

LICENSE AGREEMENT

This **License Agreement** (“**Agreement**”) made at Bengaluru on this 4th day of November, 2023 (Effective Date);

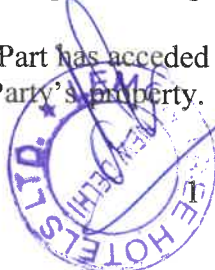
BY AND BETWEEN:

- I. **LEMON TREE HOTELS LIMITED**, a company registered under the provision of the Indian Companies Act, 1956, having its registered office at, Asset No. 6, Aerocity Hospitality District, New Delhi – 110037 represented through its authorized signatory, Mr. Mahesh Sesha Aiyer, authorised by way of board resolution dated December 20, 2022 (hereinafter referred to as ‘**Party of the First Part**’, which expression shall, unless the context admits otherwise, includes its representatives, successors and assigns);
- II. **CARNATION HOTELS PRIVATE LIMITED**, a wholly subsidiary of Lemon Tree Hotels Limited, having its registered office at Asset No. 6, Aerocity Hospitality District, New Delhi – 110037, represented through its authorized signatory, Mr. Mahesh Sesha Aiyer, authorised by way of board resolution dated November 2, 2023 (hereinafter referred to as ‘**Party of the Second Part**’, which expression shall, unless the context admits otherwise, includes its representatives, successors, agents and assigns); and
- III. **Subhamasthu Infra Projects, a partnership firm**, registered with the Registrar of Firms, Medchal Malkajgiri District, vide Regn. No. 2135 of 2020, having its registered office at Plot No 36, H. No. 1-4-63/3, Radha Nilayam, Sneha Nagar, Street No. 8, Habsiguda Uppal- Hyderabad 500007, Telangana State represented through its authorized signatory, Mr. Israel Battula, by way of authority letter dated March 1, 2022 (hereinafter referred to as ‘**Party of the Third Part**’, which expression shall, unless the context admits otherwise, includes their representatives, successors and assigns).

WHEREAS:

1. The Party of the First Part has been engaged in its well established and renowned business of setting up and running a successful chain of largest and finest moderately priced, full service hotels in India, by the name of “**Lemon Tree Hotels**”.
2. The Party of the First Part has represented to the Party of the Third Part that it is also the registered proprietor of Trade Marks “**Keys Lite Hotels**” for its hotels and “**KeysCafé**” for its restaurant, which stand duly registered in its favour.
3. The Party of the Third Part has represented to the Party of the Second Part that it is the owner of immovable property in the form of an under-construction building together with apurtenant land, currently being built into a Hotel of 150 rooms and related areas and located at Sy No. 150/part of Gundlapally Village, Yadagirigutta Mandal, Yadadri Bhongir District, Yadagirigutta, Telangana. The Party of the Third Part has approached the Party of the Second Part to run and manage the same on the terms and conditions mentioned under the Hotel Operation Agreement.
4. The Party of the Second Part has acceded to the request of the Party of the Third Part to manage and run Third Party's property. Accordingly, the Party of the Second Part –

Subhamasthu Infra Projects
S. Chetty
Partner



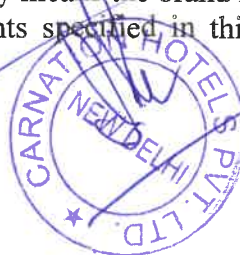
Carnation Hotels Private Limited– has simultaneously entered into an independent Hotel Operation Agreement (“HOA”) dated 4th November, 2023 with the Party of the Third Part setting out the terms and conditions and consideration for managing the property of the Party of the Third Part.

