

MITHRANJALI FOUNDATION

FRANCHISE AGREEMENT

Draft Franchise Agreement for Platforms - to be executed between Mithranjali
and the Franchisee

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FRANCHISEE AGREEMENT

This agreement is made on the _____ day of _____ 2023 between MITHRANJALI FOUNDATION a company incorporated under the CIN No..... , through its Director Mr. / Ms. ----- son/ daughter of ----- having its registered office at ----- and Corporate office at ----- (hereinafter called 'the party of the First part' or 'the Foundation' or 'the Franchisor', which expression shall, whenever the context so requires or admits mean and include its successors and assigns).

AND

----- through ----- son / daughter of ----- having registered office at ----- (hereinafter called 'the party of the Second Part' or 'the Franchisee', which expression shall, whenever the context so requires or admits mean and include its successors and assigns).

The 'Franchisor' and 'Franchisee' may hereinafter be individually referred to as 'the party' and collectively as 'the parties', who, on the basis of the following understandings and agreements, agree as follows:

I. GENERAL

This section is intended as a guide for teams participating in the auction process and for establishing the overall direction of the ecosystem.

MITHRANJALI FOUNDATION operates on an Asset "0" Model and relies solely on voluntary support, with no overhead costs. As such, the Foundation does not charge or spend any fees on coordination, rent, travel, stationery, electricity, internet, or any other expenses. Instead, any funds collected are redistributed in accordance with the terms outlined in the Franchisee Agreement and the Business Model Document. The foundation, its partners, and customer ecosystem are being built from scratch. Everyone needs to work towards generating income before any redistribution, including the coordination fee or share allocation, is possible.

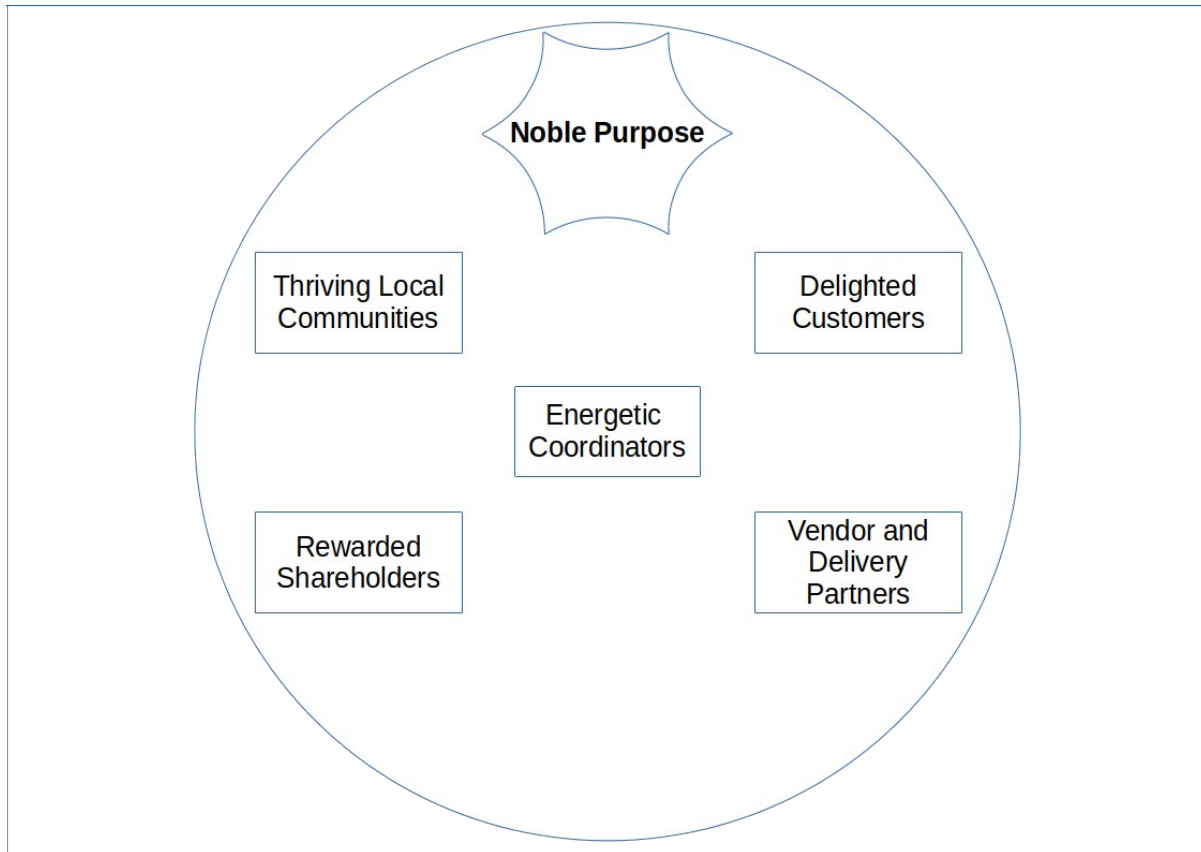
The most crucial priorities are Livelihood Promotion, Customer Delight and Creating Value for the shareholders of the Sub-District Franchisee Companies; everything else is built around these Three pillars. Every coordinator, whether full-time or part-time, must ensure that citizens in their local communities fully and happily cooperate by being polite, friendly and always approachable. Maximum Beneficiaries and not Concentration of Fruits in fewer Hands is one of the Major Objectives of the Foundation. Keep reminding about the **Article 39 of the Indian Constitution** and the **Tag-line** "Common Prosperity by Shared Wealth Creation" of MITHRANJALI FOUNDATION in case of any mental conflict that may inadvertently arise at any point in time.

The process of selecting franchisees for State, District, and Sub-District territories will involve a public auction that will be supervised by Third-Party Organization(s), e.g. **Procol** . The clauses in the agreement should be agreed upon in principle, taking into consideration the overall character of the document and the intended direction.

The bidding Teams should furnish a sum of Rs.50,000/- (Rupees Fifty Thousands Only.) as Earnest Money Deposit (EMD) through Online UPI, MPS or NEFT to the Escrow Bank Account of Mithranjali Foundation to participate in the Auction Process. On

Completion of the Auction Process, the same will be returned to their respective Bank Accounts through Online Payment to those could not win the Auction with in 15 Days, and the same amount will be adjusted against the Auction won price for Franchisee-ship awarded Teams.

A Noble Purpose



Teams bidding for franchise companies should be equal shareholders and ready to take on responsibilities as coordinators. They should not act as proxies for an investor who holds a majority of the shares, with the front-end teams serving as their employees.

Rs.5 Lac is the Base Price for Auction for all Franchisees, which along-with any extra added to win in the Auction up-to Rs.10 Lac will also be treated as a Security Deposit and qualifies as equity of the Public Limited Company of the Franchisee. The amount by successful bidders will be held in a Karala Branch of one of the leading Banks in Escrow Account for Three Years with Fixed Rate Interest paid to the respective Franchisees at the end of maturity of the Fixed Deposit Term of Three Years. Why prefer Three Years, is because of the time for all the 5 Platform Services namely apnafood, apnaride, apnaservices, apnacart (Both B2C and B2B), and apnacredit to get stabilised.

All franchise companies must register as public limited companies within a specified time frame, as advised by the Foundation. Franchisees will be assisted in obtaining the best registration fees for their public companies by inviting bids from professional company registration service providers. The maximum authorized and paid-up capital for franchisee companies is limited to Rs. 10 Lac initially, with Seven Shareholders and Three acting as Directors, which is the minimum number mandated by the Indian

Companies Act for public limited companies. Subsequent share issues to customers will be based on Considerations earned through purchases made within the ecosystem, as well as work performed for coordinators by enrolling and assisting vendor partners in selling their products and services, and by maximizing sales through the ecosystem. The Rs. 5 Lac base price along with excess of up-to Rs.10 Lac will be treated as the paid-up capital of the respective franchisees held in the escrow account as a fixed deposit. The minimum authorized and paid-up capital requirement for registering a public limited company is Rs. 5 lakh. However, if the successful bidders wish to have authorized and paid-up capital of up to Rs. 10 lakh, they are free to do so. In this case, any amount exceeding Rs. 10 lakh will be returned to the respective bank accounts within one week after the auction process and finalization. The excess money over and above Rs. 10 lakh will not be considered part of the equity under any circumstances and will be treated as personal money of the bidders that can be used elsewhere by the teams. References [1](#) [2](#)

Shares will also be allocated to migrant consumers and those who are travelling away from their normal place of residence, indicating their place of origin. This is particularly relevant in Kerala, where there are approximately 20 million tourists (both domestic and foreign) who visit each year. The consumers who receive allocated shares will have discretion over their future use.

The Fees and Charges are published on the Foundation Website at <https://www.mithranjali.org.in> and also as a Word Document named Fees_and_Charges along-with Coordination Fee Working and the Target as a Spread-Sheet for reference at <https://nextcloud.mithranjali.org.in/s/AUCTION>.

90% of the Vendor Partner Annual Group Fund paid Quarterly will be exclusively used for Vendor Partner Promotions., primarily engaging YouTube enthusiasts from each of the pin codes, once the ecosystem has been stabilized. Vendor Partner Annual Group Fund will be collected online. Here, Vendor Partners will have a greater say in the selection of promotional methods and **Youtube** enthusiasts taking turns, as Vendor Partners know their trade better than anyone else in the ecosystem. 10% will be allocated towards the Platform running expenses from the above Vendor Partner Annual Group Fund. The focus should be to prioritize giving more visibility to the weakest vendor partners in ascending order. Any remaining balance as savings after the above allocation will be transferred to the respective Sub-District Franchisee Companies, who will then allocate shares to Vendor Partners based on their proportion of the Group Fund collected.

For every Vendor Partner enrolled, the first two quarter Vendor Partner Annual Group Fund, i.e., six months, will be added to the common pool in favour of the actively designated coordinators from franchisees for three years from the commencement of operations. When things stabilize at a later time, the payments made to the coordinators during the first two quarters will be retrieved from the Ecosystem, paid back, and used for vendor promotion. This is being done to support the Coordinators during the initial phase when sales may be slow. It's aimed to prevent them from being burdened with unnecessary costs and to keep them motivated. This gesture from the Foundation is a commitment to support the Coordinators and help them to succeed. It also shows that the Foundation is willing to be flexible and adapt to the needs of its Stakeholders. By offering this waiver, the Foundation is providing a valuable incentive for Coordinators, which could ultimately help to increase sales and revenue for both the Coordinators and rest of the stake holders going forward.

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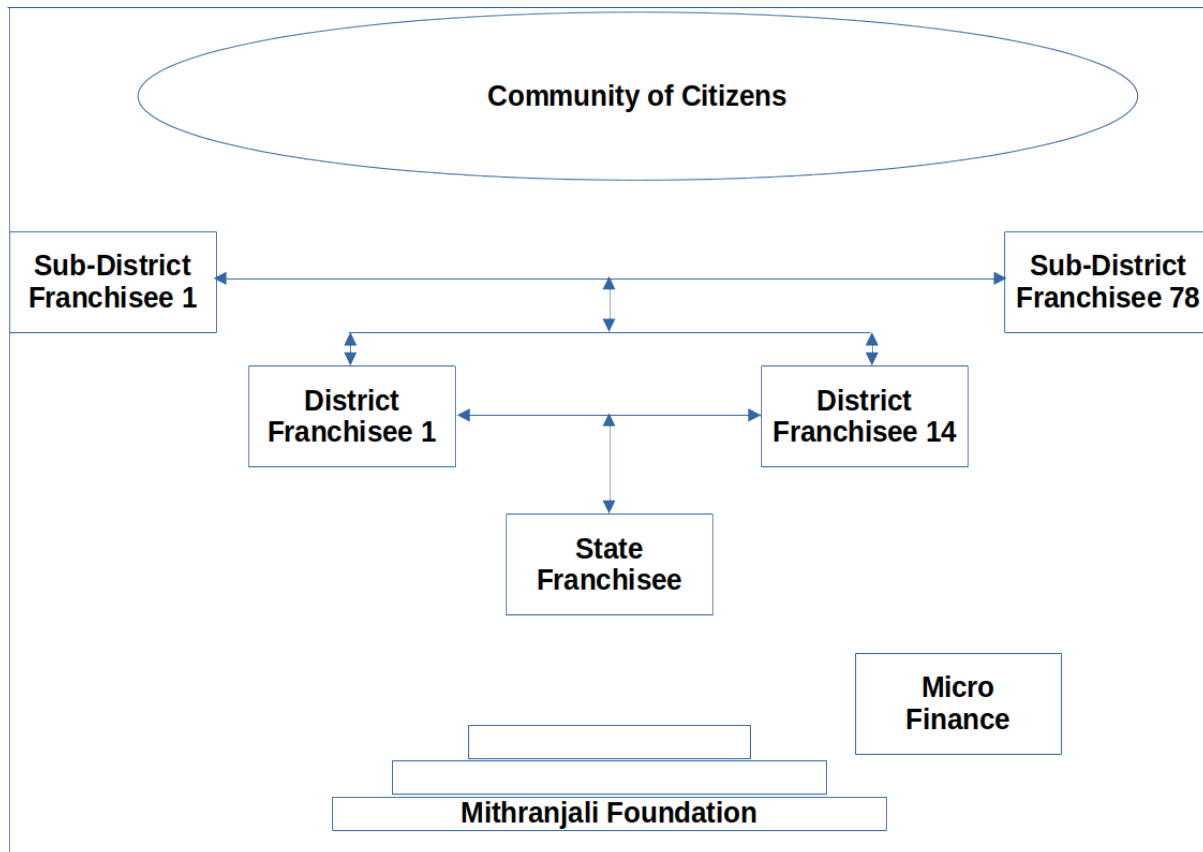
The expenses for running the Microfinance Institution (MFI) platform on "**Mifos** " and field coordination related to the Microfinance will be borne by the Foundation, keeping it at zero expenses mode as part of the special drive of empowering women. The expenses towards field coordination will be shared from the Consideration earmarked for sales and field coordination.

The success of the ecosystem should be attributed to the communities that have placed their trust in it, including special initiatives led by women and the new generation. Whenever in doubt, engaging domain experts or professional third parties to avoid conflicts of interest is always the best option. This applies even when selecting local micro and small enterprises (MSEs) and qualifying startups for any phase/round of funding with equity through the Franchisee Public Limited Companies.

MITHRANJALI FOUNDATION will be accountable for upkeep and improvement of the functionalities of the Digital Platforms and will continue providing coverage for digital marketing across the entire state of Kerala.

All efforts from the first day of commencement of the operations will be captured in ERPNext System through the Time-sheet for deferred payment subject to revenue generation. However, if the revenue stabilises with everyone's coordination and hard-work, all payments can be advanced and promptly made. This is a collective effort. Post stabilising the Ecosystem, Coordination Fee and other incentives in the form of shares based on outcomes will be paid to the Coordinators' Bank Accounts through UPI or any Digital mode by MITHRANJALI FOUNDATION including that of the earlier months of dry phase since commencement of the Operations.

Association of Organisations



The Franchisee Entities are designed to function as a flat, non-hierarchical association of Teams/Businesses with equal fixed coordination fees and variable income converted into shares based on the outcomes recorded in the ERPNext system in their respective Sub-District Franchisee Companies and not a Command and Control Structure based Design.

The Foundation may choose to provide an interest-free loan if necessary. Never to accept a Non returnable Grant, Donation, or other type of Free Money or Easy Money, as they may have the potential to undermine the ecosystem's ability to be resilient. More Coordinators to the Franchisee Companies will be added as each of the above Platforms is rolled out with separate Targets.

Interest-free loans or returnable grants repayment will be sourced from the share earmarked for Franchisee and Field Operations and Microfinance allocation respectively. This repayment should not impact the customers' stock option or vendor promotion funds, which will remain untouched. How not to avail such help unless it becomes an absolute necessity should be pursued though out. However, we believe that such financial support should only be used as an absolute necessity, and not taken for granted. Franchisee companies and field operations should explore all other options before availing of this support.

Each franchisee will be given with email addresses bearing functional names and systems, allowing them to communicate via email, text, audio, video, and document-based collaboration free of any Cost by the Foundation.

Each Sub-District Franchisee Company will receive a software for the purpose of allotting and transferring of shares among the Franchisee Company Shareholders, Exchanging of Shares as well as for voting by shareholders which will include the

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original Sub-District Franchisee Shareholders who founded the Company, Part-Time Coordinators, Customers, Coordinators from the respective District Franchisee and State Franchisee to whichever Sub-District they belong.

All Franchisees will be given Training and Assistance in accounting practices by extending ERPNext Software Logins free of cost by the Foundation. Various reports from the said systems will also be displayed as Charts on the Foundation Website with assistance from Community members and other Foundations who have expertise in such areas. All Franchisees will be allotted UPI IDs for Small Ticket Transactions.

Every Customer becomes an automatic member of MITHRANJALI FOUNDATION with a Vote. Customers who purchase Goods and Services through the Platform eventually also become owners of the appropriate Sub-District Franchisee Businesses when purchases are made through the Platform.

The value of Purchases recorded in the system since the marketplace's launch will be used to determine how shares and book building are distributed. Customers who have made more purchases will be allotted more shares from the earmarked Consideration earned by the Ecosystem. It is now the turn of the Coordinators, both Full-Time and Part-Time, depending on the outcomes of the work they have done since the System's launch from the Consideration after meeting the expenses of the Coordinators such as Coordination Fee and other expenses by the Coordinators. Shares are distributed to customers based on how much they spent on the platform and how well the coordinators performed, as documented in the system shared by MITHRANJALI FOUNDATION to the Franchisees at any given time. The Record Date may fall on the quarter-ending dates of 31st March, 30th June, 30th September, and 31st December and allocation of shares will be made before the close of each Financial Year.

Upon the stabilization of "Mithranjali apnafood" with all features, the cut-off date for share allocation to coordinators and customers will be three years from the start of the program. Beyond that deadline, dividend payments will continue until a new window is opened/established by shareholder demand through voting for fresh allocation of shares based on purchase volumes. However, data about Purchases by Customers and Efforts by the Coordinators will be captured with the start of the platform even with minimalist features.

Personnel participating in the auction must be at least 18 years old. While it's desirable to have team members in the energetic age range of 18-35, we welcome people of all ages and backgrounds who can contribute to the ecosystem with their unique perspectives and ideas. As the ecosystem grows and evolves, it's important to cultivate a diverse team that includes people with different experiences and qualifications. While younger team members may bring unique energy and fresh perspectives, more seasoned team members can offer valuable experience and knowledge.

