

Jolly Chai



*the taste of **new** beginnings*







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1. EXECUTIVE SUMMARY

Jolly Chai is an affordable premium tea concept designed for value & hygiene conscious urban consumers seeking a tasty chai experience without entering the premium café price bracket. Positioned as "**Great Chai at Affordable Prices**," the brand occupies the attractive middle segment between mass-market offerings and premium tea chains.

BRAND POSITIONING

Jolly Chai delivers elevated quality, contemporary presentation, and enhanced customer experience at highly approachable price points. The brand caters to aspirational consumers who are willing to trade up from traditional tea vendors but remain price-sensitive.

MARKET OPPORTUNITY

India's expanding middle-income population increasingly values quality, hygiene, and branded experiences while maintaining a strong focus on affordability. This segment represents one of the fastest-growing opportunities within the food and beverage industry.

JOLLY CHAI CAPITALIZES ON THIS TREND BY OFFERING:

- 0 Good product with quality ingredients
- 0 Modern retail formats
- 0 Consistent taste
- 0 Attractive value-for-money pricing
- 0 A youthful, approachable brand personality

BUSINESS MODEL STRENGTHS

- 0 **Strategic mid-market positioning:** Addresses a large and growing consumer cohort.
- 0 **Broad demographic appeal:** Relevant to students, officegoers, families, and young professionals.
- 0 **Higher average realization than mass brands:** Supporting attractive margins.
- 0 **Efficient operating model:** Limited complexity and scalable formats.
- 0 **Cross-selling potential:** Complementary snack and beverage additions can enhance average transaction value.





2. INDUSTRY OVERVIEW

The Indian **chai and coffee beverage industry** is one of the largest and most resilient segments of the food and beverage (F&B) sector. Tea (chai) is deeply embedded in Indian culture and is consumed across all age groups, income levels, and regions. India is among the world's largest producers and consumers of tea, making chai a **daily-need product** rather than a luxury item.

In recent years, the traditional street-side chai market has evolved with the emergence of **organized chai outlets** that focus on better quality, hygiene, standardized taste, and branding.

MARKET SIZE & GROWTH TRENDS

- The hot beverage segment (tea and coffee) contributes significantly to India's food service market.
- Rising urbanization, increasing disposable incomes, and changing consumer preferences are driving growth.
- Consumers are shifting from unorganized street vendors to **clean, branded, and value-for-money outlets**.
- The mid-priced chai café segment is witnessing strong growth as it caters to daily consumption while offering better experience and trust.

CONSUMER TRENDS

Key trends shaping the chai and coffee outlet industry include:

- **Preference for hygiene and food safety.**
- Demand for **consistent taste and quality.**
- Increased consumption of chai and coffee outside the home.
- Growing acceptance of **branded local outlets.**
- **Value** focused.





3. PROBLEM

1. **Adulteration & Ingredient Quality:** Street tea often uses poor-quality or adulterated tea leaves, powdered mixes, and cheap milk that harm taste and consumer trust.
2. **Poor Hygiene:** Unsafe water, dirty utensils, and untrained staff create health risks and damage brand perceptions.
3. **Inconsistent Taste:** Lack of standard recipes and training causes inconsistent chai across outlets.
4. **Operational Weakness:** Small vendors lack access to reliable supply chains, food safety SOPs, and operational training.

SOLUTION

Jolly Chai addresses the consumer & market concerns through a robust set of standard process

- **Centralized sourcing:** Partner with certified tea suppliers and dairy vendors; provide pre-portioned, quality-assured ingredient packs to kiosks.
- **Hygiene-first design:** Kiosk layout, filtered water, covered storage, and SOPs minimizing contamination.
- **Standardized recipes & automation:** Measured brewing protocols and semi-automated tea makers for consistent taste and speed.
- **Training & audits:** Comprehensive onboarding (operations, hygiene, customer service), SOP manuals, quarterly audits, and ongoing refresher training.
- **Franchise support:** For franchisees, end-to-end setup assistance (site selection, design, equipment, supplies), digital POS integration, and supply logistics.





