

**SWITCHING TECHNOLOGIES GUNTHER LIMITED**

Regd. Office : B9, B10 & C1, Special Economic Zone, MEPZ  
Tambaram, Chennai 600 045.

Email Id : stigundia @ airtelmail.in

**Unaudited Financial Results for the Quarter ended 30th June 2010**

(Rs. In Lacs)

PARTICULARS	3 Months	3 Months	12 Months
	ended 30-06-2010 (Unaudited)	ended 30-06-2009 (Unaudited)	ended 31.03.2009 (Audited)
	(1)	(2)	(4)
1 Net Sales	209.59	118.79	653.44
2 Other Income	8.04	10.97	6.08
3 Total Income ( 1+2)	217.69	127.76	659.52
4 Expenditure:			
a. Consumption of Raw Materials & Components	118.77	63.94	299.43
b. Increase(-)/decrease (+) in stock in trade and WIP	9.11	5.16	(1.45)
c. Employees cost	72.27	54.09	262.43
d. Power & fuel	8.65	8.07	33.51
e. Depreciation	3.11	4.05	15.65
f. Other Expenditure	14.61	8.51	53.35
Total Expenditure	226.51	143.82	662.92
5 Interest	(8.92)	(16.06)	(3.40)
6 Profit / (Loss) before taxation	-	-	0.10
7 Prior Period Adjustments (Net)	(8.92)	(16.06)	(3.30)
8 Profit / (Loss) before tax	-	-	-
9 Provision for Taxation - Current tax	-	-	-
- Fringe benefit tax	(8.92)	(16.06)	(3.30)
10 Net Profit / (Loss) after taxation	245.00	245.00	245.00
11 Paid-up Equity Share Capital (Face value per share Rs. 10)	98.18	98.18	98.18
12 Preference Share Capital	-	-	-
13 Share application money pending allotment	-	-	-
14 Debt balance in profit and loss account	(0.36)	(0.66)	(0.13)
15 Basic & Diluted Earnings Per Share (In Rs.)	9.50	9.50	9.50
16 Aggregate of public Shareholding	38.78	38.78	38.78
17 - Percentage of shareholding	-	-	-
- Promoters and promoter group	-	-	-
18 Shareholding **	-	-	-
a) Pledged/Encumbered	-	-	-
- Number of shares	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-

- Percentage of shares (as a % of the total share capital of the company)	-	-	-
b) Non-encumbered			
- Number of Shares	15.00	15.00	15.00
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	61.22	61.22	61.22

- Note : 1. The above audited results were approved and taken on record by the Board at the meeting held on 31.07.2010.
2. During the quarter no investor complaints were received, There were no complaints pending at the beginning and end of the quarter.
3. The Company operates in only one segment - Reed Switches.
4. The auditors have qualified their audit report on the accounts of the company for the year ended 31-03-2010 as follows:  
The accounts for the year have been prepared on the basis that the company is a "going concern".

**Management comment:**  
Consequent to total erosion of the company's net worth, as on 30.06.2005, the report as required under section 23 of the Sick Industrial companies (Special Provision) Act 1985 was submitted to the Board for Industrial and Financial Reconstruction (BIFR) on 06.02.2006. The said reference was not registered by BIFR for want of rectification of certain objection vide BIFR's order No. F 3(S-4)/BC/2006 dated 24-03-2006. The management of your company was confident of changing the fortunes of company without getting attracted to the provisions of BIFR. Hence, your company had requested and obtained debt waiver from its parent companies and accordingly prepared the accounts on Going Concern. The management had taken constructive steps to improve the profitability of the Company by increasing the production of switches with higher margins and introduction of additional product lines such as proximity switches, high vacuum switches, ball switches, etc which will give a higher contribution. For the successive financial years 2005-06, 2006-07, 2007-08, 2008-09, the Company had again prepared the accounts on a Going Concern basis by obtaining debt waiver(s) successively from its parent companies. For the financial year 2009-10, the company posted operational profits due to its various initiatives including adopting cost cutting measures. Hence, the company did not take any debt waiver for the financial year 2009-10 from its parent companies. The management is confident that the operations of the company are expected to register more marked improvements in the near future and accordingly the accounts have been prepared on a "going concern" basis.

5. Provision for Employees Retirement Benefits have been made on the basis of Actuarial Valuation as per Accounting Standard AS-15, but not funded due to cash flow problems.

Place : New Jersey, USA  
Date : 31.07.2010