

LETTER OF UNDERSTANDING

This Letter of Understanding ("LOU") is issued in favour of **Bundl Technologies Pvt. Ltd.**, a company registered under the Companies Act, 1956, having its registered office at No.55, Sy.no. 8-14, I & J Block, Ground Floor, Embassy Tech Village, Outer Ring Road, Devarabisanahalli, Bangalore -560103 ("**Swiggy**") By **Jyoti ranjan saho**, a company/partnership firm/ proprietary firm, having its registered office at

Plot 1340/1728, Khata 224-237, Shyampur, Near Sum Hospital, Bharatpur, Bhubaneswar ("**Merchant**") in pursuance of our discussions and intent to avail the Services offered by Swiggy.

THE MERCHANT HEREBY AGREES AS FOLLOWS:

Capitalized terms used but not defined herein shall have the meaning assigned to them under the Merchant Terms of Use available at <https://partner.swiggy.com/sellertnc> ("**Merchant Terms**").

1. Merchants understands that Swiggy is engaged in the business of *inter alia* operating an online platform under the name and style "Swiggy", through its **Platform**, which enables transactions between Merchants and Buyers, dealing in prepared food and beverages. The Platform is utilized by **Buyer(s)** to choose and place **Order(s)** from a variety of prepared food products listed and offered for sale by **Merchants** on the Platform, pursuant to which Swiggy enables **Delivery** of such **Order(s)** in select serviceable geographical area of the cities in India. The Merchant wishes to avail the **Services** enabled by Swiggy on a non-exclusive and contractual basis subject to the terms and conditions set out in the Merchant Terms, which includes, *inter alia*, warranties provided, obligations, intellectual property rights, confidentiality, responsibilities and grounds for termination.
2. The Merchant represents and warrants that (i) it is engaged in the business of restaurant services under the brand name and style "**Just Bake**" serving prepared food products and beverages through its multiple outlets owned and managed by the Merchant only and not the franchisees, the list enclosed in **Annexure - A**; (ii) it has full power and capacity to enter into and perform its obligations under this LOU; (iii) has taken all necessary licenses applicable to its business and is fully compliant with the applicable laws including but not limited to provisions of the Food Safety and Standards Act, 2006 and rules and regulations prescribed thereunder ("**FSSA**"), as amended from time to time and maintain the same during subsistence of this LOU; (iv) it shall not provide for sale on the platform, or for delivery pursuant to sales facilitated on the Platform, any food items that may be unsafe, or misbranded or substandard or which contain extraneous matter or for which a license is required under FSSA, except in accordance with the conditions of the license; and (v) all the information and contents provided by it, as required, to Swiggy are true, correct and accurate.
3. The Merchant shall pay NA % of the **Gross Value** towards **Service Fee** to Swiggy. The Merchant agree that the Service Fee shall be valid for six (6) months from the Effective Date, which may be reviewed upon expiry of six months.
4. The Merchant shall pay to Swiggy Rs. 0 .00 (Rupees 0 Only) towards one-time listing facilitation services (Listing Facilitation Service Fee) availed by the Merchant at the time of Platform on-boarding. Merchant irrevocably consents and agrees that Swiggy reserves the right to deduct the Listing Facilitation Service Fee from the weekly settlement amount, at once or in instalments.
5. The Merchant understands and agrees that Swiggy shall collect, for and on behalf of the Merchant, the payments received from the Buyers and remit the same to the bank account of the Merchant in accordance with the **Payment Terms** after deductions of Service Fee and Other Charges, if any as mentioned under the **Schedule of Charges** and **GST** & other taxes applicable thereon at the prevailing rates.
6. The Merchant understands that Swiggy shall send consolidated reports of Orders placed and other details for the **Settlement Period** and invoice/s to the Merchant by electronic mail to jasbakery2023@gmail.com
7. The Merchant confirms and undertakes that it has read, understood and agrees to be bound by the terms set out in the Merchant Terms that are incorporated by reference herein and are deemed to be part of this LOU.
8. The effective date ("Effective Date") of this LOU shall be the date on which the Merchant signs this LOU [whether digitally or otherwise] and relay the same to Swiggy. This LOU shall thereon have full force of a contract and shall bind both Merchant and Swiggy fully upon on-boarding of Merchant on Platform.
9. The Merchant confirms and undertakes that the supporting documents provided by the Merchant along with this LOU are true and correct to their knowledge and understanding.

[Digitally] Signed by the Merchant:

Name: Jyoti ranjan saho

Designation: Jyoti ranjan saho

Date: 21-06-2022

Assignment for Fund Transfer

Date of signing MOU:

To,
Area Sales Manager
Bundl Technologies Pvt. Ltd.
India.

From,
Restaurant Name: Just Bake
Owner/ Partner / Manager Name: Jyoti ranjan sahuo
Designation: Jyoti ranjan sahuo

Dear Sir/ Madam,

We do herby request to you kindly transfer all the future payments / due / Net payable amount due to us from sale of our products through your application / platform in the account number

922010022545312 Having IFSC code UTIB0001184 in the name of beneficiary
Jyotiranjana sahuo

We are hereby attaching a copy of the self-attested Identity and address proof herewith.
Please do the needful at your end.

Thanking you.

You're faithfully,

Mr. / Ms. Jyoti ranjan sahuo
Designation: Jyoti ranjan sahuo
Name of Restaurant: Just Bake

SCHEDULE OF CHARGES

This Schedule of Charges shall be read together with the terms set out in Merchant Terms of Use available at <https://partner.swiggy.com/sellertnc> (Merchant Terms).

Swiggy shall be entitled to charge and the Merchant shall pay to Swiggy, the charges detailed hereunder in addition to the Service Fee. These charges are subject to GST or any other taxes, applicable thereon at the prevailing rates. Swiggy shall, under the relevant provisions of GST law in force, deduct a tax (termed as 'Tax Collected at Source' or "TCS") as per applicable tax rates on the value of supplies made through Swiggy; wherein Swiggy is required to collect the consideration for the said transaction. Swiggy reserves the right to revise these charges with prior intimation to the Merchant.

Description of Charges	Note	Charges/Deductions/Reimbursement	Effective from	Exceptions/Remarks
Call Center Service Fee	1	INR 10.00 per Order	Date of the LOU	Initial 2 weeks for New Merchants and 5% of the total Number of Orders in a Settlement Period
Merchant Cancellation Charges	2	7.5% of the Net Value	Date of the LOU	0.5% of Order out of the total Orders in a Settlement Period
Refund for Disputed Order	3	As applicable	Date of the LOU	Case to case basis & upto Order Value
Marketing fees and such other charges	4	As applicable	Date of the LOU	As and when service is availed.
Seller Protection for other than Merchant Cancellation	5	For cancellation of Orders either through the Platform, or through calling customer care, by a Buyer (a) for no reason attributable to Merchant, or (b) for no reason attributable to Swiggy, provided that the said Order has been accepted and confirmed for preparation by the Merchant. In case of Buyer Cancellation, Merchant will be paid and the same shall be accounted in the applicable Settlement Period in the following manner:(a) 40% of Net Value for Orders not marked as 'Food Ready' and not picked up by the Swiggy Delivery Partner; and (b) 100% of Net value (less of commissions and applicable schemes) for all remaining Orders placed through the Platform, provided that items must be securely packed and kept ready in packaged condition, marked as 'Food Ready', for a minimum of 80% of Merchant's total delivered orders and handed over to the pick-up and delivery partner, upon his/her arrival. Merchant shall ensure, at all times, the pick-up and delivery partner shall not be required to wait beyond 3 minutes to collect such packaged items.	Date of LOU	Case to case basis

Notes:

1. "Call Center Service Fee" shall mean fee towards Call Centre Services provided by Swiggy to get an Order confirmation by Merchant more fully defined under clause VI (8)(xii)(a) of the Merchant Terms. Swiggy shall waive off Call Center Services Fee (a) as one-time convenience to the new Merchants for an initial period of two (2) weeks from the date of the LOU and (b) Call Centre Services up to 5% of Orders out of the total Orders (rounding decimals to the next whole number) in a Settlement Period [Illustration: 1.4 rounded to the next whole number will be 2 and 1.6 rounded to the next whole number will be 2];

2. "Merchant Cancellation Charges" shall mean Service Fee with respect to Order that are cancelled by the Merchant due to failure to fulfil as a result of unavailability of the product/s in an Order or closure of the Merchant's outlet or any other reason attributable to the Merchant. Merchant Cancellations (without any charge) will be permitted up to 0.5% of Orders out of the total Orders (rounding decimals to the next whole number) in a Settlement Period [Illustration: 1.4 rounded to the next whole number will be 2 and 1.6 rounded to the next whole number will be 2];

3. "Refund for Disputed Order/s" shall mean refund paid to the Buyer, where the Buyer claimed partial or full refund, as applicable, for the reasons that are attributable to Merchant, including but not limited to, Buyer's expectations not being met or Buyer dissatisfaction in relation to, inter alia, the quality of the products, undelivered Orders, discrepancy in the product delivered which is not in accordance with the Order placed and/or those Orders for which Buyer requests for a refund or replacement.

4. “Marketing fees and such other charges” shall mean the charges towards digital marketing services including but not limited to carousel connection with the Merchant’s listings and other related services availed by the Merchant on the Platform and shall be decided by Swiggy;

5. “Seller Protection for Cancellation other than Merchant Cancellation” shall be an amount contributed by Swiggy in case of cancellation of Orders either through the Platform, or through calling customer care, by a Buyer (a) for no reason attributable to Merchant, or (b) for no reason attributable to Swiggy, provided that the said Order has been accepted and confirmed for preparation by the Merchant. In case of Buyer Cancellation, Merchant will be paid and the same shall be accounted in the applicable Settlement Period in the following manner: (a) 40% of Net Value for Orders not marked as ‘Food Ready’ and not picked up by the Swiggy Delivery Partner and (b) 100% of Net value (less of commissions and applicable schemes) for all remaining Orders placed through the Platform. Items must be securely packed and kept ready in packaged condition, marked as ‘Food Ready’, for a minimum of 80% of Merchant’s total delivered orders and handed over to the pick-up and delivery personnel, upon his/her arrival. Merchant shall ensure, at all times, the pick-up and delivery personnel shall not be required to wait beyond 3 minutes to collect such packaged items.

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[Notification no. 17/2021 Central Tax \(rate\)](#) was issued on 18 November 2021. This communication is intended to inform you about the implications of the above mentioned GST notification applicable from 01 January 2022.

We wish to bring to your attention the latest Notification No. 17/2021 dated November 18, 2021 issued by Central Board of Indirect Tax and Customs (CBIC) through which the e-commerce operator (ECO) is now made liable to pay GST on “restaurant services” provided through the e-commerce platform. Note that this change is not applicable for restaurant services provided from a premise with declared tariff of Rs. 7,500/- or above per day. At present, this provision shall be effective from January 01, 2022.

Bundl Technologies Private Limited (hereinafter referred to as “BTPL” or “Swiggy” or “the company”) qualifies as an “e-commerce operator” under Section 2(45) of Central Goods and Services Tax Act, 2017. Therefore, based on the above notification read with Section 9(5) of CGST Act, 2017, Swiggy will be responsible to pay GST on restaurant services provided through its website / app from January 01, 2022.

In this regard to comply with the above change, Bundl Technologies Private Limited (hereinafter referred to as “BTPL” or “Swiggy” or “the company”) is classified as an ECO as per the applicable provisions of the GST law and is required to bifurcate the eateries operating on its platform into two broad categories as below:

1. Restaurant:

As per Notification No.11/2017 - Central Tax Rate F.No.354/117/2017-TRU dated 28th June, 2017, “restaurant services” is defined as *“Restaurant service means supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied”*.

A restaurant is a place which is in the business of preparing and serving food in the premises or as takeaway. An illustration under this category is provided below:

- a) Restaurants located in a premise where declared tariff is not exceeding Rs. 7,500 per day and providing restaurant services;
- b) Food and beverage sold as a part of restaurant services and which qualifies as restaurant services;
- c) Cloud kitchens providing restaurant services; etc.
- d) Standalone restaurants which are not ice cream parlors or bakeries.

As per Notification No. 17/2021 dated November 18, 2021, Swiggy shall be responsible for charging, collecting and paying GST @ 5% to the relevant GST authorities on supply of “restaurant services” made by such restaurants through the Swiggy’s platform. The payments will be made to these restaurants after deducting such GST.

For restaurants with no GSTIN, Swiggy shall be responsible for charging, collecting and paying GST @ 5% on the total order value.

Swiggy will also disclose such payment made in the GST returns as prescribed by CBIC.

2. Non-restaurant:

Shops / suppliers supplying other edible goods which do not qualify as “restaurant services” shall fall under this category. Some of the example under this category is:

- a) Standalone ice cream parlor who is not supplying “restaurant services”;
- b) Standalone bakery who is not supplying “restaurant services”;
- c) Sweet shops who is not supplying “restaurant services”;
- d) Standalone chocolate shop who is not supplying “restaurant services”
- e) Restaurants in hotels where the declared tariff of any accommodation unit is more than INR 7500/-

Note : the above list is not exhaustive and is merely illustrative for the purpose of understanding the definition of non-restaurant basis interpretation of press releases and various notifications issued by the government of India in relation to GST.

Such suppliers will continue to charge and pay applicable GST as per their current practice. These suppliers will have to mandatorily get themselves registered under GST in line with Section 24 of the CGST Act, 2017. Swiggy shall only be responsible to deduct and pay tax collected at source (TCS) under section 52 of the CGST Act 2017 at the rate of 1%. Note that there is no change in the process of collection and payment of GST for such suppliers falling under this category.

In addition to the above two categories, given that there are eateries which provide both restaurant and non-restaurant supplies on the platform from the same RID, we have come up with a separate category as below.

3. Hybrid:

In case where a supplier is involved in providing “restaurant services” and supplying other goods that does not qualify as “restaurant services”, such supplier will be categorised under ‘hybrid model’.

Such supplier will have to bifurcate the “restaurant services” and other goods supplied through ECO. GST on “restaurant services” provided through Swiggy shall be paid by

Swiggy and applicable GST on goods supplied through Swiggy shall be continued to be paid by the supplier.

Note that these suppliers will have to mandatorily get themselves registered under GST in line with Section 24 of the CGST Act, 2017 as no turnover threshold shall be applicable for supply of goods through e-commerce operators.

Further, Swiggy shall also be responsible to deduct and pay tax collected at source (TCS) under section 52 of the CGST Act 2017 at the rate of 1% on the value of other goods supplied through Swiggy's platform.

Accordingly, we request you to categorize yourself into any one of the above categories via the below declaration. We also request you to immediately communicate to us in case there is any change in the particulars given in the declaration at any time.

Wherever appropriate, we shall suggest the appropriate classification as per our understanding of the law. However, it is solely your responsibility to classify yourself correctly.

Please note that this will form a part of the addendum to your MOU with Swiggy effective immediately.

We request you to consider this communication of utmost importance since it would also enable us to make the necessary changes in our ERP system.

Thanking you in advance for your co-operation.

Best regards,

DECLARATION FOR THE PURPOSES OF DETERMINING GST COLLECTION

The following declaration is given with true understanding of the categorization and the full understanding of the aforementioned notification as issued under the GST law:

I/We Jyoti ranjan sahu

(Legal Name of the entity), having our place of business at

Plot 1340/1728, Khata 224-237, Shyampur, Near Sum Hospital, Bharatpur, Bhubaneswar

and having the FSSAI No. 22022033004585

hereby acknowledge the understanding of the Notification No. 17/2021 Central Tax (rate) dated 18 November 2021 read with Section 9(5) of CGST Act, 2017 and applicable CGST Rules, 2017.

Accordingly, we declare that we classify our business as: Restaurant

- Restaurant
- Non- Restaurant
- Both (referred as “Hybrid”)

I/We confirm that we have classified our business correctly above.

I/We shall indemnify Bundl Technologies Private Limited (hereinafter referred to as “Swiggy”, “BTPL”, “ECO” or “the company”), its affiliates, its directors and its employees from any demand of tax, interest or penalties arising on the company in case the declaration is found to be fallacious. In addition, we undertake to declare as below and indemnify Swiggy accordingly:

Declaration applicable in case you have selected “restaurant” above

1. I/ We understand and acknowledge that Swiggy shall collect and deposit GST at 5% to the extent of “restaurant services” provided by us on Swiggy’s website/ application (‘Swiggy’s platform’). I/ We undertake that I/ we have carried out a determination of items that are supplied by us and undertake that all of these are to be categorized as “restaurant services”.
2. I/ We understand that Swiggy is merely responsible to collect and deposit the GST with the relevant GST authorities on “restaurant services” based on the information and classification that I/ We provide to Swiggy. Swiggy is not responsible to determine whether a particular transaction qualifies as “restaurant service” or not as Swiggy is not privy to any internal activities carried out by us.
3. I/ We undertake to notify Swiggy immediately if the classification of our business changes in the future.
4. I/ We hereby undertake and confirm that I/ We shall indemnify Swiggy, its Affiliates, subsidiaries, directors, officers, employees, agents and service providers from any notices, liabilities, penalties, claims or demands, (including all costs, expenses, interests, and attorney’s fees on account thereof that may be made) in connection with any tax collected at source under section 52 of the CGST Act 2017 which may arise in case of any incorrect determination of items falling under “restaurant services” as made by us hereinabove.

5. All liabilities arising from any incorrect classification of items by us including any interest, penalty or any other amount demanded by the appropriate authorities shall be payable solely by us and shall remain our sole responsibility.
6. I/ We undertake to cooperate with Swiggy in case of any enquiry by the GST authorities on supplies made by us including furnishing any information required by the authorities, including copies of licenses, permits, approvals to establish that we qualify as “restaurant services”.

Declaration applicable in case you have selected “non-restaurant” above

1. I/ We understand and acknowledge that we shall be solely liable to pay GST on the supplies for “non-restaurant services” provided by us on Swiggy’s website/ application (‘Swiggy’s platform’). I/ We undertake that we have carried out a determination of items that are supplied by us and undertake that all these fall under “non-restaurant services”.
2. I/ We understand that Swiggy shall not be responsible to deposit the GST on any supplies made by us as these qualify as “non - restaurant services”. Swiggy is not responsible to determine whether a particular transaction qualifies as “non-restaurant service” or not as Swiggy is not privy to any internal activities carried out by us.
3. I/ We undertake to notify Swiggy immediately if the classification of our business changes in the future.
4. I/ We hereby undertake and confirm that I/ We shall indemnify Swiggy, its Affiliates, subsidiaries, directors, officers, employees, agents and service providers from any notices, liabilities, penalties, claims or demands, (including all costs, expenses, interests, and attorney’s fees on account thereof that may be made) in connection with any incorrect determination of items falling under “non – restaurant services” as made by us hereinabove.
5. In case the GST authorities demand tax on us (for example asking us to reverse any input tax credit on account of any incorrect classification as determined by us), the liability arising therefrom including any interest, penalty or any other amount demanded by the authorities shall be payable solely by us and shall remain our sole responsibility.
6. I/ We undertake to cooperate with Swiggy in case of any enquiry by the GST authorities on supplies made by us including furnishing any information required by the authorities, including copies of licenses, permits, approvals to establish that we qualify as “non-restaurant services”.

Declaration applicable in case you have selected “hybrid” above

1. I/ We understand and acknowledge that Swiggy shall be responsible for collecting and depositing GST at the rate 5% of the services which fall under the category of “restaurant services” and are provided by us on Swiggy’s website / application (‘Swiggy’s platform’) and we shall be liable to pay GST on the supplies on goods and services which fall under the category of “non-restaurant services” provided by us on Swiggy’s platform. I/ We undertake that we have carried out a determination of items that are supplied by us and undertake that items fall under “restaurant services” and what items fall under “non-restaurant services”.
2. I/ We understand that Swiggy is merely responsible to collect and deposit the GST on “restaurant services” with the relevant GST authorities based on the information and

classification that I/ we provide to them. Swiggy is not responsible to determine whether a particular transaction qualifies as “restaurant service” or not as Swiggy is not privy to any internal activities carried out by us.

3. I/ We undertake to notify Swiggy immediately if the classification of our business changes in the future.
4. I/ We hereby undertake and confirm that I/ We shall indemnify Swiggy, its Affiliates, subsidiaries, directors, officers, employees, agents and service providers from any notices, liabilities, penalties, claims or demands, (including all costs, expenses, interests, and attorney's fees on account thereof that may be made) in connection with any tax collected at source under section 52 of the CGST Act 2017 which may arise in case of any incorrect determination of items falling under “restaurant services” and “non-restaurant services” as made by us hereinabove.
5. All liabilities arising from any incorrect classification of items by us including any interest, penalty or any other amount demanded by the appropriate authorities shall be payable solely by us and shall remain our sole responsibility.
6. I/ We undertake to cooperate with Swiggy in case of any enquiry by the GST authorities on supplies made by us including furnishing any information required by the authorities, including copies of licenses, permits, approvals to establish that certain items in our services offering qualify as “restaurant services” and “non-restaurant services”.

For, Jyoti ranjan sahuo

Authorized Signatory: - Jyoti ranjan sahuo

Date: 21-06-2022

Note: In case you would like to update the item level GST percentages on the GST menu you may do the same via POS systems, Swiggy web portal and through the partner support team (as applicable).