

Term Sheet

This binding term sheet ("**Term Sheet**") executed on ("**Execution Date**") summarizes the principal terms of an arrangement which shall be undertaken between the Seller (*as defined below*) and the Purchaser (*as defined below*) for the Proposed Business Transfer (*as defined below*). The detailed terms will be set forth in the Definitive Documentation (*as defined below*) relating to the Proposed Business Transfer contemplated herein.

In this Term Sheet, the Seller and the Purchaser shall each be individually referred to as a "**Party**" and collectively as the "**Parties**".

Sr. No.	Particulars	Terms
1.	Seller	Switching Technologies Gunther Limited, a limited company incorporated under Companies Act, 1956 and listed in Bombay Stock Exchange, bearing CIN L29142TN1988PLC015647 and having its registered office at B9 & B10, Madras Export Processing Zone (" MEPZ ") – Special Economic Zone (" SEZ "), Kadapperi, Tambaram, Chennai – 600 045.
2.	Purchaser	Canolli Manufacturing Private Limited, a private limited company incorporated under the Companies Act, 2013, bearing corporate identification number U31900DL2022PTC401157 and having its registered office at Plot No. 66, Lower Ground Floor, #TheHubOkhla Phase III, Okhla Industria, I Estate, South Delhi, Delhi, India, 110020.
3.	Business	The Seller is engaged in the business of manufacturing of high-quality miniature reed switches used across aviation, power electronics, telecommunications, industrial control, and automobile sectors.
4.	Proposed Business Transfer	<p>The Seller agrees to transfer and the Purchaser agrees to acquire the Business of the Seller as a going concern on a 'slump sale' basis, for a lump sum consideration, together with all assets, rights, interests, and properties of every description (including but not limited to immovable assets, leased premises, movable assets, intellectual property, business contracts, approvals, permits, records, identified employees, and other assets used in or relating to the Business and as mutually agreed between the Parties) and assumption of the liabilities of the Seller as are related exclusively to the Business, in each case as may be agreed between the Parties.</p> <p>The Parties acknowledge that the detailed scope of assets and liabilities to be transferred shall be set out in the Definitive Documentation. The Business shall stand transferred to and vest in the Purchaser on the Closing Date, free and clear of encumbrances in accordance with the terms provided under this Term Sheet and Definitive Documentation.</p>
5.	Consideration	Subject to the provisions of this Term Sheet and Definitive Documentation, the consideration for the Proposed Business Transfer shall be INR 4,20,00,000 (Indian Rupees Four Crore Twenty Lakhs only), inclusive of all applicable Taxes (the " Consideration "). The Consideration shall be paid by the Purchaser to the Seller in a single

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		execution of the Definitive Documentation. These obligations shall survive termination of the Term Sheet.
15.	Announcements	No announcements or other disclosure or dissemination of information in relation to the contents of this binding Term Sheet or the transaction contemplated herein or the existence of negotiations between the Parties shall be made by either Party without prior written consent of the other Party, except as may be required under any applicable laws.
16.	Exclusivity	The Seller agrees that, from the Execution Date until the earlier of (i) the Closing Date, or (ii) the termination of this Term Sheet in accordance with its provisions, it shall not, directly or indirectly, solicit, initiate, encourage or engage in any discussions, negotiations or arrangements with, or provide any information to, any person other than the Purchaser concerning the sale, transfer, disposal or other disposition of the Business or any material part thereof.
17.	Additional Clauses	<p>1. This Term Sheet may be executed in 1 (one) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.</p> <p>2. Each Party represents that it has the full right and authority to enter into this Term Sheet.</p>

(Remainder of the page is intentionally left blank)

IN WITNESS WHEREOF, the Parties by their duly authorized representatives have executed this Term Sheet on the day first above written.

Signed and delivered by and on behalf of
Switching Technologies Gunther Limited
(Seller)

Signature

Name:

Designation:

IN WITNESS WHEREOF, the Parties by their duly authorized representatives have executed this Term Sheet on the day first above written.

Signed and delivered by and on behalf of
Canolli Manufacturing Private Limited
(Purchaser)

Signature

Name:

Designation:
