</b>	<b>23,267,228</b>	<b>26,635,550</b>
<b>5. OTHER CURRENT LIABILITIES</b>		
Provision for Leave encashment	1,755,525	1,373,729
Provision for Gratuity	15,617,267	17,275,917
Advance from Customers	-	21,500
Other Current Liabilities	1,034,359	3,735,455
<b>TOTAL</b>	<b>18,407,151</b>	<b>22,406,601</b>
<b>6. SHORT TERM PROVISIONS</b>		
Provision for Bonus & Ex-Gratia	2,818,708	2,172,997
Provision for Income Tax	554,683	1,492,863
<b>TOTAL</b>	<b>3,373,391</b>	<b>3,665,860</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

7. FIXED ASSETS

Description	Gross Block			Depreciation			Net Block			
	As at 01-04-2014	Additions	Deletions	As at 31-03-2015	As at 01-04-2014	For the Year	Deletions	Up to 31-03-2015	As at 31-03-2015	As at 31-03-2014
<b>TANGIBLE ASSETS :</b>										
Factory building	9,556,864	-	-	9,556,864	7,602,659	316,032	-	7,918,691	1,638,173	1,954,205
Plant and machinery	84,158,179	1,137,539	-	85,295,718	77,325,764	2,092,502	-	79,418,266	5,877,452	6,832,415
Electrical installation	4,009,795	470,000	-	4,479,795	3,966,972	49,004	-	4,015,976	463,819	42,823
Office equipment	872,016	38,800	-	910,816	846,848	27,528	-	874,376	36,440	25,168
Furniture and fixtures	1,946,253	164,978	-	2,111,231	1,818,757	18,813	-	1,837,570	273,661	127,496
Vehicles	958,000	-	-	958,000	492,399	179,835	-	672,234	285,766	465,601
Computer	1,762,371	90,900	-	1,853,272	1,609,127	115,719	-	1,724,846	128,426	153,244
<b>Total (A)</b>	<b>103,263,478</b>	<b>1,902,217</b>	-	<b>105,165,696</b>	<b>93,662,526</b>	<b>2,799,433</b>	-	<b>96,461,959</b>	<b>8,703,737</b>	<b>9,600,953</b>
<b>INTANGIBLE ASSETS :</b>										
Software	722,412	-	-	722,412	372,273	127,713	-	499,986	222,426	350,139
<b>Total (B)</b>	<b>722,412</b>	-	-	<b>722,412</b>	<b>372,273</b>	<b>127,713</b>	-	<b>499,986</b>	<b>222,426</b>	<b>350,139</b>
<b>Total (A + B)</b>	<b>103,985,890</b>	<b>1,902,217</b>	-	<b>105,888,108</b>	<b>94,034,799</b>	<b>2,927,146</b>	-	<b>96,961,945</b>	<b>8,926,163</b>	<b>9,951,092</b>
Previous Year	102,564,862	1,421,028	-	103,985,890	92,724,606	1,310,192	-	94,034,798	9,951,091	9,840,256

Note: Estimated value of contracts remaining to be executed on capital account and not provided ₹47,553,103/-. Being value of Imported machineries taken on lease, free of rent, from the holding company (at original cost of the machineries)

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

	As at 31st March 2015	As at 31st March 2014
<b>8. INVENTORIES</b>		
(Valued at cost and as certified by the Management)		
Raw materials	41,517,033	38,842,494
Stores and spares	2,646,465	2,178,622
Work in process	10,068,953	8,780,086
Finished goods	419,272	997,348
<b>TOTAL</b>	<b>54,651,723</b>	<b>50,798,550</b>
<b>9. TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
More than Six months	—	489,038
Others	3,411,326	3,086,696
<b>TOTAL</b>	<b>3,411,326</b>	<b>3,575,734</b>
<b>10. CASH AND BANK BALANCES</b>		
Balance with Banks	3,821,470	9,940,258
Cash on Hand	77,840	11,980
<b>TOTAL</b>	<b>3,899,310</b>	<b>9,952,238</b>
<b>11. SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advances and Deposits recoverable in cash or in kind or for value to be received	3,869,344	3,058,448
<b>TOTAL</b>	<b>3,869,344</b>	<b>3,058,448</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

12. REVENUE FROM OPERATIONS	As at 31st March 2015	As at 31st March 2014
Sales	185,791,426	161,309,508
<b>TOTAL</b>	<b>185,791,426</b>	<b>161,309,508</b>

