



**SWITCHING  
TECHNOLOGIES  
GUNTHER LTD.**

REGISTERED OFFICE & WORKS :  
B-9 & B-10, Special Economic Zone (MEPZ)  
Kadapperi, Tambaram, Chennai- 600 045.  
Phone: 4321 9096/226 22460  
Fax : 91 - 44 - 22628271  
E - Mail : stgindia@stg-india.com  
CIN : L29142TN1988PLC015647

**1105**

Ref: STG/SE-MB/ 1105 /16  
September 23, 2016

/ Thro' Bse listing Centre - Online /

The Listing Officer  
Listing Department  
Department of Corporate Services  
The Stock Exchange – Mumbai  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

Dear Sir,

**Sub: Annual Report 2015-16**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2015-16 approved and adopted by the members as per the provisions of the Companies Act, 2013 at the 28<sup>th</sup> Annual General Meeting of the Company held on Thursday, 15<sup>th</sup> September 2016 at 2.30 p.m. at Hotel Grand Palace, 257, G.S.T. Road, Chromepet, Chennai - 600 044.

Thanking you,

For SWITCHING TECHNOLOGIES GUNTHER LTD.

P. RAMESH  
COMPLIANCE OFFICER

Encl: as above



**SWITCHING TECHNOLOGIES GÜNTHER LIMITED**

**28th Annual Report and Accounts 2016**



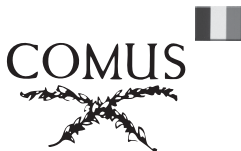
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Email : comusintl@aol.com



Switching Technologies Gunther Limited  
Plots B9 & B10  
Special Economic Zone (MEPZ)  
Kadapperi, Tambaram  
Chennai – 600 045.  
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Website : www.stg-india.com



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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

COMUS



RELAYS UNLIMITED

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 0HL  
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, daß sowohl für  
Standard-Schalter und  
Schalter-Sonderanfertigungen als auch für  
Sensor-Produkte auf dem Markt angeboten  
werden können

Les assemblages et la technologie ont été  
accordés pour qu'ils puissent être offerts sur  
le marché non seulement pour les  
interrupteurs standards et spéciaux mais  
encore pour les capteurs

Assemblaggi tecnologia opportunamente  
uniti per offrire interruzione 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, 43219092  
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

<b>BOARD OF DIRECTORS</b>	<b>:</b>	<b>JOHN D.ROLLO – Chairman</b> <b>P.RAMESH - Managing Director</b> <b>ROBERT P.ROMANO – Director</b> <b>A.JEYAGANESAN MUTHIAH - Director</b> <b>MARY PATRICIA GALASSO - Director</b>
<b>BANKERS</b>	<b>:</b>	<b>HDFC BANK LTD</b> <b>STATE BANK OF INDIA</b>
<b>REGISTERED OFFICE &amp; WORKS</b>	<b>:</b>	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 : <a href="mailto:stgindia@stg-india.com">stgindia@stg-india.com</a> CIN No. : L29142TN1988PLC015647
<b>REGISTRAR FOR ELECTRONIC CONNECTIVITY AND PHYSICAL SHARE TRANSFERS</b>	<b>:</b>	<b>CAMEO CORPORATE SERVICES LTD</b> Subramanian Building No.1, Club House Road, Chennai - 600 002 Phone : 91-44-28460390 (5 Lines) Fax : 91-44-28460129 e-mail : <a href="mailto:cameosys@cameoindia.com">cameosys@cameoindia.com</a>
<b>STATUTORY AUDITOR OF THE COMPANY</b>	<b>:</b>	<b>M/s. M.L.Srinivasan &amp; Associates</b> Chartered Accountants No. B4 Ceebros Rangam Apts 11, Cenotaph Road, Teynampet, Chennai – 600 018
<b>LEGAL CONSULTANTS</b>	<b>:</b>	<b>M/s. K.V.Bhashyam Chari &amp; Associates</b> Advocates Plot No.92-B, Sree Nagar 6th Cross Street, Kattupakkam, Chennai 600 056

## List of Top 10 Share holders as on 31/03/2016

Sl. No.	Name of the Shareholder	No. of Shares Held	Folio / Client ID
1.	GUNTHER AMERICA INC	15,00,000	IN30131321095208
2.	BHARAT JAMNADAS DATTANI	31,176	IN30267933064622
3.	RADHEY SHYAM MITTAL	25,603	IN30116030045451
4.	MADHU BALA MITTAL	25,571	1201770100019602
5.	RADHEY SHYAM MITTAL (HUF)	25,173	1201770100170576
6.	ADITYA MITTAL	25,100	1201770100887318
7.	APEKSHA MITTAL	25,000	1201770100810533
8.	MAHIPAL BAKLIWAL JT1 : SUMAN BAKLIWAL	18,509	IN30001110510828
9.	HITESH JHAVERI	18,325	IN30216410084557
10.	BHARATI BHARAT DATTANI JT1 : BHARAT JAMNADAS DATTANI	17,340	IN30290243127956
	BHARATI BHARAT DATTANI JT1 : BHARAT JAMNADAS DATTANI	3,063	IN30015910739289

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 28th Annual General Meeting of the members of Switching Technologies Gunther Ltd. will be held on Thursday, the 15th September, 2016 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 2016 and the Balance Sheet as on that date and the Reports of the Directors' and Auditors' thereon.
2. Reappointment of Mr. John D.Rollo 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."

For and on behalf of the Board

Place : Chennai  
Date : 14th July 2016

**JOHN D.ROLLO**  
Chairman

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself 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.
2. Members / Proxies should bring the Attendance Slips sent herewith duly filled in for attending the meeting and hand it over at the entrance.
3. Members are requested to bring their copies of the Annual Report to the meeting.
4. Members are requested to immediately intimate any change in their address registered with the Company quoting their respective Folio Number(s).

5. 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 09th September 2016 to Thursday the 15th September 2016 (both days inclusive).

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

- (i) The voting period begins on Monday , the 12th September 2016 at 09.00 a.m. and ends on Wednesday, the 14th September, 2016 at 5 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 08.09.2016, 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.

	<b>For Members holding shares in Demat Form and Physical Form</b>
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</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>

Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both 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 (iv).</li> </ul>
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- (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 <Company Name> 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.



(xix) 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 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 linked in the login 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.

(xx) 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.

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 : 14th July 2016

**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>Age</b>	<b>Nationality</b>	<b>Date of Appointment</b>	<b>Shareholding in the Company</b>	<b>Qualification</b>	<b>Expertise in specific functional area</b>	<b>Directorships held in other companies</b>	<b>Chairmanships/ Memberships of Committees in other companies</b>
Mr.John.D.Rollo	62	American	23/09/2005	Nil	10th Grade	Administration	Comus Electronics & Technologies India Pvt. Ltd - Chennai	Nil

## BOARD'S REPORT

The Board of Directors of your company presents their 28th Annual Report together with the audited accounts for the financial year ended 31st March 2016.