5. The present Agreement is for a period of 15 (fifteen) years from the date of takeover and shall stand terminated thereafter unless it is extended for a further agreed period by mutual agreement in writing of the Parties hereto.
6. It is clearly understood by the Parties herein that the present Agreement shall automatically stand terminated in the event of cancellation or termination of the HOA between the Party of the Second Part and the Party of the Third Part.
7. In case of any breach of any term of this Agreement by either Party, the other Party/Parties to this Agreement shall be entitled to terminate the Agreement by giving Three (03) month advance written notice of its intention to terminate the Agreement. The termination of the Agreement, for whatever cause or reason arising, shall be without prejudice to the rights of the Parties accrued under the Agreement up to the time of the termination.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES THAT:

- (i) The above said immovable property of the Party of the Third Part shall be fully and exclusively managed and run by the Party of the Second Part as per HOA.
- (ii) The Party of the First Part holds registration of the Trade Marks ‘**Aurika / Lemon Tree Premier / Lemon Tree Hotels / Red Fox Hotels / Keys Prima / Keys Select / Keys Lite**’ in respect of their hospitality business.
- (iii) The Party of the First Part hereby grants non-exclusive license to the Party of the Third Part to use its registered trademarks **Keys Select by Lemon Tree Hotels/Keys Café** in relation to the hotel business to be managed and run by the Party of the Second Part at the property owned by the Party of the Third Part.
- (iv) The Party of the First Part has represented to the Party of the Third Part that it is the registered legal owner of the above stated Trade Marks i.e. **Keys Select by Lemon Tree Hotels/Keys Café** which have been registered in India.
- (v) The Party of the First Part undertakes and covenants to the Party of the Third Part that it shall have use Brand for the duration of the Agreement and that the Party of the Second Part will have the right to manage the Hotel under the Brand for the duration of the Agreement.
- (vi) That the Party of the Third Part undertakes and covenants that it shall neither use the brand name of the Party of the First Part viz., ‘**Aurika / Lemon Tree Premier / Lemon Tree Hotels / Red Fox Hotels / Keys Prima / Keys Select / Keys Lite**’ nor have any right on or claim any kind of right on or use by any means the brand name / trade name of the Party of the First Part apart from the rights specified in this present License Agreement and / or the HOA.

UBH
of SUBHAMASTHU INFRA PROJECTS
B. Chawla
Partner



- (vii) The Party of the Third Part acknowledges that all rights, titles, proprietary and interest in and goodwill attached to the said Trademarks are and shall remain vested in the Party of the First Part, the Registered Proprietor, and the Party of the Third Part shall not, on its own or in assistance of or assist any other person take any action that may invalidate, prejudice or impair any rights of the Party of the First Part in and to the said Trademarks. In connection with its permitted use of the **"Keys Select by Lemon Tree Hotels/Keys Café"**trademarks, the Party of the Third Part shall not in any manner represent that it has any ownership interest in the **"Keys Select by Lemon Tree Hotels/Keys Café"**trademarks, and the Party of the Third Part specifically acknowledges that its permitted use of the **Keys Select by Lemon Tree Hotels/Keys Café**"shall not create any right, title or interest in the **Keys Select by Lemon Tree Hotels/Keys Café**".
- (viii) The Party of the Third Part further agrees that the Party of the Third Part shall not have any right or interest in any of the Intellectual Property Rights of the First Part under any circumstances unless otherwise specified in the present Agreement. The Party of the Third Part shall not challenge or attempt to register or record the said Trademarks of the First Partas such or in any modified form or manner or use or attempt to register or record any such Trademarks of the First Partwhich is either in whole or in part of the same or similar thereto, in any state, region or country, either during the term of this Agreement or after expiration or termination thereof.
- (ix) That the Party of the Third Part undertakes and covenants that immediately from the date of receipt of notice of termination of this Agreement and / or the HOA, it shall desist from using the brand name **'Lemon Tree / Lemon Tree Hotels/ Citrus Café / Keys LiteHotels/Keys Café'**whether in absolute form or in any modified manner whatsoever with regard to the Hotel venture under the HOA, any other hotel venture or any other business venture of whatsoever nature, in any state, region, country, etc.
- (x) The Party of the Third Part shall not assign, transfer or sub-license the licensehereby granted or any rights granted herein in any manner. In case of any sale of the property by the Party of the Third Part to any new owner and such new owner wishes to continue with the management of the Party of the Second Part, in that case the Party of the First Part shall enter into similar kind of agreement with the new owner on mutually acceptable terms and conditions.
- (xi) The Party of the Third Part shall have no right to represent to any one that it is the proprietor/owner of the said Trademarks and the extent to and manner of use of the said trade marks by the Party of the Third Part shall be decided solely by the Party of the First Part.
- (xii) Any delay or omission or failure by the Party of the Third Part in enforcing any of the terms and conditions of this Agreement shall not affect or restrict the rights of the Party of the First Part and any waiver by it of any breach of any provisions of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of any provision.
- (xiii) It has been agreed that the Party of the Third Part shall pay to the Party of the First Part:

For SUBHAMASTHU INFRA PROJECTS
B. Chetty
Partner



- a) A fee of 1.75%(One and three quarter Percent) of the Gross Revenue of the Hotel (as defined under Article 1.1 of the HOA)which shall be charged and accounted as follows: (a) marketing fee of 1.50% (One and Half Percent) of Gross Revenue and (b) a Royalty Fee of 0.25% (One-Quarter Percent) of Gross Revenue.
- b) A fee 3.5% (Three and Half Percent)of the Net Room Revenue as defined under Article 1.1 of the HOA)of the (Loyalty Program – Lemon Tree Smiles- members stay). The rules, policy and regulations for this Loyalty program stay shall be mentioned time to time on the business web site of the Party of the First Part.
- c) A Fee of 12% (Twelve Percent) on the net room revenue for materialized reservations made from the Lemon Tree Hotels website

(Hereinafter collectively referred to as “Fee”)

The said Fee shall be made to the Party of the First Part by the Party of the Third Part within twenty(20) days from the end of each month of each Financial Year. The Party of the First Part will raise invoice for the said Fee upon receipt of Gross Revenue of the Hotel report from the party of Second Part.

It is agreed between the Parties that the adjustments, if any required to be made to Fee will be done and finalised within the last quarter of the same financial year. All payments of the Fee by the Party of the Third Part in the manner specified above shall be made by way of cheque or direct transfer into the account of the Party of the First Part.

Any taxes, surcharges or any government levy of any type including but not limited toGST (but subject to TDS), applicable currently or in future on the above fee will be payable by the Party of the Third Part. The law of the land is to be followed in all cases. Income Taxes on the Party of the First Part’s income are the responsibility of the Party of the First Part. Provided, the Operator shall raise invoice mentioning the service tax, failing which the Owner shall not be liable for payment of service tax, interest and penalty.

(xiv) Upon expiration or earlier termination of this Agreement:

- (a) The Party of the Third Part shall forthwith(viz., in case the termination of this Agreement and/or the HOA is in furtherance and by way of notice, from the very date of such notice or such date from when any of the Parties herein are unable to exercise their rights under this Agreement, for whatsoever reason), discontinue use of any Intellectual Property Rights, use of which the Party of the First Part may have permitted to the Party of the Third Part under this Present Agreement.
- (b) The Party of the Third Part shall within fifteen (15) days from the receipt of notice of termination and / or expiration of the Term of this Agreement return all material bearing any of the Intellectual Property Rights of the Party of the First Part including any of the promotional material, advertising, sales literature