4. PRODUCT OFFERINGS

#	Category	Product	Price	#	Category	Product	Price
1	Chai	Single Chai	₹ 25	12	Hot Beverages	Horlicks	₹ 30
2	Chai	Full Chai	₹ 35	13	Hot Beverages	Boost	₹ 30
3	Chai	Masala Chai	₹ 30	14	Hot Beverages	Hot Badam Milk	₹ 35
4	Chai	Elachi Chai	₹ 30	15	Hot Beverages	Hot Rose Milk	₹ 35
5	Chai	Allam Chai	₹ 30	16	Tea	Black Tea	₹ 20
6	Chai	Bellam Chai	₹ 30	17	Tea	Lemon Tea	₹ 30
7	Coffee	Original Coffee	₹ 30	18	Tea	Green Tea	₹ 30
8	Coffee	Vanilla Coffee	₹ 35	19	Tea	Tulsi Green Tea	₹ 35
9	Coffee	Hazelnut Coffee	₹ 40	20	Tea	Hibiscus Tea	₹ 40
10	Hot Beverages	Hot Milk	₹ 20	21	Tea	Blue Pea Tea	₹ 40
11	Hot Beverages	Pepper Milk	₹ 25	22	Tea	Detox Tea	₹ 40

Bites available; may vary from outlet to outlet.

Note: The above menu and prices (inclusive of GST) may be revised from time to time based on the location, market conditions, statutory regulations etc. The same shall be intimated to the franchise owners on a timely basis and displayed at the outlets.





5. TARGET MARKET

- Office-goers
- Urban middle and upper-middle class families
- Health-conscious and hygiene-aware consumers

6. BUSINESS MODEL

Jolly Chai

- Min: 150 sq. ft. (container or outlet – 10ft x 15 ft)
- High footfall locations: offices, bus stations, railway stations, hospitals etc

Revenue Model:

- Direct sales
- Merchandise and packaged products
- Delivery via food apps (Zomato, Swiggy)

7. OPERATIONS PLAN

Hygiene Protocols:

- Periodical training for all staff
- Regular quality audits and surprise hygiene checks
- Use of purified water, gloves, hairnets, food-grade materials

Sourcing:

- Centralized procurement for consistency
- Standard Operating Procedures (SOPs) for brewing

Support offered by the company

- Refer to Annexure III





8. MARKETING STRATEGY

Jolly Chai is positioned as a mid-priced chai and coffee outlet that delivers high-quality beverages with superior taste, hygiene, and consistency. The brand aims to bridge the gap between low-cost street chai and expensive café chains by offering premium-quality products at affordable prices.

BRANDING

- Clean, minimalist logo and store design
- “Quality, Taste & Hygiene First” and “Affordable Premium” messaging

PROMOTION

- Digital media campaigns
- PR

COMMUNITY

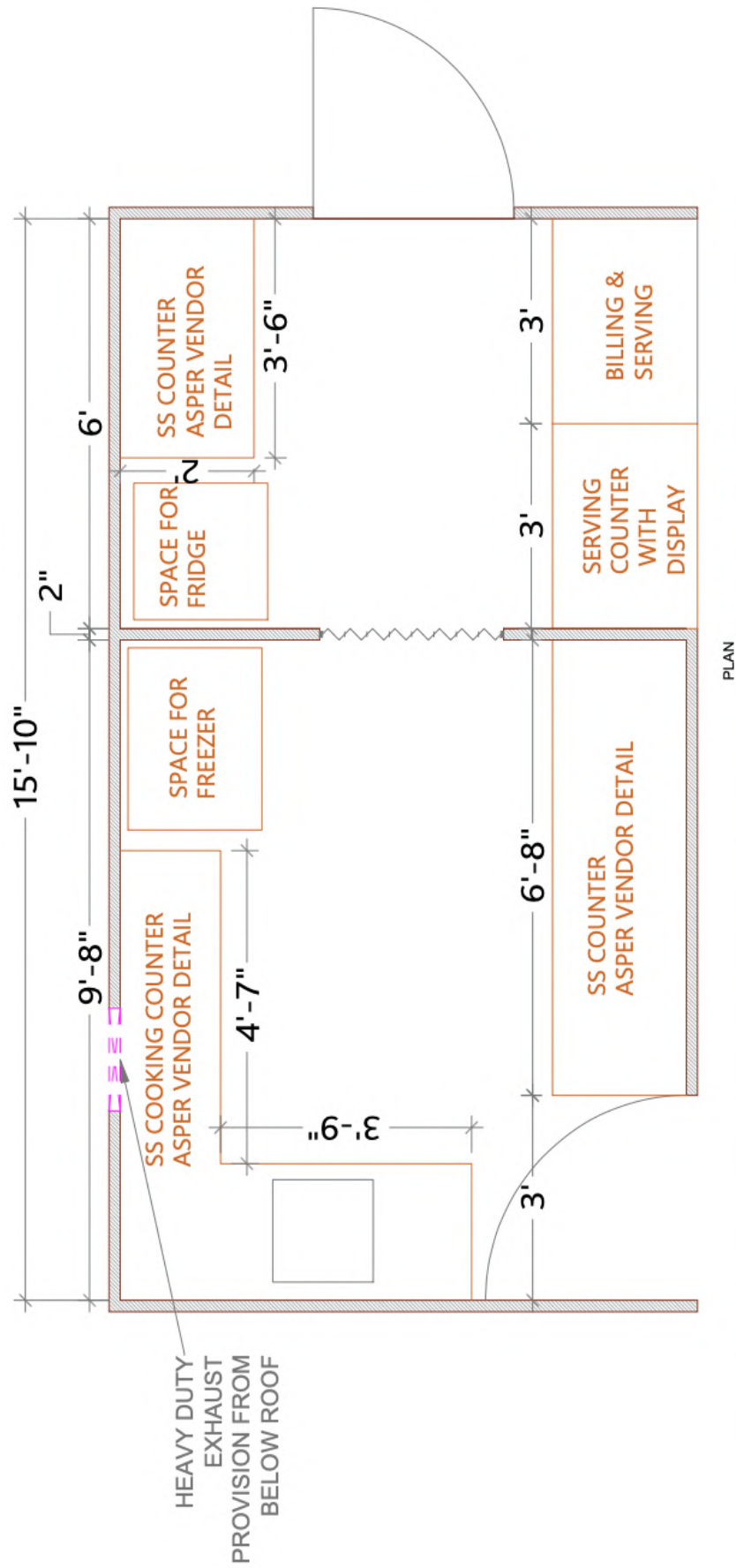
- QR-code feedback on hygiene
- Food grade cups and packaging

HYGIENE, QUALITY & TASTE AS A MARKETING TOOL

Jolly Chai will actively promote its clean preparation process, staff hygiene, and quality ingredients as a key differentiator. Customers will associate the brand with trust, safety, and reliability, which is especially important for daily food and beverage consumption.



9. LAYOUT





3D REFERENCE



Note: These images are for reference. Actual container shape & size may vary based on the location.





10. MINIMUM REQUIREMENT

SHOP

- Area: 10 ft x 15 ft (minimum)
- Seating: Optional (works for places with 250+ Sft)
- 3-phase power connection
 - Electrical load: 3-5KvA
 - Power back-up 5 KvA (UPS/ Inverter)
 - 16W power sockets: 8 Nos
- Basic false ceiling
- Storage space (under counter & overhead)
- LED lights (warm/bright white for hygiene look)
- Fans & exhaust fan
- Kitchen setup (Granite/SS countertop with sink; Min 2 ft depth)
- Water supply
- Drainage connection (no open drain/water outlet)
- Clean surroundings

Note: Jolly Chai infrastructure team will help in designing & modifying the outlet as per the minimum requirement; expenses for the same are to be borne by the franchisee.

CONTAINER

- Land: 10ft x 15ft (minimum for outlet)
- Seating: Optional (could be planned based on the available area)
- 3-phase power connection (preferably with power backup)
- Water connection/ supply
- Drain connection
- Clean surroundings
- Site entrance/ locality: Should be wide enough for a proclaim to enter & place the container.
- Cost of container, charges for logistics & installation shall be borne by the franchisee; not included in the initial investment part of clause 11.





11. FINANCIAL PLAN

- Initial investment: INR 5,00,000/-
- More details shared in Annexure I & II

FINANCIAL ESTIMATE

Average daily sale	₹ 7,500	₹ 10,000	₹ 15,000	₹ 20,000	₹ 25,000
Average monthly sale	₹ 2,25,000	₹ 3,00,000	₹ 4,50,000	₹ 6,00,000	₹ 7,50,000

COGS (50%)	₹ 1,12,500	₹ 1,50,000	₹ 2,25,000	₹ 3,00,000	₹ 3,75,000
Rent	₹ 25,000	₹ 25,000	₹ 30,000	₹ 35,000	₹ 40,000
FOCO Fees	₹ 10,000	₹ 10,000	₹ 10,000	₹ 10,000	₹ 10,000
Salaries	₹ 18,000	₹ 30,000	₹ 36,000	₹ 36,000	₹ 54,000
Miscellaneous	₹ 17,000	₹ 25,000	₹ 30,000	₹ 35,000	₹ 40,000
Total expenditure	₹ 1,82,500	₹ 2,40,000	₹ 3,31,000	₹ 4,16,000	₹ 5,19,000

Gross profit	₹ 42,500	₹ 60,000	₹ 1,19,000	₹ 1,84,000	₹ 2,31,000
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Break even period: 9 – 12 months

(Note: This is a rough estimate and may vary from outlet to outlet; Jolly Chai does not guarantee the above numbers)

12. CONCLUSION

Jolly Chai aims to revolutionize India's chai landscape with its clean, affordable, and standardized beverage experience. With a strong business model, operational clarity, and focus on hygiene, the chain can successfully capture a significant share of the unorganized and premium beverage market.





Annexure I

EQUIPMENT/ ACCESSORIES

#	Product	Qty
1	Commercial induction stove	2
2	Commercial milk boiler (12L)	1
3	Commercial milk boiler (5L)	1
4	Hot water kettle	1
5	Infusers	5
6	Sauce pan (15L)	1
8	Sauce pan (10L)	1
9	Sauce pan (0.5L)	5
10	Accessories	1 set
11	POS machine + printer + cash box + One year s/w subscription	1
12	Brand name board	1
13	Wi-Fi setup	1
14	Food warmer	1
15	CCTV setup	1
16	Logistics, installation, training & material for training	
17	Deposit for refrigerator/ cold drinks stock	

Note: Expenses related to container, store interiors, rental advance additional branding etc, has to be borne by the Franchisee.





Annexure II

INITIAL STOCK & RAW MATERIAL RATES

#	Material	Price (incl GST)	Quantity	Unit	Total
1	Tea powder	₹ 400	30	Kgs	₹ 12,000
2	Special Coffee Powder	₹ 3,400	1	Kgs	₹ 3,400
3	Vanilla Coffee Powder	₹ 3,700	1	Kgs	₹ 3,700
4	Hazelnut Coffee Powder	₹ 3,700	0.5	Kgs	₹ 1,850
5	Sugar	₹ 75	50	Kgs	₹ 3,750
6	Jaggery Powder	₹ 80	10	Kgs	₹ 800
7	Rose Syrup	₹ 120	2	Litre	₹ 240
8	Elachi	₹ 3,300	1	Kgs	₹ 3,300
9	Chai Masala	₹ 1,800	1	Kgs	₹ 1,800
10	Badam powder (170gms x 2)	₹ 140	5	Nos	₹ 700
11	Pepper	₹ 1,050	1	Kgs	₹ 1,050
12	Detox Tea	₹ 1,800	1	Kgs	₹ 1,800
13	Tulsi Green Tea	₹ 1,350	1	Kgs	₹ 1,350
14	Green Tea	₹ 950	2	Kgs	₹ 1,900
15	Hibiscus Tea	₹ 1,800	0.5	Kgs	₹ 900
16	Blue Pea Tea	₹ 2,400	0.5	Kgs	₹ 1,200
17	Horlicks	₹ 5.00	100	Sachets	₹ 500
18	Boost	₹ 5.00	100	Sachets	₹ 500
19	Vanilla Syrup (500 ml)	₹ 300	2	Bottles	₹ 600
20	Stirrers (pack of 500)	₹ 60	10	Packs	₹ 600
21	Tissues (bag of 100 packs)	₹ 3,000	1	Bag	₹ 3,000
22	Fresh Cream	₹ 280	12	Packs	₹ 3,360
23	Milkmaid	₹ 132	10	Packs	₹ 1,320

Note: The above prices are inclusive of all taxes and logistics and are subject to revision from time to time based on the market conditions, statutory regulations etc. The same shall be intimated to the franchise owners on a timely basis.





Annexure III

SUPPORT TO FRANCHISES

ENTREPRENEURSHIP AWARENESS

- 0 Business planning and operations
- 0 Customer service and hospitality
- 0 Inventory and vendor management
- 0 Basic accounting and digital payment systems
- 0 Compliance (FSSAI license, hygiene standards)

INFRASTRUCTURE and BRANDING SUPPORT

- 0 Branded kiosks or carts; store rebranding
- 0 Standardized equipment
- 0 Uniforms for identity and dignity
- 0 Develop a franchise-style model with central branding but local ownership

SUPPLY CHAIN LINKAGE

- 0 Raw material and consumables delivered to the outlet
- 0 Central inventory management and coordination
- 0 Raw material supply planning support
- 0 High and consistent quality products
- 0 Lower input costs

DIGITAL and MARKETING ENABLEMENT

- 0 Teach the use of UPI, QR code payments, and mobile ordering
- 0 Geo-tagging outlets on Google Maps (created, owned & managed by the franchisor)

STATUTORY and ADMINISTRATIVE ASSISTANCE

- 0 Business registration and bank accounts
- 0 FSSAI, PAN, and GST registration
- 0 Labour license, trade license, FSSAI license
- 0 Monthly and annual compliance filings

Note: Costs incurred for the above are to be borne by the franchisee.





SUPPORT TEAM FROM JOLLY CHAI

- 0 Master trainer
- 0 Quality control manager
- 0 Supply chain manager
- 0 Outlet manager
- 0 Accounts executive
- 0 Communication and behavioural trainer
- 0 Performance monitoring and enhancing team





WHY JOLLY CHAI?

STRONG PRODUCT DEMAND & DAILY CONSUMPTION

Chai and coffee are **daily-consumed beverages** with consistent demand across demographics. Unlike trend-based food concepts, Jolly Chai operates in a **non-seasonal, high-frequency consumption category**, ensuring steady footfall and repeat customers for franchisees.

EXCEPTIONAL TASTE

- SoP curated by F&B professionals to achieve exceptional taste, every time
- Uncompromised hygiene

MID-PRICED, HIGH-VALUE POSITIONING

Jolly Chai occupies the ideal market space between:

- Unorganized street vendors (low hygiene, inconsistent quality)
- Premium café chains (high prices, limited daily affordability)

PROVEN STANDARDIZATION & QUALITY CONTROL

As a franchisor, Jolly Chai LLP provides:

- Standardized recipes for all products
- Defined sourcing guidelines for raw materials
- Training on preparation, hygiene, and service

COST-EFFICIENT & EASY-TO-OPERATE MODEL

The Jolly Chai franchise model is:

- Low capex compared to full-service cafés
- Minimal kitchen complexity
- Limited skilled manpower requirement

COMPREHENSIVE FRANCHISOR SUPPORT

- Site selection guidance
- Outlet setup and branding
- Staff training and SOPs
- Ongoing operational and business guidance





*Let's Brew
Something
Awesome
together*

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