### FINANCIAL RESULTS

	Year ended 31.03.2016 (₹)	Year ended 31.03.2015 (₹)
Sales and other Income	148,808,662	189,773,472
Profit before interest and Depreciation	(799,792)	10,409,198
Interest	--	--
Profit before depreciation	(799,792)	10,409,198
Depreciation	1,638,348	2,927,146
Profit before taxation and exceptional item	(9,636,140)	7,482,052
Exceptional item	--	--
Profit before taxation after exceptional item	(9,636,140)	7,482,052
Provision for taxation		
– Current tax	--	2,400,000
– Deferred tax	--	84,504
Profit / (Loss) after taxation and exceptional item	(9,636,140)	4,997,548

### PERFORMANCE OF THE COMPANY

The Sales and other income during the year had reduced to ₹ 148.81 million compared to ₹ 189.77 million during the year ended 2015. The reduction in sales income was due to unfortunate fact that your company did not receive sales orders during the months from October 2015 to January 2016 due to heavy recession in European market. Nevertheless, your company is proud to present result on “Going Concern” basis 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.

**NON-DECLARATION OF DIVIDEND:**

Your company has incurred loss during the financial year 2015-16. Hence your company has not declared any dividend for the Financial Year 2015-16. The August Members will appreciate that despite incurring loss as mentioned above, your company has still prepared the accounts on “Going Concern” basis.

**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 on “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 had broken even and made profit during FY 2014-15. Unfortunately, in FY 2015-16, your company incurred loss due to non receipt of expected sales orders. However, 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.

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**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 financial year 2015-16.

**DIRECTORS**

Pursuant to provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. John D Rollo retires by rotation at the ensuing Annual General Meeting and he is eligible for re-appointment.

**KEY MANAGERIAL PERSONNEL**

Your Company has Mr. P. Ramesh, Managing Director and Mr.A.Jeya Ganesan Muthiah 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.

**SECRETARIAL AUDIT REPORT**

Your Company has appointed Ms. K.J. Lakshmi, Company Secretary in Whole Time Practice vide Board Resolution as Secretarial Auditor of the Company to give Secretarial Audit Report for FY 2015-16. As per the provisions of section 204 of the Companies Act, 2013, the Secretarial Audit Report from Ms. K.J. Lakshmi, 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 2016-17 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 2015-16.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 03 Directors as at 31st March, 2016.

The Committee has reviewed the Accounts for the year ended March 31, 2016. The members of the Audit Committee are Mr.John D Rollo, Mr.P.Ramesh and A. Jeya Ganesan Muthiah.

## **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. However the listing fees for the year 2016 have not been paid, for want of funds.

## **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 Agreement with the Stock Exchange, 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 08 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, where upon 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 2015-16 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.

Qualification by Statutory Auditors:

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

Qualification by Secretarial Auditor:

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. You all are aware that your Company has incurred huge losses in the Financial Year 2015-16. Nevertheless, Search is on for suitable candidates who can fit into the Company's Budget. The Company assures that this issue will be resolved once financial situation of the Company improves.

It will not be out of place to mention herein that your company has incurred a loss during the Financial Year 2015-16 as already mentioned above. Even running of operations is becoming very difficult for want of funds. Under such circumstances as well, your company is not in a position to afford fat salaries demanded by the prospective key managerial candidates.

With respect to defaulting payment of listing fees for the year 2016, it is true that your company has defaulted the payment of Listing Fee for the year 2016 since your company has incurred loss in the financial year 2015-16. Your company does not have funds to pay off the Listing Fee. It will be the

endeavor of your company to pay the Listing Fee at the earliest ones the financial position of your company improves. The default in payment of Listing Fee by your company is neither intentional nor wanton, but for the reason as mentioned above.

#### **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 : 14th July 2016

**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 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 machine and equipment 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 Sensors 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 31.03.2016		AS ON 31.03.2015	
	Quantity	Value	Quantity	Value
Segment wise	(in Nos.)	(₹)	(in Nos)	(₹)
Reed Switches	6,448,094	111,677,664	8,220,231	144,939,238
Proximity Sensors	324,758	23,412,260	390,512	29,750,608
Ball Switch	600,000	8,244,658	536,000	8,111,479
Others	-	4,301,707	-	2,990,101
<b>TOTAL</b>	<b>7,372,852</b>	<b>147,636,289</b>	<b>9,146,743</b>	<b>185,791,426</b>

##### B) Other Initiatives -

Initiative 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 results were encouraging. In the FY 13-14 your company managed to break even. In the FY 14-15 company had managed to present a nominal profit of ₹ 49,97,548/- Going forward prospects were to be bright. However, in the FY 15-16 your company has incurred loss of ₹ 96,36,140/- due to recession and lack of orders.

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 ₹ 98,17,800/- totaling 98178 Nos. of shares of ₹ 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 03 year wage agreement with the STG employees' union on 20.03.2015. The said agreement will be for a period of three 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 auditor 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 MEPZ-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 equipment to suit the latest technological requirement vis-à-vis production and export requirement.

**J) 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 by 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. Thirdly, the Furnace in the Annealing department was completely overhauled and lastly a pond of the size of 1000 ltrs. capacity was erected to meet the TNPCB's norms.

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 means 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 and booked profits in FY 2014-15. This could not have been possible without the paternalistic approach of your company towards the needs and requirements of the employees. However, during the financial year 2015-16, your company has incurred loss again purely due to the fact that there was no sales order for the period from October 2015 to January 2016. Nevertheless, your company had managed to keep the loss to

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the least by maximizing the productivity during the period when the production orders were existing in the financial year 2015-16.

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 / sports activities 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 ₹ 1430.89 lacs. Foreign exchange outgo on account of Imported Raw Materials, Stores and Capital Goods other expenditure was ₹ 590.57 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, 2016**

[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	75.64%
2	Proximity Sensors	DIVISION 26 / GROUP 261	15.86%
3	Ball Switches	DIVISION 26 / GROUP 261	5.58%
4	Others	DIVISION 26 / GROUP 261	2.91%