## 12.1 QUANTITATIVE DETAILS OF SALES

Particulars	This Year		Previous Year	
	Quantity (in Nos)	Value (in ₹)	Quantity (in Nos)	Value (in ₹)
Reed Switches	8,220,231	144,939,238	6,863,725	129,407,399
Proximity Sensors	390,512	29,750,608	323,334	22,545,507
Ball Switch	536,000	8,111,479	400,000	5,998,076
Others	-	2,990,101	-	3,358,526
<b>TOTAL</b>	<b>9,146,743</b>	<b>185,791,426</b>	<b>7,587,059</b>	<b>161,309,508</b>

## 13. OTHER INCOME

Scrap sales	164,678	66,167
Misc. Income	1,483,898	3,634,226
Exchange Fluctuation Profit (net)	2,219,532	49,850
Interest Income	113,938	90,000
<b>TOTAL</b>	<b>3,982,046</b>	<b>3,840,243</b>

## 14. COST OF MATERIALS CONSUMED

Raw materials and components	101,346,429	85,922,513
Stores and spare parts	4,881,024	3,013,758
<b>TOTAL</b>	<b>106,227,452</b>	<b>88,936,271</b>

## 14.1 PARTICULARS OF MATERIALS CONSUMED

Particulars	This Year		Previous Year	
	Value (in ₹)	% of total consumption	Value (in ₹)	% of total consumption
Imported	86,711,744	81.63%	74,971,952	84.30%
Indigenous	19,515,708	18.37%	13,964,319	15.70%
<b>TOTAL</b>	<b>106,227,452</b>		<b>88,936,271</b>	

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

14.2 MATERIAL WISE RAW MATERIALS CONSUMPTION

Particulars	Unit of Measurement	Year Ended March 31, 2015		Year Ended March 31, 2014	
		Quantity	Value (₹)	Quantity	Value (₹)
Glass tubes	Nos	14,060,930	27,053,709	9,985,260	20,722,231
Nickel iron wire	Kgs	3,964	13,767,696	3,563	11,654,071
Plating Metals and Chemicals (Including Rhodium & Gold)	Gms / ml	30,512	30,161,225	26,678	27,090,056
Others		--	35,244,822	--	29,469,913
<b>Total</b>			<b>106,227,452</b>		<b>88,936,271</b>

14.3 CAPACITY AND PRODUCTION

Class of goods	Unit of Measurement	Licensed Capacity		# Installed capacity		Actual Production	
		(annualised)		(annualised)		year ended 31-03-15	year ended 31-03-14
		year ended 31-03-15	year ended 31-03-14	(on double shift basis)			
Reed switches	Nos.	1,60,30,000	1,60,30,000	1,79,80,000	1,79,80,000	9,076,391	7,628,489
Tilt Switches	Nos.	19,50,000	19,50,000	NIL	NIL	NIL	NIL
Relays	Nos.	5,00,000	5,00,000	5,00,000	5,00,000	NIL	NIL

# As certified by the management and relied upon by the auditors without verification, being a technical matter.

15. CHANGES IN INVENTORIES AND FINISHED GOODS AND STOCK-IN-PROCESS

	As at 31st March 2015		As at 31st March 2014	
	(₹)		(₹)	
<b>Opening Inventories</b>				
Work in process	8,780,086		8,532,005	
Finished goods	997,348	9,777,434	540,430	9,072,435
<b>Closing Inventories</b>				
Work in process	10,068,953		8,780,086	
Finished goods	419,272	10,488,225	997,348	9,777,434
<b>TOTAL</b>		<b>(710,791)</b>		<b>(704,999)</b>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

15.1 STOCK PARTICULARS OF FINISHED GOODS

(Amount in ₹)

Particulars	As at 31st March 2015		As at 31st March 2014	
	Opening Stock Value (₹)	Closing Stock Value (₹)	Opening Stock Value (₹)	Closing Stock Value (₹)
Reed Switches	789,678	398,662	502,777	789,678
Proximity Sensors	95,270	20,610	31,383	95,270
Ball Switch	112,400	-	6,270	112,400
<b>TOTAL</b>	<b>997,348</b>	<b>419,272</b>	<b>540,430</b>	<b>997,348</b>

16. POWER AND FUEL

Electricity and Diesel for Generator	<u>8,837,617</u>	<u>7,893,361</u>
<b>TOTAL</b>	<u><b>8,837,617</b></u>	<u><b>7,893,361</b></u>