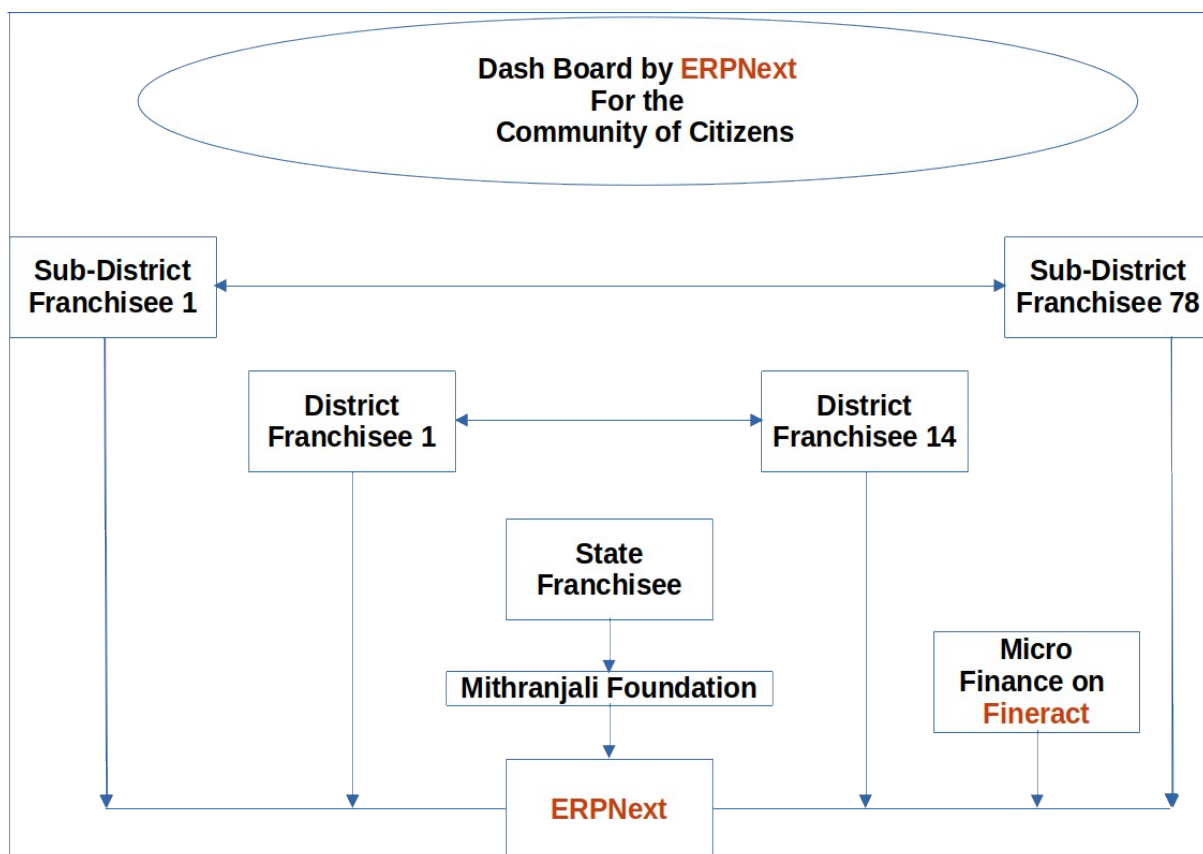
We encourage **Generation Z** to be at the forefront of our efforts, as they are typically internet, mobile, tech-savvy and Field Savvy. We believe in maintaining a youthful outlook in our franchisees by encouraging younger team members to take on leadership roles. All team members taking up various functions should have a background in relevant fields such as accounting or business management, Forest, Environmental, Sanitation, Tribal, Fisheries, Agriculture etc... Studies which could include completion of graduation, post-graduation, or diploma courses such as BBA, MBA, BCom, MCom, BA, MA, B.Tech, M.Tech, Diploma, or PGDCA. While we value qualifications, we believe

that passion for serving and commitment are of primary importance in our team members.

The success of achieving a "Services Market Fit" for our Services Platforms in the Ecosystem will be a shared responsibility among all stakeholders, and not limited solely to the Sales Teams. This includes the Business Development, Support, and Finance teams, among others. This will be a continuous process, and we are in it for the long haul.

Any team participating in the franchise auction should have a minimum of 10 members and a maximum of 20 members. This not only helps mitigate risks and distribute the workload but also ensures that there is a diverse range of skills and perspectives within the team. We believe in promoting **Diversity** and inclusivity in our franchisees. We encourage teams to have at least 50% women and to include members from different backgrounds and communities. We aim to create a sense of belonging for all members of the local communities, including minorities such as people with disabilities, individuals of different genders, and those who do not identify with any particular religion. The representation of these groups should be proportional to their population and they should be given adequate representation. We believe that promoting diversity and inclusion not only benefits our franchisees but also contributes to the well-being of the communities they serve.

Dashboard Reporting on the Foundation Website



The primary goal of the ecosystem is to promote decentralized wealth creation with embedded redistribution. Rather than relying on large enterprises with limited

participation from local communities, we aim to promote the growth of Micro, Small and Medium sized enterprises (MSMEs) that are supported by and accountable to the local communities they serve. This approach ensures that local communities have a greater influence and say in decision-making processes, which can lead to more equitable outcomes and shared prosperity.

Decentralized execution can lead to maximum predictable outcomes, while centralized reporting and monitoring can ensure fault-free compliance and governance. When decentralized execution is entrusted to energetic youngsters, reporting and monitoring points should be made available to all members of the communities served by the ecosystem.

Given that Kerala is primarily a state and that many of the goods consumed are brought in from outside the state, the prospects presented by this ecosystem will offer great potential for local production for domestic consumption. The Foundation will undertake both online and offline surveys involving franchisee companies, local coordinators, and households support groups to determine the requirements of the local communities. The survey questionnaire would be created with the help of experts from universities and from the local communities.

Digital(Online) and Phygital(Physically+Digital).i.e. Consumers will be more interested to buy from Goods and Services Providers who are part of the Ecosystem, all the following scenarios are applicable a)Buy Online and get Delivered Home. b)Buy Online from Anywhere and Pick-Up In Store. c)Buy Online In Store and Pick-Up In Store.

Making short-term sacrifices can help establish long-term financial independence and allow individuals to break free from the financial rat race. Sunlight is the best disinfectant, and involving a third party for any major activities also helps to maintain the ecosystem's integrity. For the purpose of encouraging voluntarism and community involvement, the Foundation will maintain a volunteer registration system and leader-board on its website.

Phases of the Platforms planned are as the following in the listed order:-

Phase 1: Introducing "apanfood" for Ernakulam District

Phase 1a: Rolling out "apanfood" to the rest of the State.

Phase 2: Introducing "apanaride" for Ernakulam District

Phase 2a: Rolling out "apanaride" to the rest of the State of Kerala.

Phase 3: Introducing "apanaservices" for Ernakulam District

Phase 3a: Rolling out "apanaservices" to the rest of the State of Kerala.

Phase 4: Introducing "apanacart" B2C for Ernakulam District

Phase 4a: Rolling out "apanacart" B2C to the rest of the State of Kerala.

Phase 5: Introducing "apanacart" B2B for Ernakulam District

Phase 5a: Rolling out "apanacart" B2B to the rest of the State of Kerala.

Phase 6: Introducing "apanacredit" for Ernakulam District

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Phase 6a: Rolling out “apanacredit” to the rest of the State of Kerala.

Note: Adding Features to the above Systems will be an ongoing process based on Community Feedback.

II. RECITALS

- i. The Franchisor is in the business of operating online marketplaces to facilitate sale and purchase of Goods and Services, between various sellers and interested buyers.
- ii. The Franchisor is looking for prospective sellers who are willing to sell their goods and services on the website. Considering the geographical and logistic dynamics involved, the Franchisor considers it appropriate to delegate the task of finding prospective sellers to a third party, with expertise in the specific area.
- iii. The Franchisee has many business contacts and can meet further contacts, who may be prospective sellers interested in selling their goods and services on the Franchisor’s website.
- iv. The Franchisor wishes the Franchisee to shortlist and introduce such prospective sellers to the Franchisor and is willing to pay the Franchisee a consideration on the terms of this agreement, if such prospective sellers agree to sell their goods or services on the website and the Franchisee is willing to effect these introductions in return for this consideration.

THEREFORE in consideration of the mutual promises and in acceptance of sufficiency of the consideration named in the Agreement, the parties have agreed to be bound by the presents:

III. DEFINITIONS:

- a. “Applicable Laws”: all applicable laws, statutes, regulations, ongoing and from time to time, in force and applicable to the Parties;
- b. “Consideration”: Upon successful engagement of a prospective seller introduced by the Franchisee, the Franchisor agrees to share with the Franchisee, the revenue at specified percentage of the revenue i.e. Consideration on Goods and Service generated from each of the successful engagement, subject to conditions as given below:
 - i. Stock Option for Customers :50%
 - ii. Franchisees and Field Coordination :30%
 - iii. Women MFI & Platform :20%*

*The share of revenue is @20% earmarked for Platforms and Women Managed Micro Finance Platform” apnacredit” operated with the License of the Foundation i.e. Section 8 Company as per the Reserve Bank of India Guidelines.

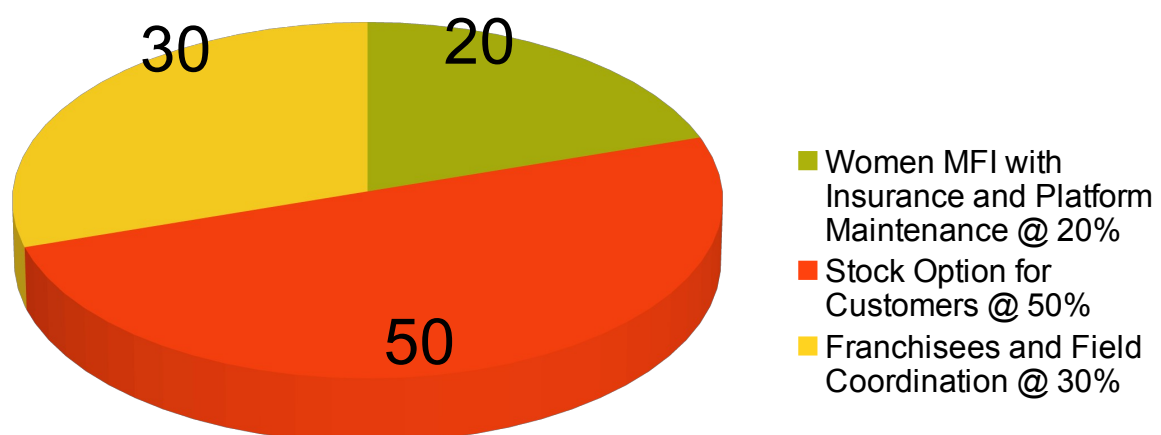
The costs associated with the Platform are covered from part of the revenue earmarked for MFI, as well as the 10% collected as Vendor Partner Annual Group Fund from Vendor Partners. The payback share will also come from the revenue earmarked for Franchisees and Field Coordination, i.e. @30% and from Women MFI and Platform, i.e. @20% for anytime an interest-free loan or returnable grant is used for increasing sales

activities that are still owed to the ecosystem. The Customer Stock-holding part of Consideration @50% and Vendor Partner Annual Group Fund by Vendor Partners @90% will left untouched.

