29 November 2023

Gaurav Dewan

Chief Operating Officer / Principal Operator

GMR Hospitality Limited

New Udaan Bhawan, Opp. Terminal 3

Indira Gandhi International Airport

New Delhi 110 037

Email: gaurav.dewan@travelfoodservices.com

**Subject: Cross charges – KFC outlets**

Dear Gaurav,

As part of our endeavour in good faith, to delivering world class operations, provide consistency with regards to products and supplies across all restaurants, we need to improve consistency, speed, and execution.

It is agreed between Yum! Restaurants (India) Pvt Ltd (“Yum”) and GMR Hospitality Limited (“GHL”), that Yum will facilitate with certain services of vendor identification, development, and price negotiation with regards to Approved Products and Supplies and GHL will purchase the supplies, materials, equipments and services used in the KFC Outlets operated by GHL exclusively from suppliers and distributors who have been approved by Yum (“SCM”).

We have also engaged the services of various service providers to conduct quality audit to maintain standard quality levels across all restaurants by way of Restaurant Operations Compliance Check (“ROCC”) as well as allow restaurant teams to access various tools on our Learning Zone platform (“LMS”).

ROCC, LMS and SCM together will be referred to as **“Services”** herein after.

The Services are being extended to all the outlets operating under the brand “KFC” by GHL.

The cost of Services will be applicable as per details set out in Table – A below.

|  |
| --- |
| **Table – A**  |
| S. No | Particulars | Cost of Services (INR / USD) | Details  |
| 1 | ROCC | Rs. 6190+taxes | Per outlet per quarter |
| 2 | LMS | $ 300 +taxes | Per outlet per year |
| 3 | SCM Fee | 0.55% (of sales) (inclusive of taxes)  | Per outlet per month |

In case there is any upward revision in the rate of tax or levy of new tax, these amounts shall be revised accordingly.

The aforesaid cost of Services set out in Table – A above, shall be payable to Yum against separate invoices raised by Yum for each Service. For the purposes of raising the invoice for the US dollar (USD) billing, Yum shall take into account, the current exchange rate as applicable as on the date of the invoice and GHL will make the payment to Yum accordingly.

The invoices will be raised quarterly/yearly/monthly and as per details for each Service as set out above in Table – A under the column “Details”, and payments shall be made by GHL to Yum, within seven (7) days of receipt of the invoice and in case GHL fails to pay the said amounts within time stipulated herein, GHL shall be liable to pay interest at the rate as set out under the Technology License Concession Contracts executed between the parties hereto.

The parties hereto agree that the Services as described aforesaid will continue for all the operational KFC outlets till such time GHL makes no default on the payment obligations. Further, all the above-mentioned cost of Services shall be reviewed on a yearly basis.

This letter supersedes any other letter/ communication in place with regards to the above subjected matter.

Please sign a copy of this letter in acknowledgement of your acceptance of the above.

Yours faithfully,

For and on behalf of
Yum Restaurants (India) Private Limited

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Aman Lal

Chief People & Culture Officer - KFC

**Terms agreed and consented to by:**

For and on behalf of
GMR Hospitality Limited.

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Gaurav Dewan

Chief Operating Office