17. EMPLOYEE BENEFIT EXPENSES

Salaries, allowances and bonus	42,553,986	35,326,386
Gratuity	841,350	992,606
Leave Encashment	396,817	170,168
Contributions to provident fund and ESI	3,854,846	3,486,361
Staff welfare expenses	<u>4,225,331</u>	<u>4,329,904</u>
<b>TOTAL</b>	<u><b>51,872,330</b></u>	<u><b>44,305,425</b></u>

Contributions to provident fund are made monthly, at predetermined rates, and debited to the profit and loss account on accrual basis. Provision for Gratuity and Leave encashment has been made on the basis of Actuarial Valuation as per AS-15. The Company has subscribed to group gratuity scheme of LIC for all its employees. The date of commencement of the scheme is 26-03-2014.

17.1 Movements in Accrued Liability

	Gratuity	Leave Encashment (Unfunded)
	2014-15	2014-15
Accrued Liability as at beginning of the period	17,275,917	1,373,729
Interest Cost	-	116,129
Current Service Cost	841,350	273,048
Benefits Paid	-	(15,021)
Actuarial Gain / Loss	-	7,640
Amount deposited in Gratuity fund	<u>(2,500,000)</u>	-
<b>Accrued Liability as at the end of the period(Unfunded)</b>	<u><b>15,617,267</b></u>	<u><b>1,755,525</b></u>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

## 17.2 Reconciliation

(Amount in ₹)

	Gratuity	Leave Encashment (Unfunded)
	2014-15	2014-15
Net Liability as at the beginning of the period	17,275,917	1,373,729
Net Expenses in P&L A/c	841,350	396,817
Benefits paid	-	(15,021)
Amount deposited in Gratuity fund	(2,500,000)	-
<b>TOTAL Unfunded</b>	<b>15,617,267</b>	<b>1,755,525</b>

## 17.3 Valuation Basis / Assumptions

	Gratuity	Leave Encashment (Unfunded)
Rate of Mortality	As per LIC (1994-96) Ultimate	Ind.(2006-08)
Valuation Date	31st March 2015	31st March 2015
Rate of Interest	8.00% p.a	7.80% p.a
Rate of Salary Escalation	5.00% p.a	7.50% p.a
Rate of exit due to reasons other than death or retirement	1% to 3% p.a (depending on age)	5.00% p.a
Rate of return on Plan Assets	Does not arise	Does not arise

17.4 Managerial Remuneration  
(Paid to Managing Director)

	As at 31st March 2015	As at 31st March 2014
Salaries and allowance	683,429	667,516
Contribution to Provident and other funds	46,134	44,744
Perquisites	48,590	43,211
<b>TOTAL</b>	<b>778,153</b>	<b>755,471</b>

## 18. DEPRECIATION

Depreciation (Refer Note No. 7)	2,927,146	1,310,192
<b>TOTAL</b>	<b>2,927,146</b>	<b>1,310,192</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

	As at 31st March 2015	As at 31st March 2014
<b>19. OTHER EXPENSES</b>		
Repairs and Maintenance	974,877	1,248,098
Water Charges	242,705	144,975
Freight charges	4,546,070	4,730,350
Clearing & Forwarding	895,253	851,502
Professional Fees	556,397	1,312,969
Rent	1,082,880	1,007,640
Insurance	111,103	132,308
Rates and taxes	614,133	535,946
Travelling and conveyance	1,391,358	920,316
Postage and telephones	275,195	201,001
Printing and stationery	286,381	278,745
Bank charges	78,506	67,900
Security Charges	590,705	536,713
Miscellaneous expenses	1,492,103	1,084,407
<b>TOTAL</b>	<b>13,137,666</b>	<b>13,052,870</b>
<b>19.1 PAYMENT TO AUDITORS :</b>		
Statutory and Tax Audit Fees	85,000	75,000
Certification Fees	-	10,500
Professional charges	10,000	33,708
<b>TOTAL</b>	<b>95,000</b>	<b>119,208</b>
<b>19.2 EXPENDITURE IN FOREIGN CURRENCY :</b>		
Raw Materials & Components	89,092,017	86,110,595
Spares	654,204	746,055
Technical Services	-	733,164
Other Expenditure	1,329,831	2,292,602
<b>TOTAL</b>	<b>91,076,052</b>	<b>89,882,416</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Amount in ₹)

<b>20. EARNINGS PER SHARE (EPS)</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	<b>4,997,548</b>	7,770,504
ii) Number of Equity Shares	<b>2,450,000</b>	2,450,000
iii) Basic and Diluted Earnings Per Share	<b>2.04</b>	3.17
iv) Face Value per equity share	<b>10</b>	10
<b>21. EARNINGS IN FOREIGN EXCHANGE</b>		
FOB Value of exports	<b>183,884,385</b>	159,654,683

**22. RELATED PARTY DISCLOSURES**

In (₹)

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

Particulars	Holding Company	Comus Intl USA	Comus Intl Bvba	Comus Europe Ltd	Comus Tech. Bvba	Comus Elect. Tech. I Pvt Ltd	Others
Sale of Goods	-Nil -	49,173,940	105,783,088	28,899,480	-Nil -	3,418,180	-Nil -
	-Nil -	(40,746,243)	(99,336,882)	(19,571,558)	-Nil -	(1,654,825)	-Nil -
Other Income	-Nil -	27,877	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
Purchase of Raw Materials	-Nil -	7,771,893	77,977,995	3,146,365	245,816	-Nil -	-Nil -
	-Nil -	(7,482,506)	(76,930,289)	(741,798)	(1,599,004)	-Nil -	-Nil -
Managerial Remuneration	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	778,153
	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	(755,471)
Services Received	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
	-Nil -	(733,164)	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
Other Expenditure	-Nil -	678,024	630,297	18,424	-Nil -	-Nil -	-Nil -
	-Nil -	(1,448,443)	(698,332)	(119,082)	-Nil -	-Nil -	-Nil -
Balance outstanding as at Balance Sheet Date	-Nil -	6,597,868 Cr.	533,330 Cr.	1,361,115 Dr.	2,219,202 Cr.	149,873 Dr.	-Nil -
	-Nil -	(6,641,976)Cr.	(4,429,895) Cr.	(1,421,230) Dr.	(2,986,971) Cr.	(1,250,462) Dr.	-Nil -

Note: Figures in brackets are in respect of the previous year.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

**22.1 The list of related parties as identified by the management is as under**

a)	Holding Company	Gunther America Inc.	
b)	Key Management Personnel [KMP]	Mr. Robert P. Romano	Director
		Mr. John David Rollo	Chairman
		Mr. P.Ramesh	Managing Director
c)	Enterprise over which any person described in (b) is able to exercise significant influence.		
	This includes enterprises owned by	Comus International Inc.	
	Directors or major share holders of the reporting	Comus International Bvba	
	Management personnel in common with	Comus Europe Ltd.	
	the reporting enterprises	Comus Elect. Tech. I Pvt Ltd	
		Comus Technology Bvba	

**23. SEGMENT REPORTING**

- (a) The company operates in only one segment – Reed Switches.  
 (b) Information about secondary segment (Geographical segment)

(Amount in ₹)

Particulars	Domestic		Overseas	
	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue	<b>3,554,981</b>	1,654,825	<b>183,884,385</b>	159,654,683

**24. DEFERRED TAX**

Particulars	As at	As at
	31st March 2015	31st March 2014
DTL as on 31-03-2015	<b>117,630</b>	33,126
<b>TOTAL</b>	<b>117,630</b>	<b>33,126</b>

**25. CONTINGENT LIABILITIES AND COMMITMENTS**

The Income Tax Department has raised a demand for the Assessment Year 2012-13 amounting to ₹.20,61,790/- which is disputed by the Company. Hence an appeal has been preferred before CIT Appeal, Chennai & ACIT Company Range, Chennai .Therefore the Company has been advised that no provision for tax is required.

## SIGNIFICANT ACCOUNTING POLICIES

### i. Basis of Accounting

These financial statements have been prepared under historical cost convention from Books of Accounts maintained on Accrual basis (unless otherwise stated herewith) in conformity with Accounting principles generally accepted in India and comply with the Accounting Standards issued by Institute of Chartered Accountants of India and referred to Sec 129 and 133 of Companies Act, 2013. The Accounting Policies applied by the Company are consistent with those used in previous year.

### ii. Fixed Assets and Depreciation

Fixed assets are stated at their original cost, which includes expenditure incurred in the Acquisition of Assets/construction of assets, Pre-operative expenses till the commencement of operations and Interest up to the date of commencement of commercial production.

Depreciation on fixed assets has been provided on straight line method based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

### iii. Impairment of Fixed Assets

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing the value based in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

### iv. Foreign Exchange Transactions

Foreign exchange transactions are recorded in the books by applying the exchange rate as on the date of the transaction. Foreign currency liabilities (other than for acquisition of fixed assets from outside India) are converted at exchange rates prevailing on the last working day of the accounting year or settlement date as applicable and for fixed assets acquired from outside India the exchange difference is adjusted to the cost of the assets. Other foreign currency assets and liabilities are converted at the exchange rate prevailing on the last working day of the accounting year or settlement date, as applicable and the exchange difference is adjusted to the Profit and Loss Account.

**v. Inventories**

Inventories are valued at lower of cost or net realizable value except stores and spares, which are valued at cost. The determination of cost of various categories of inventories is as follows:

- a. Stores and spares and raw materials are valued at rates determined on “First In - First Out” method.
- b. Work-in-process and finished goods are valued on full absorption costing method based on annual average cost of production.

**vi. Revenue Recognition**

Revenue is recognized at the point of dispatch of finished goods to customers from plant.

**vii. Retirement Benefits**

Contributions to provident fund are made monthly, at predetermined rates, and debited to the Profit and Loss Account on an accrual basis. Provision for Gratuity and Leave encashment has been made on the basis of Actuarial Valuation as per Accounting Standard AS-15. The Company has subscribed to group gratuity scheme of LIC for all its employees. The date of commencement of the scheme is 26-03-2014.

**viii. Contingent Liabilities**

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the notes to the accounts.

**ix. Taxation**

Provision is made for Income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with Income Tax Act, 1961.

In accordance with the Accounting Standard 22, Accounting for Taxes on Income, issued by Institute of Chartered Accountants of India, Deferred tax resulting from “timing differences” between book profits and Tax profit is accounted for, at the current rate of tax, to the extent of timing difference are expected to crystallize

For and on behalf of the Board

Place : New Jersey, USA

Date : 29th May, 2015

**ROBERT P. ROMANO**, Director

**JOHN D. ROLLO**, Chairman

**P. RAMESH**, Managing Director

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**
**1. Registration Details**

Registration No.	18-15647	State Code	18
Balance Sheet Date	31 03 2015		
	Date Month Year		

**2. Capital raised during the year (Amount in ₹ Thousands)**

Public Issue	--	Right Issue	--
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**3. Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)**

Total Liabilities	74,757	Total Assets	74,757
Sources of Funds			
Paid-up capital	24,500	Reserves & Surplus	3,500
Preference Share capital	9,818	Other Liabilities	117
Application of Funds			
Net Fixed Assets	8,926	Investments	--
Net Current Assets	20,784	Debit Balance in Profit & Loss Account	8,225

**4. Performance of Company (Amount in ₹ Thousands)**

Turnover	189,773	Total Expenditure	182,291
		Exceptional item	--
Profit/Loss before tax	7,482	Profit/Loss after tax	4,997
Earning per share in ₹	2.04	Dividend Rate %	--

5. Item Code No. (ITC Code No) 85.3 Product Description REED SWITCHES

Generic Names of Three Principal Products/Services of Company (as per Monetary Terms)

**Previous year's figure have been regrouped / recast, wherever necessary, to conform to this year's classification**

Signature to Notes on Financial Statement 1 to 25

Place : New Jersey, USA

Date : 29th May, 2015

For and on behalf of the Board

**ROBERT P. ROMANO**, Director

**JOHN D. ROLLO**, Chairman

**P. RAMESH**, Managing Director





**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**

Registered Office:

Plots: B9 & B10, MEPZ - Special Economic Zone, Kadapperi, Tambaram, Chennai - 600 045.

CIN : L29142TN1988PLC015647

**ATTENDANCE SLIP**

Regd. Folio No. \_\_\_\_\_ No. of Shares \_\_\_\_\_ I certify that I am the shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held on Thursday, the 24<sup>th</sup> September, 2015 at Hotel Grand Palace, 257,G.S.T Road, Chrompet, Near MIT Gate, Chennai 600 044, at 2.30 p.m.

Member's / Proxy's name in BLOCK Letters:

Address:

Member's / Proxy's signature

Note : Only members or their proxies are allowed to attend the Meeting. Members are requested to produce the above Attendance slip duly filled in and signed in accordance with their specimen signatures registered with the Company for admission to the meeting hall.

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**NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING**  
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**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**

Corporate Identification Number: L29142TN1988PLC015647

Plot No.B9 & B10 , MEPZ - Special Economic Zone, Kadapperi, Tambaram, Chennai 600 045.