Whenever the Platforms are sponsored or run with other revenue such as digital ad managed by the MFI Coordinators in the future as the Ecosystem mature, there will not be any need to draw from the revenue earmarked for Microfinance. Any additional money saved from ad Businesses towards the expenses of running the Platform will also be transferred to the Microfinance Platform.

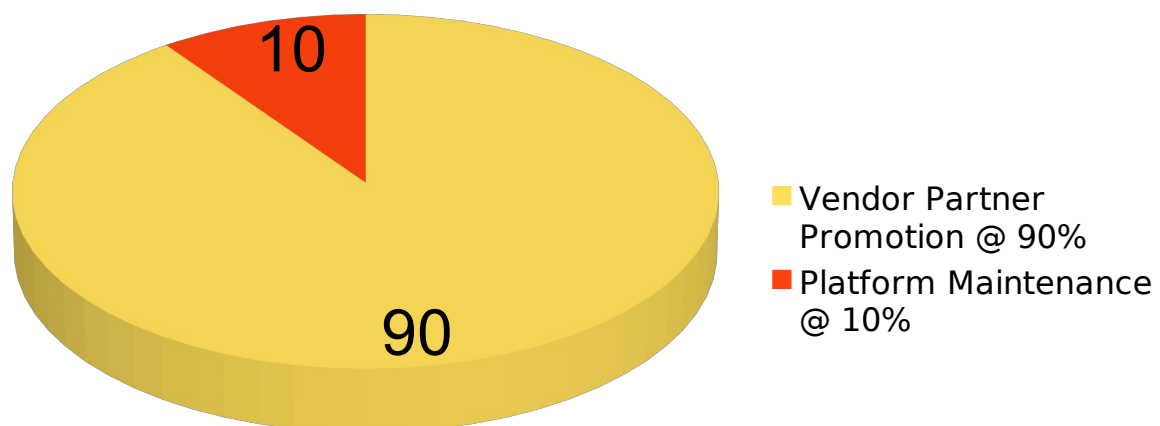
Money saved to the Microfinance through Savings Account by the Microfinance Members will anyway be continued to be used for Lending without any service charges or hidden Costs to the Members alone and will not anyway be used for any other Purposes.

Chart of Consideration Allocation



On stabilising the Platform, all expenses towards the cost of operation by the Franchisees such as Statutory, and Regulatory Requirement Compliances, Office Expenses such as Stationery, Communication, Internet, Coordination Fee, ESI, PF, e-Shram, as applicable contribution, Local Conveyance (For Personnel operating within Sub-Districts and Districts), Sales activities, Promotional Activities on the ground by State, District and Sub District Franchisees have to be routed through the UPI (Unified Payment Interface) /Digital Wallet provided by the Foundation. The expenses towards Digital Advertisements and Online Promotions for the entire State will be borne by the Foundation, mostly through interest free returnable sponsorships for whom due credit and attribution given and published on the Foundation's Web Site. In order to effect Outcome based Billing to the Foundation by the Franchisees and for trail of Transactions and Effort, [ERPNext](#) will be implemented for recording the Online and On the Ground activities. A minimalist Utility Space is preferred to Swanky Offices by Franchisees. Such Extravagant Expenses are highly discouraged as the Aim of the whole project is to drive the result of People's effort going back for the Welfare of Local Communities and Environment Rejuvenation than on Materials and Real Estate. Austerity and Frugality synchronous with an Altruistic Mind can only help this Project Sustain itself and retain the Trust of the Local Communities.

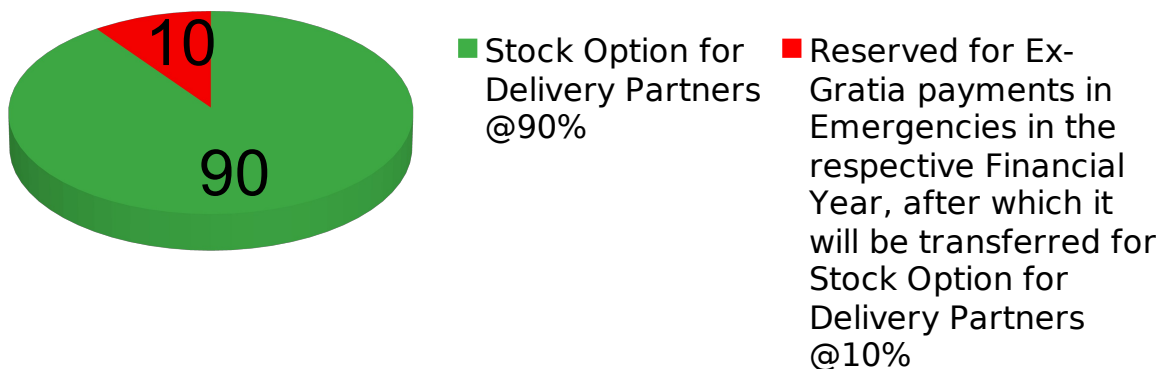
Chart of Vendor Partner Group Fund Allocation



As a principle, the parties agree that as the Foundation being a Community Serving Organisation, and this initiative is going to be long-term and aiming to be resilient, scouting for easy money or any Citizen's Hard earned money is never an option. When it comes to choosing between Bootstrap and Cash-burn using borrowed money, the parties shall always opt for the former. Doing MORE with LESS is the Key. However, for the initial priming and to settle the Platform and Services some assistance solicited.

In alignment with the broad objectives of MITHRANJALI FOUNDATION, which include creating friction-free e-marketplace platforms and generating local livelihoods, the Foundation and Franchisees aim to have an average of one part-time volunteering coordinator couple per 50 households as the ecosystem gains traction. These coordinators will receive an honorarium paid in part money and part shares from their respective Franchisee Companies, based on their efforts recorded in the ERPNext System. Their primary role is to build trust and confidence among households, encouraging them to extensively use the platform for buying and supporting innovative products and services sold through the ecosystem. Additionally, they will help mark shops and establishments, landmarks, pocket roads, households, and other locations in the volunteer community of citizens crowdsourced and managed [Open Street Map](#) of [India](#). These coordinators will act as the ecosystem's local point of contact and eyes and ears, ensuring that no one feels left out or excluded. For example, the District of Wayanad has approximately 1.9 lakh households, three sub-districts, and 150+ PIN codes, while the District of Ernakulam has approximately 18.7 lakh households, seven sub-districts, and 300+ PIN codes. The coordinators' objective is to continuously work towards creating a sense of belonging among households to ensure maximum cooperation and participation.

Chart of Delivery Partner Group Fund Allocation



- c. "Franchised Location" The Franchisee is granted the right to identify and shortlist prospective sellers within the State / District / Sub-District of Kerala.
- d. "Confidential Information" means:
- (i) patents, copyrights, trade secrets, apparatus, equipment, algorithms, software programs, software source documents and formulae related to the current, future, and proposed products and services of a Party (the "Disclosing Party"), the Disclosing Party's suppliers, and/or the Disclosing Party's customers;
 - (ii) the Disclosing Party's information concerning engineering, financial information, procurement requirements, purchasing, and manufacturing;
 - (iii) any intellectual property of any third party licensed to or held or used by the Disclosing Party, and any confidential information of a third party held by the Disclosing Party; and
 - (iv) with respect to the Lessor, the terms of this Agreement, the Documentation, and the Services. All of the foregoing may be Confidential Information whether transmitted or conveyed digitally, orally, in writing, or in the form of drawings, or as otherwise perceived or observed by the Party receiving the Confidential Information (the "Receiving Party"), in the course of the performance of its obligations under this Agreement.
- e. "Effective Date" means the date of agreement mentioned in this agreement at Page 1.
- f. "Force Majeure" means any cause beyond reasonable control of the Parties including, but not limited to the following: an act of Nature, war, insurrection, riot, civil disturbance, act or attempted acts of terrorism, fire, explosion, flood,

storm, theft, malicious damage, strike, lock-out, or other industrial dispute, third party injunction, national defense requirements, acts or regulations of National or Local Governments, Public Power Shortages, malfunctions, failures in public telecommunication or IT Services, or breakdown of other public infrastructures, inability to obtain essential power, raw materials, labor, malfunction of machinery or apparatus;

- g. Fructified Contract: A contract for the sale of goods and services in the website entered into during the Subscribed Period between the Franchisor and a Prospective Seller shortlisted by the Franchisee.
- h. "Intellectual Property" means trade-marks, service marks, domain names, business names, goodwill and the right to sue for passing off, domain names, software, programs, source code and object code, advertising material, specifications, documents, researches, abstracts and summaries developed and/or provided by the Franchiser, in connection with the provision of this Agreement, to the Franchisee and rights in confidential information, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of such rights and all similar or equivalent rights or forms of protection;.
- i. "Person" means a natural person/individual, proprietorship concern, partnership, corporation, limited liability partnership, trust, joint venture, association, unincorporated organization, government agency, political subdivision thereof or other entity.
- j. "Prospective Seller(s)" shall mean the persons who were introduced to the Franchiser by the Franchisee;
- k. "Services": The Franchisor appoints the Franchisee on a non-exclusive basis to identify and shortlist prospective Sellers who are willing to sell their Goods and Services on the website, subject to and in strict compliance with such terms and conditions as may be stipulated by the Franchisor from time to time. It shall be the Franchisee's sole liability to ensure and fulfil the tasks of completing the end to end process of shortlisting the prospective sellers who meet the requirements set forth by the Franchisor and are willing to sell their Goods and Services on the website and finalizing the necessary formalities with such prospective sellers. The Franchisee shall be solely responsible for direct interaction with the prospective seller(s), and to do all incidentals, allied activities including but not limited to background check, research and verification of the prospective seller(s), the verification of legal documents, compliances and legal requirements under the applicable laws and statutes. The Franchisee shall also be solely responsible to ensure that the Goods or Services of the prospective sellers are genuine and such sellers possess all legal rights and entitlements to sell such Goods and Services, such products are not counterfeit, spurious, adulterated, unhygienic or of poor or inferior quality, narcotics, alcoholic liquor, tobacco, illegal drugs, lottery or any illegal products or services etc. The prospective sellers shall be finalized and approved by District and State Level Franchisees. Any Violations or Non-compliance by sellers will attract reporting to concerned authorities and simultaneously get black listed on the Web Site and Recorded for informing/educating the Consumer Citizens.