For SUBHAMASTHU INFRA PROJECTS
B. Choudhary
Partner

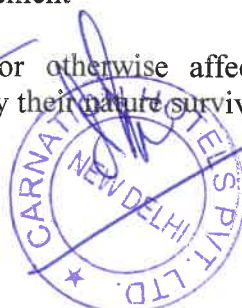


- (xv) It is agreed between the parties, that the Party of the First Part will interact, negotiate and enter into contracts on behalf of the Party of the Third Part pertaining to all sales and marketing related activities of the Hotel, including marketing on online & social media platforms during the Term of this Agreement.
- (xvi) Upon the effective date of termination of this Agreement for any cause whatsoever, the Party of the Third Part shall pay the Party of the First Part all payment due within sixty (60) days from the date of termination.
- (xvii) Any dispute, difference or question which may arise at any time hereafter between the Parties herein touching the true construction of this Agreement or the rights and liabilities of the Parties hereto shall be referred, at the request in writing of any Party to the dispute to binding arbitration by a panel of three (3) arbitrators ("Arbitration Panel"), with each of the Parties to the Dispute appointing one (1) arbitrator each (for avoidance of doubt, it is hereby clarified that for the purposes of this Section, parties to the dispute shall mean the Party of the First Part on one hand and the Party of the Third Part on the other and the two (2) arbitrators thus appointed shall appoint the third (3rd) arbitrator (who shall be the presiding arbitrator), by no later than ten (10) Business Days from the date on which the aforesaid written request was received by a Party to the dispute. For avoidance of doubt, incase either Party fails to appoint their respective arbitrator within the period of ten (10) days from the expiry of the thirtieth (30th) day from the date of the notice, given by one Party to the other Party, of a Dispute having arisen, the arbitrator appointed by the other Party shall be deemed to be the Sole Arbitrator and be authorised to adjudicate upon the said Dispute. The seat of the arbitration shall be at New Delhi and the arbitration shall be held in accordance with the Arbitration and Conciliation Act, 1996. The award rendered shall be in writing and shall set out the reasons for the arbitral tribunal's decision. The award shall allocate or apportion the costs of the arbitration as the Arbitral Panel deems fair. The Parties agree that no Party shall have any right to commence or maintain any suit or legal proceedings (other than for interim or conservatory measures) until the dispute has been determined in accordance with the arbitration procedure provided herein and then only for enforcement of the award rendered in the arbitration. Judgment upon the arbitration award may be rendered in any court of competent jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- (xviii) Entire Agreement: This agreement together with other writings signed by the parties expressly stated to be supplementary hereto and together with any instruments to be executed and delivered pursuant to this agreement constitutes the entire agreement between the parties and supersedes all prior understandings and writings and may be changed only in writing signed by the parties hereto.
- (xix) Counterparts: This agreement may be entered in 2 or more counterparts each of which when executed and delivered, shall be an original, but all the counterparts shall together constitute one and the same agreement
- (xx) Survival: Termination shall not terminate or otherwise affect any rights or obligations of a Party that either expressly or by their nature survives termination.

For SUBHAMASTHU INFRA PROJECTS

B. Chetty

Partner



- (xxi) Amendments: This agreement may be modified, amended, altered or supplemented accept by an agreement in writing, executed, by the parties hereto.
- (xxii) This Agreement shall be deemed to have been made in India and the construction, validity and performance of this agreement shall be governed in all respects by the laws of India and courts at Delhi shall have exclusive jurisdiction to adjudicate upon any reference by the Parties hereto.

IN WITNESS WHEREOF the Parties hereto have signed this Agreement on the date and year first written above.

SIGNED AND DELIVERED BY LEMON TREE HOTELS LIMITED, AS PARTY OF THE FIRST PART:

Signature:

By: Mr. Mahesh Sesha Aiyer

Title: Authorised Signatory

Date: 04.11.2023

SIGNED AND DELIVERED BY CARNATION HOTELS PRIVATE LIMITED, AS PARTY OF THE SECOND PART:

Signature:

By: Mahesh Sesha Aiyer

Title: CEO

Date: 04.11.2023

For SUBHAMASTHU INFRA PROJECTS

SIGNED AND DELIVERED BY SUBHAMASTHU INFRA PROJECTS, PARTNERSHIP FIRM, AS PARTY OF THE THIRD PART:

Signature:

By: Israel Battula

Title: Authorised Signatory

Date: 04.11.2023

WITNESS No. 1:

Name:

R/o:

WITNESS No. 2:

Name:

R/o:

