**FRANCHISE AGREEMENT**

This Franchise Agreement (the “**Agreement**”) is made and entered into at Mumbai on this 22nd day of August, 2025.

**BY AND BETWEEN:**

**Chai Junction Pvt. Ltd.**, a company incorporated under the Companies Act, 2013, having its corporate office at #500, 100 Feet Road, Indiranagar, Bangalore, Karnataka - 560038, India, represented by its authorized signatory (hereinafter referred to as the “**Franchisor**”),

**AND**

**Mumbai Food Ventures LLP**, a Limited Liability Partnership registered under the LLP Act, 2008, having its office at 1201, Maker Chambers, Nariman Point, Mumbai - 400021, India, represented by its designated partner (hereinafter referred to as the “**Franchisee**”).

**RECITALS:**

A. The Franchisor owns and operates a chain of cafes under the trade name and trademark “Chai Junction” (the “Brand”), which specializes in the sale of various teas, coffees, and complementary food items.

B. The Franchisor has developed a unique and proprietary system for operating these cafes, including recipes, operational methods, marketing techniques, and store designs (the “System”).

C. The Franchisee desires to obtain the right to operate a Chai Junction cafe at a specific location, and the Franchisor is willing to grant this right on the terms and conditions set forth herein.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

1. GRANT OF FRANCHISE

The Franchisor grants to the Franchisee the non-exclusive right and license to operate one (1) Chai Junction cafe (the “Franchised Unit”) at the following location: Shop No. 3, Ground Floor, Phoenix Marketcity Mall, LBS Marg, Kurla (West), Mumbai - 400070 (the “Premises”).

2. TERM AND RENEWAL

The term of this Agreement shall be for a period of 5 (five) years commencing from the date the Franchised Unit opens for business. The Franchisee may have the option to renew the franchise for an additional term of 5 years, subject to the terms and conditions of the then-current franchise agreement.

3. FEES

a. Initial Franchise Fee: The Franchisee shall pay the Franchisor a one-time, non-refundable Initial Franchise Fee of ₹10,00,000/- (Rupees Ten Lakh only) plus applicable GST upon signing this Agreement.

b. Royalty Fee: The Franchisee shall pay the Franchisor an ongoing monthly Royalty Fee equal to 6% (six percent) of the Gross Sales of the Franchised Unit.

c. Marketing Fee: The Franchisee shall pay the Franchisor an ongoing monthly Marketing Fee equal to 2% (two percent) of the Gross Sales of the Franchised Unit, to be contributed to a national marketing fund.

4. OBLIGATIONS OF THE FRANCHISOR

The Franchisor shall:

a. Provide initial training to the Franchisee and its key staff.

b. Provide a copy of the confidential Operations Manual which contains the specifications and procedures of the System.

c. Provide assistance with the interior design and layout of the Premises.

d. Provide a list of approved suppliers for equipment and raw materials.

5. OBLIGATIONS OF THE FRANCHISEE

The Franchisee shall:

a. Operate the Franchised Unit in strict compliance with the Operations Manual and all standards set by the Franchisor.

b. Use the Premises solely for the operation of the Chai Junction cafe.

c. Purchase all proprietary products and ingredients (such as special tea blends) exclusively from the Franchisor or its designated suppliers.

d. Permit the Franchisor or its representatives to inspect the Premises and audit the financial records during business hours.

e. Not engage in any competing business during the term of this Agreement.

6. INTELLECTUAL PROPERTY

The Franchisor grants the Franchisee a limited, non-exclusive, non-transferable license to use the Brand trademarks, logos, and service marks solely for the purpose of operating the Franchised Unit. The Franchisee acknowledges that it has no ownership rights in the Brand or the System, and all goodwill associated with the Brand belongs exclusively to the Franchisor.

7. TERMINATION

The Franchisor may terminate this Agreement with immediate effect upon written notice to the Franchisee if the Franchisee defaults in the performance of any of its material obligations, including failure to pay fees, failure to adhere to brand standards, or insolvency.

8. POST-TERMINATION OBLIGATIONS

Upon termination or expiration of this Agreement, the Franchisee shall immediately cease to operate the Franchised Unit and shall stop using all of the Franchisor's intellectual property. The Franchisee shall promptly return the Operations Manual and de-identify the Premises to remove all association with the Brand.

9. GOVERNING LAW AND ARBITRATION

This Agreement shall be governed by the laws of India. Any dispute arising out of or in connection with this Agreement shall be referred to and finally resolved by arbitration conducted by a sole arbitrator appointed in accordance with the Arbitration and Conciliation Act, 1996. The seat of the arbitration shall be Bangalore, India.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above written.

**FOR CHAI JUNCTION PVT. LTD. (FRANCHISOR)**

Name: Rohan Kapoor

Title: Director - Franchise Development

**FOR MUMBAI FOOD VENTURES LLP (FRANCHISEE)**

Name: Anjali Mehta

Title: Designated Partner