1. "Website" means the online marketplaces owned and operated by the Franchisor converged at the web address <https://www.mithranjali.org.in> and a Mobile Application to facilitate sale and purchase of Goods and Services, between various sellers and interested buyers in India.

IV. INTERPRETATION:

- i. The Appendices form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Appendices;
- ii. Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- iii. Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- iv. A reference to writing or written includes letters, emails and/or other methods used for the communication between the Parties.

V. RIGHTS, DUTIES AND OBLIGATIONS:

The State Franchisee's primary role will be to promote Sales for the entire State. The state franchisee should coordinate with Customer Relations Coordinators from the district and sub-district franchise companies. Household support coordinators shall also be deputed to the field as necessary based on revenue, and external assistance by way of returnable grants or interest-free loans may be provided if necessary. Field coordinators shall also be engaged on a part-time basis to boost marketing and sales by location, as needed.

The District Franchisees' primary role will be Customer Escalation and to support Local Communities by surveying for Needs for Products and Services in their jurisdiction through online Open Source based Tools provided by the Foundation and through the Household Support Coordinators, and informing back to the Vendors under the jurisdiction of the Sub-District Franchisees and also prospective Entrepreneurs who are ready to produce them locally and make it available through the Ecosystem. The District Franchisees should also aid in the creation of Enterprises by finding members of the Communities who have entrepreneurial traits that can cater to the needs of the Local Communities. Cross-holding of shares and even Seed funding of a qualified project vetted by expert Third Parties with stake in starting up is also an option with such firms. Setting up a startup business should be focused on serving the communities, rather than solely aiming to be acquired by oligarchs. Such acquisitions can ultimately be detrimental to the interests of the communities and the overall ecosystem. Every public limited company promoted as franchisees should incorporate rules such as the 'One Shareholder, One Vote' principle to ensure a truly democratic nature and prevent acquisition by oligarchs or any vested interests through mass buying and increasing their share through proxies.

The Sub-District Franchisees' Primary role will be in Customer Satisfaction, which will entail registering Customers, enrolling vendors, their products and services, validating their documents for statutory compliance, and ensuring the quality of products and services routed through the Platforms. Cross-holding shares with State and District Franchisee, and Firms vetted, and recommended by the District franchisees and dispersing shares among local customers based on their purchases volume will be the way ahead for Resiliency.

The Efforts over and above the Base Coordination Fee's Job Description, captured in the ERPNext Time Sheets will be calculated and converted to shares in the respective Sub-District Franchisee Companies. That will include Coordinators from State, District, Sub-District Franchisee Companies and who will be taking part as Part Time Coordinators for Open Street Mapping of Shops and Establishments, Households, Roads, Other LandMarks etc. and help enrolling Vendors.

The group that became successful in winning franchisee-ship should make sure each region is covered by adequate representation. For instance, the Sub-District of Kochi, one of the Ernakulam District's seven Sub-Districts, has Edakochi, Perumbadappu, Palluruthy, Chellanam, Kannamali, Thoppumpady, Chulikkal, Fortkochi, Mattanchery, and other small and medium townships. Franchisees need to be aware that the entire jurisdiction, including these places, is represented by having Coordinators from those locations.

The premises of the Franchisee can be the House of a Franchisee Director/Shareholder initially and later when there is enough revenue will be paid Rs.10000.00 per Month or as may be fixed from time to time. At first, BYOD (Bring Your Own Devices) and furniture meant setting up one's own space to work from, like a member's house or essentially anywhere else WFA (Work From Anywhere). Furnishings, computers, laptops, and other items can be purchased after the revenue has stabilized, and FOUNDATION will send a circular to all franchisees to that effect appropriately.

Local conveyance to be born during the initial Months by the Customer Relations Coordinators and marked in the ERPNext Time-sheet. Environment friendly Conveyance preferred over Fossil based Local travelling for Sales coordination activities. Coordinators who exhibit environmentally friendly behaviour and are frugal will also gain more shares in their respective sub-district franchisee companies.

Sub-District Coordinators should be domiciled in the same Sub-District only. District Coordinators should represent their respective domiciled Sub-Districts and should be drawn from all the Sub-Districts under their District. The State Franchisee must be from the District of Ernakulam because of its approximate equal proximity to both the North and South of Kerala and also as the Pilots with field trials of all Platforms planned at Ernakulam before rolling out to the rest of Kerala.

State and District Franchisees are for Administrative and cross holding purposes. When identifying such companies for subscribing to their shares, see that, if there are already more than 10 Shareholders existing, there is willingness to adopt an Electronic Voting Mechanism for the Shareholders for Ease of Participation.

Dividends are only distributed to shareholders by the Sub-District Franchisees. The District Franchisee pays profits earned through joint ventures with SMEs and FPOs to the relevant Sub-District Franchisees, whereas the State Franchisee pays dividends to the District Franchisees.

-draft- Franchise Agreement

Shares get allocated at the Sub-District Franchisees only through Customer Purchases and Conversion of Efforts by Coordinators. Not by infusing Funds by issuing shares out of turn. Such acts have the potential to repel the existing Customers and are not permitted to retain the Franchisee-ship in the Ecosystem.

Telegram, Whatsapp, email, and video communication etc. will all be used by coordinators while working with franchisees and other functions. One Telegram group, for instance, consists of all "Customer Relations Coordinators," another for all "Customer Handling Teams," and yet another for "Accounts Team", and so forth.

Cloud Kitchen, Catering, Retail Chains with more than five branches not permitted in the Platform. Catering may be permitted when "Mithranali apnacart" B2B is introduced.

After calling the Help desk and going through three layers of escalation, complaints and severe issues regarding any operations at the sub-district, district, and state levels are escalated to the Foundation. Any escalation demonstrates inadequate service quality, and coordinators and franchisees will be held responsible.

A Call or Email once received generates a Ticket with an acknowledgment to the Customer by Email and SMS and the Customer is kept informed till the Closure of the Ticket. This behavior leads to Customer Delight. Never a situation should arise where the Customer who logged the Ticket has to call again or Email again to query the status of the Ticket.

Under any circumstance, Coordinators should avoid overreacting, and always act professionally and quietly. Every coordinator, whether full-time or part-time, must ensure being polite, friendly, helpful and approachable for the citizens in their local communities for their full support. Gaining the trust of the local communities is the only way to scale the selling of goods and services through the platforms.

Franchisee Companies' Financial Health and their Share analysed report will be published on Foundation's Website with Live Data from ERPNext for the Public with all parameters such as Face Value of a Share, Book Value of a Share, Net Profit QoQ Growth %, Net Profit Qtr Growth YoY %, Operating Profit Margin TTM %, Revenue QoQ Growth %, Revenue Growth Qtr YoY %, RoA Annual %, ROCE Annual % ROE Annual % etc... as it evolves.

Full Time Coordinators not performing should be replaced with other shareholders from the Team in the Franchisee Company. If not feasible Foundation will be advertising to get suitable personnel from outside the Teams.

All other Shareholders in addition to the designated coordinators with a coordination fee earmarked can function as field coordinators for Open Street Mapping, helping vendors enrol with the Platform, visit households for marketing and help enrolling if they require assistance etc...All field efforts will be registered in the system and suitably compensated with shares in the future based on the revenue generated. As the other Platforms start rolling, these floating coordinators can be designated with a fixed coordination fee plus the variable component commensurate with the effort into shares. Franchisee Companies may not get into any businesses directly.

When normal expenses have been covered, any remaining money is meant for cross-holding with other local businesses that are performing and complying. If there is any

remaining balance at the end of a quarter, State and District Franchisees are required to send it to the Sub-District Franchisee Companies for share allocation funds.

All Coordinators should have the utmost regard for every Customer irrespective of the volume of their purchase. Customer Services will be through a Personalized Local Support where every Call and Emails land at the respective Sub-District Franchisee's Help-desk sensed by the System attended by a Coordinator with Sub-District of the Customer. Never on IVRS and such Faceless and Anonymous Customer Support is ruled Out.

In order for local communities to generate livelihoods, be financially independent, and feel empowered, it is important to promote and encourage entrepreneurship and connecting them to the Market and introducing their goods and services to the Local Communities. In order to connect to the market and build resilience, citizens from vulnerable groups that are unable to operate as individuals should be encouraged to form groups and help register as legal business entities.

There are only two types of revenues anticipated for the State, District and Sub-District Franchisees. a).Transfer as Consideration from MITHRANJALI FOUNDATION. and b).By dividends from companies in which the franchisee firms hold stock. Loans to individuals or other entities are not allowed by any Franchisee Companies.

Before cross holding initiation, a financial expert, such as a practicing CA or CS, should assess the potential companies for statutory compliance and financial soundness. Voting by Shareholders is required for any Cross Holding of Shares. The other businesses that will be subscribing to the franchisee companies should be given the same freedom to assess for statutory compliance and Financial Soundness of the Franchisee Company. Share Subscription in any Company by Franchisee Companies should not total more than 49%.