Name of the Member(s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio No. / Client ID No. : \_\_\_\_\_ DP ID No. \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ Shares of Switching Technologies Gunther Limited, hereby appoint

1. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

2. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

3. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature : \_\_\_\_\_.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company, to be held on Thursday, the 24th September 2015 at Hotel Grand Palace, 257, G.S.T Road, Chrompet, Chennai 600 044, at 2.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of Balance Sheet, Statement of Profit and Loss Account and the Reports of the Board of Directors and Auditors for the financial year ended 31st March 2015.
2. Appointment of Director in the place of Mr. Robert P. Romano, who retires by rotation and is eligible, seeks re-appointment.
3. Reappointment of M/s. M L Srinivasan & Associates, Chartered Accountants as the Auditors of the company.
4. Reappointment of Mr. P. Ramesh as Managing Director.
5. Authorisation to delist the Company's Equity Shares from Bombay Stock Exchange.
6. Appointment of Ms. Mary Patricia Galasso as Additional Director.
7. Appointment of Mr. A. Jeyaganesan Muthiah as Additional Director
8. Appointment of Mr. CMA John D. Nevin as Cost Accountants.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix 1 Rupee Revenue Stamp
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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.







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**Notes**

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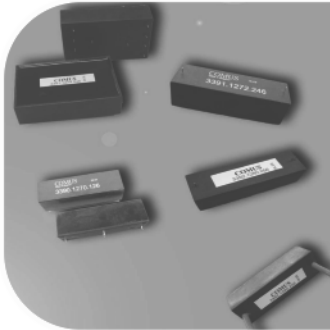
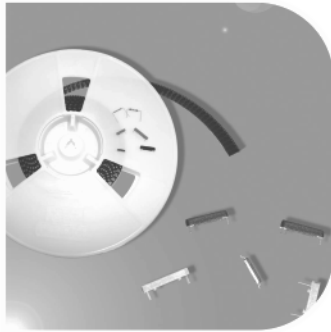
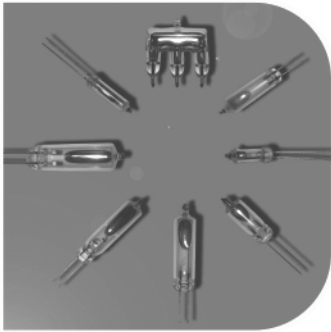
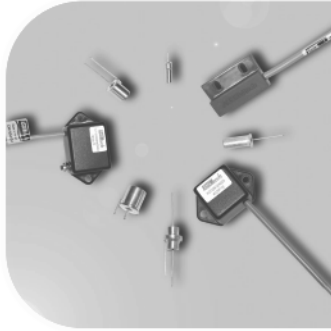
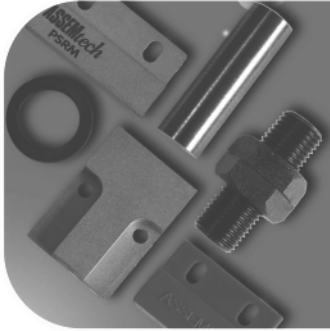
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**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**

Plots B9 & B10, Special Economic Zone (MEPZ)

Kadapperi, Tambaram, Chennai – 600 045.

CIN No. L29142TN1988PLC015647

Phone : (91) (44) 4321 9096, (91) (44) 2262 2460


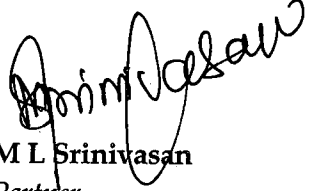

Fax : (91) (44) 2262 8271

E-Mail : [stgindia@stg-india.com](mailto:stgindia@stg-india.com)



**FORM A**

Format of covering letter of the annual audit report to be filed with the stock exchanges

1. Name of the Company:	Switching Technologies Gunther Ltd.
2. Annual financial statements for the year ended	31st March 2015
3. Type of Audit observation	Un-qualified
4. Frequency of observation	Not Applicable
<p>5. To be Signed by:</p> <ul style="list-style-type: none"> <li>▪ Managing Director</li> <li>▪ Auditor of the Company</li> <li>▪ Audit Committee Chairman</li> </ul>	<p><b>For Switching Technologies Gunther Limited</b></p> <p> Managing Director</p> <p><b>For M L Srinivasan &amp; Associates</b> Chartered Accountants Firm Registration No.006505S</p> <p> M L Srinivasan Partner Membership No. 203154</p> <p><b>For Switching Technologies Gunther Limited</b></p> <p> Audit Committee Chairman</p>



**Note:** Please note that our company does not have the position of CEO and CFO. These positions are handled by Managing Director only.