

FRANCHISE AGREEMENT

This Franchise Agreement ("Agreement") is made and executed on this ____ day of _____, 2025, at Mumbai, Maharashtra, India,

BY AND BETWEEN

Aayush Wellness Limited, a Company incorporated under the provisions of the **Companies Act, 1956**, having its Corporate Office at **Floor No. 2, B Wing, Unit No. 310, Royal Palms, Orchard Road Mall, Aarey Colony, Mumbai, 400065**, through its **Authorized Representative, Mr. Naveen Kumar Kanjaru**, (hereinafter referred to as the "**COMPANY**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors, assigns, and representatives).

AND

Mr. Jaun Sibte Ali Zaidi s/o Mr. Sibte Ali Zaidi residing at 401/4, B wing, Makita Garden, dadi colony, amrit nagar, Thane, Mumbra, Maharashtra-400612, (hereinafter referred to as the "**FRANCHISEE**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors, assigns, and representatives).

WHEREAS:

A. The COMPANY is engaged in the business of providing affordable healthcare services in Tier 2 and Tier 3 cities through the establishment of **Aayush Wellness Healthcare Centres** ("Health Centres"), which integrate Health ATMs, diagnostics services, teleconsultations, and discounted medicine services.

B. The COMPANY desires to expand its healthcare business by granting franchises to suitable business entities that meet its standards and requirements.

C. The FRANCHISEE desires to operate an Aayush Wellness Healthcare Centre under the franchise model of the COMPANY, utilizing its brand,

services, and know-how, in accordance with the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants, and representations contained herein, the parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 “Health Centre” refers to the Aayush Wellness Healthcare Centre operated by the FRANCHISEE under the COMPANY’s brand and in accordance with this Agreement.

1.2 “Health ATM” refers to the diagnostic kiosk that provides instant blood test reports and other diagnostic services.

1.3 “Confidential Information” includes all business plans, technical information, customer data, pricing models, and any other information related to the COMPANY that is disclosed to the FRANCHISEE during the course of this Agreement.

1.4 “Intellectual Property” refers to all trademarks, logos, trade names, and proprietary systems owned by the COMPANY.

1.5 Any reference to the singular shall include the plural, and vice versa, unless otherwise required by the context.

2. GRANT OF FRANCHISE

2.1 The COMPANY hereby grants the FRANCHISEE a non-exclusive, non-transferable right to operate a Health Centre under the COMPANY’s brand name at the location approved by the COMPANY.

2.2 The FRANCHISEE shall operate the Health Centre strictly in accordance with the operational guidelines, standards, and protocols provided by the COMPANY from time to time.

2.3 This Agreement does not grant the FRANCHISEE any ownership or rights over the COMPANY’s brand, intellectual property, or proprietary systems, except for the limited use permitted under this Agreement.

3. TERM AND RENEWAL

3.1 This Agreement shall commence on the Effective Date and continue for an initial term of **5 (five) years**, unless terminated earlier in accordance with the terms of this Agreement.

3.2 The FRANCHISEE may apply for renewal of this Agreement for an additional term of **5 (five) years**, subject to mutual agreement and satisfactory performance.

4. FRANCHISE FEE AND PAYMENTS

4.1 The Company shall share the revenue with the Franchisee in the proportion shared in Annexure A.

4.4 The COMPANY reserves the right to review and revise the royalty percentage at any time during the term of this Agreement.

5. ROLES AND RESPONSIBILITIES OF THE FRANCHISEE

5.1 Operational Standards: The FRANCHISEE shall maintain high standards of service and comply with all operational guidelines issued by the COMPANY.

5.2 Staffing and Training: The FRANCHISEE shall be responsible for hiring qualified staff and ensuring they undergo the required training provided by the COMPANY.

5.3 Compliance: The FRANCHISEE shall obtain all necessary licenses, permits, and approvals required for operating the Health Centre and comply with all applicable laws and regulations.

5.4 Brand Integrity: The FRANCHISEE shall promote and protect the goodwill of the COMPANY's brand and shall not engage in any activity that may harm the reputation of the COMPANY.

6. ROLES AND RESPONSIBILITY OF THE COMPANY

6.1 Brand and Marketing Support: The COMPANY shall provide marketing and promotional materials to support the Health Centre's operations.

6.2 Training and Technical Support: The COMPANY shall provide initial training to the FRANCHISEE and its staff on operating the Health ATM and other diagnostic services.

6.3 Teleconsultation Services: The COMPANY shall facilitate access to

teleconsultation services for patients through its network of doctors.

6.4 Periodic Audit: The COMPANY may conduct periodic audits of the Health Centre to ensure compliance with its standards and guidelines.

7. INTELLECTUAL PROPERTY

7.1 The FRANCHISEE acknowledges that all intellectual property rights in the COMPANY's brand, trademarks, logos, and proprietary systems belong exclusively to the COMPANY.

7.2 The FRANCHISEE shall not use the COMPANY's intellectual property for any purpose other than operating the Health Centre under this Agreement.

8. CONFIDENTIALITY

8.1 The FRANCHISEE shall maintain the confidentiality of all Confidential Information disclosed by the COMPANY and shall not disclose such information to any third party without the COMPANY's prior written consent.

8.2 This obligation shall survive the termination of this Agreement for a period of **12 (Twelve) months**.

9. TERMINATION

9.1 The COMPANY may terminate this Agreement with immediate effect in the event of:

- (a) Material breach of this Agreement by the FRANCHISEE.
- (b) Failure to comply with the COMPANY's operational guidelines after written notice.
- (c) Insolvency or bankruptcy of the FRANCHISEE.

10. INDEMNITY

The FRANCHISEE shall indemnify and hold harmless the COMPANY from and against all losses, liabilities, claims, damages, and expenses arising out of the FRANCHISEE's operations, breach of this Agreement, or non-compliance with applicable laws.

11. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of India.

12. DISPUTE RESOLUTION

12.1. Negotiation: In the event of any dispute, controversy, or claim arising out of or relating to this Agreement, or the breach, termination, or invalidity thereof (each, a "Dispute"), the parties shall first attempt to resolve the Dispute through good faith negotiations. Either party may initiate negotiations by providing written notice to the other party, setting forth the subject of the Dispute and the relief requested.

12.2. Mediation: If the Dispute is not resolved through negotiation within 90 days of the notice, the parties agree to attempt to resolve the Dispute through mediation before resorting to arbitration or litigation. The parties shall mutually select a mediator and share the costs of mediation equally.

12.3. Arbitration: If the Dispute is not settled through mediation within 90 days after the commencement of mediation, the Dispute shall be finally settled by binding arbitration. The arbitration shall be conducted in Mumbai, India in accordance with the arbitration rules of Arbitration and Conciliation Act, 1996. The language of the arbitration shall be English. The decision of the arbitrator(s) shall be final and binding on the parties, and the parties agree to be bound thereby and to act accordingly.

12.4. Costs: The prevailing party in any arbitration or litigation shall be entitled to recover its reasonable attorneys' fees and costs incurred in connection with the Dispute.

12.5. Continuation of Performance: The parties agree that, pending the final resolution of any Dispute arising under this Agreement, they shall continue to perform their respective obligations under this Agreement, except in the case of a breach that justifies termination of the Agreement.

13. MISCELLANEOUS

13.1 Entire Agreement: This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, understandings,

and communications.

13.2 Amendment: Any amendment to this Agreement shall be made in writing and signed by both parties.

13.3 Assignment: The FRANCHISEE shall not assign or transfer its rights under this Agreement without the prior written consent of the COMPANY.

13.4 Force Majeure: Neither party shall be liable for any failure or delay in performance due to circumstances beyond its reasonable control.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

For Company

Authorized Signatory: _____

Name: Naveenakumar Kanjaru

Designation: Authorized Representative

For Franchisee

Authorized Signatory: _____

Name: _____

Designation: _____

ANNEXURE A

1. **Eligibility of Franchisee**

The franchisee must have a medical background. The franchisee is required to submit proof of their medical qualifications before appointment.

2. **Franchise Assignment**

A franchise will be assigned based on a population of 5,000 families. The assignment will take into account the local pin code, demographics, and geography. No other franchise will be appointed in the same area until the current franchisee surrenders or cancels the contract.

3. **Franchise Area Exclusivity**

Once assigned, no other franchisee can operate in the same area until the current franchisee terminates the agreement. In the event of termination, the company may assign the territory to another franchisee.

4. **Space Requirements**

The franchisee must provide a space between 200 to 400 square feet for the healthcare centre.

5. **Operational Costs**

The franchisee is responsible for the shop rent, electricity and water of the premises and the salary of the nurse employed at the healthcare centre.

6. **Franchisee Payment Structure**

Total Payment – Rs 5,00,000.

The payment breakdown for setting up the franchise is as follows:

Break Up	Amount
Registration	50000
infra -GSB, Computer, Shop Branding , Furniture. Inverter	170000
Health ATM , Social Media, Re-agents, Products and Inauguration	280000

Following is the payment plan -

- **₹50,000** – Day 1: Registration
- **₹250,000** – Day 15: Agreement
- **₹200,000** – Day 30: Inauguration
- **₹0** – Day 60: Operational
- **₹0** – Day 75: Eligible for Minimum Income Guarantee

Payment Plan		
50000	Day 1	Registration
250000	Day 15	Agreement
200000	Day 30	Inauguration
0	Day 60	Operational
0	Day 75	Eligible for Minimum Income Guarantee

7. **Franchisee Earning Potential**

The earning distribution between the franchisee and Aayush Wellness is as follows:

- Health Check-up by machine: Franchisee 100%, Aayush Wellness 0%
- Consultation: Franchisee 40%, Aayush Wellness 60%
- Specialist Reference: Franchisee 40%, Aayush Wellness 60%
- In-house Pathology: Franchisee 20%, Aayush Wellness 80%
- Pathology Reference: Franchisee 20%, Aayush Wellness 80%
- Medicine Margin: Franchisee 20%, Aayush Wellness 80%
- Ayushman/ABHA Card Making: Franchisee 100%, Aayush Wellness 0%
- Hospital Reference (IPD): Franchisee 20%, Aayush Wellness 80%
- Insurance: Franchisee 20%, Aayush Wellness 80%

Franchisee Earning Potential

Earning Factors	Franchisee share of Earning	Aayush Wellness Earning share
Health check up	100%	0%
Consulation and Health ATM	40%	60%
Specialist reference	40%	60%
Pathology inhouse	80%	20%
Pathology reference	20%	80%
Medicine margin	20%	50%
Ayushman / Abha	100%	0%
Hospital reference IPD	30%	40%
Insurance	80%	20%
Ambulance (private services)	100%	0%
OTC Products rent	50%	50%
Carebuddy service for patient assistance (surgery)	40%	30%
Caretaker after surgery	40%	30%

8. Health ATM Machine

The franchisee will be provided with a health ATM machine for health check-ups. The franchisee will earn income as per the company's policies for the services provided through the machine.

9. Health ATM Maintenance

The franchisee is responsible for maintaining the health ATM machine. If there is a defect or malfunction, the franchisee must contact the manufacturer for repairs, with assistance from the company's service team.

10. Re-agents/chemicals

Re-agents/chemicals to perform test in the Health ATM machine to be purchased and procured by the franchisee owner for the machine, franchisee needs to ensure that he/she maintain the sufficient stock for at least one week in advance.

11. Training Requirements

The franchisee must undergo proper training before operating the machine. If the nurse is to operate the machine, they must also be trained, and the franchisee is responsible for ensuring this training is completed.

12. Nurse Performance

The franchisee is responsible for ensuring that the nurse performs properly, including daily visits to at least 50 households and providing adequate care. If performance is unsatisfactory, the franchisee has the right to replace the nurse.

