



**SWITCHING  
TECHNOLOGIES  
GUNTHER LTD.**

REGISTERED OFFICE & WORKS :  
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GSTIN : 33AAACS5033J1ZL

2210

Ref: BSE/SEC/2210/2022

// Through BSE Listing Centre Online//

Date: 26<sup>th</sup> May, 2022

The Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

BSE CODE: 517201

Dear Sir/Madam,

Sub: Standalone Audited Financial Results for the Quarter and Year ended 31<sup>st</sup> March, 2022

Ref: Regulation 33 of the SEBI (LODR) Regulations, 2015

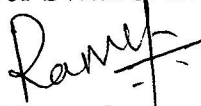
We wish to inform you that at the meeting of the Board of Directors of the Company held today i.e. on Thursday the 26<sup>th</sup> May, 2022, the Board have considered and approved the Standalone Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2022. The said Audited Financial Results were reviewed by the Audit Committee and thereafter approved by the Board.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, statement showing the Standalone Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2022 along with the Independent Auditor's Report, Cash Flow Statement and the Statement of Assets and Liabilities are attached herewith for your records.

Thanking You,

Yours faithfully,

For SWITCHING TECHNOLOGIES GUNTHER LIMITED

  
S. Ramesh

Company Secretary and Compliance Officer

**Statement of Audited Standalone Financial Results for the Quarter & Year Ended 31st March 2022**

Sl.No	PARTICULARS	Standalone					
		Quarter Ended			Year Ended		
		31.03.2022 (Audited)	30.12.2021 (Unaudited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)	
I	Revenue from Operations	319.88	236.77	318.80	1,061.48	1,090.00	
II	Other Income	(22.89)	31.44	45.94	44.60	8.51	
III	Total Revenue (I+II)	296.99	268.21	364.73	1,106.08	1,098.51	
IV	Expenses :						
	(a) Cost of Material Consumed	247.34	223.21	426.35	983.63	798.12	
	(b) Purchase of Stock in Trade	-	-	-	-	-	
	(c) Changes in Inventories of Finished goods, WIP & Stock in trade	55.33	3.63	(64.80)	75.45	(41.37)	
	(d) Employees benefits expenses	139.82	118.63	145.39	509.54	530.45	
	(e) Finance Cost	-	-	-	-	-	
	(f) Depreciation and amortisation expenses	2.16	2.15	2.44	8.58	9.72	
	(g) Other Expenses	35.91	47.45	56.15	194.37	204.92	
	Total Expenses	480.56	395.08	565.54	1,771.57	1,501.84	
V	Profit before Exceptional Items and tax(II-IV)	(183.57)	(126.87)	(200.80)	(665.49)	(403.33)	
VI	Exceptional Items	-	-	-	-	-	
VII	Profit before tax(V-VI)	(183.57)	(126.87)	(200.80)	(665.49)	(403.33)	
	8.Exceptional Items	-	-	-	-	-	
VIII	Tax Expenses :						
	Deferred Tax	-	-	-	(4.65)	-	
IX	Profit/(loss)for the period from continuing operations (VII-VIII)	(183.57)	(126.87)	(200.80)	(660.84)	(403.33)	
X	Profit/(loss) from discontinuing operations	-	-	-	-	-	
XI	Tax expenses of discontinuing operations	-	-	-	-	-	
XII	Profit/(loss) from discontinuing operations (after tax) (X-XI)	-	-	-	-	-	
XIII	Net Profit/(Loss)for the period (IX+XII)	(183.57)	(126.87)	(200.80)	(660.84)	(403.33)	
	Other Comprehensive Income						
	(a) Items that will not be reclassified to Profit or Loss	-	-	-	-	-	
	Less:Income Tax relating to Items that will not be reclassified to Profit or Loss	-	-	-	-	-	
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	
	Less:Income Tax relating to Items that will be reclassified to Profit or Loss	-	-	-	-	-	
XIV	Total-Other Comprehensive Income	-	-	-	-	-	
XV	Total Comprehensive Income for the Period (XIII+XIV) comprising Profit/(Loss) and other Comprehensive Income for the period	(183.57)	(126.87)	(200.80)	(660.84)	(403.33)	

Equity Share Capital (Face Value of Rs.10/- each)	245.00	245.00	245.00	245.00
Reserves (excluding Revaluation reserves) as shown in the Audited Balance Sheet of the Previous Year	-	-	-	-
Earning per equity share (for continuing operation):				
1)Basic	(7.49)	(5.18)	(8.20)	(26.97)
2)Diluted	(7.49)	(5.18)	(8.20)	(26.97)
Earning per equity share:(for Discontinued operation):				
1)Basic	-	-	-	-
2)Diluted	-	-	-	-
Earning per equity share (for continuing & discontinued operation):				
1)Basic	(7.49)	(5.18)	(8.20)	(26.97)
2)Diluted	(7.49)	(5.18)	(8.20)	(26.97)

Notes :

1. The above audited Standalone Financial results have been reviewed by the Audit Committee and approved by the Board of the Directors at their meeting held on 26.05.2022.
2. Previous period / year figures have been regrouped and /or re-arranged ,wherever necessary.
3. The Company majorly operates in only one segment - Manufacture of Reed Switches, Proximity Switches & Ball Switches.
4. The Reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given:

Particulars	Year Ended	
	31/03/2022	31/03/2021
Net Profit as reported under previous GAAP	(660.84)	(403.33)
Add/Less) : Ind AS Adjustments	-	-
Net Profit under Ind AS as reported	(660.84)	(403.33)
Other Comprehensive Income	-	-
Total Comprehensive Income for the period	(660.84)	(403.33)

Rs. In Lakhs

5. The company has not issued any Commercial papers (CPs), NCDs & NCRPs and therefore the due dates for repayment of principal along with the payments of interest/dividend does not arise.
6. The company has incurred net loss of Rs. 660.84 Lakhs during the financial year ended March 31, 2022 and as of that date, the Company's accumulated losses aggregate to Rs. 1374.98 Lakhs resulting in complete erosion of its net worth. Further, as of that date, Company's current liabilities exceeded its current assets by Rs. 875.92 Lakhs. The Company's financial statement has been prepared on going concern basis.
7. The above Financial Results are available in the Company's Website.

Place: Chennai-45  
Date : 26.05.2022

For Switching Technologies Gunther Limited  
C.CHANDRACHUDAN  
Director

K Manoharan  
Director

## **Independent Auditor's Report**

**To the Members of Switching Technologies Gunther Limited  
Switching Technologies Gunther Limited**

### **Opinion**

We have audited the accompanying standalone financial statements of Switching Technologies Gunther Limited ("the Company"), which comprises of the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including other comprehensive income), and the Statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs as at March 31, 2022, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Emphasis of Matter**

#### **Material uncertainty related to Going Concern**

We draw attention to the Note 37 in the Financial Statements. The company has incurred net loss of Rs. 6,60,83,850/- during the year ended March 31, 2022 and as of that date, the Company's accumulated losses aggregate to Rs. 13,74,97,597/- resulting in complete erosion of its net worth. Further, as of that date, Company's current liabilities exceeded its current assets by Rs. 8,75,92,125/- . These factors along with other matters as set forth in said notes cast material uncertainty about the Company's ability to continue as a going concern in the foreseeable future. However, the Company's financial statement has been prepared on going concern basis as disclosed by management in said note. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic

alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider

quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

(A) 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 it 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 standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

**V.V.KALE  
& COMPANY**

**CHARTERED ACCOUNTANTS**

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact, wherever necessary, of pending litigations on its financial position in its financial statements - Refer Note 28 to the financial statements;
- ii. the Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For, V V Kale & Co  
Chartered Accountants  
Firm Reg. Number: 000897N



Vijay V. Kale  
Partner  
Membership No: 080821  
UDIN: 22080821AJRADO9418



Place: New Delhi  
Date: May 26, 2022



## Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of **Switching Technologies Gunther Limited** ("the Company") on the financial statements for the year ended March 31, 2022, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets

(b) As per the information and explanation given to us, *no physical verification of fixed assets has been carried out by the Company during the year ended March 31, 2022.*

(c) The Company does not own any immovable properties and accordingly, the provision of Paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the period and accordingly, the provision of Paragraph 3(i)(d) are not applicable to the Company.

(e) As per the information and explanations given to us, no proceedings have been initiated and / or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder and accordingly, the provision of Paragraph 3(i)(e) are not applicable to the Company.

(ii) (a) As per the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. As per the information received, there was no deviation beyond 10% in aggregate in each class of inventory. We have relied on the management certificate on closing balance of inventory.

(b) The Company has not availed any working capital limits on the security of current assets from banks or financial institutions and accordingly, the provisions of Paragraph 3(ii)(b) of the Order are not applicable to the Company.

(iii) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and therefore, the provisions of Paragraph 3(iii)(a) to Paragraph 3(iii)(f) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted loans / made any investments / issued any guarantees for which provisions of section 185 and 186 of the Act are to be complied with. Accordingly, the provisions of Paragraph 3(iv) of the Order are not applicable to the Company.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and accordingly, the provisions of Paragraph 3(v) of the Order are not applicable to the Company.

(vi) To the best of our knowledge and according to the explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, for goods manufactured / traded by the Company. Accordingly, the provision of Paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST, cess and other material statutory dues have been regularly deposited during the period by the Company with appropriate authorities.

According to the information and explanations given to us, in our opinion, no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees' State Insurance, Service Tax, Custom Duty, Cess and other statutory dues applicable to it as on March 31, 2022 for a period of more than six months from the date they became payable. *However, the company has during the year recorded expense amounting to Rs. 25,86,132/- by way of recharge from its group company towards security service expenses incurred by the latter on which the company has not deducted any TDS as per the Income Tax Act, 1961. Further, the Company has not paid GST on reverse charge basis for the above service. The management is of the opinion that since these charges are in the nature of pure reimbursement, TDS and GST obligations do not arise.*

We are informed that the operations of the Company do not give rise to any liability for Value Added Tax, Central Sales Tax, Wealth Tax and Excise Duty.

(b) According to the records of the Company, there are no dues outstanding of Income Tax, Service Tax, Goods & Services Tax, Custom Duty and Cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us there are Nil transactions which have been disclosed as income under the Income Tax Act, 1961 which were previously unrecorded in the books.

(ix) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not availed any borrowings from lenders and accordingly, the provision of Paragraph 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company is not declared willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, no term loans were generated by the Company during the period and accordingly, the provision of Paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any loans on

account of or to meet the obligation of associate companies during the period and accordingly, the provision of Paragraph 3(ix)(d) of the Order is not applicable to the Company. It is clarified that the Company does not have any joint venture / subsidiary / associate of its own and that it only has an associate company having common parent entity another Company during the year

(e) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any loan on pledge of any securities held in associates and accordingly, the provision of Paragraph 3(ix)(e) & Paragraph 3(ix)(f) of the Order are not applicable to the Company. It is clarified that the Company does not have any joint venture / subsidiary / associate of its own and that it only has an associate company having common parent entity another Company during the year.

(x) (a) The Company has not raised any moneys by way of initial public offer or further offer (including debt instruments) during the period and accordingly, the provision of Paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not raised any moneys by way of by private placement / preferential issue during the year and that the moneys raised during the year and accordingly, the provision of Paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

(b) No report has been filed by the auditors under sub-section (12) of section 143 of the Companies Act with the Central Government during the period.

(c) No whistle blower complaints were reported during the period.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii)(a) to paragraph 3(xii)(c) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)(a) According to the information and explanations give to us and based on our examination of the records of the Company, we are of the opinion that the Company does not have an internal audit system commensurate with the size and nature of its business.

(b) During the course of our audit, the reports of internal auditors have not been furnished to us by the Company and hence we were unable to consider the same.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not an NBFC and hence the provisions of paragraph 3(xvi) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred cash loss during the year ending March 31, 2022. The Company incurred an operating cash loss of Rs. 2,71,52,097/- and a net cash loss of Rs. 6,56,91,623/- during the year ending March 31, 2022.
- (xviii) There has been a resignation of the Statutory Auditors during the period. We have not been informed of any issues, objections or concerns by the outgoing Auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that *material uncertainty exists as on the date of the audit report and that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.*
- (xx) The provisions regarding Corporate Social Responsibility are not applicable on the Company since the profits are below the applicability threshold. Accordingly, the provisions of Paragraph 3(xx)(a) and Paragraph 3(xx)(b) of the Order are not applicable on the Company.
- (xxi) The Company is a Standalone entity and does not have Subsidiaries, associates and joint ventures and accordingly, the Provisions of Paragraph 3(xxi) of the Order are not applicable on the Company.

For, V V Kale & Co  
Chartered Accountants  
Firm Reg. Number: 000897N



Vijay V. Kale  
Partner  
Membership No: 080821



Place: New Delhi  
Date: May 26, 2022

UDIN: 22080821AJRADO9418

## **Annexure - B to the Independent Auditors' Report**

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### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Switching Technologies Gunther Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended March 31, 2022.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its 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, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

-----*This space has been left blank intentionally*-----

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, V.V.Kale & Co.  
Chartered Accountants  
Firm's registration number: 000897N



Vijay V. Kale  
Partner  
Membership number: 080821



Place: New Delhi  
Date: May 26, 2022  
UDIN: 22080821AJRADO9418

**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

	2021-22 Rs.	2020-21 Rs.
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax	(66,549,324)	(40,332,932)
Adjustments for:		
Depreciation and amortization	857,701	972,003
Interest and finance charges	-	-
Interest income	39,538	(130,493)
<b>Operating Profit before Working Capital Changes</b>	<b>(65,652,085)</b>	<b>(39,491,422)</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and	(14,404,273)	(5,175,798)
(Increase)/decrease in inventories	12,068,632	(6,925,380)
Increase/(decrease) in trade payables, other liabilities and	68,969,527	51,517,948
<b>Cash Generated from Operations</b>	<b>981,801</b>	<b>(74,651)</b>
Income taxes (paid)/refund received	-	-
<b>Net Cashflow from Operating Activities</b>	<b>981,801</b>	<b>(74,651)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(245,255)	(94,598)
Interest received	(39,538)	130,493
Investment in shares	-	-
Non-operating Income	-	-
<b>Net Cashflow from Investing Activities</b>	<b>(284,793)</b>	<b>35,895</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest and finance charges	-	-
<b>Net Cashflow from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>697,008</b>	<b>(38,756)</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>102,039</b>	<b>140,795</b>
<b>Cash and bank balances at the end of the year</b>	<b>799,048</b>	<b>102,039</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

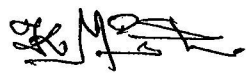
Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

DETAIL OF CASH AND CASH EQUIVALENTS	As at 31-03-2022 Rs.	As at 31-03-2021 Rs.
Balances with banks		
In current accounts	39,723	74,737
Cash on hand	34,325	27,303
Fixed Deposit	725,000	
	<b>799,048</b>	<b>102,040</b>

For Switching Technologies Gunther Limited

Place: Chennai-45  
Date : 26.05.2022

  
C.CHANDRACHUDAN  
Director

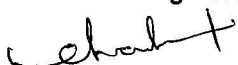
  
K Manoharan  
Director

**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2022**

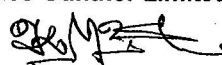
	As at 31-03-2022 (Rs.)	As at 31-03-2021 (Rs.)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	3,611,719	4,224,165
(b) Intangible Assets	-	-
(c) Financial Assets		
(i) Others	5,771,289	1,850,485
(d) Other Non-Current Assets	2,218,327	2,214,751
	<u>11,601,335</u>	<u>8,289,400</u>
<b>CURRENT ASSETS</b>		
(a) Inventories	59,863,627	71,932,259
(b) Financial Assets		
(i) Trade Receivables	39,907,072	29,541,170
(ii) Cash and Cash Equivalents	799,048	102,040
(iii) Others	125,873	201,414
(c) Other Current Assets	1,123,426	933,894
	<u>101,819,045</u>	<u>102,710,776</u>
<b>TOTAL ASSETS</b>	<b>113,420,380</b>	<b>111,000,176</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share Capital	24,500,000	24,500,000
(b) Other Equity	(137,497,597)	(71,413,747)
	<u>(112,997,597)</u>	<u>(46,913,747)</u>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities	9,817,800	9,817,800
(b) Provisions	27,189,006	18,242,431
(c) Deferred Tax Assets (Net)	-	465,474
	<u>37,006,806</u>	<u>28,525,705</u>
<b>CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Trade Payables		
enterprises and small enterprises;	-	-
(B) total outstanding dues of		
creditors other than micro	187,657,476	128,001,005
(ii) Other Financial Liabilities	-	-
(b) Other Current Liabilities	699,776	711,710
(c) Provisions	1,053,919	675,503
	<u>189,411,171</u>	<u>129,388,218</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>113,420,380</b>	<b>111,000,176</b>

Place: Chennai-45  
Date : 26.05.2022

For Switching Technologies Gunther Limited



**C.CHANDRACHUDAN**  
Director



**K Manoharan**  
Director