A company operating in a sub-district, whose targeted customers are limited to that sub-district due to their capabilities and available resources, can make a maximum of 49% of their shares available to the sub-district franchisee company within their jurisdiction. If another company is capable of serving the district, a maximum of 49% can be allocated to the district franchisee. Similarly, for companies with the capability to serve an entire state, a maximum of 49% can be allocated to the state franchisee public limited company.

Companies that operate in multiple adjacent sub-districts or districts may choose to allocate shares among sub-district or district franchise companies. However, jointly, those franchise companies should not hold more than 49% and should not have a controlling stake or a chair in such companies.

The decision of local companies to allocate shares to franchisee companies is voluntary, and the upper limit is set at 49% to prevent any franchisee company from having a controlling stake. Franchisee companies should not demand more shares, even if the local companies allocate only a fraction, such as less than 1%. It is purely voluntary.

The shareholding ratios of all companies that have arrangements with the ecosystem will be published on the Foundation's website for community information. Financial reports will also be made available to third parties, and the ecosystem will be sufficient to judge their governance and soundness. These reports will be publicly available on the dashboard of the Foundation's website for further study and rating. Franchisee companies should not hold any board position in such companies.

Franchisee Companies are encouraged to cross hold shares with other Franchisee Companies as well with the same conditions described above. Franchisee companies can help in forming any type of companies but by complying as described above. Franchisee Companies should never go for controlling stake in any companies. Investee companies can also be allocated some shares by the franchisee companies on mutually agreed terms, can't be a one sided process, again with shareholders' consent. The Franchisee Companies will not be entering into any other business directly other than entering into cross holding with other Companies. Preferred type of entities to cross hold shares are Private Limited, Unlisted Public Limited Companies, and FPOs.

Franchisee Companies should not invest in any Companies through Stock Market or Trade in Stock Market. However, investment in listed Companies can be through the proper institutional channel and Tool such as Private Placement with the advice from qualified financial experts and definitely with shareholder consent through voting.

Before considering a public listing of the franchisee companies, shareholders should assess the feasibility, given that there are only 11 Crore demat accounts in India, and many of these accounts are held by the same individuals. This represents less than 8% of the population. However, educating shareholders to use the share transfer tool within the company for liquidity could be beneficial. There are other avenues for transacting shares for unlisted companies such as **Zerodha** and Procedures for opening an account can be found at websites such as **Zerodha KFINTECH** , and **WIPL** , even for foreign Nationals e.g. **Zerodha** .

As our ecosystem stabilizes, the foundation will pursue a depository partnership to become a custodian of the shares held by local communities in franchisee public limited companies. We will also provide an option to their associated cross-holding companies by applying for a license from either **CDSL** or **NSDL** , both of which are government-owned and regulated depository services. This will enable them to hold their equities and trade without incurring excessive costs.

Only within the jurisdiction of the franchisee companies, cross-holding of shares is allowed. In other words, a Sub-District Franchisee is not allowed to hold shares of a company that falls within the jurisdiction of another Sub-District. For it to happen the respective District Franchisees to be involved and take the lead in subscribing to the shares of such Companies. Similarly for a District Franchisee Company can't subscribe to a Company located in another District bypassing the State Franchisee Company.

All Money Transactions will be routed through the Bank Channels only and the same will be taken care by the Bank under their Service CMS (Cash Management System) with a dedicated Manager for the same with standing Instructions from the Foundation. Day to Day Activities of the Foundation will be coordinated by the Coordinators chosen from the Women led Micro Finance Arm of the Foundation as it evolves.

All Installments of Vendor Partner Annual Group Fund including the first Collection should also be through the Digital Channel i.e. Vendor paying with the vendor's UPI ID to the Platform's Bank Digital Wallet and never to be collected by Cash. As such, the Foundation or it's Franchisees or the Coordinators will never Pay or Receive Money other than through Banking Channels as a Policy of the Foundation.

All coordinators will be required to work as a team based on their function and their respective franchise companies. From time to time, the engagement of Household Support Coordinators may be needed on a need basis. To increase the value of shares,

promoting startups, seeds, and other initiatives will be encouraged. Coordinators can earn shares through their efforts and customers who make purchases on the platform.

From the ERPNext system, a read only login to be made available for monitoring by Social Auditors and the Bank accounts of Franchisee Companies should have Reconciliation facility through APIs with ERPnext.

Specifications for logo usage, T-shirt, Raincoat, and Bag models will be provided, and the delivery partners are free to obtain them from their chosen manufacturers and printers, either individually or jointly.

Franchisee companies should allocate 2% or more of their profits for social spending under CSR (Corporate Social Responsibility). The decision on how to allocate these funds should be based on shareholder suggestions and approval through voting. However, we believe that it should not be a necessary condition to wait for profits to engage in social spending. Such activities can be embedded into the journey of the franchisee companies themselves.

For our ecosystem, we strongly believe in social spending to make essential services affordable and accessible to everyone. Our focus is on providing capitation-free and donation-free education to all. To ensure that our projects benefit the communities we serve, we route all project implementations through consumer forums and committees of respective sub-districts. Social audits are required to ensure transparency and accountability. Reporting back to the foundation's website is necessary to keep communities informed and engaged in our efforts to improve their lives.

- 1.Preventive Healthcare such as Diagnostics etc...
- 2.Cleaning of Public Places.
- 3.Greening and Rejuvenation of the Environment.
- 4.Environment friendly Mini Waste Recycling Plants.
- 5.Constructing of Environment friendly Houses for Homeless with Reusable materials.
- 6.Reconstructing of Houses that are dilapidated and the Households can't afford to do it with Environment friendly Reusable materials.
- 7.Environment friendly Elderly Care Homes.
- 8.Environment friendly Destitute Care Homes.
- 9.Environment friendly Orphan Care Homes.
- 10.Establish feeding stations for stray dogs and other domesticated animals, and help coordinate with local authorities to ensure timely sterilization.
- 11.LKG to K-12 Schools.
- 12.Environment friendly Skill Building Institutions.
- 13.Environment friendly Colleges for Environmental, Technical, Engineering, Technology, Medical studies etc.
- 14.Environment friendly R&D Focused Institutions.
- 15.Training on Citizenry and Social Obligation.
- 16.Environment friendly Working Women Hostels.
- 17.Environment friendly Working Men Hostels.
- 17.Environment friendly Serviced Apartments.
- 19.Environment friendly Houses for Couples and Families on Rentals.
- 20.Environment friendly Staying places for Tourists.
- 21.Creating Environment friendly Public Places for Socialization.
- 22.Creating Environment friendly Public Parks with Lung Space.
- 23.Creating Environment friendly Playgrounds for Sports.
- 24.Creating Environment friendly Arts Centres.
- 25.Decentralized Social Media.

- 26. Decentralized Emailing Systems.
 - 27. Environment friendly Community Kitchens.
 - 28. Promoting Affordable Environment friendly Ecotourism.
 - 29. Accounting and Compliance Support to MSEs and other Volunteering Organizations using Open Source Software such that, they qualify for Credit from Formal Channels as far as the MSEs are concerned and getting qualified for taking part in the Social Exchange being promoted by the Central Government.
 - 30. Electoral funds raised by Section 8 companies in Sub-Districts.
 - 31. API Servers for querying Government Published Data by Systems and Citizens. APIs e.g. FSSAI registered users or say current GST rates that can be incorporated into any Business Systems etc...to name a few etc...
- Left to the Imagination of the Community Members.*

Social Spending i.e. For Profit. Doing business directly through the Taluk, District, and State Level Public Limited Companies of the ecosystem would create a conflict of interest as the stated aim is to help micro and small enterprises. Instead, these companies can collectively contribute capital to venture into capital-intensive businesses such as Banking, Insurance, Telecommunications, undertake Civil Works Contracts of Local, State and Central Governments. This can be done by promoting special purpose vehicles maintaining Open Source Accounting and distributing the proceeds to citizens by adding value to their shares held in their respective Taluk Public Limited Companies. The Foundation will be willing to aid and coordinate such initiatives by pooling domain expertise from experts in the community and providing necessary tools.

- 1. Bank.
 - 2. Insurance.
 - 3. Telecom.
 - 4. Electric Vehicle of all types manufacturing.
 - 5. Household based Rooftop and Community Green Power Generation.
 - 6. Green Mode of Public Transportation.
 - 7. Public Works Contracts.
 - 8. Assist local communities in promoting and operating Nidhi Companies to enhance financial inclusion and progress. Presently, Tamil Nadu accounts for 80% of registered and operational Nidhi Companies in India, which may have contributed to the flourishing of a higher number of cottage industries and MSMEs in the state. Tamil Nadu is the second state after Maharashtra to have the maximum number of Cottage Industries and MSMEs.
 - 9. Help setup Technological Parks in each Sub-Districts.
 - 10. Bidding and Buying assets which are being offloaded by the Government and running them etc...
- Left to the Imagination of the Community Members.*

Customer Relations Coordinators to Network with the following Agencies:

Interfacing Trade Groups

Street Vendors Associations.
Vyapari Vyavasayi Associations.

Online Platform GIG Associations.
CAIT.
FISME.
KHRA.
Kisan Unions.
Trade Unions.
SHGs.
Restaurant Associations.
Street Vendor Associations.
Taxi Drivers Associations.
Auto Rickshaw Drivers Associations etc...

Interfacing Social Groups:

Residents Welfare Associations
Literary Clubs, Libraries
Arts Clubs
Sports Clubs
Cultural Clubs etc...

Interfacing Citizen Representatives:

Ward Members
Councilors
Mayors
MLAs
MPs

Interfacing Authorities:

Police.
Local Bodies.
Sub-District Government Administration.
District Government Administration.
State Government Administration.
Other Departments of Interest to the Ecosystem such as Industries Department, Social Welfare Department, Labor Department, Local Self Government Department etc. for their continued Support.