## 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	
A. PROMOTERS									
(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/FI	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	0.00	0	0	0	0	0.00	0
d) Banks/FI	0	0	0	0	0	0	0	0.00	0
e) Any other...	1500000	0	1500000	61.22	1500000	0	1500000	61.22	0.00
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. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0.00	0
b) Banks/FI	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	31729	2450	34179	1.40	27200	2450	29650	1.21	-0.19
i) Indian	0	0	0	0.00	0	0	0	0	0
ii) Overseas	0	0	0	0.00	0	0	0	0	0
b) Individuals	0	0	0	0.00	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	460450	207635	668085	27.27	411302	201585	612887	25.02	-2.25
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	158359	0	158359	6.46	241031	0	241031	9.84	3.38
c) Others (specify)									
i) Hindu Undivided Families	74126	0	74126	3.03	57502	0	57502	2.35	-0.68
ii) Non Resident Indians	13201	0	13201	0.54	8179	0	8179	0.33	-0.21
iii) Clearing Members	1300	0	1300	0.05	1	0	1	0.00	-0.05
iv) Trusts	150	0	150	0.01	150	0	150	0.01	0.00
SUB TOTAL (B)(2):	739315	210085	949400	38.75	745365	204035	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)	739715	210285	950000	38.78	745765	204235	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>2239715</b>	<b>210285</b>	<b>2450000</b>	<b>100.00</b>	<b>2245765</b>	<b>204235</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	193841	7.91	193841	7.91
	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.)	36860	NA	36860	NA
	At the end of the year (or on the date of seperation, if seperated during the year)	230701	9.42	230701	9.42

**(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	7	0.00029	7	0.00029
	Date wise increase/decrease in 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	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/WT/Manager		Total Amount (₹)
		Mr.P.Ramesh	Mr.A. Jeyaganesan Muthiah	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	784,671	659,825	1,444,496
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	54,670	50,754	105,424
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount (₹)
		Mr.P.Ramesh	Mr.A. Jeyaganesan Muthiah	
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	839,341	710,579	1,549,920
	Ceiling as per the Act	0*	0*	

**Note :** \* Company has incurred loss hence ceiling cannot be worked out. The KMP i.e., Mr. P. Ramesh and Mr. A. Jeya Ganesan Muthiah are employee Directors. Hence they are mandatorily required to be paid salaries as mentioned in Sl.No.1 of this table above.

**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	Mr. A Jeyaganesan Muthiah – Director	2:1

- (2) The percentage increase in remuneration of Managing Director and Director in the financial year was 10.30 %.
- (3) The percentage increase in the median remuneration of employees in the financial year was 13.05 %.
- (4) The number of permanent employees on the rolls of company as on 31st March, 2016 is 132.
- (5) The average increase in remuneration of the employees was 13.05%. 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 is 10.30%.
- (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 31.03.2016	As at 31.03.2015	Percentage Increase/ (Decrease)
Market Capitalisation (₹ in Crores)	20.58	23.26	(11.53%)
Price Earnings Ratio	(109.5)	339.5	(67.75%)
Current Market Price	84.00	94.95	(11.53%)

- 8) The closing market price of the shares of the Company as at March 31, 2016 was ₹ 84.00/- (BSE) and as at March 31, 2015 was ₹ 94.95/- (BSE). The increase/ decrease in the market quotations of the shares of the company is as tabled below:

Date	March 31,2016	March 31,2015
Market Price as on	84.00	94.95

- (9) The total managerial remuneration comprises of remuneration of the Managing Director/ 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/Director is indicated as below:

Name of KMP	Particulars of Remuneration	As on 31st March, 2016	As on 31st March, 2015
Mr. P. Ramesh- Managing Director	Salaries and Allowances	733489.00	683429.00
	Contribution to PF and other Funds	51182.00	46134.00
	Perquisites	54670.00	48590.00
Mr.A Jeyaganesan Muthiah- Director	Salaries and Allowances	614365.00	565998.00
	Contribution to PF and other Funds	45460.00	40578.00
	Perquisites	50754.00	44730.00
<b>TOTAL</b>		<b>1549920.00</b>	<b>1429459.00</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, 2016****[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**

PLOTS B-9, B-10 & C-1, Madras Export Processing Zone,  
Kadapperi, Tambaram, Chennai - 600 045.

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and adherence to good corporate practices by Switching Technologies Gunther Limited, the manufacture and export of miniature and standard Reed Switches (included Pressurized Switches, and change over switches). The Company has CIN L29142TN1988PLC015647 with Authorised Capital of ₹ 6,00,00,000/- and paid up capital of ₹ 3,43,17,800/-. The Company is listed with the Bombay Stock Exchange Limited with stock code : 517201, possessing ISIN number: INE311D01017.

Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of Switching Technologies Gunther Limited's 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, I hereby report that in my opinion, the company has, during the audit period covering its financial year ended on 31st March, 2016 complied with the statutory provisions listed here under and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) 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.
- (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable to the Company during the Audit Period**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009; - **Not Applicable to the Company during the Audit Period**
  - d) The Securities and Exchange Board of India (Employees stock option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable to the Company during the Audit Period**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008; - **Not Applicable to the Company during the Audit Period**
  - 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 - **Not Applicable to the Company during the Audit Period**
  - h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998; - **Not Applicable to the Company during the Audit Period**
- (vi) Any other Applicable Laws like
  - a) The Factories Act 1948
  - b) The Industrial Dispute Act 1947
  - c) The Payment of wages Act 1936
  - d) The Minimum Wages Act 1948
  - e) The Employees State Insurance Act, 1948
  - f) The Employees' Provident Fund and Miscellaneous Provision Act, 1952
  - g) The Payment of bonus Act, 1965
  - h) The Payment of Gratuity Act, 1972

- i) The Contract Labour Abolition Act 1970
- j) The Maternity Benefit Act 1961
- k) The Child Labour (Prohibition and Regulation) Act 1986
- l) The Industrial Employment ( Standing Orders ) Act 1946
- m) The Employees' Compensation Act 1923( earlier known as Workman's Compensation Act 1923)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) has been notified with effect from 1st July 2015
- (ii) The Listing agreements entered into by the company with BSE

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent mentioned below:

#### **Under The Companies Act 2013 and Listing Agreement**

- 1. The Company is yet to formally appoint two 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.**
- 2. The company has defaulted in payment of listing fees to the extent of ₹ 2,00,000/-**

The other laws as may be applicable specifically to the Company which are mentioned in clause (vi) **Under any other laws** I hereby report that it's based on the reports of the heads of the Departments of the factories and the compliance reports made by the occupier of the factories submitted to the Board of Directors of the Company, I report that the Company has substantially complied with the provisions of those Acts that are applicable to companies having factories which manufacture and export of miniature and standard Reed Switches. Based on the information, explanations and management representation, the Company has substantially complied with the Tax laws applicable to the Company except to the extent mentioned below:

I further report that

Subject to my observations the Board of Directors of the Company in general is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried out in the Board were in compliance with the provisions of the Act.

I 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.

I further report that during the audit period the instances of violations and non-compliances mentioned above may result in attracting penal provisions which are severe in nature and for the company there is a contingency that it may have to pay penalties.

For Switching Technologies Gunther Limited  
CIN:L29142TN1988PLC015647

Place : Chennai

Date : 14th July 2016

Sd/-

K.J. LAKSHMI

ACS – 21246, CPN0 -7786

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

**‘Annexure FA’**

To,

The Members

**SWITCHING TECHNOLOGIES GUNTHER LIMITED**

PLOTS B-9, B-10 & C-1, Madras Export Processing Zone,  
Kadapperi, Tambaram, Chennai - 600 045

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure the correct facts as reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance 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 : 14th July 2016

Sd/-  
K.J. LAKSHMI  
ACS – 21246, CPN0 -7786

## 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 the 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 paternalistic 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 05 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 08 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	Non-Executive-Independent Director	08	08	Yes	No	Nil
Mr. Robert. P. Romano	Non-Executive-Independent Director	08	05	No	No	Nil
Ms. Mary Patricia Galasso	Non-Executive-Independent Director	08	03	No	No	Nil
Mr. P. Ramesh	Managing Director	08	03	Yes	No	Nil
Mr. A Jeyaganesan Muthiah	Executive Director	08	02	Yes	No	Nil

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 (employee) and Mr.A Jeyaganesan Muthiah, being Production Manager (employee), being a working director, are drawing salary from the company as per the contract. The details of remuneration package of the Managing Director and Production Manager is given in Table 2.

Table 2: Details of Remuneration in Rupees paid or payable to Managing Director for the year ended March 31, 2016

amount in ₹

Name of Managing Director/ Director	Relationships with Directors	Sitting Fees	Salary and Allowances	Perquisites	Provident Fund	Total
Mr.P.Ramesh	-N.A-	Nil	733489.00	54670.00	51182.00	839341.00
Mr.A.Jeyaganesan Muthiah	-N.A-	Nil	614365.00	50754.00	45460.00	710579.00

### 3. 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.RobertP.Romano	-	Member	Member	Member
Ms.Mary Patricia Galasso	-	-	-	-
Mr.A Jeyaganesan Muthiah	Member	-	-	-

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

<b>Name of Meeting</b>	<b>Audit Committee</b>	<b>Nomination and Remuneration Committee</b>	<b>Stakeholders' Relationship Committee</b>	<b>Risk Management Committee</b>
Meetings Held	04	04	12	04
Directors' Attendance:				
Mr.John D Rollo	Yes	Yes	Yes	Yes
Mr.P. Ramesh	Yes	-	Yes	Yes
Mr.RobertP.Romano	-	Yes	Yes	Yes
Ms.Mary Patricia Galasso	-	-	-	-
Mr.A Jeyaganesan Muthiah	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 Director/Director, 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/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, 2016.

#### (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, 2016.

#### 4. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
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
September 2015	Hotel Grand Palace, 257, G.S.T Road, Chennai 600 044.	24/09/2015	2.30 p.m

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

Year	Special Resolution Passed
September 2013	Nil
September 2014	Nil
September 2015	2

##### 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

# CORPORATE GOVERNANCE REPORT

## ANNEXURE I

Format to be submitted by listed entity on quarterly basis

1. Name of Listed Entity Switching Technologies Gunther Limited ( 517201)
2. Quarter ending 31/3/2016

### I. Composition of Board of Directors

Title (Mr./ Ms.)	Name of the Director	PAN	DIN	Category (Chairperson /Executive/ Non- Executive/ in dependent/ Nominee) &	Date of Appointment in the current term /cessati on	Tenure*	No of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr.	Robert P. Romano	-	01181745	Independent - Non-Executive	9/24/2015	24	1	3	
Mr.	John D. Rollo	-	00742529	Independent - Non-Executive	9/25/2014	12	1	3	1
Ms.	Mary Patricia Galasso	-	07204427	Independent - Non-Executive	9/24/2015	12	1		
Mr.	P.Ramesh	AESPR0769M	00661963	Executive Director	7/24/2015		1		3
Mr.	A.Jeyaganesan Muthiah	AEQPJ9767D	07211705	Executive Director	9/24/2015		1		

\$ PAN number of any director would not be displayed on the website of Stock Exchange

& Category of directors means executive/non-executive/Independent/Nominee, if a director fits into more than one category write all categories separating them with hyphen

\* to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.

## II. Composition of Committees

Name of Committee	Name of Committee members	Category (Chairperson/ Executive/ Non- Executive/ independent/Nominee) <sup>s</sup>
1. Audit Committee	Mr.John D. Rollo, Mr.P.Ramesh, Mr. A. Jeya Ganesh Muthiah	Independent - Non-Executive, Chairperson, Executive Director
2. Nomination & Remuneration Committee	Mr.John D. Rollo , Mr.Robert P. Romano	Chairperson, Independent - Non-Executive
3. Risk Management Committee(if applicable)	Mr.John D. Rollo,Mr.P.Ramesh,Mr.Robert P. Romano	Independent - Non-Executive, Chairperson, Independent - Non-Executive
4. Stakeholders Relationship Committee'	Mr.John D. Rollo , Mr.P.Ramesh,Mr.Robert P. Romano	Independent - Non-Executive, Chairperson, Independent - Non-Executive

& Category of directors means executive/non-executive/independent/Nominee. if a director fits into more than one category write all categories separating them with hyphen.

## III. Meeting of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive (in number of days)
30/10/2015	29/01/2016	91
	29/02/2016	31

## IV. Meeting of Committees



Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days*
1. Audit Committee: 13/01/2016	YES	10/10/2015	95
2. Nomination & Remuneration Committee: N.A.	N.A.	02/10/2015	N.A.
3. Risk Management Committee: 11/02/2016	YES	11/12/2015	60
4. Stakeholders Relationship Committee : 18/01/2016, 02/03/2016,09/03/2016	YES	18/11/2015	44

\* This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional

## V. Related Party Transactions

Subject	Compliance status (Yes/No/ NA)refer note below
Whether prior approval of audit committee obtained	YES
Whether shareholder approval obtained for material RPT	YES
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	N.A.

### Note

- 1 In the column “Compliance Status”, compliance or non-compliance may be indicated by Yes/ No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, “Yes” may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words “N.A.” may be indicated.
- 2 If status is “No” details of non-compliance may be given here.”

## VI. Affirmations

1. The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
2. The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015
  - a. Audit Committee
  - b. Nomination & remuneration committee
  - c. Stakeholders relationship committee
  - d. Risk management committee (applicable to the top 100 listed entities)
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
5. This report and/or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here:

**ANNEXURE II**

Format to be submitted by listed entity at the end of the financial year  
(for the whole of financial year)

<b>I. Disclosure on website in terms of Listing Regulations</b>	
<b>Item</b>	<b>Compliance status (Yes/ No/NA)refer note below</b>
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	No*
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	NA
Details of familiarization programmes imparted to independent directors	NA
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/ or their associates	NA
New name and the old name of the listed entity	NA

## II. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)refer note below
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	NA
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	NA **
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes ***
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA

Particulars	Regulation Number	Compliance status (Yes/No/NA)refer note below
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

### Note

- 1 In the column “Compliance Status”, compliance or non-compliance may be indicated by Yes/No/ N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, “Yes” may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words “N.A.” may be indicated.
- 2 If status is “No” details of non-compliance may be given here.
  - \* No Payments made to Non-executive Directors \*\* No Fees / Compensation paid to any Directors of the Board Except Employee Directors who are paid salary. \*\*\* Governed by Export Marketing Agreement.
- 3 If the Listed Entity would like to provide any other information the same may be indicated here.

### III Affirmations:

The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied.

**ANNEXURE III**

**Format to be submitted by listed entity at the end of 6 months  
after end of financial year along-with second quarter report of next financial year**

**I Affirmations**

<b>Broad heading</b>	<b>Regulation Number</b>	<b>Compliance status (Yes/ No/NA)refer note below</b>
Copy of the annual report including balance sheet, profit and loss account, directors report, corporate governance report, business responsibility report displayed on website	46(2)	Yes
Presence of Chairperson of Audit Committee at the Annual General Meeting	18(1)(d)	Yes
Presence of Chairperson of the nomination and remuneration committee at the annual general meeting	19(3)	Yes
Whether "Corporate Governance Report" disclosed in Annual Report	34(3) read with para C of Schedule V	Yes

**Note**

- 1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/ No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.
  - 2 If status is "No" details of non-compliance may be given here.
  - 3 If the Listed Entity would like to provide any other information the same may be indicated here."
- 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, 2016, is annexed to the Corporate Governance Report.

---

**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: 14th July 2016

**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, 2016, 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 presentations 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 : 31st May 2016



## 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 31 March 2016, 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, 2016;
- b) in the case of the Statement of Profit and Loss, of the loss 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 (Auditors' Report) Order, 2016 ('the Order') issued by the Central Government of India it 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 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act and
- f) 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 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 derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund.

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

Chartered Accountants

Firm Registration No.006505S

**M.L.SRINIVASAN**

Partner

Place : Chennai

Date : 31.05.2016

Membership No. 203154

## **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 31 March 2016, 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.
- iv. The Company has not granted any Loans or made Investments referred to under section 185 and 186 of the Act.
- 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, Service 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 2016 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 Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further Public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) 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. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made and preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 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 required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

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

Chartered Accountants

Firm Registration No.006505S

**M.L.SRINIVASAN**

Partner

Place : Chennai

Date : 31-05-2016

Membership No. 203154

**BALANCE SHEET AS AT 31st MARCH, 2016**

(Amount in ₹)

	Note	As at 31st March 2016	As at 31st March 2015
<b>EQUITIES AND LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	1	34,317,800	34,317,800
Reserves and Surplus	2	(14,361,470) 19,956,331	(4,725,330) 29,592,470
<b>Share Application Money Pending Allotment</b>			
<b>Non-Current Liabilities</b>			
Long Term Borrowings	3	-	-
Deferred Tax Liability (Net)		117,630	117,630
<b>Current Liabilities</b>			
Short Term Borrowings			
Trade Payables	4	34,228,062	23,267,228
Other Current Liabilities	5	23,856,234	18,407,150
Short Term Provisions	6	3,512,580	61,596,876
		3,373,391	45,047,769
<b>TOTAL</b>		<b>81,670,837</b>	<b>74,757,869</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	7	8,718,574	8,703,737
Intangible Assets	7	283,502	222,426
		9,002,076	8,926,163
<b>Current Assets</b>			
<b>Current Investments</b>			
Inventories	8	47,483,190	54,651,723
Trade Receivables	9	8,774,276	3,411,327
Cash and Bank Balances	10	12,103,521	3,899,310
Short Term Loans and Advances	11	4,307,773	3,869,346
		72,668,760	65,831,706
<b>TOTAL</b>		<b>81,670,837</b>	<b>74,757,869</b>

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

**ROBERT.P.ROMANO**

Director

**MARY PATRICIA GALASSO**

Director

**For and on behalf of the Board**

**JOHN D.ROLLO**

Chairman

**A.JEYAGANESAN MUTHIAH**

Director

**P. RAMESH**

Managing Director

Date : 31.05.2016

Place : Chennai

Date : 30.05.2016

Place : New Jersey, USA

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in ₹)

	Note	As at 31st March 2016	As at 31st March 2015
<b>INCOME</b>			
Revenue from Operations	12	147,636,289	185,791,426
Other Income	13	1,172,373	3,982,046
<b>Total Revenue</b>		<b>148,808,662</b>	<b>189,773,472</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	14	83,368,960	106,227,452
Changes in Inventories of Finished Goods and Stock-in-Process	15	(1,783,773)	(710,791)
Power and Fuel	16	8,479,916	8,837,617
Employee Benefit Expenses	17	54,559,586	51,872,330
Depreciation	18	1,638,348	2,927,146
Other Expenses	19	12,181,765	13,137,666
<b>Total Expenses</b>		<b>158,444,801</b>	<b>182,291,420</b>
Profit Before Tax		(9,636,140)	7,482,052
<b>Tax Expenses</b>			
Current Tax		-	2,400,000
Deferred Tax		-	84,504
<b>Profit for the Year</b>		<b>(9,636,140)</b>	<b>4,997,548</b>
<b>Earnings per equity share of face value of ₹10 each</b>			
Basic and Diluted		(3.93)	2.04

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

**ROBERT.P.ROMANO**

Director

**JOHN D.ROLLO**

Chairman

**P. RAMESH**

Managing Director

**MARY PATRICIA GALASSO**

Director

**A.JEYAGANESAN MUTHIAH**

Director

Date : 31.05.2016

Place : Chennai

Date : 30.05.2016

Place : New Jersey, USA



**CASH FLOW STATEMENT AS AT 31st MARCH 2016**

(Amount in ₹)

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>April 1, 2015 to March 31, 2016</b>	<b>April 1, 2014 to March 31, 2015</b>
Profit before taxation and exceptional item	(9,636,140)	7,482,051
Adjustments for:		
Depreciation	1,638,348	2,927,146
Profit on sale of fixed assets	(2,000)	-
Interest income	(245,260)	(113,938)
	<u>1,391,089</u>	<u>2,813,208</u>
Operating profit before working capital changes	(8,245,051)	10,295,259
Adjustments for:		
(Increase)/Decrease in sundry debtors	(5,362,950)	164,407
(Increase)/Decrease in inventories	7,168,533	(3,853,174)
(Increase)/ Decrease in loans and advances	(438,427)	(810,897)
Increase/(Decrease) in current liabilities and provisions	<u>16,549,107</u>	<u>(7,660,242)</u>
	<u>17,916,263</u>	<u>(12,159,907)</u>
Cash generated from operations	9,671,211	(1,864,647)
Direct Taxes	-	(2,400,000)
<b>A. NET CASH FROM OPERATING ACTIVITIES</b>	<b>9,671,211</b>	<b>(4,264,647)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to fixed assets (including capital work in progress and advances)	(1,714,260)	(1,902,217)
Proceeds from sale of fixed assets	2,000	-
Interest received	<u>245,260</u>	<u>113,938</u>
<b>B. NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,467,001)</b>	<b>(1,788,280)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application money received	-	-
Repayment of Borrowings	-	-
<b>C. CASH FLOW FROM/ (USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOWS DURING THE YEAR (A+B+C)</b>	<b>8,204,211</b>	<b>(6,052,927)</b>
Cash and cash equivalents (opening balance)	3,899,311	9,952,238
Cash and cash equivalents (closing balance)	<u>12,103,521</u>	<u>3,899,311</u>

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**ROBERT.P.ROMANO**  
Director**MARY PATRICIA GALASSO**  
Director**For and on behalf of the Board****JOHN D.ROLLO**  
Chairman**A.JEYAGANESAN MUTHIAH**  
Director**P. RAMESH**  
Managing DirectorDate : 31.05.2016  
Place : ChennaiDate : 30.05.2016  
Place : New Jersey, USA

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

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

	(Amount in ₹)	
	As at 31st March 2016	As at 31st March 2015
<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>	<b>60,000,000</b>	<b>60,000,000</b>
<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>	<b>34,317,800</b>	<b>34,317,800</b>

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

- 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.
- 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 2016		As at 31st March 2015	
		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 2016	As at 31st March 2015
<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>	<b>24,500,000</b>	<b>24,500,000</b>
<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>	<b>9,817,800</b>	<b>9,817,800</b>

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

(Amount in ₹)

	As at 31st March 2016	As at 31st March 2015
<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	(8,225,330)	(13,222,878)
Add : Profit / (Loss) for the year	(9,636,140)	4,997,548
<b>TOTAL</b>	<b>(14,361,470)</b>	<b>(4,725,330)</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	644,060	557,840
Others	33,584,002	22,709,388
<b>TOTAL</b>	<b>34,228,062</b>	<b>23,267,228</b>
<b>5. OTHER CURRENT LIABILITIES</b>		
Provision for Leave encashment	1,896,973	1,755,525
Provision for Gratuity	14,652,096	15,617,267
Advance from Customers	3,128,373	—
Other Current Liabilities	4,178,793	1,034,359
<b>TOTAL</b>	<b>23,856,235</b>	<b>18,407,151</b>
<b>6. SHORT TERM PROVISIONS</b>		
Provision for Bonus & Ex-Gratia	3,512,580	2,818,708
Provision for Income Tax	—	554,683
<b>TOTAL</b>	<b>3,512,580</b>	<b>3,373,391</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## 7. FIXED ASSETS

(Amount in ₹)

Description	Gross Block				Depreciation				Net Block	
	As at 01-04-2015	Additions	Deletions	As at 31-03-2016	As at 01-04-2015	For the Year	Deletions	Up to 31-03-2016	As at 31-03-2016	As at 31-03-2015
TANGIBLE ASSETS :										
Factory building	9,556,864	-	-	9,556,864	7,918,691	316,032	-	8,234,723	1,322,141	1,638,173
Plant and machinery	85,295,718	1,009,882	-	86,305,600	79,418,266	779,434	-	80,197,700	6,107,900	5,877,452
Electrical installation	4,479,795	401,228	27,000	4,854,023	4,015,976	83,111	27,000	4,072,087	781,936	463,819
Office equipment	910,816	-	-	910,816	874,376	7,763	-	882,139	28,677	36,440
Furniture and fixtures	2,111,231	51,400	-	2,162,631	1,837,570	30,366	-	1,867,936	294,695	273,661
Vehicles	958,000	-	-	958,000	672,234	179,833	-	852,067	105,933	285,766
Computer	1,853,272	26,500	-	1,879,773	1,724,846	77,635	-	1,802,481	77,292	128,426
Total (A)	105,165,696	1,489,010	27,000	106,627,707	96,461,959	1,474,174	27,000	97,909,133	8,718,574	8,703,737
INTANGIBLE ASSETS :										
Software	722,412	225,250	-	947,662	499,986	164,174	-	684,160	283,502	222,426
Total (B)	722,412	225,250	-	947,662	499,986	164,174	-	664,160	283,502	222,426
Total (A + B)	105,888,108	1,714,260	27,000	107,575,369	96,961,945	1,638,348	27,000	98,573,293	9,002,076	8,926,163
Previous Year	103,985,890	1,902,217	-	105,888,108	94,034,799	2,927,146	-	96,961,945	8,926,163	9,951,092

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, 2016

(Amount in ₹)

	As at 31st March 2016	As at 31st March 2015
<b>8. INVENTORIES</b>		
(Valued at cost and as certified by the Management)		
Raw materials	32,524,555	41,517,033
Stores and spares	2,686,637	2,646,465
Work in process	11,517,274	10,068,953
Finished goods	754,724	419,272
<b>TOTAL</b>	<b>47,483,190</b>	<b>54,651,723</b>
<b>9. TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
More than Six months	-	-
Others	8,774,276	3,411,326
<b>TOTAL</b>	<b>8,774,276</b>	<b>3,411,326</b>
<b>10. CASH AND BANK BALANCES</b>		
Balance with Banks	12,019,718	3,821,470
Cash on Hand	83,803	77,840
<b>TOTAL</b>	<b>12,103,521</b>	<b>3,899,310</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	4,307,772	3,869,344
<b>TOTAL</b>	<b>4,307,772</b>	<b>3,869,344</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in ₹)

12. REVENUE FROM OPERATIONS	As at 31st March 2016	As at 31st March 2015
Sales	147,636,289	185,791,426
<b>TOTAL</b>	<b>147,636,289</b>	<b>185,791,426</b>

## 12.1 QUANTITATIVE DETAILS OF SALES

Particulars	This Year		Previous Year	
	Quantity (in Nos)	Value (in ₹)	Quantity (in Nos)	Value (in ₹)
Reed Switches	6,448,094	111,677,664	8,220,231	144,939,238
Proximity Sensors	324,758	23,412,260	390,512	29,750,608
Ball Switch	600,000	8,244,658	536,000	8,111,479
Others	-	4,301,707	-	2,990,101
<b>TOTAL</b>	<b>7,372,852</b>	<b>147,636,289</b>	<b>9,146,743</b>	<b>185,791,426</b>

## 13. OTHER INCOME

Scrap sales	29,500	164,678
Misc. Income	897,613	1,483,898
Exchange Fluctuation Profit (net)	-	2,219,532
Interest Income	245,260	113,938
<b>TOTAL</b>	<b>1,172,373</b>	<b>3,982,046</b>

## 14. COST OF MATERIALS CONSUMED

Raw materials and components	79,943,443	101,346,429
Stores and spare parts	3,425,516	4,881,024
<b>TOTAL</b>	<b>83,368,960</b>	<b>106,227,452</b>

## 14.1 PARTICULARS OF MATERIALS CONSUMED

Particulars	This Year		Previous Year	
	Value (in ₹)	% of total consumption	Value (in ₹)	% of total consumption
Imported	67,154,915	80.55%	86,711,744	81.63%
Indigenous	16,214,045	19.45%	19,515,708	18.37%
<b>TOTAL</b>	<b>83,368,960</b>		<b>106,227,452</b>	

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## 14.2 MATERIAL WISE RAW MATERIALS CONSUMPTION

Particulars	Unit of Measurement	Year Ended March 31, 2016		Year Ended March 31, 2015	
		Quantity	Value (₹)	Quantity	Value (₹)
Glass tubes	Nos	9,970,930	18,492,981	14,060,930	27,053,709
Nickel iron wire	Kgs	3,180	11,094,760	3,964	13,767,696
Plating Metals and Chemicals (Including Rhodium & Gold)	Gms / ml	29,596	24,310,147	30,512	30,161,225
Others		--	29,471,073	--	35,244,822
<b>Total</b>			<b>83,368,960</b>		<b>106,227,452</b>

## 14.3 CAPACITY AND PRODUCTION

Class of goods	Unit of Measurement	Licensed Capacity		# Installed capacity		Actual Production	
		(annualised)		(annualised)		year ended 31-03-16	year ended 31-03-15
		year ended 31-03-16	year ended 31-03-15	(on double shift basis)			
Reed switches	Nos.	1,60,30,000	1,60,30,000	1,79,80,000	1,79,80,000	7,396,634	9,076,391
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 2016		As at 31st March 2015	
Opening Inventories	(₹)		(₹)	
Work in process	10,068,953		8,780,086	
Finished goods	419,272	10,488,225	997,348	9,777,434
<b>Closing Inventories</b>				
Work in process	11,517,274		10,068,953	
Finished goods	754,724	12,271,998	419,272	10,488,225
<b>TOTAL</b>		<b>(1,783,773)</b>		<b>(710,791)</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## 15.1 STOCK PARTICULARS OF FINISHED GOODS

(Amount in ₹)

Particulars	As at 31st March 2016		As at 31st March 2015	
	Opening Stock Value (₹)	Closing Stock Value (₹)	Opening Stock Value (₹)	Closing Stock Value (₹)
Reed Switches	398,662	700,771	789,678	398,662
Proximity Sensors	20,610	53,953	95,270	20,610
Ball Switch	-	-	112,400	-
<b>TOTAL</b>	<b>419,272</b>	<b>754,724</b>	<b>997,348</b>	<b>419,272</b>
<b>16. POWER AND FUEL</b>				
Electricity and Diesel for Generator		8,479,916		8,837,617
<b>TOTAL</b>		<b>8,479,916</b>		<b>8,837,617</b>
<b>17. EMPLOYEE BENEFIT EXPENSES</b>				
Salaries, allowances and bonus		44,273,619		42,553,986
Gratuity		979,382		841,350
Leave Encashment		239,295		396,817
Contributions to provident fund and ESI		4,081,388		3,854,846
Staff welfare expenses		4,985,902		4,225,331
<b>TOTAL</b>		<b>54,559,586</b>		<b>51,872,330</b>

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)
	2015-16	2015-16
Accrued Liability as at beginning of the period	15,617,267	1,755,525
Interest Cost	-	133,115
Current Service Cost	978,982	183,918
Benefits Paid	(602,803)	(97,847)
Actuarial Gain / Loss	-	(77,738)
Amount deposited in Gratuity fund	(1,341,350)	-
<b>Accrued Liability as at the end of the period(Unfunded)</b>	<b>14,652,096</b>	<b>1,896,973</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

## 17.2 Reconciliation

(Amount in ₹)

	Gratuity	Leave Encashment (Unfunded)
	2015-16	2015-16
Net Liability as at the beginning of the period	15,617,267	1,755,525
Net Expenses in P&L A/c	978,982	239,295
Benefits paid	(602,803)	(97,847)
Amount deposited in Gratuity fund	(1,341,350)	-
<b>TOTAL Unfunded</b>	<b>14,652,096</b>	<b>1,896,973</b>

## 17.3 Valuation Basis / Assumptions

	Gratuity	Leave Encashment (Unfunded)
	As per LIC (1994-96) Ultimate	Ind.(2006-08)
Rate of Mortality	31st March 2016	31st March 2016
Valuation Date	31st March 2016	31st March 2016
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

## Mr.P.Ramesh's Salary (Managing Director)

	As at 31st March 2016	As at 31st March 2015
Salaries and allowance	733,489	683,429
Contribution to Provident and other funds	51,182	46,134
Perquisites	54,670	48,590
<b>TOTAL</b>	<b>839,341</b>	<b>778,153</b>

Mr.A. Jeyaganesan Muthiah's Salary  
(Production Manager)

Salaries and allowance	614,365	565,998
Contribution to Provident and other funds	45,460	40,578
Perquisites	50,754	44,730
<b>TOTAL</b>	<b>710,579</b>	<b>651,306</b>
<b>MANAGERIAL REMUNERATION NET TOTAL</b>	<b>1,549,920</b>	<b>1,429,459</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in ₹)

	As at 31st March 2016	As at 31st March 2015
<b>18. DEPRECIATION</b>		
Depreciation (Refer Note No. 7)	1,638,348	2,927,146
<b>TOTAL</b>	<b>1,638,348</b>	<b>2,927,146</b>
<b>19. OTHER EXPENSES</b>		
Repairs and Maintenance	1,121,017	974,877
Water Charges	331,350	242,705
Freight charges	3,865,987	4,546,070
Clearing & Forwarding	599,874	895,253
Professional Fees	730,490	556,397
Rent	1,082,880	1,082,880
Insurance	113,463	111,103
Rates and taxes	707,115	614,133
Travelling and conveyance	136,816	1,391,358
Postage and telephones	247,862	275,195
Printing and stationery	305,614	286,381
Exchange Fluctuation Loss (net)	562,694	-
Bank charges	86,656	78,506
Security Charges	651,711	590,705
Miscellaneous expenses	1,638,235	1,492,103
<b>TOTAL</b>	<b>12,181,765</b>	<b>13,137,666</b>
<b>19.1 PAYMENT TO AUDITORS :</b>		
Statutory and Tax Audit Fees	85,000	85,000
Professional charges	10,000	10,000
<b>TOTAL</b>	<b>95,000</b>	<b>95,000</b>
<b>19.2 EXPENDITURE IN FOREIGN CURRENCY :</b>		
Raw Materials & Components	57,518,662	89,092,017
Spares	388,968	654,204
Technical Services	-	-
Other Expenditure	1,149,653	1,329,831
<b>TOTAL</b>	<b>59,057,283</b>	<b>91,076,052</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in ₹)

**20. EARNINGS PER SHARE (EPS)**

	As at 31st March 2016	As at 31st March 2015
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	<b>(9,636,140)</b>	4,997,548
ii) Number of Equity Shares	<b>2,450,000</b>	2,450,000
iii) Basic and Diluted Earnings Per Share	<b>(3.93)</b>	2.04
iv) Face Value per equity share	<b>10</b>	10

**21. EARNINGS IN FOREIGN EXCHANGE**

FOB Value of exports	<b>143,088,582</b>	183,884,385
----------------------	--------------------	-------------

**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 -	46,236,317	74,408,067	22,444,198	-Nil -	5,398,320	-Nil -
	-Nil -	(49,173,940)	(105,783,088)	(28,899,480)	-Nil -	(3,418,180)	-Nil -
Other Income	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
	-Nil -	(27,877)	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
Purchase of Raw Materials	-Nil -	36,765,651	16,325,514	3,882,764	-Nil -	-Nil -	-Nil -
	-Nil -	(7,771,893)	(77,977,995)	(3,146,365)	(245,816)	Nil	-Nil -
Managerial Remuneration	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	1,549,920
	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	(1,429,459)
Services Received	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -	-Nil -
Other Expenditure	-Nil -	755,414	99,591	154,728	-Nil -	-Nil -	-Nil -
	-Nil -	(678,024)	(630,297)	(18,424)	-Nil -	-Nil -	-Nil -
Balance outstanding as at Balance Sheet Date	-Nil -	21,259,891 Cr.	1,763,616 Cr.	1,224,517 Dr.	-Nil -	2,958,405 Dr.	-Nil -
	-Nil -	(6,597,868) Cr.	(533,330) Cr.	(1,361,115) Dr.	(2,219,202) Cr.	(149,873) Dr.	-Nil -

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

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**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	5,427,820	3,554,981	143,088,582	183,884,385

**24. DEFERRED TAX**

	As at 31st March 2016	As at 31st March 2015
DTL as on 31-03-2016	117,630	117,630
<b>TOTAL</b>	<b>117,630</b>	<b>117,630</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

**JOHN D. ROLLO**, Chairman  
**P. RAMESH**, Managing Director  
**ROBERT P. ROMANO**, Director  
**A.JEYAGANESAN MUTHIAH**, Director  
**MARY PATRICIA GALASSO**, Director

Place : New Jersey, USA

Date : 30th May, 2016

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

## 1. Registration Details

Registration No.	18-15647	State Code	18
Balance Sheet Date	31 03 2016		
	Date Month Year		

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

Public Issue	--	Right Issue	--
--------------	----	-------------	----

## 3. Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)

Total Liabilities	81,670	Total Assets	81,670
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	9,002	Investments	--
Net Current Assets	11,072	Debit Balance in Profit & Loss Account	17,861

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

Turnover	148,808	Total Expenditure	158,444
		Exceptional item	--
Profit/Loss before tax	-9,636	Profit/Loss after tax	-9,636
Earning per share in ₹	-3.93	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

For and on behalf of the Board

**JOHN D. ROLLO**, Chairman**P. RAMESH**, Managing Director**ROBERT P. ROMANO**, Director**A.JEYAGANESAN MUTHIAH**, Director**MARY PATRICIA GALASSO**, Director

Place : New Jersey, USA

Date : 30th May, 2016

## 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 EIGHTH ANNUAL GENERAL MEETING of the Company to be held on Thursday, the 15<sup>th</sup> September, 2016 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.

-----  
**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 Eighth Annual General Meeting of the Company, to be held on Thursday, the 15th September 2016 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 March 31, 2016.
2. Appointment of Director in the place of Mr. John D. Rollo, who retires by rotation and being eligible, seeks re-appointment
3. Reappointment of M/s. M L Srinivasan & Associates, Chartered Accountants as the Auditors of the company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

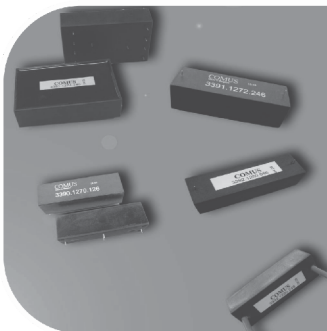
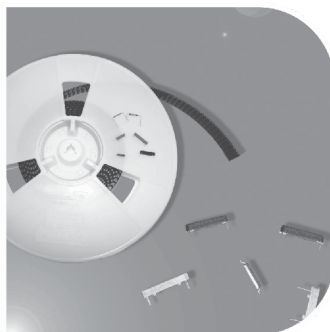
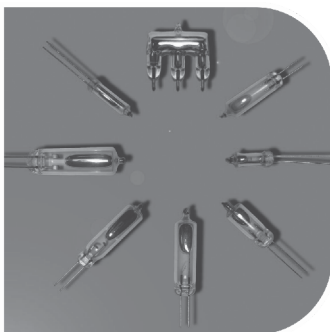
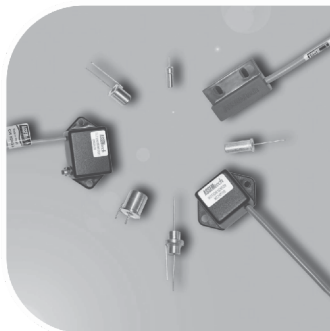
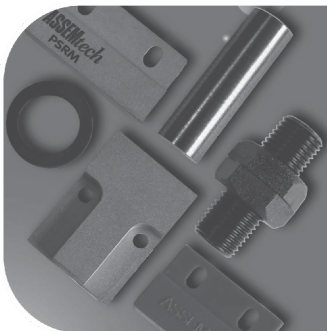
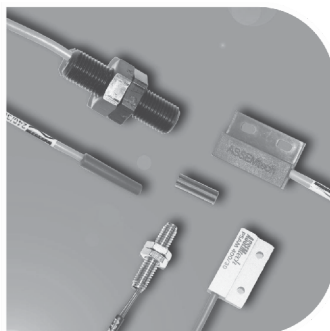
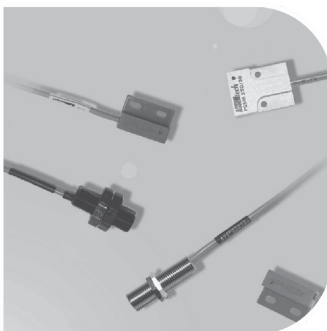
Signature of shareholder: \_\_\_\_\_

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

Affix  
1 Rupee  
Revenue  
Stamp

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.

## Notes





**FRONT VIEW OF STG  
Book Post**

To. ....  
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If undelivered, please return to :

**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)