13. Local Doctor Referrals

The franchisee must refer patients to local doctors in case of emergencies and maintain proper records for such referrals.

14. Monitoring via App

The franchisee will receive a mobile app/software from the company to monitor performance and track revenue at any time.

15. Patient Data Entry

All patient entries must be recorded in the mobile app provided by the company.

16. Collaboration with Local Sales Team

The franchisee is required to coordinate with the local sales team to onboard local diagnostics and hospitals.

17. Monthly Camps

The franchisee must conduct at least five health camps per month, offering free or affordable tests and counseling to engage with the local community.

18. Data Onboarding Target

The franchisee is required to onboard at least 1,000 local household data entries on the mobile app each month. If this target is not met, the company may withdraw the healthcare center from the franchisee and assign it to another opportunity seeker.

19. Assets Return on Termination

In case of termination, the company will take back the medical equipment and machines after adjusting depreciation costs. A refund will be issued to the franchisee accordingly.

20. Marketing Support

The company will support the franchisee with local marketing, including social media ads, local advertisements, and other activities to increase visibility.

21. Following are the marketing activities that needs to be done by the franchisee with the help of company's sales team

- Tie up with local medical stores for patient reference – to be done by the franchisee
- Contact all local you tube and social media influencers for marketing
- Contact schools, Corporate offices, Factories for monthly check-ups plan with us.
- Contact with Local healthcare NGO's, Primary Health Centres and social programmes.
- Autorickshaw association for monthly health checkup.
- Connect local TV operators to run ads.
- Pamphlets distribution with the newspaper to be done rigorously from the newspapers distributor in the local area by putting our pamphlets inside the newspaper.

- Getting the Govt. camps like Polio, BCG, Chickenpox, Corona vaccinations etc conducted at our healthcare centre.
22. In case franchisee owner is willing to run a campaign, he needs to inform the same and after receiving a written approval, the camp will be organised. Company will bear all the administrative expenses for executing the approved camps.
23. **Teleconsultation Coordination**
The franchisee will coordinate teleconsultations with doctors for patients, in conjunction with the nurse at the center.
24. **Mandatory Health Check-ups**
All patients visiting the healthcare center must undergo an initial health check-up.
25. **Refusal of Health Check-ups**
If a patient refuses the health check-up, the franchisee may allow them to directly proceed with doctor consultation.
26. **Emergency Cases**
Aayush Healthcare Center does not provide inpatient care, doesn't treat open injuries, or doesn't handle life-threatening emergencies. Emergency cases should be referred to the nearest hospital by the franchisee owner or the staff available at the Aayush Healthcare centre.
27. **Chronic and Accident Cases**
Chronic pain, accidents, and emergency medical conditions are not treated at the center. Such cases must be immediately referred to a hospital.
28. **Referral of Emergency Patients**
In case of an emergency, the franchisee must refer the patient to the nearest hospital. Franchisee or the healthcare centre staff will immediately arrange for an ambulance. In case, if we are unable to arrange the ambulance, patient will be referred to the hospital.
29. **CCTV Installation**
The franchisee is required to install a CCTV camera at the healthcare center and grant access to the service team or local sales team.
30. **Cleanliness and Hygiene**
The healthcare center must be maintained in a clean and hygienic condition. If the premises are found unsatisfactory during an inspection, a penalty of ₹10,000 will be imposed. Repeated violations may lead to the cancellation of the franchise agreement.
31. **Uniforms**
The franchisee and their staff must wear formal attire at all times. Company-provided uniforms will be issued after 45 days of employment, following the completion of medical certification by Aayush Wellness corporate/training team.

32. Payment Collection

The franchisee must ensure that payments are made directly into the company's UPI code or bank account. Cash payments must be deposited into the company's account every Friday. A minimum of 80% of payments must be received via UPI or other prepaid methods.

33. Illegal Activities

If the franchisee is found engaging in any illegal or unethical activities, violating health ministry guidelines, or acting against public health interests, the franchise agreement will be terminated immediately, and legal action may be taken.

34. Government Schemes

The franchisee will assist local people in availing government schemes and benefits, ensuring access to relevant healthcare services.

35. Referral Commission

The franchisee will receive a 5% commission on the total revenue generated from referrals by local health partners (e.g., diagnostics, hospital admissions, consultations).

36. Target for Local Health Partners

The franchisee must onboard at least 25 local health partners each month.

37. Regular Interaction with Diagnostic Partners

The franchisee must ensure regular visits by local diagnostic partners and ensure timely sample collection.

38. Sample Handling Penalty

All medical test samples must be handed over to the diagnostic partner the same day. Delayed or rejected samples will result in a penalty equal to twice the cost of the test, which will be paid to the patient directly.

39. Complaint Handling

Any complaints regarding the behavior of the franchisee or staff must be addressed promptly. A written response must be provided within 24 hours of reporting. Failure to do so may result in disciplinary action.

40. Misconduct

In cases of severe misconduct or patient mistreatment, the franchisee's contract may be terminated immediately, and the incident will be reported to the authorities.

41. Operating Hours

The healthcare center must remain open from 10 AM to 9 PM every day.

42. Product Sales Restrictions

The franchisee is not allowed to sell products from other brands unless approved by the company. All products sold must be supplied by Aayush Wellness.

43. Branding and Signage

The company will provide the design for the signage (GSB board), and the local sales team will assist in ensuring proper branding at the healthcare center.

44. Patient Data Entry Device

The franchisee will be provided with a computer or tablet for making patient entries in the mobile app/software.

45. Home Service Requests

The franchisee must check home service requests daily and ensure the service is provided within 24 hours of the request.

46. Franchisee Obligations upon Termination

The franchisee must return all company assets (e.g., health ATM machines, computers, uniforms, etc.) in good condition upon the termination of the agreement. The refund will be given for the useful medical equipment and infra after adjusting the depreciation cost.

47. Performance Review

Regular performance reviews will be conducted to assess the franchisee's adherence to targets, operations, and overall performance. Non-compliance may lead to corrective action or contract termination.

48. Confidentiality Clause

The franchisee must maintain confidentiality regarding all company trade secrets, patient data, and operational strategies.

49. Minimum Income Guarantee (MIG)

The franchisee will be eligible for a Minimum Income Guarantee (MIG) of ₹20,000 per month, provided after 15 days of full payment, inauguration and making the healthcare center operational of the center.

Tenure for MIG is 6 months, regular performance reviews will be done to increase the revenue and profits for the franchisee.

This amount includes the franchisee's earnings from the daily operations at the healthcare center. For example, if the franchisee earns ₹9,000 in a month, the company will pay an additional ₹11,000 to ensure the total monthly income reaches ₹20,000.

Hence the difference of achieving Rs 20,000 per month will be paid to maintain the regular monthly and daily expenses of the healthcare center.

50. Conditions for Minimum Income Guarantee

The Minimum Income Guarantee will be paid to the franchisee as long as they comply with the company's policies, guidelines, and practices. If the franchisee fails to put effort into making the Aayush Healthcare Center a profitable unit, or does not follow the required operational standards, the company reserves the right to cancel the franchise contract and withdraw the Minimum Income Guarantee. In such cases, the company will refund the useful medical infrastructure and equipment to the franchisee after adjusting

for depreciation and the total amount already paid under the Minimum Income Guarantee.

51. Medical Benefit for the Franchisee

Company will provide a medical insurance for the entire family of the franchisee including his parents, spouse and children for up to Rs 5 Lakhs. Franchisee owner becomes eligible for this once the healthcare center is operational.

52. Franchisee owner is not allowed to sell any pharmaceutical or drug or any medicine which requires a specific license from the government or need an authorization from any of the authority/body in the government from the Aayush Healthcare center. For Nutraceuticals and Ayurvedic products also , the product provided by the company or brands partnering with Aayush Healthcare center can only be kept inside the Aayush healthcare center.