

## Annexure - I

## SWITCHING TECHNOLOGIES GUNTHER LIMITED

Regd. Office : B9,B10 &amp; C1, Special Economic Zone , MEPZ

Tambaram, Chennai 600 045.

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## Unaudited Financial Results for the Half Year ended 30th September 2011

		(Rs. In Lacs)		
PARTICULARS		6 Months ended 30-09-2011 (Unaudited)	6 Months ended 30-09-2010 (Unaudited)	12 Months ended 31.03.2011 (Audited)
1	Net Sales	(1) 619.25	(1) 429.24	(4) 986.37
2	Other Income	18.31	5.80	9.65
3	Total Income ( 1+ 2)	637.56	435.04	996.03
4	Expenditure:			
	a. Consumption of Raw Materials & Components	362.37	252.38	548.46
	b. Increase(-)/decrease (+) in stock in trade and WIP	27.91	(21.81)	(5.48)
	c. Employees cost	168.85	147.13	327.07
	d. Power & fuel	28.58	17.38	43.49
	e. Depreciation	6.43	6.17	12.49
	f. Other Expenditure	40.21	37.81	70.64
	<b>Total Expenditure</b>	<b>634.35</b>	<b>439.06</b>	<b>996.67</b>
5	Interest	-	-	-
6	Profit / (Loss) before taxation	3.21	(4.02)	(0.64)
7	Prior Period Adjustments (Net)	-	-	-
8	Profit / (Loss) before taxation	3.21	(4.02)	(0.64)
9	Provision for Taxation - Current tax	-	-	-
	- Fringe benefit tax	-	-	-
10	Net Profit / (Loss) after taxation	3.21	(4.02)	(0.64)
11	Paid-up Equity Share Capital (Face value per share Rs. 10)	245.00	245.00	245.00
12	Preference Share Capital	98.18	98.18	98.18
13	Share application money pending allotment	-	-	-
14	Debit balance in profit and loss account	-	-	-
15	Basic & Diluted Earnings Per Share (in Rs.)	0.13	(0.16)	(0.03)
16	Aggregate of public Shareholding			
17	-- Number of shares ( in lacs)	9.50	9.50	9.50
	-- Percentage of shareholding	38.78	38.78	38.78
18	<b>Promoters and promoter group</b>			
	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
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	61.22	61.22

Note : 1. The above unaudited results were approved and taken on record by Board of the Directors at the meeting held on 28th October, 2011.

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 31-03-2011 as follows:

Despite substantial erosion of network, 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 network, as on 30-06-2005, the report as required under section 23 of the Sick Industrial Companies (Special Provisions) Act 1985 was submitted to the Board for Industrial and Financial Reconstruction (BIFR) on 06-02-2006. BIFR has declined the registration on technical grounds vide its letter dated 30th March 2006. As the network became positive as at 31st March 2006, the company did not pursue it further. The Management is taking steps to improve the profitability of the company by increasing the production of switches with higher margin and introduction of additional product lines such as proximity switches, high vacuum switches, etc, which will give a higher contribution.

As the company has achieved cash profits for the year 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 & 2010-11 the management is confident that the operations of the company would improve, and hence 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.

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**ROBERT P.ROMANO**  
DIRECTOR

Place : New Jersey, USA

Date : 28-10-2011