The Franchisee:

- i. The Franchisee undertakes and declares that the services will be provided in professional and proper manner.
- ii. The Franchisee shall serve the Franchisor faithfully and diligently and not allow its interests to conflict with its duties under this agreement.
- iii. The Franchisee shall use its best endeavours to fulfil finalization of Prospective sellers.
- iv. The Franchisee shall report in writing to the Franchisor from time to time on progress made with Prospective Sellers;
- v. The Franchisee shall comply with all reasonable and lawful instructions of the Franchisor.

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- vi. The Franchisee shall have no authority and shall not hold itself out, or permit any person to hold itself out as being authorised to bind the Franchisor in any way and shall not do any act which might reasonably create the impression that the Franchisee is so authorised
- vii. The Franchisee shall not make any representations, warranties, or promises regarding the Franchisor without prior written consent, except for what is explicitly allowed. The Franchisee is prohibited from making or entering into any contracts or commitments, or incurring any liability on behalf of the Franchisor, including pricing and provision of Services, and shall not negotiate any terms with Prospective Sellers for providing the Services.
- viii. Franchisees should not have any commercial interests with any White Label or Retail Sellers on B2C Platform or Wholesale Sellers on B2B Platform. Franchisees are encouraged to Cross Hold Shares with Local MSMEs registered as Private Limited or Public Limited and FPOs (Farmer Producer Organisations), and should exhort the MSMEs to cross hold shares with FPOs (Farmer Producer Organisations) as well. Franchisees are encouraged to allocate shares of the Franchisee to as many Local Producer Companies as possible for developing Goodwill, to boost Sales, and also for the Trickle Down effect, Virtuous Cycle of the Local Economy to operate with ease.
- ix. The Franchisee shall not, without the prior written consent of the Franchisor, during the term of this agreement or any time thereafter upto a term of Five years from the date of termination of the Agreement, perform duties similar to the services as stipulated under this Agreement, on behalf of any third party /person or entity.
- x. The Franchisee must disclose to each Prospective Seller that it is an introduction agent of Franchisor and that it has no authority or ability to negotiate or vary the Services or the terms of the Services or enter into any contract on behalf of the Franchisor.
- xi. The Franchisee shall not produce any marketing material for the Franchisor's services or use the Franchisor's name, logo or trade marks on any marketing material for the Services without the prior written consent of the Franchisor.
- xii. The Franchisee shall fulfil its obligations and duties under the Agreement with utmost honesty and in consonance with business and moral ethics and values.
- xiii. The Franchisee shall comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption
- xiv. The Franchisee shall comply with any Ethics and Anti-bribery Policy as the Franchisor may update from time to time;
- xv. The Franchisee shall have and shall maintain in place throughout the term of this agreement its own policies and procedures to ensure compliance with the Relevant Requirements, the Relevant Policies and clauses and will enforce them where appropriate;

-draft- Franchise Agreement

- xvi. The Franchisee shall report to the Franchisor, within 1 business day, any request or demand for any undue financial or other advantage of any kind received by the Franchisee in connection with the performance of this agreement;
- xvii. The Franchisee shall notify the Franchiser of any circumstances which may affect the implementation of this Agreement, including but not limited to the change the location, personal details, during the provision of the Services;
- xviii. The Franchisee shall provide timelessly the information required for the execution of this Agreement;
- xix. Performance Indicators for Franchisees:-

The performance of the Franchisee shall be periodically reviewed, based on the following parameters, among others:

- 01. Consumer Satisfaction.
 - 02. Change in number of Consumers (Additions/Deletions).
 - 03. Change in number of Sellers (Additions/Deletions).
 - 04. Change in Sales Volumes (Increase/Decrease).
 - 05. Helping and Facilitate on-boarding of Tribal people, Weavers, Artisans, SHGs, Micro Vendors, Farmers, Street Vendors, Hawkers etc..
 - 06. Helping and Facilitate setting up Producer Companies by Community Members.
 - 07. Exhort and Facilitate addition of Share Holders by Producer Companies to increase their Base and Inclusion from their catchment Area.
 - 08. Helping and Facilitate on-boarding Entrepreneurs' Products and Services to give a Glide Path and Safety Net by co-opting with Local Communities.
 - 09. DEI Parameters.
 - 10. ESG and GRC Parameters.
 - 11. Franchisees may initiate Cross Holding of Shares with FPOs(Farmer Producer Organisations) and other MSMEs themselves and set examples for others to follow.
 - 12. Number of affordable Eco Tours organized for Community Members in the catchment Area.
 - 13. Number of Training Activities organized for Community Members.
 - 14. Number of Cleaning Activities organized for Community Members.
 - 15. Number of Greening Activities organized for Community Members.
 - 16. Number of people helped for enrollments from the Delivery Partners and other Unorganized People into PM-SYM
- Note: At Varying Period such as on a Daily/Weekly/Monthly/Quarterly/Biannually/Annually as defined as per ISO 9001 Processes by ISO Quality Consultants and Auditors etc.
- 17. Performance in Altruism Test conducted by Third Parties.
 - 18. Help Women Owned Micro Finance Organization in their Operations.
 - 19. Progress on initiatives, both non-profit and for-profit, being undertaken in collaboration with local communities.
 - 20. Austerity and Frugality consciousness.

Note: The list above may be subject to change based on feedback and demands from the local community.

The Franchisor:

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- i. The Franchisor reserves the right to request/obtain information, documents and information necessary for the provision of the Services from the Franchisee;
- ii. The Franchisor reserves the right to involve third parties in the execution of this Agreement, in its sole discretion, who are highly qualified in the areas of knowledge required for the successful execution of this Agreement.
- iii. The Franchisor must at all material times act in good faith towards the Franchisee.
- iv. The Franchisor shall provide the Franchisee at all material times with the information the Franchisee reasonably requires to carry out its duties, including marketing information for and details of the Services, and information about sales on website.
- v. The Franchisor shall not be responsible for any costs incurred by the Franchisee unless such costs have been agreed by the Franchisor in writing, in advance.
- vi. The Franchisor shall be under no obligation to finalize any prospective seller introduced to it by the Franchisee or to enter into a fructified Contract.
- vii. The Franchisor shall promptly notify the franchisee in writing the date it enters into a Fructified Contract.

VI. CONSIDERATION AND PAYMENT:

- i. The Franchisee shall be entitled to Consideration if a Prospective Seller introduced by it fructifies into becoming a seller of the Franchisor.
- ii. The amount of consideration payable shall be as defined in clause II b (as it may be renewed, extended or amended) after a period of 2 years from commencement of this Agreement.
- iii. If any dispute arises as to the amount of Consideration payable by the Franchisor to the Franchisee, the same shall be referred to the Franchisor's auditors for settlement and their decision, save in the case of manifest error, shall be final and binding on both parties.
- iv. In cases where the Franchisee has or, in the Franchisor's reasonable opinion, is likely to have, an indemnity and/or liability, the Franchisor may, without prior notice:
 - a) withhold consideration until the liability has been covered;
 - b) set off any consideration subsequently accrued towards the settlement of relevant liability, until the liability has been covered in full;
 - c) The Franchisor reserves the right to "put on hold" and/or reject any request(s) for consideration, to the Franchisee including but not limited to:
 - d) if and for as long as there exists any reasonable suspicion related to activities of the Franchisee;

- e) if complaints from prospective seller (s) are received and/or legal issue(s) arise;

VII. UNDERTAKINGS AND INDEMNIFICATION

- i. The Franchisor will not acknowledge nor be held liable to prospective sellers or the Franchisee for any advice, recommendation given or made by the Franchisee, its agents, Coordinators, officers, affiliates, partners or any person acting under instructions from the Franchisee or deriving authority from the Franchisee under this Agreement to any prospective seller and/or any other activities that require licensing as per the relevant legislation(s), and the Franchisee will indemnify the Franchisor from any loss and/or liability arising from any such advice, recommendation and/or from any delay, default and/or neglect on the part of the Franchisee in relation to any prospective seller.
- ii. The Franchisee is liable to supervise activities of its Coordinators in order to be in compliance with the terms of this Agreement. The Franchisor shall not be liable for any activities performed by the Franchisee outside the scope of this Agreement and/or any damages that may be caused, directly or indirectly, by the Franchisee/ its agents/ assigns / Coordinators or any such person to the third parties;
- iii. The Franchisee should obtain the prior approval of the Franchisor relating to marketing intended to be performed on any internet search engine, display, and/or on any of the Franchisor's websites, in other words, the Franchisee should avoid "competitive marketing" against the Franchisor;
- iv. The Franchisee hereby irrevocably waives its right to, and shall indemnify the Franchisor and its members, including its directors, shareholders, officers and Coordinators, for and against, any and all claim(s) and/or demand(s) made against the Franchisor and/or any member of the Franchisor, the directors, shareholders, officers, and Coordinators or against any claims, as a result of or arising from any action, inaction or representation of the Franchisee or its Coordinators or agents;
- v. The Franchisee acknowledges and agrees that in cases where any Regulatory body makes an inquiry, in respect of any subject matter, related to the execution of this Agreement and thereafter, if such required, the Franchisee shall cooperate with the Franchisor and provide any/all requested information instantly;
- vi. The Franchisee shall bear the responsibility for the operation of its business and/or any actions and/or omissions of the Franchisee, its Coordinators (if any) and/or any other authorized representative of the Franchisee participating in the activities in connection herewith;
- vii. Each Party shall notify the other Party immediately if it becomes aware that it is, or is likely to become, a Party to any legal action which relates to the Services (the "Claim");

- viii. Each Party shall indemnify, defend and hold the other Party and its officers, directors, Coordinators and representatives, harmless from and against any and all claims arising from or related to (i) the other Party's negligence, willful misconduct or breach of this Agreement; or (ii) any claim for rights infringement by a third Party arising out of the other Party's activities pursuant to this Agreement. Furthermore, the Franchisee shall indemnify, defend and hold the Franchisor and its officers, directors, Coordinators and representatives, harmless from and against any and all claims arising from or related to operation of the Franchisee's actions under the Agreement.
- ix. Neither Party will be liable to the other Party for any indirect, special, incidental nor consequential damages (including lost profits) sustained or incurred in connection with the performance of this Agreement;
- x. In cases of non/improper performance of obligations, of either Party, the violating Party shall compensate to the other Party for the relevant damage(s) caused;
- xi. In cases where the information obtained from the Franchisor is used for any purpose other than specifically referred to within this Agreement, the Franchisee shall be subjected to the penalty amount to minimum INR Five Lacs.

VIII. REPRESENTATIONS AND WARRANTIES:

- i. Both Parties, by entering into this Agreement, indicate their mutual understanding and reciprocal obligations and duties to the other, more specifically, the Franchisee shall provide the Services and the Franchisor accepts it;
- ii. Each Party represent, warrant and undertake that it has the full right, power, legal capacity and authority to perform its obligations under this Agreement, subject to any regulatory approvals and furthermore confirm that, to this date, is of good standing and reputation, managed by persons (if not a natural person), holding the required qualifications, experience and skills;
- iii. The Parties confirm that this Agreement does not conflict with, or breach term(s), condition(s) or default under any other agreement to which it is a party;
- iv. The Parties are duly represented by the authorized persons, whom have the legal capacity to enter into and execute this Agreement, whereby this Agreement will be legally binding on both Parties;
- v. Each Party warrant that there is no action, suit, or proceeding at law or in equity now pending or, to its knowledge, threatened by or against or affecting it which would substantially impair its right to carry on its business, as contemplated herein, or to enter into or perform its obligations under this Agreement, or which would adversely affect its financial condition and/or operation;

IX. COMMENCEMENT AND DURATION

This Agreement is for an initial term beginning on the Effective Date and continuing for a period of five years ("initial term"). At the end of this term, this Agreement shall be renewed each time for another term of five years with the same terms and conditions as stated herein this Agreement by and upon the prior mutual agreement of both Parties (the "Renewal Term"). The Initial Term and Renewal Term shall be collectively referred to, within this Agreement, as the Term.

X. CONFIDENTIALITY AND DATA PROTECTION

- i. Each party covenants that, during and following the Term of this Agreement, without limitation, it shall hold in confidence all information and will not disclose any such information to any person, except with the specific prior consent of the other party, or in cases where the legislative requirements request otherwise;
- ii. Each party shall treat all information related to the other party with confidentiality, including information about the account(s) or otherwise, unless such party is required to provide information about the other party by applicable legislation(s) and/or Court Order. In such case(s), the party shall notify the other party immediately;
- iii. Confidential Information shall not include information which:
 - a. is or becomes a part of the public domain through no act or omission of the other Party;
 - b. was in the other Party's lawful possession prior to the disclosure and had not been obtained by the other Party either directly or indirectly from the disclosing Party;
 - c. is lawfully disclosed to the other Party by a third party without restriction on disclosure; or
 - d. is disclosed by operation of law;
 - e. any and all know-how, information and knowledge gained by the Franchisee, as a result of this Agreement, shall be and shall remain the Franchisor's sole property;
- iv. Neither Party shall disclose to any third party the details regarding the execution of this Agreement including trade secrets, know-how, ideas, schematics and drawings, specifications and plans, concepts and methodologies incorporated therein, including without limiting the generality of the foregoing, including the information related to the activities of the Party, the operation, plans, business concepts, marketing plans, financial information or any other information as Confidential Information nor shall it make copies of such Confidential Information or any content of, unless requested to do so by the other Party and shall not use the Confidential Information other than solely for the benefit of the other Party;
- v. The Franchisor may record and/or monitor telephone conversations and written correspondence between the Parties for security purposes.

XI. INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property materials shall belong exclusively to the Franchisor;

The Franchisee shall, upon the request of the Franchisor and/or upon termination of this Agreement, deliver promptly to the Franchisor the records and materials, if such requested by the Franchisor;

XII. FORCE MAJEURE

- i. No party shall be liable for any default or delay in the performance of its obligations under this Agreement (including but not limited to breach) if and to the extent such default or delay is caused, directly or indirectly, by circumstances beyond a Party's reasonable control, except to the extent that the non-performing party is at fault in failing to prevent or causing such default or delay, and provided that such default or delay cannot, by commercially reasonable efforts of the non-performing Party, be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means;
- ii. If either Party is prevented or delayed in the performance of any of its obligations under this Agreement by Force Majeure, that Party shall:
 - a. Promptly serve notice in writing on the other Party specifying the nature and extent of the circumstances giving rise to Force Majeure and the measures it is taking to remedy and/or mitigate the effects;
 - b. Use all reasonable endeavors, without being obliged to incur any expenditure, to mitigate the effects of Force Majeure and/or bring the Force Majeure event to a close, or find a solution by which this Agreement may be performed despite the continuation of the Force Majeure event;
 - c. Have no liability in respect of the performance of its obligations which are prevented by the Force Majeure events during the continuation of such Events; and
 - d. Upon cessation of the Force Majeure event, use its reasonable endeavors to recommence its affected operations in order for it to perform its obligations;
- iii. If the event of Force Majeure continues for 90 (ninety) days, at that point, either Party may terminate this Agreement immediately.

XIII. INDEPENDENT SERVICE PROVIDER

The Franchisee is not an employee, agent, representative nor has any authority, association or connection whatsoever with the Franchisor, other than specifically contemplated in this Agreement. The Franchisee shall not represent this Agreement as a partnership, affiliation and/or a joint venture, unless otherwise agreed by both Parties in writing;

this Agreement shall be deemed to create an arrangement between the Parties whereby no Party possesses the power or authority to bind the other, or to assume or create any obligation or responsibility, expressed or implied, on behalf of the other, and no Party

shall represent to anyone possessing such power or authority, except to the extent that such is required for the performance of this Agreement.

XIV. AMENDMENT

The terms of this Agreement may be amended by mutual written consent of the Parties;

XV. TERMINATION

- i. Either Party may terminate this Agreement, by providing the other Party with the minimum 180 days prior written notice of termination, upon settling the outstanding commitments;
- ii. Either Party may terminate this Agreement in case of voluntary or involuntary liquidation and/or bankruptcy;
- iii. Without affecting any other right or remedy available to it, either Party may terminate this Agreement with immediate effect by giving written notice to the other Party if: a).The other Party repeatedly breaches any of the terms of this Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Agreement; b).a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other Party (being a Franchisor);
- iv. The Franchisor may terminate this Agreement, at its sole discretion, by giving a written notice to the Franchisee, with an immediate effect, if the Franchisee commits a material breach of any term of this Agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 3 days after being notified by the Franchisor in writing, to do so;

XVI. NOTICES

All notifications shall be deemed to be made by sending such notice via durable medium, to the representative(s) of the Parties at the below stipulated addresses of each party.

Physical and email addresses:

Of the franchisor:

Attn:

PAN of the Representative Signing:

Phone:

Email id:

Address:

Place:

Date:

Of the franchisee:

Attn:

PAN of the Representative Signing:

Phone:

Email id:

Address:

Place:

Date:

XVII. SETTLEMENT OF DISPUTES; GOVERNING LAW AND JURISDICTION

- i. This Agreement shall be governed by and construed in accordance with the laws of India.
- ii. Disagreements and disputes that may arise, during the term of this Agreement, shall be settled by negotiation between the Parties;
- iii. All disputes and controversies, which may arise between the Parties during performance of this Agreement or any of its certain clauses, should be settled through mediation and as last resort arbitration.

XVIII. BINDING OF AGREEMENT

This Agreement constitutes the complete understanding and agreement of the Parties and supersedes all prior negotiations, understandings and agreements with respect to the subject matter of this Agreement. This Agreement may not be altered, amended, modified or supplemented in any respect except by a writing signed by an authorized representative of each Party;

XIX. SEVERABILITY

If any provision of this Agreement is held to be invalid, unenforceable or illegal for any reason, the validity or enforce-ability of any or all of the remaining portions shall not be affected;

XX. ASSIGNMENT

Neither Party shall be entitled to assign, transfer or sell any of its rights pursuant to this Agreement, or delegate any of its duties pursuant to this Agreement, without the express prior written consent of the other Party. Any attempted assignment, transfer, sale or delegation in violation of this Section shall be void. Any assignment of any of the parties' rights under this Agreement shall not impair the other Party's rights under this Agreement;

XXI. SUCCESSORS AND ASSIGNEES

Subject to any provisions herein with regard to assignment, all covenants and agreements herein shall bind and inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the parties hereto;

XXII. NO IMPLIED WAIVER

The failure of a Party to require performance of any provision of this Agreement shall not be construed as a waiver of that Party's rights to insist on performance of that same provision, or any other provision, at some other time. No right may be waived except in a writing signed by the Party entitled to assert the right. The waiver by a Party of any right created by this Agreement in one or more instances shall not be construed as a further continuing waiver of such right or any other right created by this Agreement;

XXIII. HEADINGS

Headings to sections herein are for the convenience of the parties only and are not intended to be or to affect the meaning or interpretation of this Agreement;

XXIV. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same Agreement.

MITHRANJALI FOUNDATION

WITNESSES:

(I).

Occupation:

Phone:

Email id:

Address:

Place:

Date:

(II).

Occupation:

Phone:

Email id:

Address:

Place:

Date:

THE FRANCHISEE

WITNESSES:

(I).

Occupation:

Phone:

Email id:

Address:

Place:

Date:

(II).

Occupation:

Phone:

Email id:

Address:

Place:

Date: