IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

THIS OFFERING OF THE SECURITIES DESCRIBED IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER REGULATION 2(1)(SS) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").

IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following before continuing. The following applies to the pre-numbered preliminary placement document of RateGain Travel Technologies Limited (the "**Company**") dated November 15, 2023 in relation to the proposed qualified institutions placement of equity shares of ₹ 1 each ("**Equity Shares**") by the Company filed with BSE Limited and National Stock Exchange of India Limited (the "**Stock Exchanges**") (such document, the "**Preliminary Placement Document**") attached to this e-mail, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached Preliminary Placement Document. In accessing the Preliminary Placement Document, you acknowledge and agree to be bound by the following terms and conditions, including any modifications to them, from time to time, each time you receive any information from us as a result of such access. The information in the Preliminary Placement Document is confidential and subject to updation, completion, revision, verification, amendment and change without notice. None of IIFL Securities Limited and Axis Capital Limited (the "**Lead Managers**") or any person who controls any of them or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Preliminary Placement Document or their respective contents or otherwise arising in connection therewith. **You acknowledge that the Preliminary Placement Document is intended for use by you only and you agree not to forward it to any other person, internal or external to your company, in whole or in part, or otherwise provide access via e-mail or otherwise to any other person.**

INVESTING IN THE EQUITY SHARES DESCRIBED IN THE PRELIMINARY PLACEMENT DOCUMENT INVOLVES RISKS AND YOU SHOULD NOT INVEST ANY FUNDS IN THE EQUITY SHARES, UNLESS YOU ARE PREPARED TO RISK LOSING ALL OR PART OF YOUR INVESTMENT. YOU ARE ADVISED TO CAREFULLY READ THE SECTION TITLED "RISK FACTORS" AS WELL AS INFORMATION CONTAINED ELSEWHERE IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT BEFORE MAKING AN INVESTMENT DECISION.

THE EQUITY SHARES OFFERED IN THE ISSUE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS IN THE UNITED STATES, AND UNLESS SO REGISTERED, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS. YOU UNDERSTAND THAT THE EQUITY SHARES OFFERED IN THE ISSUE ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS", AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE U.S. SECURITIES ACT ("REGULATION S") AND YOU REPRESENT THAT YOU WERE OUTSIDE THE UNITED STATES WHEN THE OFFER TO PURCHASE THE EQUITY SHARES WAS MADE TO YOU AND YOU ARE CURRENTLY OUTSIDE THE UNITED STATES AND THAT YOU ARE NOT ACQUIRING OR SUBSCRIBING FOR THE EQUITY SHARES AS A RESULT OF ANY "DIRECTED SELLING EFFORTS" (AS DEFINED IN REGULATION S).

FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE EQUITY SHARES OF THE COMPANY AND DISTRIBUTION OF THE PRELIMINARY PLACEMENT DOCUMENT, SEE "SELLING RESTRICTIONS", "NOTICE TO INVESTORS", AND "TRANSFER RESTRICTIONS". THE ATTACHED PRE-NUMBERED PRELIMINARY PLACEMENT DOCUMENT MAY NOT BE FORWARDED, DOWNLOADED, DELIVERED OR DISTRIBUTED, IN WHOLE OR IN PART, ELECTRONICALLY OR OTHERWISE TO ANY OTHER PERSON AND MAY NOT BE

REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE EQUITY SHARES DESCRIBED IN THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT.

This Issue and the distribution of the Preliminary Placement Document is being done in reliance on Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013, each as amended and the rules framed thereunder. The Preliminary Placement Document is personal to each prospective investor and does not constitute an offer or invitation or solicitation of an offer to the public or to any other person or class of investors.

Confirmation of your Representation: You are accessing the attached Preliminary Placement Document on the basis that you have confirmed your representation, agreement and acknowledgement to the Lead Managers that: (1) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions and to the extent that you purchase the securities described in the attached Preliminary Placement Document, you will be doing so pursuant to Regulation S; (2) the securities offered hereby have not been registered under the Securities Act; (3) you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto by electronic transmission; (4) you are a "Qualified Institutional Buyer" as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not restricted from participating in the offering under the SEBI ICDR Regulations and other applicable laws and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (5) you are aware that your name will be included in the Placement Document as proposed allottees along with the number of Equity Shares proposed to be Allotted to you and the percentage of your post issue shareholding in the Company and you consent to such disclosure; (6) you are aware that if you, together with any other Qualified Institutional Buyers belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, the Company shall be required to disclose your name, along with the name of such other Allottees and the number of Equity Shares Allotted to you and to such other Allottees, on the website of the Stock Exchanges, and you consent to such disclosure; (7) you are aware that if you are circulated the Preliminary Placement Document or are Allotted any Equity Shares in the Issue, the Company is required to disclose details such as your name, address, PAN, email-id and the number of Equity Shares Allotted along with other relevant information as may be required, to the Registrar of Companies, Delhi and Haryana at New Delhi and you consent to such disclosures; and (8) that you consent to delivery of the attached Preliminary Placement Document and any amendments or supplements thereto and the final placement document for the Issue by electronic transmission.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or the Lead Managers to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a "general solicitation" or "general advertising" (each as defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) in the United States or elsewhere. You are reminded that the attached Preliminary Placement Document has been delivered to you on the basis that you are a person into whose possession the attached Preliminary Placement Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Preliminary Placement Document to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or invitation or solicitation in any place where offers, invitations or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and Lead Managers or any affiliate of the Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Lead Managers or such affiliate on behalf of the Company in such jurisdiction. Further, nothing in this electronic transmission constitutes an offer or an invitation or solicitation of an offer or an offer or invitation to the public under the Companies Act, 2013, or any other applicable law, by or on behalf of either the Company or the Lead Managers to subscribe for or purchase any of the equity shares described in the attached Preliminary Placement Document. The attached Preliminary Placement Document has not been and will not be filed as a prospectus with any registrar of companies in India and is not and should not be construed as an offer document under the SEBI ICDR Regulations or any other applicable law. The attached Preliminary Placement Document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, the Reserve Bank of India, any registrar of companies in India or any stock exchange in India. The attached Preliminary Placement Document is not and should not be construed as an invitation, offer or sale of any securities to the public in India.

The Preliminary Placement Document been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, Lead Managers or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any of them accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Placement Document distributed to you in electronic format and the hard copy version available to you on request from the Lead Managers. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature. The attached Preliminary Placement Document is intended only for use by the addressee named herein and may contain legally privileged and / or confidential information. If you are not the intended recipient of the attached Preliminary Placement Document, you are hereby notified that any dissemination, distribution or copying of the attached Preliminary Placement Document is strictly prohibited. If you have received the attached Preliminary Placement Document in error, please immediately notify the sender or the Lead Managers by reply email and destroy the email received and any printouts of it.

You are reminded that no representation or warranty, expressed or implied, is made or given by or on behalf of any Lead Managers named herein, nor any person who controls them or any director, officer, employee or agent of them, or affiliate or associate of any such person as to the accuracy, completeness or fairness of the information or opinions contained in this document and such persons do not accept responsibility or liability for any such information or opinions.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any of the equity shares described in the attached pre-numbered Preliminary Placement Document by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) FORWARD, DISTRIBUTE OR DELIVER THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT, ELECTRONICALLY OR OTHERWISE, OR DISCLOSE THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON OR (2) REPRODUCE IN WHOLE OR PART THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISSEMINATION, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Capital terms used but not defined herein shall have the meaning ascribed to such terms in the Preliminary Placement Document attached hereto.

Preliminary Placement Document
Subject to Completion
Not for circulation
Private and confidential
Serial No. [●]

RateGain®

This Preliminary Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations on a private placement basis and no offer is being made through this Preliminary Placement Document to the public or any other categories of investors. This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale or subscription is not permitted. The information in this Preliminary Placement Document is not complete and may be changed.

RATEGAIN TRAVEL TECHNOLOGIES LIMITED

RateGain Travel Technologies Limited ("**Company**") was originally incorporated in New Delhi as 'Ridaan Real Estate Private Limited' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 16, 2012, issued by the Registrar of Companies, Delhi and Haryana at New Delhi ("**RoC**"). Pursuant to a scheme of arrangement and demerger approved by the High Court of Delhi on November 25, 2014 ("**Scheme of Arrangement and Demerger**), our Company acquired the business of providing web-based solution to hospitality and travel sector of RateGain IT Solutions Private Limited. Subsequently, the name of our Company was changed to 'RateGain Travel Technologies Private Limited' and a fresh certificate of incorporation dated February 25, 2015 was issued by the RoC. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders on July 15, 2021 and consequently, the name of our Company was changed to 'RateGain Travel Technologies Limited' and a fresh certificate of incorporation dated July 27, 2021 was issued by the RoC. For further details, see "***General Information***" on page 462.

Registered Office: M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India;
Corporate Office: Club 125, Plot No. A - 3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India;
Tel No.: +91 120 5057 000; **Website**: www.rategain.com; **Email**: companysecretary@rategain.com;
Contact Person: Thomas P. Joshua, Vice President – Legal, Company Secretary and Compliance Officer;
Corporate Identity Number: L72900DL2012PLC244966

Issue of up to [●] equity shares of face value of ₹ 1 each ("**Equity Shares**") at a price of ₹ [●] per Equity Share ("**Issue Price**"), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million ("**Issue**"). For further details, see "***Summary of the Issue***" on page 35.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED ("COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED ("PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER.

The Equity Shares of our Company are listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on NSE and BSE as on November 13, 2023 were ₹ 718.30 and ₹ 718.15 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from each of BSE and NSE on November 15, 2023. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED BELOW) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 45 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (*as defined hereinafter*) has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules (*as defined hereinafter*). This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see "***Issue Procedure***" on page 215. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on the websites of our Company, or our Subsidiaries, as applicable, or any other website directly or indirectly linked to such websites, or the websites of the Lead Managers (*as defined hereinafter*) or its affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such website for investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where such offers and sales are made. See "***Selling Restrictions***" on page 230 for information about eligible offerees for the Issue and "***Transfer Restrictions***" on page 237 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

This Preliminary Placement Document is dated November 15, 2023.

LEAD MANAGERS	
IIFL SECURITIES	AXIS CAPITAL
IIFL SECURITIES LIMITED	**AXIS CAPITAL LIMITED**

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NOTICE TO INVESTORS

Our Company has furnished, and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to us and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to us and the Equity Shares are, in every material respect, true and accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regard to us and the Equity Shares to be issued pursuant to the Issue are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to us and the Equity Shares to be issued pursuant to the Issue, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs specified by the Lead Managers or their representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

The Lead Managers have not separately verified all the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Lead Managers nor any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Lead Managers or by any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with us or this Issue or distribution of this Preliminary Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on either the Lead Managers or on any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and its Subsidiaries and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or the Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as on any time subsequent to its date.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively.

Subscribers and purchasers of the Equity Shares offered in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements set forth in the sections "***Representations by Investors***" and "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 4, 230 and 237, respectively, of this Preliminary Placement Document.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted by applicable laws in certain countries or jurisdictions. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see "***Selling Restrictions***" on page 230.

In making an investment decision, prospective investors must rely on their own examination of our Company and its Subsidiaries and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document or the Placement Document as legal, tax, accounting or investment advice and should consult their own counsels and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Lead Managers are making any representation to any investor, subscriber, offeree or purchaser of the Equity Shares regarding the legality or suitability of an investment in the Equity Shares by such investor, subscriber, offeree or purchaser under applicable laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each investor, subscriber or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes to this Issue only and upon the express understanding that it will be used for the purposes set forth herein.

Neither the Company nor the Lead Managers undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

Our Company and the Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of the Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering a tender offer under the SEBI Takeover Regulations and the QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

The information available on or through our Company's website (www.rategain.com), or any website directly or indirectly linked to the website of our Company, Subsidiaries, or the respective websites of the Lead Managers, or their respective affiliates, does not constitute or forms part of this Preliminary Placement Document and prospective investors should not rely on the information contained in or available through any such websites. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, see the sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective Bidders in the Issue. By Bidding and/ or subscribing to any Equity Shares under this Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 230 and 237, respectively, and to have represented, warranted and acknowledged to and agreed with our Company and the Lead Managers as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or Subsidiaries which is not set forth in this Preliminary Placement Document;

2. You are a 'Qualified Institutional Buyer' as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations/making necessary filings, if any, in connection with the Issue;

3. That you are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter), and have not been prohibited by SEBI, or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

4. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable laws, including the FEMA Rules, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws, in connection with the Issue;

5. You acknowledge that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis;

6. You will provide the information as required under the Companies Act, 2013 and the PAS Rules and other applicable regulations for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

7. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges;

8. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. For more information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively;

9. You are outside the United States and are purchasing the Equity Shares in an 'offshore transaction' as defined in and in reliance with Regulation S, and are not our Company's or the BRLM's affiliate or a person acting on behalf of such an affiliate;

10. You are not acquiring or subscribing for the Equity Shares as a result of any "general solicitation" or "general advertising" (as those terms are defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions

described in "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively;

11. You are aware that this Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document has not been reviewed, verified or affirmed by SEBI, RBI, Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed, and the Placement Document shall be filed with the Stock Exchanges for record purposes only and will be displayed on the websites of our Company and the Stock Exchanges;

12. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents, approvals and authorizations, governmental and otherwise, as may be required and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honor such obligations;

13. You are aware that the Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of issue of the Equity Shares, as applicable;

14. Neither our Company, the Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Lead Managers. Neither the Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity in relation to you;

15. All statements other than statements of historical fact included in this Preliminary Placement Document, including, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. Neither our Company, nor the Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

16. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than the Eligible QIBs, and the Allotment shall be on a discretionary basis i.e. at the discretion of our Company in consultation with the Lead Managers;

17. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out in this section and under sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively and you warrant that you will comply with such representations, warranties, acknowledgements and undertakings;

18. You have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety, including in particular the "***Risk Factors***" on page 45;

19. In making your investment decision, you have (i) relied on your own examination of our Company and its Subsidiaries and the terms of the Issue, including the merits and risks involved, (ii) made your own assessment of our Company and its Subsidiaries and the terms of the Issue, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and its Subsidiaries and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

20. Neither our Company nor the Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Company, the Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against us, either of the Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

21. You are a sophisticated and informed investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, associates agents or affiliates, for all or part of any such loss or losses that may be suffered, in connection with the Issue, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

22. If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

23. You are not a 'promoter' of our Company (as defined under Section 2(69) of the Companies Act, 2013 and under Regulation 2(oo) of the SEBI ICDR Regulations), and are not a person related to any of the Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoter or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

24. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

25. You will have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

26. You acknowledge that this Preliminary Placement Document does not, and the Placement Document

shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

27. You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

28. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable laws;

29. The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

30. Your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    i. Eligible QIBs 'belonging to the same group' shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, among an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

    ii. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations.

31. You are aware that after Allotment, final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

32. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

33. You are aware that in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Managers;

34. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

35. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;

36. You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures being made by our Company;

37. You are aware and understand that the Lead Managers have entered into a placement agreement with our Company, whereby the Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

38. The contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Lead Managers nor any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Lead Managers or our Company or any other person and neither the Lead Managers nor our Company or any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Lead Managers and their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you may have obtained or received;

39. Neither the Lead Managers nor any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach or alleged breach of any representations and warranties by our Company, whether to you or otherwise;

40. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

41. Any dispute arising in connection with the Issue will be governed and construed in accordance with the laws of the Republic of India, and the courts in Delhi, India only, shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document;

42. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up equity share capital of our Company (i.e. up to 100% under the automatic route) on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis; and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

43. You confirm you are eligible to invest and hold Equity shares of our Company and that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (where in each case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated

FDI Policy, read along with the Press Note no. 3 (2020 series), dated April 17, 2020 issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules;

44. You are aware that no offer or invitation of any securities can be made to a body corporate incorporated in, or a national of, a country which shares a land border with India, unless such body corporate or the national, as the case may be, has obtained Government approval under the FEMA Rules and attached the same with the Application Form;

45. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Lead Managers;

46. You confirm that, either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("**Company Presentations**") with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company Presentations; (a) you understand and acknowledge that the Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such meetings or Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Lead Managers have advised you not to rely in any way on any such information that was provided to you at such meetings or Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

47. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and commencement of trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach or alleged breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

48. Our Company, the Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Lead Managers on their own behalf and on behalf of our Company and are irrevocable. You agree that the terms and provisions of the foregoing representations, warranties, acknowledgements and undertakings, shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Lead Managers and our Company, their respective permitted assigns, and the terms and provisions hereof shall be binding on our permitted assigns and permitted transferees.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, Eligible FPIs (including affiliates of the Lead Managers) who are registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, such P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors ("**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying Indian company.

Further, in accordance with the Consolidated FDI Policy, read along with the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, and the related amendments to the FEMA Rules, investments made by an entity of a country, which shares land border with India, or investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Lead Managers and does not constitute any obligations of or claims on the Lead Managers.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures from the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

2. warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you,' 'your', 'offeree', 'purchaser,' 'subscriber,' 'recipient,' 'investors,' 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Issue, references to 'RateGain', the 'Company', 'our Company', the 'Issuer' are to RateGain Travel Technologies Limited, on a standalone basis, and references to 'we', 'our' or 'us' are to RateGain Travel Technologies Limited, together with its Subsidiaries on a consolidated basis.

In this Preliminary Placement Document, all references to:

- "Rupee(s)", "Rs." or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India;
- "USD" or "U.S. Dollars" or "$" are to United States Dollars, the official currency of the United States of America;
- "GBP" or "Pounds" or "£" are to Pound Sterling, the official currency of the United Kingdom; and
- "EUR" or "€" are to Euro, the official currency of the European Union.

Further, all references herein to the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in "million" units. One million represents 1,000,000. Our Company reports its financial statements in Indian Rupees.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and Other Information

In this Preliminary Placement Document we have included the following financial statements of our Company prepared in accordance with Indian Accounting Standard notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 ("**Ind AS**"): (i) the audited consolidated financial statements as of and for the financial year ended March 31, 2021 read along with the notes thereto ("**Fiscal 2021 Audited Consolidated Financial Statements**"); (ii) the audited consolidated financial statements for as of and for the financial year ended March 31, 2022 read along with the notes thereto ("**Fiscal 2022 Audited Consolidated Financial Statements**"); and (iii) the audited consolidated financial statements as of and for the financial year ended March 31, 2023 read along with the notes thereto ("**Fiscal 2023 Audited Consolidated Financial Statements**", and collectively with Fiscal 2021 Audited Consolidated Financial Statements and Fiscal 2022 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"); and (iv) the unaudited consolidated financial results as of and for the six months ended September 30, 2023, read along with the management notes thereto prepared as per regulation 33 of SEBI Listing Regulations ("**Unaudited Consolidated Financial Results**") which have been adopted pursuant to the meeting of our Board on October 27, 2023, and filed with the Stock Exchanges on October 27, 2023.

The Audited Consolidated Financial Statements should be read along with the respective audit reports thereon, and the Unaudited Consolidated Financial Results should be read along with the review report thereon. Our Unaudited Consolidated Financial Results are not necessarily indicative of results that may be expected for the full financial year or any future reporting period and are not comparable with the annual financials.

Our Audited Consolidated Financial Statements were audited by and our Unaudited Consolidated Financial Results were reviewed by Walker Chandiok & Co LLP, Chartered Accountants, our Statutory Auditors.

In addition, Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its Audited Consolidated Financial Statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements, as included in this Preliminary Placement Document, prepared in accordance with Ind AS, will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 88.

All numerical and financial information as set out and presented in this Preliminary Placement Document, except for the information in the section "***Industry Overview***", for the sake of consistency and convenience have been rounded off or expressed in two decimal place in ₹ million. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them and the sum or percentage change of such numbers may not conform exactly to the total figure given.

The fiscal year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular 'Financial Year', 'Fiscal Year' or 'Fiscal' or 'FY' are to the twelve months period ended on March 31 of that year.

Non-GAAP financial measures

Certain non-GAAP Measures and certain other statistical information relating to our operations and financial performance including EBITDA, EBITDA Margin, Net Worth, Return on Equity and Net Asset Value, have been included in this Preliminary Placement Document. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Preliminary Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "***Financial Information***" starting on page 259.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, and industry publications, data from other external sources and knowledge of the markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled "*Global Travel and Tourism Industry Report*" dated November 6, 2023 ("**1Lattice Report**"), prepared by Lattice Technologies Private Limited ("**1Lattice**"), which is a report exclusively commissioned and paid for by our Company and prepared by Lattice Technologies Private Limited pursuant to an engagement letter dated September 23, 2023, in connection with the Issue.

This data is subject to change and cannot be verified with complete certainty due to limitations on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends solely on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors – Industry information included in this Preliminary Placement Document has been derived from an industry report exclusively commissioned by and paid for by us for the purpose of the Issue.***" on page 65. Further, neither our Company nor the Lead Managers have independently verified this data and make any representation regarding the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of the 1Lattice Report

The 1Lattice Report is subject to the following disclaimer:

"*The report has been prepared as a general summary of matters on the basis of our interpretation of the publicly available information, our experiences and the information provided to us, and should not be treated as a substitute for a specific business advice concerning individual matters, situations or concerns. Procedures we have performed do not constitute an audit of the Company's historical financial statements nor do they constitute an examination of prospective financial statements. We have also not performed any procedures to ensure or evaluate the reliability or completeness of the information obtained from the Company. Accordingly, we express no opinion, warranty, representation or any other form of assurance on the historical or prospective financial statements, management representations, or other data of the Company included in or underlying the accompanying information. We have not carried out any financial, tax, environmental or accounting due diligence with respect to the Company.*"

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'can', 'estimate', 'expect', 'intend', 'likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'seek', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Important factors that could cause actual results to differ materially from any of the forward looking statements include, among others:

- Negative impact of general economic conditions and trends on the worldwide hospitality and travel industry;
- Inability to renew our customer contracts or any impairment of our long-term relationship with our customers;
- Inability to attract customers in a manner that is cost-effective and assures customer success;
- Uncertainty in market for SaaS solutions in the hospitality and travel industry;
- Inability to derive anticipated benefits from our investments and failure in making future acquisitions;
- Failure to comply with standards required by our clients under our client contracts could harm our reputation;
- Adverse developments in markets from which we derive a significant portion of our revenues;
- Inability to innovate, develop product enhancements or introduce new products;
- Cyber security breaches or other security incidences may harm our reputation; and
- Entry into new verticals and product categories may expose us to new challenges and risks.

Additional factors that could cause actual results, performance or achievements to differ materially include but are not limited to, those discussed under "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Industry Overview***" and "***Business***" on pages 45, 88, 126 and 171, respectively.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of, as well as the assumptions made by, and information currently available to, our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document. Our Company and the Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise in our Company's expectations with regard thereto.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. Other than Peter Strebel, who is a non-resident, all of our other Directors, Key Managerial Personnel and Senior Management named herein are residents of India. A significant portion of our assets are located in India. As a result, it may be difficult for the investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments and execution of a foreign judgment is provided for under Sections 13 and 44A respectively, of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**").

Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud, or (vi) where the judgment sustains a claim founded on a breach of any law in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, Hong Kong and United Arab Emirates, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax in accordance with applicable laws. Our Company and the Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rates between the Rupee and the U.S. Dollar (in ₹ per US$), the Pound (in ₹ per GBP) and the Euro (in ₹ per EUR) based on the reference rates released by FBIL, which are available on the website of FBIL.

1. U.S.$

(₹ per US$)

Period	Period End(1) US$	Average(2) US$	High(3) US$	Low(4) US$
Fiscal				
2021	73.50	74.20	76.81	72.29
2022	75.81	74.51	76.92	72.48
2023	82.22	80.39	83.20	75.39
Month Ended				
May 2023	82.68	82.34	82.80	81.74
June 2023	82.04	82.23	82.64	81.88
July 2023	82.25	82.15	82.68	81.81
August 2023	82.68	82.79	83.13	82.28
September 2023	83.06	83.05	83.26	82.66
October 2023	83.27	83.24	83.27	83.15

Source: www.rbi.org.in,www.fbil.org.in

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective Fiscal or monthly period

(2) Average of the official rate for each working day of the relevant period

(3) Maximum of the official rate for each working day of the relevant period

(4) Minimum of the official rate for each working day of the relevant period

2. GBP

(₹ per GBP)

Period	Period End(1) GBP	Average(2) GBP	High(3) GBP	Low(4) GBP
Fiscal				
2021	100.95	97.06	102.66	91.95
2022	99.55	101.78	104.58	99.36
2023	101.87	96.83	102.23	86.62
Month Ended				
May 2023	102.38	102.73	103.61	102.03
June 2023	103.51	103.81	105.04	102.40
July 2023	105.76	105.81	107.64	103.78
August 2023	105.09	105.25	106.25	103.93
September 2023	101.67	103.03	104.64	100.92
October 2023	101.16	101.23	102.56	100.39

Source: www.rbi.org.in,www.fbil.org.in

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective Fiscal or monthly period

(2) Average of the official rate for each working day of the relevant period

(3) Maximum of the official rate for each working day of the relevant period

(4) Minimum of the official rate for each working day of the relevant period

3. EUR

(₹ per EUR)

Period	Period End(1) EUR	Average(2) EUR	High(3) EUR	Low(4) EUR
Fiscal				
2021	86.10	86.67	90.31	81.50
2022	84.66	86.56	90.51	83.48
2023	89.61	83.72	90.26	78.34
Month Ended				
May 2023	88.36	89.48	90.54	88.36
June 2023	89.13	89.07	89.97	88.07
July 2023	90.58	90.84	92.29	89.15

Period	Period End[(1)] EUR	Average[(2)] EUR	High[(3)] EUR	Low[(4)] EUR
August 2023	90.22	90.37	91.06	89.17
September 2023	87.94	88.74	89.62	87.34
October 2023	88.32	87.84	88.49	87.07

Source: www.rbi.org.in,www.fbil.org.in

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective Fiscal or monthly period

(2) Average of the official rate for each working day of the relevant period

(3) Maximum of the official rate for each working day of the relevant period

(4) Minimum of the official rate for each working day of the relevant period

DEFINITIONS AND ABBREVIATIONS

Our Company has prepared this Preliminary Placement Document using certain definitions and abbreviations which you should consider while reading the information contained herein.

Unless the context otherwise indicates, all references to "**the Company**", and "**our Company**", are references to RateGain Travel Technologies Limited, on a standalone basis, a public limited company incorporated in India under the Companies Act, 1956 having its registered office at M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India. Furthermore, unless the context otherwise indicates, all references to the terms "**we**", "**us**" and "**our**" are to our Company and our Subsidiaries (*as defined below*) on a consolidated basis.

The terms defined in this Preliminary Placement Document shall have the meaning set out herein, unless specified otherwise in the context thereof, and references to any statute or regulations or policies shall include amendments, rules, guidelines, circulars, clarifications, and notifications issued thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections "***Industry Overview***", "***Taxation***", "***Legal Proceedings***" and "***Financial Information***" on pages 126, 247, 254 and 259, respectively, shall have the meaning given to such terms in such sections.

Company Related Terms

Term	Description
Articles/Articles of Association	Articles of Association of our Company, as amended
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013
Audited Consolidated Financial Statements	Collectively, Fiscal 2023 Audited Consolidated Financial Statements, Fiscal 2022 Audited Consolidated Financial Statements and Fiscal 2021 Audited Consolidated Financial Statements
Auditors/Statutory Auditors	The current statutory auditors of our Company, namely, Walker Chandiok & Co LLP, Chartered Accountants
BCV Social	BCV Social LLC
Board/Board of Directors	Board of Directors of our Company or a duly constituted committee thereof
Corporate Office	Club 125, Plot No. A - 3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India
Corporate Social Responsibility Committee/CSR Committee	The corporate social responsibility committee of our Board of Directors. For details, see "***Board of Directors and Senior Management***" on page 202
DHISCO	Collectively, DHISCO Inc. and DHISCO Electronic Distribution Inc.
Director(s)	The director(s) on the Board of our Company
Equity Shares	Equity shares of our Company of face value of ₹ 1 each
ESOP Scheme 2015	RateGain Employee Stock Option Scheme 2015
ESOP Scheme 2018	RateGain Employee Stock Option Scheme 2018
ESOP Schemes	Together, ESOP Scheme 2015 and ESOP Scheme 2018
ESPS 2023	RateGain Employees Stock Purchase Scheme 2023
Fiscal 2021 Audited Consolidated Financial Statements	The Ind AS audited consolidated financial statements as of and for the Financial Year ended March 31, 2021, comprising the consolidated balance sheet as at March 31, 2021, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flow and the consolidated statement of changes in equity, for the year ended March 31, 2021, read along with the notes thereto
Fiscal 2022 Audited Consolidated Financial Statements	The Ind AS audited consolidated financial statements as of and for the Financial Year ended March 31, 2022, comprising the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flow and the consolidated statement of changes in equity, for the year ended March 31, 2022, read along with the notes thereto
Fiscal 2023 Audited Consolidated Financial Statements	The Ind AS audited consolidated financial statements as of and for the Financial Year ended March 31, 2023, comprising the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flow and the consolidated statement of changes in equity, for the year ended March 31, 2023, read along with the notes thereto

Term	Description
Fund Raise Committee	The fund raise committee of our Board of Directors, comprising of the members Bhanu Chopra, Megha Chopra and Aditi Gupta
Independent Director(s)	Independent director(s) on our Board. For details, see "***Board of Directors and Senior Management***" on page 202
Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, see "***Board of Directors and Senior Management***" on page 202
Memorandum/Memorandum of Association/MoA	Memorandum of association of our Company, as amended from time to time
Myhotelshop	myhotelshop GmbH
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board of Directors. For details, see "***Board of Directors and Senior Management***" on page 202
Non-Executive Director	A Director not being a Whole-time Director of our Company
Preference Shares	Together, Series A CCCPS and Series B CCCPS
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company in terms of SEBI ICDR Regulations and the Companies Act, 2013, namely, Bhanu Chopra and Megha Chopra
RateGain Adara	RateGain Adara Inc.
RateGain Spain	RateGain Technologies Spain, S.L.
RateGain UAE	RateGain Technologies LLC
RateGain UK	RateGain Technologies Limited
RateGain US	RateGain Technologies, Inc.
Registered Office	M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India
Registrar of Companies/ RoC	The Registrar of Companies, Delhi and Haryana at New Delhi
Risk Management Committee	The risk management committee of our Board of Directors. For details, see "***Board of Directors and Senior Management***" on page 202
SAR 2022	RateGain - Stock Appreciation Rights Scheme 2022
Scheme of Arrangement and Demerger	Scheme of arrangement and demerger between RateGain IT Solutions Private Limited and our Company which was approved by the High Court of Delhi on November 25, 2014
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see "***Board of Directors and Senior Management***" on page 202
Series A CCCPS	Series A cumulative compulsorily convertible preference shares of the Company of face value ₹ 10 each
Series B CCCPS	Series B cumulative compulsorily convertible preference shares of the Company of face value ₹ 10 each
Shareholders	The holders of the Equity Shares, from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board. For details, see "***Board of Directors and Senior Management***" on page 202
Subsidiaries	Collectively, RateGain UK, RateGain Spain, RateGain US, BCV Social, RateGain UAE, Myhotelshop and RateGain Adara
Unaudited Consolidated Financial Results	The unaudited consolidated financial results which comprise the consolidated statement of assets and liabilities as at September 30, 2023, the consolidated statement of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and the consolidated statement of cash flows for the six months ended September 30, 2023 read along with the notes thereto
Whole-time Director	A whole-time director of our Company

Issue Related Terms

Term	Description
Allocated/ Allocation	Allocation of Equity Shares in connection with the Issue, in consultation with the Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms and Application Amount submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue and determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form or such amount transferred/ paid to the Escrow Bank Account, as application, including any revisions thereof

Term	Description
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
CAN/ Confirmation of Allocation Note	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2023
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs which are eligible to participate in this Issue and which are (i) not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under the applicable laws. However, FVCIs are not permitted to participate in the Issue In addition, QIBs, outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act are eligible to participate in this Issue
Escrow Account	Non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "RateGain Travel Technologies Limited – QIP Escrow Account" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited and from which refunds, if any, shall be remitted, as set out in the Application Form
Escrow Agreement	Agreement dated November 15, 2023, entered into by and amongst our Company, the Escrow Bank and the Lead Managers for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	HDFC Bank Limited
Floor Price	Floor price of ₹ 676.66 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded through a special resolution passed at the AGM dated September 15, 2023 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue	The offer, issue and Allotment of up to [●] Equity Shares each at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●], 2023, the date after which our Company (or the Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Issue Opening Date	Wednesday, November 15, 2023, the date on which our Company (or the Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ [●], including a premium of ₹ [●] per Equity Share
Issue Size	The issue of up to [●] Equity Shares aggregating up to ₹ [●] million
Lead Managers or LMs	IIFL Securities Limited and Axis Capital Limited
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	The agreement dated November 15, 2023 entered into between our Company and the Monitoring Agency
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Placement agreement dated November 15, 2023 by and among our Company and the Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document cum application form, dated November 15, 2023 issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder

Term	Description
QIB/ Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts
Relevant Date	November 15, 2023 which is the date of the meeting in which the Board or any authorised committee of our Board decided to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/ Abbreviations

Term	Description
AGM/ Annual General Meeting	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I FPI	FPIs who are registered with SEBI as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II FPI	FPIs who are registered with SEBI as “Category II foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate identification number
Companies Act, 1956	The erstwhile Companies Act, 1956 and the rules made thereunder
Companies Act, 2013	Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COVID–19	A public health emergency of international concern as declared by World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depository Participant	A depository participant as defined under the Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (*formerly Department of Industrial Policy and Promotion*), GoI
EBITDA	EBITDA is calculated as net profit after tax, plus finance cost, depreciation, amortization and impairment expenses and tax expenses, exceptional expenses (if any) and less other income
EGM	Extraordinary general meeting
ESG	Environment, Social and Governance
FBIL	Financial Benchmark India Private Limited
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules

Term	Description
FPIs	A foreign portfolio investor who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross Domestic Product
GoI	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind As Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. or Indian Rupees	Indian Rupee, the official currency of the Republic of India
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn	Million
MoU	Memorandum of understanding
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable.
NAV	Net Asset Value
NEAT	National Exchange for Automated Trading
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
PAT	Profit after tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rs/Rupees/Indian Rupees/₹	The legal currency of India
SCR (SECC) Regulations	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SDD	System Driven Disclosures
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
STT	Securities Transaction Tax
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America

Term	Description
U.S. Securities Act	The United States Securities Act of 1933
UPSI	Unpublished price sensitive information
US$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations

Industry related definitions

Term	Description
1Lattice	Lattice Technologies Private Limited
1Lattice Report	Report titled "*Global Travel and Tourism Industry Report*" and dated November 6, 2023 prepared by 1Lattice
Active Customer Count	Active Customer Count refers to the number of active customers (i.e., where the contract is live and we invoice such customers as per their respective contract) as at the end of the respective Fiscal
Active Customers	A customer with whom the contract is live and we invoice such customers as per their respective contract
AI	Artificial intelligence
Annual Recurring Revenues/ARR	ARR is calculated based on the last quarter run-rate for the respective Fiscal
API	Application Programming Interfaces
Average Revenue Per Customer/ARPC	Average revenue per customer is calculated as ARR divided by the number of Active Customers
CRM	Customer relationship management
CRS	Central reservations systems
Customer Acquisition Cost/CAC	Customer acquisition cost is computed as new sales divided by number of customers acquired
DaaS	Data as a service
DMO	Destination management organisation
GDPR	General Data Protection Regulation
GDS	Global Distribution System
Gross Revenue Retention/GRR	Gross revenue retention denotes percentage of renewed revenue as compared to previous Fiscal
GTM	Go to market
IT	Information technology
KPI	Key performance indicators
LTV to CAC	Lifetime value to customer acquisition cost. It is computed by (i) multiplying gross margin from new sales with expected life time of the contracts to arrive at LTV; (ii) CAC is calculated by dividing sales and marketing costs by number of customers added
M&A	Mergers and acquisitions
MarTech	Marketing technology
Net Revenue Retention	Denotes percentage of incremental revenue from same clients compared to previous Fiscal
NPS	Net promoter score
OTA	Online travel agents
PCI DSS	Payment Card Industry Data Security Standard
PMS	Property management systems
RMS	Revenue management systems
RoE	RoE is calculate as profit after tax for the period divided by average of opening and closing balance of net worth
SaaS	Software as a Service
SME	Small and medium enterprises

SUMMARY OF BUSINESS

Overview

We are a leading global provider of Software as a Service ("**SaaS**") solutions in the hospitality and travel industry with a focus to help our customers to increase their revenue. We offer travel and hospitality solutions across a wide spectrum of verticals including hotels, airlines, online travel agents ("**OTAs**"), destination management organisations, vacation rentals, package providers, car rentals, travel management companies, cruises and ferries. We are one of the world's largest processors of online hotel transactions data (delivering advanced and affordable connectivity and distribution solutions to hotels worldwide). We are also one of the world's largest aggregators and processors of travel pricing data for the hospitality and travel industry and have one of the world's most comprehensive travel intent data. (*Source: 1Lattice Report*)

We offer a suite of inter-connected products that manage the revenue creation value chain for our customers by leveraging our big-data capabilities and integration with other technology platforms helping hospitality and travel providers acquire more guests, retain them via personalized guest experiences and seek to maximize their margins. Through our products, we provide AI-powered solutions to our customers to optimize revenue in real-time across each step in a traveller's journey and drive guest acquisition, retention, and wallet share expansion.

We began operations in 2004 with the introduction of a competitive intelligence price comparison product for hotels and have over the last 15 years, expanded our product portfolio to include artificial intelligence and machine learning capabilities that leverage our in-house data lake to offer products in the areas of rate intelligence, cognitive revenue management, smart distribution, brand engagement and paid digital marketing. The acquisitions undertaken by us in recent years have enabled us to strengthen and supplement our product offerings. For instance, we acquired DHISCO in 2018, a hotel distribution technology company, which helped us to expand operations to hotels and OTAs in Asia by upgrading and integrating it with our distribution business. We also acquired, BCV, a marketing technology company in 2019 which we have been able to integrate and deploy with our marketing technology ("***MarTech***") business and have been able to extend its offerings to our customers globally. Our acquisition of Myhotelshop in 2021 complements our MarTech businesses by offering reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website and enable more direct bookings and optimize returns. We also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands and managing performance and digital marketing campaigns for its customers. Adara's offering aligns with our data as a service ("***DaaS***") and MarTech businesses and strengthens their value proposition. Currently, our products are classified into three strategic business units: (i) DaaS; (ii) Distribution; and (iii) MarTech. For details, see "- ***Hospitality and Travel Technology Solutions***" below.

Total addressable market and serviceable addressable market

We serve a large and rapidly growing total addressable market. Third party technology providers (excluding hardware) and digital marketing spend for the industry was a US$ 34 billion market in 2022 and is estimated to grow to U$ 42.6 billion in 2027 at a CAGR of 8.6%. The products and services provided by the Company had a serviceable addressable market size of US$ 6.6 billion in 2023, and is estimated to grow to US$ 9.9 billion in 2027. This is a large and rapidly growing addressable market opportunity for a vertical specific platform company like ours. (*Source: 1Lattice Report*)

The global travel technology industry has been steadily growing as the travel sector embraces digital solutions to improve the overall travel experience and makes processes more efficient. According to 1Lattice Report, technology innovation is crucial for the growth of the travel industry. Advanced booking platforms, virtual tours, and personalized recommendations improve the travel experience. In general, software capabilities have improved a lot, and now there's tough competition in many parts of the travel industry. (*Source: 1Lattice Report*).

End to end platform play advantage

In a highly fragmented landscape of travel technology providers, we offer a platform that bridges the data gap across the hospitality and travel industry and is able to provide an end to end solution which empowers our customers to optimise revenues across the value chain. Our solutions help the hospitality and travel industry, and companies find the right guest, decide the right price, distribute it to the preferred channel of the guest and once converted, helps them have an exceptional experience.

Hospitality and Travel Technology Solutions

We deliver our hospitality and travel technology solutions through our SaaS platform and our products are classified into three strategic business units:

- ***Data as a Service ("DaaS")*** – Delivers insights including competitive rate intelligence and price parity solutions. We procure and process data from various sources in real time. We are able to equip suppliers and demand providers with the ability to connect with data and information to increase acquisition and conversion. We offer data under three categories:

    - Market intelligence
    - Dynamic pricing recommendations
    - Targeted digital marketing and advertising

- ***Distribution*** – Commercial teams at hotels are unable to connect directly to each specific channel or demand partner since the process is time-consuming, costly, and requires specialized technical tools. We address this issue by providing a connectivity platform that facilitates the communication of availability, rates, inventory and content between leading accommodation providers and their demand partners. Distribution also enables delivery of reservations back to hotel systems to ensure smooth operations and accurate reporting by hotels. As of Fiscal 2023 and six months ended September, 30, 2023, our Distribution offering has 763 and 843 customers, respectively, accounting for 25.82 million and 13.92 million transactions during the same period.

- ***Marketing Technology ("MarTech")*** – Our MarTech offering comprises of an end-to-end digital marketing suite that provides brand engagement, brand monitoring and paid digital marketing for our customers by assisting them in innovating their digital marketing strategy to capture visitors from their preferred channel. This includes content analysis and optimization, scaling of the brand, campaign implementation, optimizing direct bookings through direct customer acquisitions and performance marketing operation leveraging the travel intent data. As of Fiscal 2023 and six months ended September, 30, 2023, our MarTech offering has 1,359 and 1,417 customers, respectively.

Reliable, widely available and affordable internet-based computer-to-computer communication has made practical the implementation and use of cloud-based systems. Cloud adoption is becoming viable owing to the basic benefits of uptime, availability, and high level of support in the cloud, as well as the superior development environment for building applications and platforms that can auto-scale through micro-service architectures. It is expected that companies utilizing cloud-based modern solutions and offering a wide range of services, are certain to be beneficiaries of these trends. (*Source: 1Lattice Report*) As a SaaS company, our cloud-based products offer customer improved usability, and we can effectively scale our operations. The scale of our operations and our strength in analytics have helped us grow in operations and monetize our offerings.

For our OTA customers and airline, car rental, cruises, ferries, vacation rental and vacation packages customers we operate on a hybrid model where we charge a minimum subscription fees for use of our products and a pay-per-use charge for accessing additional data. In our Distribution segment, we operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done via OTAs and GDS operators. In Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, we generated 26.34%, 24.00%, 25.00% and 40.82% of our revenues from operations from the sale of services of our transaction based products while we generated 44.16%, 41.00%, 32.48% and 23.30% of our revenues from operations from the sale of services of our subscription-based products in similar periods and we generated 29.50%, 35.00%, 42.52% and 35.88% of our revenues from operations from the sale of services of our products which are on a hybrid revenue model of subscription and transaction based pricing. Further, our net revenue retention in Fiscal 2023 and six months ended September 30, 2023 was 110.42% and 110.14%, respectively.

Strategic Business Units

DaaS. We provide competitive intelligence and parity intelligence to help hotels, OTAs and travel suppliers stay competitive and optimize their revenues. Our competitive intelligence products tracked over 143 billion price points across hotels, OTAs, airlines, cruise lines, vacation rental, tour operators and car rentals in the six months ended September 30, 2023 and covers points such as pricing, ratings, rankings, availability, room descriptions, cancellation policy, payment policy, discounting and package inclusions. We enable our clients to accurately forecast demand by providing AI-powered demand insights, forecasting airline travellers for 90 days, monitoring parity in real time and automating alerts for market action changes. Active Customers in our DaaS business have grown from 820 Active Customers as of Fiscal 2023 to 844 as of September 30, 2023.

Distribution. We provide technology infrastructure that helps both hotel chains and demand partners such as online travel agents, GDS providers and corporate travel agents communicate availability, rates, inventory as well as process bookings. Our distribution platform helps hotels to sell the right product at the right price on the right channel by serving the right content through demand partners. We have two products in the distribution space: RezGain, which operates on a subscription basis and targeted to mid-market, and DHISCO, which operates on a transaction model where we generate revenues from bookings done by OTAs and GDS operators. DHISCO caters to enterprise customers. We covered over 197,000 hotel properties with over 80 demand partners, as of September 30, 2023. In Fiscals 2021, 2022 and 2023, our distribution platform handled 9.02 million, 15.78 million and 25.82 million bookings, respectively, while in the six months ended September 30, 2023, it handled 13.92 million bookings. The aggregate value of bookings completed using our products was ₹ 141,866.83 million, ₹ 391,314.94 million, ₹ 612,351.32 million and ₹ 360,590.72 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively, while the average booking value was ₹ 15,732.56, ₹ 24,790.36, ₹ 23,714.92 and ₹ 25,888.24 in similar periods. Aggregate value of bookings and average booking value was ₹ 360,590.72 million and ₹ 25,888.24 in the six months ended September 30, 2023.

MarTech. We are a 'single source provider' of social media management, including brand engagement, brand monitoring and paid digital marketing, to leading hospitality and travel brands including well-known luxury properties. We offer real-time social listening and guest communication, active management of their social assets and campaign management through our AI based solution to increase awareness, engagement and sales that help in personalization of guest experience. Further, we offer digital marketing across metasearch platforms, campaign management and programmatic advertising that enables hotel suppliers, travel and agency customers to reach more customers and optimize returns. We enable our clients drive higher return on investments by tracking intent data from 300+ brands, improve return on advertisement spends on digital media, and 24x7 engagement with guests through messaging. As per the HotelTech Report, we are the #1 Social Media Management provider for hotels globally as of September 30, 2023. We generate revenues from our MarTech solutions on a subscription basis as well as on a transaction basis where we charge campaign-based fees for managing campaigns for our hospitality, and travel partners on a periodic basis.

We are led by a globally diverse senior management team that is present across three continents and includes Bhanu Chopra, our Promoter and executive chairman of the board, who has over 20 years in the technology and travel industry. We are led by Tanmaya Das, our Chief Financial Officer, Peter Strebel, President – Americas and Yogeesh Chandra, Chief Strategy Officer. Members of our leadership team have extensive experience in the technology, finance and hospitality and travel sectors. We have been able to leverage their go-to-market and product development expertise to develop products that address our customers' requirements.

Changes in industry post COVID-19 Pandemic

The COVID-19 pandemic has had a significant impact on the global economy and financial markets, with two prominent shifts being change in customer behaviour and the adoption of technology. This has cumulatively accelerated the ongoing trend toward digitalization and integration of AI in the industry. Post the COVID-19 pandemic, customers are increasingly favouring adoption of digital platforms to be able drive efficiencies across their systems, unlock new revenue streams and be able to more effectively engage with guests across different mediums. Consequently, the rapid growth of e-commerce, digital services, and online content could be witnessed, which brought with it a surge in consumer data, ultimately benefitting businesses that are capable of harnessing AI to derive unique insights and actionable strategies from the same. (*Source: 1Lattice Report*)

Technology acts as the bridge that helps in connecting consumer expectations and ensuring that it is seamlessly delivered. These technologies offer more accurate predictions and faster decision-making capabilities. Moreover, the industry has recognized the need for technological advancements and automation to mitigate labour shortages, improve efficiency, and remain competitive in a rapidly evolving financial landscape. These changes are likely to continue shaping the industry's future. (*Source: 1Lattice Report*)

Strengths

Integrated tech stack of SaaS based solutions for travel and hospitality industry

We offer a comprehensive platform of industry-specific solutions with growth and monetization capabilities. Product and technology innovation is at the core of our success. Given the fragmented nature of the hospitality and travel industry, we have developed products that are inter-operable and integrate across a single platform allowing customers to maximize their revenues while also resulting in cost savings. We have built our proprietary AI algorithms and applied it in connection with our SaaS products to provide our customers with next generation of product features. Our suite of products for rate intelligence includes OPTIMA, Parity+, Rate Intelligence for OTAs, AirGain, CarGain and FerryGain that offer customers competitive pricing intelligence leveraging an AI powered data platform while tracking real-time parity with features such as advanced dashboards, identification of key violators and reasons, revenue leakage. Our Rev.AI product is focused on the car rental segment that intends to replace static pricing mechanisms with dynamic pricing recommendations. Our products are enabled with an intuitive user interface, offer a high degree of personalisation at a subscriber level and break down market rate and pricing strategy into logical insights. For further information, see "***Business – Business Operations***" on page 185.

We are focused on developing applications that use data science, artificial intelligence and machine learning. Through RateGain Labs, our in-house incubator, we develop data and AI driven products for the travel. Our ability to track large volume of proprietary data across various categories of travel enables our artificial intelligence models to predict and forecast demand accurately and on a real-time basis. We work across the hospitality and travel industry to ensure that we are constantly innovating and enhancing our products and platform offerings. Our architecture is scalable and flexible to meet the demands of our customers and can be deployed at scale to support vast amounts of data. Our platform is designed to comply with the highest standards of security to serve our customers globally. We have a security framework that is PCI DSS compliant, and our data privacy measures are designed to meet the requirements set forth under the GDPR. Our continuous innovation, as well as strategic acquisition of technological capabilities, helps us continuously expand and extend the addressable market giving us a competitive advantage.

Our MarTech offerings enable hotels and travel partners to identify and generate AI audiences which have high travel intent, target them on the platform of their choice, convert them on their own website and then personalize the guest experience by understanding their needs via a 24x7 monitoring solution that enables hotels to manage inquiries, complaints, and specific needs in real-time and to mitigate negative experiences and increase guest loyalty.

Marquee global customers with long-term relationships

We have global and diverse customer base with whom we have long-standing relationships. As of September 30, 2023, our customer base of 3,104 customers including eight Global Fortune 500 companies comprised both travel suppliers and travel intermediaries including airlines, hotels, cruise lines, car rental companies, online travel agents, tour operators and wholesalers. Our customers include 25 out of the top 30 OTAs, several of the world's fastest-growing airlines, 23 of the top 30 hotel chains, all leading global car rental companies, leading cruise lines, and most of the largest travel management companies (*Source: 1Lattice Report*). In the hotel segment, we work primarily with large and mid-size chains including the Hyatt Hotels & Resorts and Omni Hotels and Resorts along with independent hotels including Turtle Bay Resorts. Besides hotels, we also work with leading OTAs such as Hopper Inc., Apple Leisure Group and Flight Centre Travel Group. We also work with several of the world's fastest growing airlines which include Norse Atlantic UK Ltd, Air Mauritius Limited and Volotea SL. Our customer in the car rental segment include the Hertz Corporation. We also work with all leading global car rental companies and leading cruise lines (*Source: 1Lattice Report*). Our customer base has increased over the years, and we added 1,767 Active Customers in the last three Fiscals and in the six months ended September 30, 2023. Our customer base grew from 1,337 Active Customers as of March 31, 2021 to 2,399 Active Customers as of March 31, 2022 and to 2,942 Active Customers as of March 31, 2023 and we had 3,104 Active Customers as of September 30, 2023, as a result of our sales and marketing efforts. We serve customers in over 100 countries, as of September 30, 2023 including in other parts of United States, Europe, Asia Pacific and Middle East.

We derive a majority of our revenues from enterprise customers, i.e., customers that generated revenues of over ₹ 4.00 million in any Fiscal and such customers accounted for 78.88%, 75.31%, 75.15% and 73.27% of our total revenue from operations in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. Our AI enabled platform and technology focused offerings have led to consistent customer retention rates. Further, by leveraging our AI capabilities, we have been able to (i) generate AI powered travel intent audiences for more targeted marketing; (ii) make pricing recommendations; and (iii) track a variety of data points to track the demand index for a destination. As of September 30, 2023, seven of our top 10 customers (by revenue in Fiscal 2023) have been associated with us for over 10 years. Revenue contributed from our ten major customer groups was ₹ 928.13 million, ₹ 1,174.92 million, ₹ 1,820.56 million and ₹ 1,112.57 million, and represented 37.01%, 32.05%, 32.22% and 24.77% of our revenue from operations in Fiscals 2021, 2022 and 2023 and in the six months ended September 33, 2023, respectively. Our long-standing relationships with our customers is evidenced by our Gross Revenue Retention that was 89.24%, 90.14%, 90.07% and 90.21% in Fiscals 2021, 2022 and 2023, and in the six months ended September 30, 2023, respectively.

We seek to continuously grow revenues from our existing customers by up selling our existing products in use by them and offering additional products that address their requirements. Our broad range of product and platform offerings helps us to cross-sell to our existing customers as well as to acquire new customers.

We offer customer support through our global support and implementation team that results in a quicker resolution of issues. We have a specialised centre of excellence for certain products and solutions to guide and train customers on best practices for effective and quick implementations. We have a customer feedback mechanism including automated NPS surveys, onboarding customer satisfaction surveys, business reviews and customer advisory boards for various geographies. We conduct annual advisory meetings with industry leaders to gain perspective on the hospitality and travel industry.

Diverse and comprehensive portfolio of revenue maximization and business critical solutions

We have developed a comprehensive product portfolio that caters to the technology ecosystem for the hospitality and travel industry and in particular, to enterprise and mid-market customers for revenue management decision support, competitive intelligence, distribution and social media marketing, online reputation, brand engagement and paid digital marketing. We have, over the years grown our operations and the scale of our operations allows customers globally to streamline their operations and increase revenues. We have a diverse client base encompassing a wide range of travel and hospitality solutions across the spectrum of verticals: hotels, airlines, OTAs, destination management organisations, vacation rentals, package providers, car rentals, travel management companies, cruises and ferries (*Source: 1Lattice Report*).

We initially commenced operations with a single price comparison product that offered competitive intelligence on rates to hotels. We have diversified our products to offer revenue optimization, travel intent, distribution solutions and marketing technology solutions as well as expanded to adjacent segments within the hospitality and travel industry. We are one of the few travel technology companies that provides end to end support from data and decision through distribution and marketing technology. (*Source: 1Lattice Report*) We have introduced AirGain, CarGain and FerryGain, pricing intelligence products that are custom created for the airline, car rental and cruise and ferries industry, respectively, and complement our existing pricing insights and competitive intelligence products. Our products are developed in-house through a centralized group of software development, product management and data science talent which we believe creates a high operating leverage. In 2022, we introduced RateHub, a platform that helps hotels distribute data to meta-search engines and drive traffic to the booking engine by increasing its visibility on such meta-search engines and thereby increasing direct bookings for our hotel partners.

Integration of our products with major property management systems ("**PMS**"), central reservations systems ("**CRS**") and revenue management systems ("**RMS**") and long-tail channels such as tour operators, GDS, bedbanks, wholesalers and OTAs, allows us to access data that results in a strong network effect for our business. While each of our products has value as a standalone offering but each of them contribute to the larger capabilities of our product suite. Data created by one set of products feeds into our other products. This has led to creation of innovative cross use-cases across products that we believe, cannot be easily replicated.

RezGain provides CRS level connectivity, automated currency conversion, productivity reporting, business intelligence and content management. In the six months ended September 30, 2023, we covered over 197,000 hotel properties, and processed 13.92 million bookings through our channels. DHISCO, our two-way channel, connects with over 80 demand partners, as of September 30, 2023. Our distribution platform is one of the largest processor of electronic hotel transactions, delivering advanced and affordable connectivity and distribution solutions to hotels worldwide (*Source: 1Lattice Report*). Our Smart Distribution tool allows customers to effectively discover new demand, automate contracting with new channels, set content and rates automatically, optimize the channel mix and thereafter distribute across various channels. Our content distribution tool, Content.AI, tracks content related KPIs for hotels such as amenities, images and room types to identify potential gaps and provides actionable insights. It is able to transform content and augments imagery that increases the chances of conversion on demand platforms.

We also develop customized social strategies for our customers to align with their marketing objectives and create content optimized for social media. Our proprietary tech-enabled solution allows our customers to drive revenue with social content, increase channel growth and engagement, increase engagement with users, measure social performance and deliver key actionable social insights. With the acquisition of Adara in 2023, we leverage and share anonymized digital profiles (or custom audiences) scored on travel intent which makes our digital marketing offering more compelling by helping to target the right audiences and optimize returns on their campaigns.

Successful integration of growth opportunities through acquisitions

In addition to generating organic growth opportunities, we have a demonstrated history of integrating acquisitions with our business and consolidating our position in the hospitality and travel industry. We follow a disciplined and opportunistic approach to acquisitions, and our track record of efficiently integrating acquired businesses, realizing cost synergies, and consolidating our position in the market is a testament to our expertise. Our ability to consolidate acquisitions has been a key strength, enabling us to continue to deliver superior value to our customers and stakeholders.

As part of our inorganic growth measures, we aim to strategically acquire businesses that offer products and technologies similar to ours or complimentary to our existing products. This will help us expand our product portfolio and improve performance of our existing products. We evaluate horizontal acquisitions that allows us to grow our geographic reach and our customer base. We acquired DHISCO in 2018 and turned it profitable following its acquisition. Following the acquisition, we were able to maintain its existing customer base and grow revenues. We have integrated DHISCO with our proprietary technology to improve connectivity options in the hospitality and travel industry. DHISCO was mainly focused on the North America market and its operations were limited to providing connectivity solutions to hotels in North America and Europe. As a result of the acquisition, we have been able to expand operations to hotels and OTAs in Asia. We have scaled the sales team and now offer connectivity options to local suppliers. We also acquired, BCV, a marketing technology company in 2019 and have been able to extend its offerings to our customers globally. We have migrated the centre of excellence from the United States to India that has resulted in margin expansion and productizing offerings to improve gross margins. Post the acquisition and with the installation of the Center of Excellence across multiple functions, we have been able to deploy our MarTech offering in other regions. We offer our MarTech product as a bundle to our existing customers along with other products to increase the unit ticket value of our commercial relationship. We have also completed the acquisition of Myhotelshop in 2021, a company which offers reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website, enable more direct bookings and optimize returns. We have managed to expand our paid digital marketing offering to social media channels as well to have a more comprehensive offering for our hotel partners. As a result of the acquisition of Myhotelshop, we have been able to expand its offerings to geographies in APAC and Middle East. More recently, we also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners along with expansion into adjacent travel segments, such as destination marketing organizations and large airlines. Adara's offering aligns with our DaaS and MarTech segments and strengthens their value proposition. With the acquisition of Adara, we are now able to provide travel-intent data with forward-looking accurate rate intelligence from different sources providing the ability to marketing and revenue teams to work closer and look at activating the right audiences as well as providing them the right offer on the right channel, enabling our partners to optimize returns on their digital marketing campaigns. Adara adds a layer of intelligence through travel intent data to our digital marketing offering by giving us access to the right audience.

Strong financial performance with track record of successful acceleration post acquisitions

We have maintained focus on capital efficiency and have grown without incurring material indebtedness, our conservative approach of operating with low debt has enabled us to remain in a good position during the COVID19 crisis. We have demonstrated strong financial performance and our revenue from operations were ₹2,507.93 million, ₹ 3,665.91 million, ₹ 5,651.28 million and ₹ 4,492.02 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. Our EBITDA was ₹ 61.59 million, ₹ 305.55 million, ₹ 846.51 million and ₹ 842.09 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively, while our EBITDA Margin was 2.46%, 8.33%, 14.98% and 18.75% in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. For details, see

"***Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin***" on page 96. Our net cash generated from operating activities have been positive in all periods and were ₹ 205.95 million, ₹ 168.05 million, ₹ 519.18 million and ₹ 769.18 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively.

Our balance sheet position enables us to make strategic investments by acquiring stakes in certain companies, and consolidate our position by acquiring brands, complementary technologies and product lines. We have established a track record of successful inorganic growth through strategic acquisitions to supplement our product offerings, diversify our revenue streams, and integrate such acquired businesses to further strengthen our portfolio. We have historically introduced operating efficiencies, revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins.

Global and diverse management team with relevant technology and domain expertise and focus on employee welfare

We benefit from the vision and experience of our senior management team. Key members of our senior management team include Bhanu Chopra, Promoter and executive Chairman of the board who has over 20 years of experience and has been profiled on "Young Turks" by CNBC-TV18 and is a member of Delhi chapter of Young Presidents Organisation. Tanmaya Das, Chief Financial Officer, has extensive experience in consulting and has been associated with PricewaterhouseCoopers in the past. Our Chief Strategy Officer, Yogeesh Chandra has experience in hospitality industry and has been associated with Taj Hotels, The Spencer on Byron Hotel, New Zealand and Kingsgate Hotel, Parnell, Auckland. We are also supported by Peter Strebel, President – Americas who has been associated with Omni Hotels and Resorts. Sahil Sharma, our Chief Human Resource Officer has been instrumental in managing our human resources and CSR efforts. Our senior management team has over a decade of experience each in contribution to revenue growth in the SaaS and hospitality and travel sectors. They have extensive go-to market and product development experience. Given that our senior management team is located across three continents, we benefit from teams across multiple geographies including go-to market teams that are located where are our enterprise and mid-market customers are based allowing us to maintain relationships with them.

Our shareholders also offer us guidance that has helped us grow our operations over the years. We lay importance on employee learning and satisfaction. Our learning and development initiatives include 'Micro MBA', functional trainings and leadership development opportunities. To ensure employee satisfaction, we have introduced an employee ticketing processes to address queries and implemented a structured employee satisfaction survey. We have an anonymous chatbot that allows employees to interact with the CEO. We believe that our initiatives and focus on employee welfare have led us to be recognized as a 'Great Place to Work' for four consecutive years and have been awarded as the Dream Employer of the Year at the World HRD Congress in 2021 and the Best HR Strategy in line with Business Award at the World HRD Congress in 2018. We also received awards for Talent Management by Times Ascent in 2022 and for Best CEOs for Diversity and Best Company for Career Growth by Comparably in 2023.

Strategies

Going forward, our growth levers to include:

New product development capabilities: We are substantially investing in our products to build capabilities that will be used by travel and hospitality companies. These include AI-led products that will offer real time intelligence and make pricing recommendations for revenue maximization. We are also building our distribution products to become more integral to our hotel partners and are exploring use cases for adopting generative AI.

Land and expand: We continue to focus on the success of our customers through bundling which will add to stickiness and present them with a platform option for vendor consolidation.

Penetration: We will continue to expand our sales infrastructure focused on enterprise and mid-market segment in specific travel and hospitality sectors to increase our penetration in areas such as MarTech and certain categories within DaaS and Distribution.

Go-to-market at scale: We will continue to build our network that will be used for integrating our products with regional niche players that will leverage our capabilities to strengthen their respective offerings to their customer base.

Continue to scale DaaS and Distribution offerings through cross-sell and geographical expansion in existing and adjacent verticals

We intend to expand our existing product offerings into segments of the hospitality and travel industry with the anticipated resumption of economic activity and travel demand.

We intend to leverage our portfolio of products and products under development to provide additional solutions to our existing customers. The interoperability of our products allows us to displace point solutions and offer bundled offerings to our customers. Customers are also able to generate granular information to manage demand fluctuations in its vicinity and for similar category of hotel rooms. We also expect to benefit from innovations made to AirGain, an airfare pricing intelligence product created for the airlines industry. Our ability to provide unique products that are personalized, contextual and relevant to addressing key operational issues of our customers will allow us to grow our wallet-share amongst our existing customers and help reduce our customer acquisition cost.

We also plan to expand into adjacent verticals within the travel industry that rely on the same product set to guide their businesses. We plan on increasing our customer base through the Distribution segment, and capitalizing on it and upscaling our integrated offerings. We intend to leverage our well-entrenched relationships with our customers to add additional verticals that will allow us to grow our revenues at minimal customer acquisition costs. In 2023, the global car rental market was an estimated US$ 99 billion and is expected to grow to US$121 billion by 2027. There exists an opportunity for pricing solutions among existing car rental companies globally given that there are limited means for the industry in terms of distribution channels unlike airlines and hotels (*Source: 1Lattice Report*). Our Rev.AI product is focused on the car rental segment that intends to replace static pricing mechanisms with dynamic pricing recommendations to optimize yield, generate demand through cohort promotions and enhance utilization through inventory management.

We expect partnerships and alliances to be a key growth lever for our operations. We intend to cost-effectively expand into adjacent verticals and new geographies through partnerships with brands to offer and recommend our solutions.

Scaling and expanding the footprint of Adara

Our acquisition of Adara in 2023 brought in technology that complements our existing product portfolio and strengthening our DaaS and MarTech businesses by leveraging on travel intent data. With the new acquisition we have a wider DaaS business which now allows for targeted digital marketing and advertising and a broader MarTech business covering brand engagement, brand monitoring and paid digital marketing for customers within the travel and hospitality industry by assisting them in innovating their digital marketing strategy to capture visitors from their preferred channel. In the MarTech business, Adara expands our portfolio by providing performance marketing and leveraging the travel intent data for brands across travel and hospitality industry, thereby optimizing their returns on ad spends. We intend to scale the offerings provided by Adara:

- By leveraging the 'RateGain' brand and our relationships with the travel and hospitality brands for Adara, aiding in optimizing its performance.
- Optimizing the interoperability of our product offerings in the MarTech segment and thereby strengthening our existing MarTech portfolio of social media management and metasearch marketing.
- By leveraging our global presence and enabling Adara to expand in regions such as Europe, Asia-Pacific and Middle East.
- By expanding data partnerships with brands in Europe, Asia-Pacific and Middle East strengthening our Adara DaaS offering and overall platform reach and effectiveness.
- By leveraging the synergies of the existing tech ecosystem at Adara by augmenting our combined product offerings.

In a digital first world, as the significance of social media increases, we envision higher adoption and with a large total addressable market for our DaaS and MarTech products and their growth prospects by capturing customer attention across different stages through social media engagement, at the planning stage and enhancing brand awareness through paid digital marketing campaigns. We have an existing pipeline of engagements and are pursuing a number of additional leads.

We intend to leverage Adara MarTech and Daas solutions, to address the growing opportunity by offering our solution to large and mid-size hotel chains, car rental companies, airlines and cruise customers by running more targeted ad campaigns and optimise returns. We also intend to extend our Adara offerings in select geographies such as the Asia Pacific, Middle East, Indian Ocean and parts of Europe which we believe are high growth markets.

Continue to leverage unique data assets to create new and scale existing AI product offerings

We are one of the largest aggregator of travel pricing data in the world for the hospitality and travel industry (*Source: 1Lattice Report*). We use our data lake for storage and modelling travel related data. We have over the years been able to leverage our large data assets to offer our customers rate intelligence, cognitive revenue management and distribution products. The scale of our operations and our strength in analytics have helped us grow our operations and monetize our offerings. We intend to continue to leverage our extensive data assets through introduction of additional product offerings based on latest technologies including artificial intelligence and commercialize these APIs for use by the travel ecosystem to solve for various use cases in making travel more seamless. We have recently launched more specific offerings like Rev.AI Ferries, which is a solution specifically designed for the ferry industry which aims to optimize revenue from foot and car passenger sales by analysing multiple factors such as foot passenger demand, car passenger demand, car sales, frequency of sailings and inventory which helps optimise revenue.

To grow our product development capabilities, we have set up RateGain Labs, an in-house incubator that will leverage our existing expertise to solve current travel industry problems through data, proximity to customers and business experience. As of September 30, 2023, RateGain labs had 36 full-time employees and is led by our Promoter, Bhanu Chopra.

Pursue strategic investment and acquisition opportunities

Given the scale of our operations, balance sheet position, agile and innovative product offerings and track record of successful acquisitions, inorganic opportunities present viable growth opportunities. We intend to selectively pursue strategic acquisitions and investments and other strategic alliance partnerships that are complementary to our growth strategy, particularly those that can help us enrich our offerings, enhance our technologies and products, and expand our customer base. The fragmented nature of the hospitality and travel technology industry coupled with current evolving macro-economic environment with high interest rates presents significant inorganic growth opportunities (*Source: 1Lattice Report*). We evaluate each potential acquisition to determine how the product offering or solution will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. For our invested businesses, we will utilize our resources to help them grow and succeed, with a goal to form sustainable and mutually beneficial relationships with such companies and offer solutions to the hospitality and travel industry value chain in the long-run. As part of our inorganic growth measures, we look to strategically acquire businesses that offer products and technologies similar to ours that help us expand our product portfolio and improve performance of our existing products.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including "***Risk Factors***", "***Use of Proceeds***", "***Issue Procedure***", "***Placement and Lock-up***" and "***Description of the Equity Shares***" on pages 45, 79, 215, 228 and 243, respectively.

Issuer	RateGain Travel Technologies Limited
Face Value	₹ 1 per equity share of the Company.
Issue Size	Aggregating up to ₹ [●] million, comprising [●] Equity Shares of our Company A minimum of 10% of the Issue Size, i.e. at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds In case of under-subscription in the portion available for Allocation only to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs
Floor Price	₹ 676.66 per Equity Share which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of a special resolution passed at the AGM dated September 15, 2023, and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue Price	₹ [●] per Equity Share of the Company (including a premium of ₹ [●] per Equity Share)
Eligible Investors	Eligible QIBs that are eligible to participate in the Issue and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the applicable laws including the SEBI ICDR Regulations. See "***Issue Procedure - Qualified Institutional Buyers***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 219, 230 and 237, respectively The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by the Lead Managers in consultation with our Company, at their sole discretion
Date of Board Resolution approving the Issue	August 7, 2023
Date of Shareholders' Resolution (through postal ballot) approving the Issue	September 15, 2023
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance of Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and other provisions of the Companies Act, 2013 and Chapter VI of the SEBI ICDR Regulations. For details, see "***Issue Procedure***" on page 215
Dividend	Please see section "***Dividends***", "***Description of the Equity Shares***" and "***Taxation***" on pages 87, 243 and 247, respectively
Taxation	Please see "***Taxation***" on page 247
Equity Shares issued and outstanding prior to the Issue	108,446,554 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Listing	Our Company has received in-principle approvals from BSE and NSE, each dated November 15, 2023, under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares to be issued pursuant to the Issue
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares, to be issued pursuant to this Issue, after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant, respectively
Lock-up	For details of the lock-up, see "***Placement and Lock-up***" on page 228

Transferability Restrictions	Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in this Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Also see, "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 215, 230 and 237, respectively
Use of Proceeds	The gross proceeds of the Issue will aggregate to approximately ₹ [●] million. The net proceeds of the Issue, after deducting fees, commissions and expenses of the Issue, is expected to be approximately ₹ [●] million. See "***Use of Proceeds***" on page 79 for information regarding the use of Net Proceeds from the Issue
Risk Factors	See "***Risk Factors***" on page 45 for a discussion of risks you should consider before deciding whether to subscribe to Equity Shares pursuant to this Issue
Closing Date	Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about [●], 2023
Status, Ranking and Dividend	Equity Shares being issued pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of voting rights and dividends Our Shareholders (who hold Equity Shares as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in Shareholders' meetings on the basis of one vote for every Equity Share held. See "***Dividends***" and "***Description of the Equity Shares***" on page 87 and page 243, respectively
Security Codes for the Equity Shares	**ISIN:** INE0CLI01024 **BSE Code:** 543417 **NSE Code:** RATEGAIN

SELECTED FINANCIAL INFORMATION

The following tables set forth our selected financial information and should be read together with the more detailed information contained in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and the Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results included in "***Financial Information***" on pages 88 and 259, respectively.

Audited Consolidated Financial Statements

Summary consolidated balance sheet

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	79.02	65.50	63.08
Right-of-use assets	45.62	179.21	166.50
Goodwill	368.57	687.56	1,737.28
Other intangible assets	1,185.60	1,292.65	1,991.18
Intangible assets under development	-	-	14.26
Financial assets			
Investments	-	228.86	238.61
Other	7.84	17.86	19.75
Income tax assets (Net)	7.94	6.06	8.53
Deferred Tax Asset (Net)	29.92	42.28	157.49
Other non-current assets	0.53	8.58	9.44
Total non-current assets	**1,725.04**	**2,528.56**	**4,406.12**
Current assets			
Financial assets			
Investments	1,290.23	1,417.79	1,160.13
Trade receivables	669.05	1,005.58	1,607.83
Cash and cash equivalents	537.56	340.98	999.30
Other bank balances	35.82	2,110.03	1,015.28
Loans	2.09	4.67	3.93
Other	26.22	258.45	37.78
Other current assets	112.03	144.85	222.45
Total current assets	**2,673.00**	**5,282.35**	**5,046.70**
Total assets	**4,398.04**	**7,810.91**	**9,452.82**
Equity and Liabilities			
Equity			
Equity share capital	6.55	107.31	108.32
Instrument entirely equity in nature	1.48	-	-
Other Equity	2,441.18	6,084.22	6,989.12
Total equity	**2,449.21**	**6,191.53**	**7,097.44**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	980.74	-	-
Lease liabilities	26.22	147.24	140.33
Others	-	51.90	152.78
Provisions	32.93	37.59	44.48
Deferred tax liabilities (net)	-	86.56	93.57
Other non-current liabilities	-	0.15	1.21
Total non-current liabilities	**1,039.89**	**323.44**	**432.37**
Current Liabilities			
Financial liabilities			
Borrowings	137.19	-	-
Lease liabilities	27.09	33.14	36.58
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	0.14	2.69	7.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	242.82	415.44	815.65
Others	105.33	255.77	333.91

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023
Other current liabilities	369.83	520.16	677.24
Provisions	2.13	2.54	3.11
Income tax liabilities (net)	24.41	66.20	49.52
Total current liabilities	**908.94**	**1,295.94**	**1,923.01**
Total liabilities	**1,948.83**	**1,619.38**	**2,355.38**
Total equity and liabilities	**4,398.04**	**7,810.91**	**9,452.82**

Summary consolidated statement of profit and loss

(₹ in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023
Income			
Revenue from operations	2,507.93	3,665.91	5,651.28
Other income	132.98	165.22	199.32
Total Income	**2,640.91**	**3,831.13**	**5,850.60**
Expenses			
Employee benefits expense	1,512.62	1,913.74	2,527.56
Finance costs	82.04	52.33	15.11
Depreciation and amortisation expense	358.81	300.64	358.14
Other Expenses	933.72	1,446.62	2,277.21
Total expenses	**2,887.19**	**3,713.33**	**5,178.02**
Profit/(Loss) before exceptional items and tax	**(246.28)**	**117.80**	**672.58**
Exceptional items	-	9.43	-
Profit/(Loss) before tax	**(246.28)**	**108.37**	**672.58**
Tax expense			
Current tax	31.11	45.33	97.13
Deferred tax charge/(credit)	8.36	(21.15)	(108.56)
Total tax (credit)/expense	**39.47**	**24.18**	**(11.43)**
Profit/(Loss) for the year after tax	**(285.75)**	**84.19**	**684.01**
Other comprehensive income			
(i) Item that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan	**0.32**	(0.59)	(2.58)
- Income tax relating to these items	(0.09)	0.16	0.70
(ii) Item that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations	6.57	(17.08)	125.64
Total other comprehensive income/(loss)	**6.80**	**(17.51)**	**123.76**
Total comprehensive income/(loss) for the year	**(278.95)**	**66.68**	**807.77**
Profit/(loss) for the year	**(285.75)**	**84.19**	**684.01**
Attributable to owners of the Holding Company	(285.75)	84.19	684.01
Other comprehensive income/(loss) for the year	**6.80**	**(17.51)**	**123.76**
Attributable to owners of the Holding Company	6.80	(17.51)	123.76
Total comprehensive income for the year	**(278.95)**	**66.68**	**807.77**
Attributable to owners of the Holding Company	(278.95)	66.68	807.77
Earnings/(loss) per equity share (EPS/LPS)			
Basic EPS	(3.09)	0.84	6.33
Diluted EPS	(3.09)	0.83	6.29

Summary consolidated statement of cash flows

(*₹ in million*)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023
Operating activities			
Profit/(Loss) before tax	(246.28)	108.37	672.58
Adjustments for:			
Depreciation and amortisation expense	358.81	300.64	358.14
Finance cost	81.19	50.38	14.34
Employee stock option expense	96.40	71.28	46.94
Trade and other receivables written off	74.39	57.06	81.65
Allowance for expected credit loss	20.26	22.26	28.59
Net gain on current investments measured at FVTPL	(31.07)	(36.43)	(10.38)
Interest income	(6.88)	(49.44)	(165.77)
Unrealised foreign exchange loss/(profit)	(0.14)	(0.02)	(56.01)
Gain on termination of lease	(54.11)	(2.86)	-
Sundry balances written back	(1.72)	-	-
Exceptional items (share issue expenses)	-	9.43	-
Write off of property, plant and equipment (net)	0.07	12.90	-
(Gain)/loss on sale of property, plant and equipment (net)	0.05	0.02	(0.98)
Operating profit before working capital changes and other adjustments	**290.97**	**543.59**	**969.10**
Working capital adjustments:			
Increase in trade receivables	28.99	(276.60)	(265.49)
(Increase)/ Decrease in financial assets	66.88	(4.98)	203.94
Decrease in loans	-	-	0.74
Increase in other assets	34.46	(37.48)	(47.47)
Decrease in trade payable	(141.27)	(58.52)	(106.90)
Increase/ (Decrease) in other financial liabilities	28.06	(12.45)	44.59
Increase/ (Decrease) in other liabilities	(82.21)	43.39	(166.68)
Increase in provisions	3.02	4.48	4.88
Cash generated from operating activities post working capital changes	**228.90**	**201.43**	**636.71**
Income tax paid (net)	**(22.95)**	**(33.38)**	**(117.53)**
Net cash generated from operating activities	**205.95**	**168.05**	**519.18**
Investing activities			
Purchase of property, plant and equipment, intangible assets and Right of use assets	(7.31)	(35.96)	(44.22)
Proceeds from sale of property, plant and equipment	-	1.28	2.33
Investments in mutual funds	(810.11)	(646.65)	(1,924.25)
Proceeds from sale of investments in mutual funds	-	1,575.63	2,326.28
Investments in bonds	-	(1,248.97)	(3,119.22)
Proceeds from sale of investments in bonds	-	-	2,975.47
Investments in bank deposits	(1.92)	(5,710.14)	(6,614.93)
Proceeds from maturity of bank deposits	-	3,635.93	7,709.68
Security deposit given	-	(30.00)	(1.61)
Payment for acquisition of subsidiaries	-	(565.35)	-
Receipt of loans given	0.09	44.82	-
Interest income	2.07	28.00	182.82
Consideration paid related to earlier acquisition	-	-	(141.55)
Consideration paid for acquisition of business	-	-	(1,224.99)
Net cash generated from/(used in) investing activities	**(817.18)**	**(2,951.40)**	**125.81**
Financing activities			
Proceeds from issue of equity instruments	-	3,777.89	21.73
Conversion of compulsorily convertible preference shares	1,110.54	-	-
Repayment of long-term borrowings	(22.27)	(1,125.82)	-
Repayment of lease liabilities	(16.83)	(15.39)	(24.40)
Share application money received/refunded (net)	0.37	3.81	-
Share issue expenses	(73.81)	(177.34)	-
Finance cost paid on lease liabilities	(22.36)	(8.39)	(14.15)
Finance cost paid	(46.81)	(55.69)	(0.19)
Net cash generated from/(used in) financing activities	**928.83**	**2,399.07**	**(17.01)**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023
Net Increase / (Decrease) in cash and cash equivalents	**317.60**	**(384.28)**	**627.98**
Net foreign exchange difference	10.35	(1.08)	30.34
Cash and cash equivalents at the beginning of the year	209.61	537.56	340.98
Cash and cash equivalents of acquired subsidiary	-	188.78	-
Cash and cash equivalents at year end	**537.56**	**340.98**	**999.30**

[*Remainder of this page intentionally kept blank*]

Unaudited Consolidated Financial Results

Summary consolidated balance sheet

(₹ in million)

Particulars	As at September 30, 2023
ASSETS	
Non-current assets	
Property, plant and equipment	65.43
Right-of-use assets	165.06
Goodwill	1,746.90
Other intangible assets	1,823.27
Intangible assets under development	14.33
Financial assets	
Investments	159.71
Loans	2.00
Other	20.91
Income tax assets (Net)	10.48
Deferred Tax Asset (Net)	176.82
Other non-current assets	11.08
Total non-current assets	**4,195.99**
Current assets	
Financial assets	
Investments	1,120.35
Trade receivables	1,998.81
Cash and cash equivalents	1,865.88
Other bank balances	1,089.20
Loans	11.44
Other	24.68
Other current assets	214.50
Total current assets	**6,324.86**
Total assets	**10,520.85**
Equity and Liabilities	
Equity	
Equity share capital	108.43
Other Equity	7,599.85
Total equity	**7,708.28**
Liabilities	
Non-current liabilities	
Financial Liabilities	
Lease liabilities	141.52
Others	154.89
Provisions	53.05
Deferred tax liabilities (net)	82.41
Other non-current liabilities	109.18
Total non-current liabilities	**541.05**
Current Liabilities	
Financial liabilities	
Lease liabilities	39.99
Trade payables	
(i) total outstanding dues of micro enterprises and small enterprises	1.38
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	905.68
Others	401.26
Other current liabilities	758.06
Provisions	3.79
Income tax liabilities (net)	161.36
Total current liabilities	**2,271.52**
Total liabilities	**2,812.57**
Total equity and liabilities	**10,520.85**

Unaudited consolidated summary statement of profit and loss

(₹ in million)

Particulars	For the six months ended September 30, 2023
Income	
(a) Revenue from operations	4,492.02
(b) Other income	96.38
Total Income	**4,588.40**
Expenses	
Employee benefits expense	1,822.90
Finance costs	6.98
Depreciation and amortization expense	217.52
Other expenses	1,827.03
Total expenses	**3,874.43**
Profit before exceptional items and tax	**713.97**
Profit before tax	**713.97**
Tax expense:	
Current tax	191.73
Deferred tax charge/(credit)	(27.21)
Total tax expense	**164.52**
Profit for the year	**549.45**
Other comprehensive income	
(i) Item that will not be reclassified to profit or loss	
- Remeasurement of the defined benefit plan	(1.29)
- Income tax relating to these items	0.32
(ii) Item that may be reclassified to profit or loss	
- Exchange differences on translation of foreign operations	30.98
Total other comprehensive income/(loss)	**30.01**
Total comprehensive income for the year	**579.46**
Profit for the year	**549.45**
Attributable to owners of the Holding Company	549.45
Other comprehensive income for the year	**30.01**
Attributable to owners of the Holding Company	30.01
Total comprehensive income for the year	**579.46**
Attributable to owners of the Holding Company	579.46
Paid-up share capital (par value of ₹1/- each fully paid)	**108.43**
Earnings/(loss) per equity share (EPS/LPS)	Not annualised
Basic	5.07
Diluted	5.01

Unaudited consolidated summary statement of cash flows

(₹ in million)

Particulars	For the six months ended September 30, 2023
Operating activities	
Profit/(Loss) before tax	713.97
Adjustments for:	
Depreciation and amortisation expense	217.52
Finance cost	6.79
Employee stock option expense	22.57
Trade and other receivables written off	6.49
Allowance for expected credit loss	8.62
Net gain on current investments measured at FVTPL	(2.21)
Interest income	(88.57)
Unrealised foreign exchange loss/(profit)	(1.64)
(Gain)/loss on sale of property, plant and equipment (net)	-
Operating profit before working capital changes and other adjustments	**883.54**
Working capital adjustments:	
Increase in trade receivables	(397.30)
Decrease in financial assets	29.95
(Increase)/ Decrease in loans	(9.51)
(Increase)/ Decrease in other assets	6.89
Increase/ (Decrease) in trade payable	78.87
Increase in other financial liabilities	66.00
Increase/ (Decrease) in other liabilities	185.54
Increase in provisions	7.96
Cash generated from operating activities post working capital changes	**851.94**
Income tax paid (net)	(82.76)
Net cash generated from operating activities	**769.18**
Investing activities	
Purchase of property, plant and equipment, intangible assets and Right of use assets	(16.64)
Proceeds from sale of property, plant and equipment	-
Investments in mutual funds	(490.02)
Proceeds from sale of investments in mutual funds	498.26
Investments in bonds	(830.13)
Proceeds from sale of investments in bonds	960.81
Investments in bank deposits	(712.29)
Proceeds from maturity of bank deposits	638.37
Payment for acquisition of subsidiaries	-
Interest income	52.61
Net cash generated from/(used in) investing activities	**100.97**
Financing activities	
Proceeds from issue of equity instruments	8.55
Repayment of lease liabilities	(13.74)
Share application money received/refunded (net)	0.29
Finance cost paid on lease liabilities	(6.64)
Finance cost paid	(0.15)
Net cash generated from/(used in) financing activities	**(11.69)**
Net Increase / (Decrease) in cash and cash equivalents	**858.46**
Net foreign exchange difference	8.12
Cash and cash equivalents at the beginning of the year	999.30
Cash and cash equivalents at year end	**1,865.88**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during: (i) Fiscal 2021; (ii) Fiscal 2022; and (iii) Fiscal 2023, as per the requirements in accordance with Indian Accounting Standard ("**Ind AS**") notified under the Ind AS Rules read with Section 133 of the Companies Act, 2013, see "***Financial Information – Fiscal 2021 Audited Consolidated Financial Statements - Note 39 – Related Party Disclosures***", "***Financial Information – Fiscal 2022 Audited Consolidated Financial Statements - Note 40 – Related Party Disclosures***" and "***Financial Information – Fiscal 2023 Audited Consolidated Financial Statements - Note 39 – Related Party Disclosures***" on pages 318, 380 and 442.

RISK FACTORS

*This Issue and an investment in Equity Shares involve a high degree of risk. You should carefully consider the risks described below as well as other information in this Preliminary Placement Document before making an investment decision. If any one or a combination of the risks described below actually occurs, our business, prospects, financial condition, results of operations and cash flows could be seriously affected, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Unless specified in the risk factors below, we are not in a position to quantify the financial implications of any of the risks mentioned below. We have described the risks and uncertainties that our management believes are material but the risks set out in this Preliminary Placement Document may not be exhaustive or complete, and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material, as the case may be, in the future. This section should be read together with the sections, "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Industry Overview**", "**Business**", and "**Financial Information**" beginning on pages 88, 126, 171 and 259 of this Preliminary Placement Document, respectively, and other financial information included elsewhere in this Preliminary Placement Document. This Preliminary Placement Document contains forward-looking statements that involve risks and uncertainties. Prospective investors should carefully consider the following risk factors as well as other information included in this Preliminary Placement Document prior to making any decision as to whether or not to invest in our Issue. Any potential investor in, and purchaser of our Equity Shares should pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscals 2021, 2022 and 2023 included herein is based on the Audited Consolidated Financial Statements, and the financial information for the six months ended September 30, 2023 is based on the Unaudited Consolidated Financial Results, included in this Preliminary Placement Document. For further information, see "**Selected Financial Information**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Information**" on pages 37, 88 and 259, respectively.*

*Unless otherwise indicated, all industry and market data used in this section has been derived from the report "Global Travel and Tourism Industry Report" dated November 6, 2023 (the "**1Lattice Report**") prepared and released by Lattice Technologies Private Limited and commissioned by us, exclusively for the purpose of the Issue. Our Company commissioned and paid for the 1Lattice Report pursuant to the engagement letter dated September 23, 2023. For risks in relation to commissioned reports, see "– **Industry information included in this Preliminary Placement Document has been derived from an industry report exclusively commissioned by and paid for by us for the purpose of the Issue**." on page 65. This Preliminary Placement Document also contains forward-looking statements that involve risk and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below in "**Forward-Looking Statements**" on page 15, and elsewhere in this Preliminary Placement Document.*

INTERNAL RISKS

Risk relating to our business

1. A substantial portion of our revenues are derived from the worldwide hospitality and travel industry and factors that negatively impact that industry could have a material adverse effect on our business, prospects, financial condition and results of operations.

A substantial portion of our revenues are derived from the worldwide hospitality and travel industry, our earnings are therefore particularly sensitive to factors affecting business volume in these industries. The worldwide hospitality and travel industry is highly sensitive to general economic conditions and trends. In addition to general economic conditions, the global hospitality and travel industry is highly susceptible to other factors that are entirely outside the Group's control, including:

- global security issues, political instability, civil unrest, acts or threats of terrorism, hostilities or war and other geopolitical issues;
- increased security measures at ports of travel that reduce the convenience of certain modes of transport;
- world energy prices, particularly fuel price escalations;

- prolonged work stoppages or labour unrest, especially if affecting any of the major hotel chains, airlines or airports;
- changes in the laws and regulations governing or otherwise affecting the hospitality and travel industry, such as travel or mobility restrictions, regulatory actions, aircraft groundings, or changes to regulations governing airlines and the hospitality and travel industry, such as governmental sanctions prohibiting or otherwise adversely affecting doing business with certain jurisdictions;
- epidemics or pandemics, such as the COVID-19 pandemic;
- natural disasters, such as flood, hurricanes, volcanic eruptions, earthquakes, drought, wildfires and tsunamis;
- aircraft, train and other travel-related accidents; and
- trends in consumer and business confidence, disposable income, the availability and cost of consumer finance, interest and exchange rates.

Other factors that increase the cost of travel, hotel accommodation and travel-related services or that otherwise adversely affect hotel occupancy rates, airline passenger numbers or domestic, regional and international travel patterns or volumes also impact our business operations and financial performance. The overall impact on the hospitality and travel industry of the above and similar factors can also be influenced by travellers' perception of, and reaction to, the scope, severity and timing of such factors. If travel volumes decline due to any of the factors described above or otherwise, this could have a material adverse effect on our business, prospects, financial condition and results of operations.

2. Our business depends on our customers renewing their contracts and on us expanding our sales to existing customers. Any decline in our customer contract renewals or expansion or any impairment of our long-term relationships with our customers would adversely affect our business operations and financial performance.

Our ability to maintain continuing relationships with our customers is essential to the growth, profitability and our results of operations. In order for us to maintain or improve our results of operations, it is important that we establish, maintain and expand our relationships with new and existing customers and that our existing customers renew their contracts when the contract term expires or otherwise expand the scope of their contracts with us. Some of our customers have in the past elected, and may in the future elect, not to renew their contracts with us or otherwise reduce the scope of their contracts. In addition, we do not have any exclusive arrangements with our customers. The growth of our business depends in part on our customers expanding their use of our products and solutions, which can be difficult to predict.

Our customers typically are not obligated to renew, upgrade, or expand their contractually agreed terms with us. In Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023, our Gross Retention Rate was 89.24%, 90.14%, 90.07%, and 90.21%, respectively. If one or more of our customers terminate their contracts with us, whether for convenience, for default in the event of a breach by us, or for other reasons specified in our contracts, as applicable; if our customers elect not to renew their contracts with us; if our customers renew their contractual arrangements with us for shorter contract periods or for a reduced scope; or if our customers otherwise seek to renegotiate terms of their existing contracts on terms less favourable to us, our business and results of operations may be adversely affected. This adverse impact would be even more pronounced with respect to customers that represent a material portion of our revenue or business operations. We derive a significant portion of our revenue from existing customers in the form of long-term arrangements, and increasing the scope of contract terms and the number of engagements of our existing customers is a major part of our growth strategy. Revenue contributed from ten major customer groups was ₹928.13 million, ₹1,174.92 million, ₹1,820.56 million and ₹1,112.57 million and represented 37.01%, 32.05%, 32.22% and 24.77% of our revenue from operations in Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023. For further information, see "***Business - Customers***" on page 197. Certain of our customers, including customers that represent a significant portion of our business, have in the past reduced their spend with us or terminated their agreements with us, which has reduced our anticipated future payments or revenue from these customers. It is not possible for us to predict the future level of demand from our enterprise customers for our products and solutions.

Our ability to renew or expand our customer relationships may decrease or vary as a result of a number of factors, including our customers' satisfaction or dissatisfaction with our products and solutions, their reliability, our pricing, the effects of general economic conditions, competitive offerings or alternatives, or reductions in our customers' spending levels. If our customers do not renew or expand their agreements with us or if they renew their contracts for shorter lengths or on other terms less favourable to us, our revenue may grow more slowly than expected or decline, and our business could suffer. Our business, financial condition, and results of operations would also be adversely affected if we face difficulty collecting our accounts receivable from our customers. In addition, our customers' decisions to expand the deployment of our products and solutions depend on a number of factors, including general economic conditions, the effectiveness and value proposition of our products and solutions, the ability of our sales teams and customer support teams to assist our customers in identifying new use cases, modernising their data architectures, achieving success with data-driven initiatives, and our customers' satisfaction with our products, solutions and support services. If our efforts to expand within our existing customer base are not successful, our business operations and financial performance may be adversely impacted.

3. ***If we are unable to attract new customers in a manner that is cost-effective and assures customer success, then our business, results of operations and financial condition would be adversely affected.***

In order to grow our business, we must continue to attract new customers in a cost-effective manner and enable such customers to realise the benefits associated with our products and solutions, so that we get sufficient opportunity to further enhance these relationships. Our customer base has grown from 1,337 Active Customers as of March 31, 2021 to 2,942 Active Customers as of March 31, 2023 and we had 3,104 Active Customers as of September 30, 2023. We may not be able to attract new customers for a variety of reasons, including as a result of their use of traditional approaches to revenue management, internal timing or budget or the pricing of our products and solutions compared to products and services offered by our competitors. After a customer makes a decision to purchase or subscribe to our products, we also typically help them implement our platform and products within their organisation, including providing training and addressing their technological needs, and these processes in certain cases may involve a significant period of time. Further, on account of COVID-19, new categories of products have evolved due to a change in the hospitality and travel industry which requires more automation, real time intelligence and advanced forecasting techniques, such as, information on COVID-19 cases and demand as per new restrictions.

Even if we do attract new customers, the cost of their acquisition or ongoing customer support may prove so high as to prevent us from achieving or sustaining profitability, particularly where we are taking on small engagements with the prospect of subsequently expanding our contract scope with them. Our Customer Acquisition Cost was ₹0.93 million, ₹0.96 million, ₹1.10 million and ₹1.25 million in Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023. We intend to continue to hire additional sales personnel, increase our marketing activities to help educate the hospitality and travel industry about the benefits of our products, solutions and platform, grow our operations in India and international operations and build brand awareness. If the costs of these sales and marketing efforts increase dramatically or if they do not result in the cost-effective acquisition of additional customers or substantial increases in revenue, our business, results of operations and financial condition may be adversely affected.

4. ***The market for SaaS solutions in the hospitality and travel industry is new and evolving, and if this market develops more slowly than we expect or declines, or develops in a way that we do not expect, our business could be adversely affected.***

Because we generate, and expect to continue to generate, a large majority of our revenue from contracts in relation to our SaaS products, we believe that our success and growth will depend to a large extent on the widespread acceptance and adoption of SaaS solutions in general, and of our MarTech, DaaS and Distribution products in particular. Our advertisement and sales promotion expenses towards our SaaS products was ₹5.49 million, ₹173.80 million, ₹266.00 million and ₹329.52 million and represented 0.22%, 4.74%, 4.70% and 7.34%, respectively, of our total revenue from operations in Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023, respectively. The market for SaaS solutions in the hospitality and travel industry is relatively new and rapidly evolving, and if this market fails to grow or grows more slowly than we currently anticipate, demand for our SaaS products could be adversely affected. The travel SaaS solutions market is subject to rapidly changing user demand and trends and as a result it is difficult to predict enterprise adoption rates and demand for our SaaS products, the future growth rate and size of our market or the impact of competitive solutions.

The expansion of the travel SaaS products market depends on a number of factors, including awareness of the SaaS business model generally, ease of adoption and use, cost, features, performance and overall platform experience, data security, protection and privacy, interoperability and accessibility across devices, systems and platforms and perceived value. If SaaS solutions do not continue to achieve market acceptance, or there is a reduction in demand for SaaS solutions for any reason, including a lack of category or use case awareness, technological challenges, weakening economic conditions, data security, protection or privacy concerns, competing technologies and products or decreases in information technology spending, our business, results of operations and financial condition may be adversely affected.

5. ***We may not derive the anticipated benefits from our strategic investments and acquisitions and we may not be successful in pursuing future investments and acquisitions.***

As part of our growth strategy, we have in the past and intend to continue to invest in and acquire stake in companies that are complementary to our business and technology offerings. For instance, in Fiscal 2019, we acquired DHISCO, a hotel distribution technology company. We also acquired 100% stake in BCV in 2020, a marketing technology company, and Myhotelshop in 2021, which offers reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms. We also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for. We continue to evaluate potential opportunities and targets for acquisition. We believe that our investments and acquisitions serve to improve and expand our platform, the products and services that we offer our customers.

There can be no assurance that our investments and acquisitions will achieve their anticipated benefits. We may not be able to integrate acquired operations, personnel and technologies successfully or effectively manage our combined business following the acquisition. Our investments and acquisitions may subject us to uncertainties and risks, including potential ongoing and unforeseen or hidden liabilities, diversion of management resources and cost of integrating acquired businesses. We may also experience difficulties and additional expenses associated with supporting legacy products and hosting infrastructure of the acquired business and retaining suppliers and customers of the acquired business.

We may not succeed in implementing our strategy of growth through strategic investments and acquisitions in the future as it is subject to many factors which are beyond our control, including our ability to identify, attract and successfully execute suitable acquisition opportunities and partnerships. Any failure to achieve the anticipated benefits of our past investments and acquisitions or to consummate new investments and acquisitions in the future could negatively impact our ability to compete in the hospitality and travel industry and have a material adverse effect on our business.

6. ***Real or perceived defects or errors on our platform and products or failure to comply with standards required by our clients under our client contracts could harm our reputation, result in product liability claims and significant costs to us, impair our ability to enter into future contracts in relation to our platform and products, and serve our existing customers.***

The software underlying our platform and products, particularly in our MarTech, DaaS and Distribution business, is complex and may contain design issues, defects or errors, that could be difficult to detect and correct, particularly when first introduced or when new features or capabilities are released. In addition, our platform and products depend on the ability of our software to store, retrieve, process and manage immense amounts of data. Any real or perceived defects, errors, failures, bugs or vulnerabilities could result in negative publicity, cybersecurity breaches and other data security, privacy, access, retention issues, performance issues and customer terminations and may impair our ability to enter into client contracts for our platform, products and solutions in the future. Some errors, bugs or vulnerabilities inherently may be difficult to detect and may only be discovered after code has been released for external or internal use. The costs incurred in correcting any defects in our platform and products may be substantial and could adversely affect our results of operations. For example, we may need to expend significant financial and development resources to analyse, correct, eliminate, or work around errors or defects or to address and eliminate vulnerabilities. Although we continually test our platform and products for defects and work with customers through our customer support organisation to identify and correct errors, we have sometimes identified defects or errors on our platform and products, and defects or errors are likely to occur again in the future. There have been instances where certain defects or errors have been identified post-release. We report these defects / errors on internal tickets and are resolved as part of our agile development programme. For instance, in April, 2023, our RezGain product platform experienced stability issues due to certain issues in one of the Kubernetes. The issue was resolved by implementing configuration modifications and the updated settings were propagated across all Kubernetes managed services. Further, in August, 2023, we experienced a network switch failure within one of our DHISCO customer's data center which impacted MPLS connectivity resulting in loss of connectivity with the customer's data center. To resolve this the internet service providers were engaged to rectify the MPLS connectivity issues. We did not receive any compensation claims from customers and the issues did not result in any adverse financial impact on our operations. As part of our contracts that we enter into with our customers, we are subject to indemnification obligations or are liable in the event we are unable to comply with our obligations under such contracts and in particular in relation to violation of third party intellectual property rights. Our liability under such contracts is typically limited up to an amount equivalent to 100% of the service fees paid to us in the last 12 months prior to the liability arising or in certain instances is capped to US$ 100. These indemnification obligations could be significant and we may not have adequate insurance coverage to protect us against all claims. While we have not faced any liability claims or indemnity claims from our customers, make payments on account of termination of contracts or make any royalty payments to third parties, there can be no assurance that we will not be subject to similar payment obligations in the event of termination of our contracts. Further, any existing unidentified or future defects that cause interruptions to the availability of our platform and products or other performance issues could result in, among other things:

- lost revenue or delayed market acceptance and contracts in relation to our platform and products;
- early termination of customer agreements or loss of customers;
- credits or refunds to customers;
- product liability lawsuits and other claims against us;
- diversion of development resources;
- increased expenses associated with remedying any defect, including increased technical support costs;
- injury to our brand and reputation; and
- increased maintenance and warranty costs.

While our customer agreements typically contain limitations and disclaimers that purport to limit our liability for damages related to defects in our products, such limitations and disclaimers may not be enforced by a court or other tribunal or otherwise effectively protect us from such claims. The combination of our insurance coverage, cash flows and reserves may not be adequate to satisfy product liabilities we may incur in the future. Even meritless claims could subject us to adverse publicity, hinder us from securing insurance coverage in the future, require us to incur significant legal fees, decrease demand for the platform or any products that we successfully develop, divert management's attention, and force us to limit or forgo further development and commercialisation of the platform and these products. Such defects or quality issues could therefore harm our reputation, result in significant costs to us, and materially affect our business, results of operations and financial condition.

7. We derive a significant portion of our revenues from operations from a limited number of markets and any adverse developments in these markets could adversely affect our business.

We have historically derived a significant portion of our revenues from operations from a limited number of markets, namely, North America (primarily USA) and Europe (primarily UK). Revenue generated from sale of services in the North America (primarily USA), Europe (primarily UK) and Asia-Pacific (primarily India)represented as a percentage of our total revenue from operations in Fiscals 2021, 2022 and 2023, and in the six months ended September 30, 2023 was:

Region	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months ended September 30, 2023	
	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers
North America (primarily USA)	1,623.89	64.75	2,283.84	62.30	3,167.55	56.05	2,700.74	60.12
Asia-Pacific (primarily India)	380.97	15.19	385.84	10.53	621.64	11.00	433.84	9.66
Europe (primarily UK)	375.92	14.99	867.49	23.66	1,698.21	30.05	1,285.14	28.61
Others	127.15	5.07	128.74	3.51	163.88	2.90	72.30	1.61
Total	2,507.93	**100.00**	**3,665.91**	**100.00**	**5,651.28**	**100.00**	4,492.02	100.00

Our revenues from these markets may decline as a result of increased competition, regulatory action such as pricing pressures, fluctuations in the demand for or supply of our platform, products or services, change in applicable laws and government policies, health and security threats or the outbreak of an infectious disease such as COVID-19. Our failure to effectively react to these situations or to successfully introduce new products or solutions in these markets could adversely affect our business, prospects, results of operations and financial condition. Further, our international operations are subject to risks that are specific to each country and region in which we operate, as well as risks associated with international operations, in general. These risks include complying with changes in foreign laws, regulations and policies, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies.

8. ***If we are not able to innovate, effectively develop product enhancements, introduce new products or keep pace with technological developments, our business, results of operations and financial condition could be adversely affected.***

Our future success will depend on our ability to adapt and innovate. To attract new customers and increase revenue from our existing customers, we will need to enhance and improve our existing platform and introduce new products, features and functionality based on continuing changes in technology, industry standards and client preferences. Enhancements and new products that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects and may have interoperability difficulties with our platform or other products. We have in the past experienced delays in our internally planned release dates of new products, features and functionality, and there can be no assurance that these developments will be released according to schedule. There have also been instances where we have been unable to make product enhancements in line with market expectations. For instance, we had initially launched our Dynamic Pricing Recommendations product in 2017. However, it did not meet customers' requirements as the market demanded sophistication in the product features such as big data handling by creation of a single data lake as well as advanced AI and ML algorithms, which we did not introduce in a timely manner. However, we have introduced a new version of the product, Rev. AI, on August 31, 2021 that includes AI and big data management capabilities. We have also invested, and may continue to invest, in the acquisition of complementary businesses and technologies that we believe will enhance our platform. For example, we acquired Myhotelshop in 2021, a company which offers reporting, bid management and campaign intelligence platform for metasearch publishers and other travel products that enables hotel suppliersto reach more customers at higher returns. Further, we also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for. Adara's offering aligns with our DaaS and MarTech businesses and strengthens their value proposition. However, it is subject to certain risks including impact of depreciating use of third-party cookie technologies in digital marketing and advertising. In order to mitigate such risk while steps have been taken like moving towards more persistent identifiers and relying on Adara Privacy token for our Company's identity framework, we cannot assure you that such risks will be completely mitigated, and such acquisitions will yield anticipated results.

Further, we may not be able to integrate these acquisitions successfully or achieve the expected benefits of such acquisitions. If we are unable to successfully develop, acquire or integrate new products, features and functionality or enhance our existing platform and products to meet the needs of our existing or potential customers in a timely and effective manner, or if a customer is not satisfied with the standard of our platform or products or with the technical support services rendered, we could incur additional costs to address the situation and our business, results of operations and financial performance could be adversely affected. An inability to recognise and incorporate evolving technology for the improvement of our platform or products, whether due to technology capability or capital constraints could also have a significant adverse impact on our business and competitive advantage.

AI and machine learning technologies serve a key role for our platform and in many of our products. As with many technological innovations, AI and machine learning present risks and challenges that could affect their adoption, and therefore our business. For example, AI presents emerging ethical issues and if we enable or offer solutions that draw controversy due to their perceived or actual impact on society, we may experience brand or reputational harm, competitive harm or legal liability. Potential government regulation in the space of AI ethics may also increase the burden and cost of research and development in this area, subjecting us to brand or reputational harm, competitive harm or legal liability. Failure to address AI ethics issues by us or others in our industry could undermine public confidence in AI and slow adoption of AI in our platform, products and solutions.

In addition, given that AI technology is relatively new, we cannot assure you that the AI-based technologies we implement and algorithms we develop will yield the benefits we anticipate.

In addition, because our platform and products are designed to integrate and operate with a variety of networks, applications, systems and devices, we will need to frequently modify and enhance our platform and products to keep pace with technological advancements in such networks, applications, systems and devices. If we are unable to respond in a timely, user-friendly and cost-effective manner to these rapid technological developments, or successfully adopt such advancements and deploy it profitably, our platform and products may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition may be adversely affected.

9. ***If we experience a cyber security breach or other security incident or unauthorised parties otherwise obtain access to our customers' data or our data, our platform and products may be perceived as not being secure, our reputation may be harmed, demand for our platform and products may be reduced and we may incur significant liabilities.***

We collect, manage, store, transmit and otherwise process vast amounts of data as part of our business and operations and manage our own data centre apart from the third-party data centres we use. We have in the past been subject to phishing and malware attacks. However, these attacks have not had resulted in any adverse impact on our Company or resulted in any financial impact. For instance, in July 2023, we were notified of a phishing website unlawfully using branding of one of our products. Following such notification, a 'notice to takedown' was issued on our behalf to the host and registrar responsible for the website, requesting for its immediate removal. Thereafter, we initiated proceedings under the uniform domain name dispute resolution policy wherein the panel awarded the transfer of the said domain to us. We may, in the future, continue to be subject to cybersecurity attacks by third parties or internally seeking unauthorised access to our data or to disrupt our ability to provide our platform and products.

While we have taken steps to protect the security of the information that we handle, there can be no assurance that any security measures that we or our third-party service providers have implemented will be effective against current or future security threats. Our security measures or those of our third-party service providers could fail and result in unauthorised access to or use of our platform and products or unauthorised, accidental or unlawful access to, or disclosure, modification, misuse, loss or destruction of, our or our customers' data.

In addition, computer malware, computer hacking, fraudulent use, social engineering (such as, spear phishing attacks), ransomware, credential stuffing, denial of service attacks, supply chain attacks, and general malicious activity have become more prevalent, and such incidents or incident attempts have occurred in the past and may occur in the future. Any actual or perceived failure to maintain the performance, reliability, confidentiality, integrity, and availability of our platform and products to the satisfaction of our customers may harm our reputation and our ability to retain existing customers and attract new customers. A substantial portion of our business is with large enterprises, which often have heightened sensitivity to data security, protection and privacy issues, and any actual or perceived cybersecurity breach or other security incident may have an especially large impact on the attractiveness of our platform and products to our customer base.

Customers who lose confidence in the security of our platform and products as the result of an actual or perceived cybersecurity breach or other security incident may curtail or stop using our services, which may cause our reputation to suffer or result in widespread negative publicity. Additionally, we may incur significant harm including legal and regulatory exposure, including governmental or third-party lawsuits, disputes, investigations, orders, regulatory fines, penalties for violation of applicable laws or regulations or other liabilities and negative financial impacts, which may have a material adverse effect on our business, results of operations and financial condition. In addition, given that a significant part of our operations are in North America and Europe, we are also subject to onerous data protection and privacy laws such as General Data Protection Regulation as well as other international and local regulations in these jurisdictions, breaches of which could cause significant losses and penalties adversely affecting our business, results of operations and financial condition. While we have not faced any claims from our customers or received any regulatory notices in the past three Fiscals in respect of breaches of data security, there can be no assurance that we will not be subject to such claims or notices in the future. For further information, see "– ***We are subject to various Indian and international laws and regulations regarding privacy and data security, and we or our clients may be subject to regulations related to the handling and transfer of certain types of sensitive and confidential information. Any failure to comply with these laws and regulations could impose significant compliance burdens.***" on page 59.

10. ***Our expansion into new business verticals or product categories may expose us to new challenges and more risks.***

We currently operate under three distinct business verticals, namely, MarTech, DaaS and Distribution. The following table sets forth certain information relating to our revenue from contracts with customers across our business segments in the periods indicated:

Segment	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2023**	
	Amount	**Percentage of Revenue from Contracts with Customers**	**Amount**	**Percentage of Revenue from Contracts with Customers**	**Amount**	**Percentage of Revenue from Contracts with Customers**	**Amount**	**Percentage of Revenue from Contracts with Customers**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**
DaaS	933.77	37.23	1,048.70	28.61	1,618.43	28.64	1,431.64	31.87
Distribution	1,218.05	48.57	1,415.45	38.61	1,942.95	34.38	1,008.26	22.45
MarTech	356.11	14.20	1,201.76	32.78	2,089.90	36.98	2,052.12	45.68
Total revenue from contracts with customers	**2,507.93**	**100.00**	**3,665.91**	**100.00**	**5,651.28**	**100.00**	**4,492.02**	**100.00**

We have forayed into the MarTech segment with a particular focus on the hospitality sector through our acquisition of BCV in 2019 and further expanded the MarTech segment with our acquisition of Myhotelshop in 2021. We also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands and expanded our DaaS and MarTech segments. Our limited experience with these products may expose us to new challenges and operating in this segment may also impact our product mix and revenues in future. Therefore, our past results of operations should not be taken as indicative of our future performance. If we cannot successfully manage our product mix, address new challenges or compete effectively, we may not be able to recover costs of our investments and eventually achieve profitability, and our future results of operations and growth prospects may be materially and adversely affected.

11. ***Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in "***Use of Proceeds***" on page 79 of this Preliminary Placement Document. As on the date of this Preliminary Placement Document, our funding requirements are based on management estimates and our current business plans and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies and has not been appraised by any bank or financial institution. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. While we will from time to time continue to seek attractive inorganic opportunities for utilisation of our Net Proceeds and intend to deploy the Net Proceeds by the end of Fiscal 2027, we have not presently entered into any definitive agreements in this regard.

We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

12. ***In the event that our Net Proceeds to be utilised towards inorganic growth initiatives are insufficient for the cost of our proposed inorganic acquisition, we may have to seek alternative forms of funding. Further, the deployment of Net Proceeds towards our inorganic growth initiatives may not take place within the period currently intended, and may be reduced or extended.***

We propose to utilize the Net Proceeds towards inorganic growth initiatives, as set forth in "***Use of Proceeds***" beginning on page 79. We will from time to time continue to seek attractive inorganic opportunities that will fit well with our strategic business objectives and growth strategies, and the amount of Net Proceeds to be used for acquisitions will be based on our management's discretion. The amounts deployed towards such initiatives may not be the total value or cost of such acquisitions or investments, resulting in a shortfall in raising requisite capital from the Net Proceeds towards such acquisitions or investments. Consequently, we may be required to explore a range of options to raise requisite capital, including utilising our internal accruals and/or seeking debt, including from third party lenders or institutions. Further, as we have not identified any target company and the Net Proceeds are not proposed to be utilized towards implementing any specific acquisition, a schedule of implementation in relation to the Objects has not been provided in this Preliminary Placement Document.

The actual deployment of funds will depend on a number of factors, including identification of target company, market conditions, our Board's analysis of economic trends and business requirements, competitive landscape, ability to identify and consummate inorganic growth opportunities as well as general factors affecting our results of operations, financial condition and access to capital.

13. ***We have in the past been non-compliant with certain provisions of the Companies Act, 2013 and FEMA. While we have filed applications for the compounding of these offences with relevant authorities, we cannot assure you that the compounding application will be resolved in our favour or if resolved we will not be subject to any further regulatory action.***

Our Company has filed a compounding application with the RBI on September 27, 2023 ("**RBI Compounding**") for non-compliance with provisions of regulation 13.1(5) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, due to inadvertent omission of filing of Form ESOP. Our Company has granted 7,170 ESOPs pursuant to the ESOP Schemes to non-resident employees of the Company, which was not reported to RBI in Form ESOP, within the prescribed timeline, being within 30 days. The RBI Compounding is currently pending. While we have taken steps to rectify these non-compliances, there can be no assurance that we will receive favourable order in the compounding application and even after receiving favourable order, we may be subject to penalties for such past non-compliances. Further, if the compounding application is rejected, our Directors or any officer of our Company in default, may be subject to additional penalties.

Additionally, our Company has also filed for compounding in the past, before the Regional Director (Northern Region at New Delhi), Ministry of Corporate Affairs, Government of India, on August 14, 2021 for non-compliance of section 42 of the provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, and other applicable rules and provisions of the Companies Act, 2013. While such compounding application has been accepted and the non-compliance has been regularized, we cannot assure you that we will not be subject to any legal proceedings or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our secretarial filings and/or corporate records in the future, which may adversely affect our business, financial condition and reputation.

14. ***Exchange rate fluctuations may adversely affect our results of operations as a portion of our revenues and expenditures are denominated in foreign currencies.***

We are exposed to foreign exchange related risks as a significant portion of our revenue from operations are in foreign currency, including the US Dollar, Euro and Pound Sterling. Revenue from sale of services outside India was ₹2,488.93 million, ₹3,604.04 million, ₹5,615.31 million, ₹4,468.11 million and ₹2,415.15 million, and represented 99.24%, 99.29%, 99.36%, 99.46% and 99.02% respectively, of our total revenue from operations in Fiscals 2021, 2022 and 2023, and the six months ended September 30, 2023 and September 30, 2022, respectively. A portion of our expenses, including salaries and wages payable and rental expenses, are denominated in currencies other than Indian Rupees. Although our global operations provide some degree of natural hedging, our operations are exposed to exchange rate fluctuations. We may also be required to make provisions for foreign exchange differences in accordance with accounting standards, particularly when preparing our consolidated financial statements, given our financial statements for our various international subsidiaries are in foreign currency and are required to be converted to Indian Rupees at a period end exchange rate. While we make provisions for foreign exchange fluctuations and also take steps to hedge our foreign currency fluctuation risk in the manner prescribed in our hedging policy, '*Process Narrative for Forex Management*', a significant or frequent fluctuation in the exchange rate between the Indian Rupee and other currencies, may adversely affect our results of operations. The exchange rate between the Indian Rupee and foreign currencies, primarily the US Dollar, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations. While there have not been any instances of foreign exchange losses in the past three Fiscals, there can be no assurance that we will be able to manage our foreign currency risk effectively or mitigate exchange exposures in future which may adversely affect our financial performance.

15. ***Failure to protect our intellectual property rights could adversely affect our business and our brand. Further, we may be subject to intellectual property rights claims by third parties, which could require us to pay significant damages and could limit our ability to use certain technologies.***

Our success and ability to compete depends, in part, on our ability to protect our trade secrets, trademarks, know-how, confidential information, proprietary methods and technologies and other intellectual property and proprietary rights, so that we can prevent others from using our inventions, proprietary information and property. We generally rely on common law trade secret and trademark laws, and confidentiality or license agreements with our employees, consultants, vendors, customers and other third parties, and generally limit access to and distribution of our proprietary information, in order to protect our intellectual property rights and maintain our competitive position. However, we cannot guarantee that the steps we take to protect our intellectual property rights will be effective.

As on the date of this Preliminary Placement Document, we had eight trademarks registered in the name of our Company and 23 trademarks registered in the name of our Subsidiaries out of which one trademark has expired and renewal application has not been filed and one trademark application is pending in the USA. Further, our Subsidiary RateGain Adara has four patents registered in its name in the USA. As we expand our activities globally, our exposure to unauthorised copying and use of our products and platform capabilities and proprietary information will likely increase. We are currently unable to measure the full extent of this unauthorised use of our products, platform capabilities, software, and proprietary information. We believe, however, that such unauthorised use can be expected to be an issue that negatively impacts our revenue and financial results. Additional uncertainty may result from recent and future changes to intellectual property legislation and from interpretations of the intellectual property laws by applicable courts and agencies. Further, although we endeavour to enter into non-disclosure agreements with our employees, licensees and others who may have access to confidential and proprietary information, we cannot assure that these agreements or other steps we have taken will prevent unauthorised use, disclosure or reverse engineering of our technology. Moreover, third parties may independently develop technologies or products that compete with ours, and we may be unable to prevent this competition.

We might be required to spend significant resources to defend, monitor, and protect our intellectual property rights, such as by initiating claims or litigation against third parties for infringement of our proprietary rights or to establish the validity of our proprietary rights. However, we may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be adequate to compensate us for the harm suffered. Additionally, we may provoke third parties to assert counterclaims against us. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results. For any of these reasons, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property. If we fail to protect our intellectual property rights adequately, our competitors might gain access to our technology or use of our brand, and our business might be adversely affected.

Further, companies in the software and technology industries, including some of our competitors, own large numbers of patents, copyrights, trademarks and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. In addition, many of these companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. Such third parties, including certain of the leading companies and non-practicing entities, may assert patent, copyright, trademark or other intellectual property rights against us, our technology partners or our customers.

While we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. There may be third-party intellectual property rights, that cover or claim to cover significant aspects of our technologies or business methods. We may be exposed to increased risk of being the subject of intellectual property infringement claims as a result of acquisitions. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed patents or other intellectual property rights. These claims could also result in our having to stop using technology found to be in violation of a third-party's rights. We might be required to seek a license for the intellectual property, which may not be available on reasonable terms or at all. Even if a license were available, we could be required to pay significant royalties, which would increase our operating expenses. Such risks will increase as we continue to expand our operations and product offerings. As a result, we may be required to develop alternative non-infringing technology, which could require significant effort and expense. If we cannot license or develop technology for any infringing aspect of our business, we would be forced to limit or stop sales of our offerings and may be unable to compete effectively. While such claims by third parties have not been made to us historically, the occurrence of any of the foregoing would adversely affect our business operations and financial results.

16. In addition to cloud computing providers, we also rely on our own data centre and third-party data centres, and any interruption or delay in service from these facilities could impair the delivery of our platform and products and adversely impact our business and results of operations.

We currently serve our customers through both cloud computing providers and our own data centers through DHISCO and with third-party data centres for our DaaS products located around the world. Some of these facilities may be located in areas prone to natural disasters and may experience events such as earthquakes, floods, fires, severe weather events, power loss, computer or telecommunication failures, service outages or losses, and similar events. We have faced certain instances of outages in our own as well as third-party centres in the past. For example, in December 2020 and February 2021, we faced an outage of an hour due to slow average rate index processing, which affected our customer's access to RezGain. Although this incident did not result in any material financial impact on our Company, there can be no assurance that similar incidents in future will not occur or that such incidents will not result in an adverse impact on our financial condition and results of operations. They may also be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct or cybersecurity issues, human error, terrorism, improper operation, unauthorised entry and data loss. In the event of significant physical damage to one of these data centres, it may take a significant period of time to achieve full resumption of our services, and our disaster recovery planning may not account for all eventualities. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the data centres that we use. Although we carry business interruption insurance, it may not be sufficient to compensate us for the potentially significant losses, including the potential harm to the future growth of our business that may result from interruptions in our platform, products or services. In our efforts to reduce our dependence on third party data centres and the risks involved, we are transitioning and migrating towards cloud computing providers for our DaaS products.

As we grow and continue to add cloud computing providers and expand operations through our cloud computing providers, we may move or transfer our data and our customers' data. Despite precautions taken during this process, any unsuccessful data transfers may impair the delivery of our platform and products. Any damage to, or failure of, our systems, or those of our third-party data centres or cloud computing providers, could result in interruptions on our products platform or damage to, or loss or compromise of, our data and our customers' data. Any impairment of our or our customers' data or interruptions in the functioning of our platform and products, whether due to damage to, or failure of, third-party data centres and cloud computing providers or unsuccessful data transfers, may reduce our revenue, result in significant fines, cause us to issue credits or pay penalties, subject us to claims for indemnification and other claims, litigation or disputes, result in regulatory investigations or other inquiries, cause our customers to terminate their contracts and adversely affect our reputation, renewal rates and our ability to attract new customers. Our business will also be harmed if our existing and potential customers believe our platform and products are unreliable or not secure.

17. We are subject to risks associated with expansion into new geographic regions.

Expansion into new geographic regions subjects us to various challenges, including those relating to our lack of familiarity with the culture, local laws and regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. To manage cultural differences, we encourage cosmopolitan culture across our offices in India and internationally and prior to undertaking any merger or acquisition in a new geography we also check compatibility of the new teams with our existing culture and employees. While we have experienced teams in-house that lead our expansion activities, we also hire local consultants to mitigate problems associated with language issues in other geographies, compliance with local laws and regulatory issues and to undertake diligence on our proposed business partners.

By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation;
- foreign ownership constraints and uncertainties with new local business partners;
- local preferences and service requirements;
- fluctuations in foreign currency exchange rates;
- inability to effectively enforce contractual or legal rights and adverse tax consequences;
- differing accounting standards and interpretations;
- stringent as well as differing labour and other regulations;
- differing domestic and foreign customs, tariffs and taxes;
- exposure to expropriation or other government actions; and
- political, economic and social instability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

18. Our inability to modify our pricing models to retain existing customers and attract prospective customers may have an adverse impact on our business, financial condition and results of operations.

We may be required to change our pricing model from time to time, including as a result of competition, global economic conditions, general reductions in our customers' spending levels, pricing studies, or changes in how our products are broadly consumed. Similarly, as we introduce new products and services, or as a result of the evolution of our existing products and services, we may have difficulty determining the appropriate price structure for our products and services. In addition, as new and existing competitors introduce new products or services that compete with ours, or revise their pricing structures, we may be unable to attract new customers at the same price or based on the same pricing model as we have used historically. Moreover, as we continue to target selling our products and services to larger organisations, these larger organisations may demand substantial price concessions. If we are unable to modify or develop pricing models and strategies that are attractive to existing and prospective customers, while enabling us to significantly grow our sales and revenue relative to our associated costs and expenses in a reasonable period of time, our business, financial condition, and results of operations may be adversely impacted.

19. We have experienced net losses in the past and we anticipate increased expenses in our future. Any loss in future periods could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

In Fiscal 2021, we had total comprehensive loss of ₹278.95 million. For further information, see "***Financial Information***" on page 259. This was primarily on account of the impact of COVID-19 to the hospitality and travel industry in general and in particular on our operations.

While we have reported net profits in Fiscals 2022 and 2023 and in the six months ended September 30, 2023, we expect our costs to increase over time and our losses may recur given the investments expected towards growing our business. These efforts may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from maintaining or increasing profitability or positive cash flow on a consistent basis. If we are unable to successfully address these risks and challenges as we encounter them, our business, cash flows, financial condition and results of operations could be adversely affected along with an impact on the trading price of our Equity Shares. If we are unable to generate adequate revenue growth and manage our expenses and cash flows, we may incur significant losses in the future.

20. An inability to provide quality customer service and support may adversely affect our relationships with our existing and prospective customers, and in turn our business, results of operations and financial condition.

In implementing and using our platform and products, our customers depend on our quality customer service and support, which in some cases may be provided by third-party partners, to resolve complex technical and operational issues in a timely manner. We, or in certain cases our partners, may be unable to respond quickly to accommodate short-term increases in demand for customer or product support. We also may be unable to modify the nature, scope and delivery of our customer and product support to compete with changes in solutions provided by our competitors. Increased customer support requests, without corresponding revenue, could increase costs and adversely affect our results of operations and financial condition. Our sales are highly dependent on our reputation and on positive recommendations from our existing customers. While we have not withdrawn any products or services in the past three years, there are certain products such as Unity, RevGain – Hotels and BrandGain that we are in the process of phasing out from our product portfolio, in the ordinary course of its business. Any failure to maintain quality customer or product support, or a market perception that we do not maintain quality enterprise or product support, could adversely affect our reputation, our ability to sell our platform and products to existing or new customers, and in turn our business, results of operations and financial condition.

21. Our sales efforts involve considerable time and expense and our sales cycle is often long and unpredictable.

Our results of operations may fluctuate, in part, because of the intensive nature of our sales efforts and the length and unpredictability of our sales cycle. As part of our sales efforts, we invest considerable time and expense evaluating the specific organisational needs of our potential customers and educating these potential customers about the technical capabilities and value of our platform, products and services. The length of our sales cycle, from initial demonstration of our platform and products to sale of our platform, products and services, tends to be long and varies substantially from customer to customer. As decisions to enter into customer contracts in relation to our platform and products involve significant financial commitment, potential customers generally evaluate our platform and products at multiple levels within their organisation, each of which often have specific requirements, and typically involve their senior management.

Our results of operations depend on sales to enterprise customers, which make product purchasing decisions based in part or entirely on factors, or perceived factors, not directly related to the features of the platform and products, including, among others, that customer's projections of business growth, uncertainty about economic conditions, capital budgets, anticipated cost savings from the implementation of our platform and products, potential preference for such customer's internally-developed software solutions, perceptions about our business, our platform and products, more favourable terms offered by potential competitors, and previous technology investments. In addition, certain decision makers and other stakeholders within our potential customers may be keen to support continued use of internally-developed or existing software, which may make it more difficult for us to differentiate our offerings and persuade them to purchase our platform, products and services. As a result of these and other factors, our sales efforts typically require an extensive effort throughout a customer's organisation, a significant investment of human resources, expense and time, including by our senior management, and there can be no assurances that we will be successful in making a sale to a potential customer. If our sales efforts to a potential customer do not result in sufficient revenue to justify our investments, our business, results of operations and financial condition could be adversely affected.

22. If we are not successful in executing our strategy to increase our sales to larger customers, our results of operations may suffer.

An important part of our growth strategy is to increase sales of our products/platform to enterprise customers. Sales to enterprise customers involve risks that may not be present (or that are present to a lesser extent) with sales to small-to-mid-sized entities. These risks include: increased leverage held by large customers in negotiating contractual arrangements with us; changes in key decision makers within these organisations that may negatively impact our ability to negotiate in the future; customers may have vested interest in advocating for legacy or internally-developed solutions over our platform and products; resources may be spent on a potential customer that ultimately elects not to purchase our products and services; more stringent requirements in our service contracts, including stricter service response times, and increased penalties for any failure to meet service requirements; increased competition from larger competitors; and less predictability in completing some of our sales than we do with smaller customers.

Large enterprises and government entities often undertake a significant evaluation process that results in a lengthy sales cycle, in some cases over twelve months, requiring approvals of multiple management personnel and more technical personnel than would be typical of a smaller organisation. Finally, large enterprises and government entities typically (i) have longer implementation cycles, (ii) require greater product functionality and scalability and a broader range of services, including design services, (iii) demand that vendors take on a larger share of risks, (iv) sometimes require acceptance provisions that can lead to a delay in revenue recognition, (v) typically have more complex IT and data environments, and (vi) expect greater payment flexibility from vendors. Customers, and sometimes we, may also engage third parties to access our platform and products, which may result in contractual complexities and risks, require additional investment of time and human resources to train such third parties and allow third parties (who may be building competitive projects or engaging in other competitive activities) to influence our customers' perception of our platform and products. All these factors can add further risk to business conducted with these customers. If sales expected from a large customer for a particular period are not realised in that period or at all, our business, financial condition, results of operations, and growth prospects could be materially and adversely affected.

23. If we fail to effectively manage our growth, our business and results of operations could be harmed.

We have experienced, and may continue to experience, rapid growth and organisational change, which has placed, and may continue to place, significant demands on our management, operational and financial resources. In addition, we operate globally and enter into contracts related to our platform and products in more than 100 countries as of September 30, 2023, and have incorporated subsidiaries in United Kingdom, United States and Spain. We plan to continue to expand our international operations into other countries in the future, which will place additional demands on our resources and operations. We have also experienced significant growth in the number of enterprises, end users, transactions and amount of data that our platform, product offerings and associated hosting infrastructure support. Our number of Active Customers has grown from 1,337 as of March 31, 2021 to 2,942 as of March 31, 2023, and to 3,104 Active Customers as of September 30, 2023.

Further, in order to successfully manage our growth, our organisational structure has become, and may continue to become, more complex. We may need to scale and adapt our operational, financial and management controls further, as well as our reporting systems and procedures to manage this complexity and our increased responsibilities as a public company. This will require us to invest in and commit significant financial, operational and management resources to grow and change in these areas without undermining the corporate culture that has been critical to our growth so far. These investments will require significant expenditures, and any investments we make will occur in advance of the benefits from such investments, making it difficult to determine in a timely manner if we are efficiently allocating our resources. If we do not achieve the benefits anticipated from these investments, if the achievement of these benefits is delayed, or if we are unable to achieve a high level of efficiency as our organisation grows, in a manner that preserves the key aspects of our culture, our business, results of operations and financial condition may be adversely affected.

24. We are dependent on our Promoters, management team and a number of Key Managerial Personnel and members of Senior Management and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.

Our ability to compete in the highly competitive technology industry depends upon our ability to attract, motivate, and retain qualified personnel. We are highly dependent on the continued contributions and customer relationships of our management and on our senior leadership led by our Promoter and Chairman and Managing Director, Bhanu Chopra. We rely on the continued effort and services of some key members of our Senior Management including our Chief Financial Officer, Tanmaya Das, President – Americas, Peter Strebel, and Chief Human Resources Officer, Sahil Sharma. All of our executive officers and key personnel are at-will employees and may terminate their employment relationship with us at any time. The loss of the services of our key personnel and any of our other executive officers, and our inability to find suitable replacements, could result in a decline in sales, delays in product development, and harm to our business and operations.

At times, we have experienced, and we may continue to experience, difficulty in hiring and retaining personnel with appropriate qualifications, and we may not be able to fill positions in a timely manner or at all or may need to implement measures such as salary cuts due to external reasons. As of September 30, 2023, we had 746 permanent employees. The attrition rate of our employees, i.e. the rate at which employees leave an organization during a particular period of time, was 31.87%, 22.38%, 21.12%, and 13.75%, respectively, in Fiscals 2021, 2022 and 2023, and the six months ended September 30, 2023. We cannot guarantee that we will be able to recruit and retain qualified and capable employees. In addition, our recruiting personnel, methodology, and approach may need to be altered to address a changing candidate pool and profile. We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors or other technology companies before we realise the benefit of our investment in recruiting and training them. As we move into new geographies, we will need to attract and recruit skilled personnel in those geographic areas, but it may be challenging for us to compete with traditional local employers in these regions for talent. If we fail to attract new personnel or fail to retain and motivate our current personnel who are capable of meeting our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be harmed.

Our success depends on our ability to effectively source and staff people with the right mix of skills and experience to perform services for our customers, including our ability to transition personnel to new assignments on a timely basis. If we are unable to effectively utilise our personnel on a timely basis to fulfil the needs of our customers, our business could suffer. Further, if we are not able to utilise the talent we need because of increased regulation of immigration or work visas, including limitations placed on the number of visas granted, limitations on the type of work performed or location in which the work can be performed, and new or higher minimum salary requirements, it could be more difficult to staff our personnel on customer engagements and could increase our costs.

25. The implementation process of our platform and products may in some cases be time consuming, and any failure of our products to satisfy our customers or perform as desired could harm our business, results of operations, and financial condition.

Our platform, products and services are complex and may be deployed in a wide variety of network environments. Implementing our platform, products can be a complex and lengthy process. Inability to meet the unique needs of our customers may result in customer dissatisfaction and/or damage to our reputation, which could materially harm our business. Further, the proper use of our platform and products may require training of the customer and the initial or ongoing services of our technical personnel over the contract term. If training and/ or ongoing services require more of our expenditures than we originally estimated, our margins will be lower than projected.

In addition, if our customers do not use our platform and products as intended, inadequate performance or outcomes may result. It is possible that our platform and products may also be intentionally misused or abused by customers or their employees or third parties who obtain access and use of our platform and products. As our customers rely on our platform and products and services to address important business goals and challenges, the incorrect or improper use or configuration of our platform and products, failure to properly train customers on how to efficiently and effectively use our platform and products, or failure to properly provide implementation or analytical or maintenance services to our customers may result in contract terminations or non-renewals, reduced customer payments, negative publicity, or legal claims against us.

Further, if customer personnel are not well-trained in the use of our platform and products, customers may defer the deployment of our platform, products and services, may deploy them in a more limited manner than originally anticipated, or may not deploy them at all. If there is substantial turnover of the company or customer personnel responsible for procurement and use of our platform and products, our platform and products may go unused or be adopted less broadly, and our ability to make additional sales may be substantially limited, which could negatively impact our business, results of operations, and growth prospects.

26. We are subject to various Indian and international laws and regulations regarding privacy and data security, and we or our clients may be subject to regulations related to the handling and transfer of certain types of sensitive and confidential information. Any failure to comply with these laws and regulations could impose significant compliance burdens.

In our processing of transactions, we receive and store a large volume of personally identifiable data. This data is increasingly subject to legislation and regulations in numerous jurisdictions around the world, such as the Indian Information Technology Act, 2000, as amended, ("**IT Act**") which would subject us to civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offences including from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information that we possess in our computer systems, networks, databases and software. The IT Act also imposes stringent punishment, including imprisonment in case a person (including an intermediary), while providing services as per a contract, accesses, reveals or discloses personal information about another individual in violation of the contract or without consent of such other individual, knowing that the same will cause wrongful loss or wrongful gain. The Government of India, on August 3, 2023, introduced in the Lok Sabha, India's Digital Personal Data Protection Act, 2023. It received the assent of the President of India on August 11, 2023 (the "**Data Protection Act**") but remains to be come into effect as it is yet to be notified by the Government. The Data Protection Act supersedes the Information Technology Act, 2000 and provides for the processing of digital personal data in a manner that recognises both the right of individuals to protect their personal data and the need to process such data for lawful purposes and deals with processing of all personal data in digital form, whether collected digitally or offline and digitalized later for processing. The Data Protection Act will also apply to the processing of personal data, outside India, if it is for offering goods or services or profiling individuals in India. The Data Protection Act requires companies collecting and dealing with high volumes of personal data and who are notified as significant data fiduciaries, to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and an independent data auditor to evaluate compliance with the Data Protection Act. Our Company may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the internet have recently come under increased public scrutiny around the world. In the European Union, the General Data Protection Regulation, requires companies to implement and remain compliant with regulations regarding the handling of personal data, including its use, protection and the ability of persons whose data is stored to correct or delete such data about themselves. The EU's directive on privacy and electronic communications imposes obligations on the use of personal information in the context of electronic communications, particularly with respect to online tracking technologies and direct marketing. The certifications we maintain and standards we comply with, including the U.S. Federal Risk and Authorization Management Program and PCI-DSS, are becoming more stringent. Our handling of data is subject to a variety of laws and regulations, including regulation by various government agencies, such as the Federal Trade Commission, and various state, local and foreign agencies. Our data handling also is subject to contractual obligations and industry standards. The U.S. federal and various state and foreign governments have adopted or proposed limitations on the collection, distribution, use and storage of data relating to individuals, including the use of contact information and other data for marketing, advertising and other communications with individuals and businesses. In the United States, various laws and regulations apply to the collection, processing, disclosure and security of certain types of data. Additionally, the FTC and many state attorneys general are interpreting federal and state consumer protection laws as imposing standards for the online collection, use, dissemination and security of data.

Other countries in Asia, Europe and Latin America have passed or are considering similar privacy regulations, resulting in additional compliance burdens and uncertainty as to how some of these laws will be interpreted. Any liability we may incur for violation of such laws and regulations and related costs of compliance and other burdens may adversely affect our business and profitability. We could be adversely affected if legislation or regulations are expanded to require changes in our business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, results of operations or financial condition.

27. We are exposed to credit risk from our customers and the recoverability of our trade receivables is subject to uncertainties.

We typically allow a credit period of 30 to 60 day to our customers who enter into contracts in relation to our SaaS products and are therefore exposed to credit risk from our customers. Our trade receivables were ₹ 669.05 million, ₹ 1,005.58 million, ₹ 1,607.83 million, and ₹ 1,998.81 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. For further information, see "***Financial Information***" on page 259. Our trade receivable turnover days increased from 83 days in Fiscal 2022 to 84 days in Fiscal 2023 and was 73 days in the six months ended September 30, 2023 primarily due to better management and control over receivable and collection process of the Company.

A customer's ability to make payments on timely basis depend various factors such as general economic and market conditions and the customer's cash flow position, which are out of our control. Delays in receiving payments from our customers may adversely affect our cash flow position and our ability to meet our working capital requirements. Defaults in making payments to use on projects for which we have already incurred significant costs and expenditures can materially and adversely affect our results of operations and reduce our financial resources that would otherwise be available for other purposes. There is no assurance that our customers will pay us on a timely basis or at all, which may adversely affect the recoverability of our trade receivables, or that we will be able to efficiently manage the level of bad debt arising from delayed payments. In the event, we are unable to recover such payments, our business, financial condition and results of operations could be adversely affected.

28. We face competition in our markets, and we may lack sufficient financial or other resources to maintain or improve our competitive position.

The markets for our products are very competitive, and we expect such competition to continue or increase in the future. A significant number of companies are developing products that currently, or in the future may, compete with some or all aspects of our proprietary platforms. We may not be successful in convincing the management teams of our potential customers to deploy our products in lieu of existing software solutions or in-house software development projects often favoured by internal IT departments or other competitive products and services. In addition, our competitors include large enterprise software companies and system integrators, and we may face competition from emerging companies as well as established companies who have not previously entered this market. Additionally, we may be required to make substantial additional investments in our research, development, services, marketing, and sales functions in order to respond to competition, and there can be no assurance that we will be able to compete successfully in the future.

Many of our existing competitors have, and some of our potential competitors could have, substantial competitive advantages such as: greater name recognition, longer operating histories, and larger customer bases; larger sales and marketing budgets and resources and the capacity to leverage their sales efforts and marketing expenditures across a broader portfolio of products; broader, deeper, or otherwise more established relationships with technology, channel and distribution partners, and customers; wider geographic presence or greater access to larger potential customer bases; greater focus in specific geographies; lower labour and research and development costs; larger and more mature intellectual property portfolios; and substantially greater financial, technical, and other resources to provide services, to make acquisitions, and to develop and introduce new products and capabilities. Our key competitors include InFare, RateHighway, OTAInsight and Fornova for our DaaS segment and TravelClick, SiteMinder, Staah and DerbySoft for our Distribution segment and Koddi, Triptease, Sojern and Journera for our MarTech segment (*Source: 1Lattice Report*).

In addition, some of our larger competitors have substantially broader and more diverse product and service offerings and may be able to leverage their relationships with distribution partners and customers based on other products or incorporate functionality into existing products to gain business in a manner that discourages customers from purchasing our products, including by selling at zero or negative margins, product bundling, or offering closed technology platforms. Potential customers may also prefer to purchase from their existing provider rather than a new provider regardless of product performance or features. As a result, even if the features of our products offer advantages that others do not, customers may not purchase our products. These larger competitors often have broader product lines and market focus or greater resources and may therefore not be as susceptible to economic downturns or other significant reductions in capital spending by customers. If we are unable to sufficiently differentiate our products from the integrated or bundled products of our competitors, such as by offering enhanced functionality, performance, or value, we may see a decrease in demand for those products, which could adversely affect our business, financial condition, and results of operations.

29. There are outstanding legal proceedings involving our Company and our Subsidiaries. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

There are certain outstanding legal proceedings involving our Company and our Subsidiaries. These proceedings are pending at different levels of adjudication before various courts and tribunals. For details of such outstanding proceedings, see "***Legal Proceedings***" on page 254.

Such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. Should any new developments arise, such as any rulings against us by appellate courts or tribunals, we may be required to make payments to third parties or make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that any of these proceedings will be decided in favour of our Company or our Subsidiaries, or that no further liability will arise out of these proceedings. We may also be subject to inspections, investigations and fines in the future, which may affect our business and operations.

30. We may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.

We will continue to incur significant expenditure in pursuing inorganic growth and maintaining and growing our existing infrastructure, develop and implement new technologies as part of our SaaS platform and products. Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. While we have historically funded our capital expenditure primarily through internal accruals and cash flow from operations, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Such financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects. We may also be required to finance our growth, whether organic or inorganic, through future equity offerings, which may lead to the dilution of investors' shareholdings in us. See, "– ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares***." below. We may also be restrained from raising funds from foreign investors as a result of regulatory policies and frameworks.

31. ***Our brand is integral to our success. If we fail to effectively maintain, promote and enhance our brand, our business and competitive advantage may be harmed.***

We believe that maintaining, promoting and enhancing our "RateGain" brand and our various product brands are critical to maintain and expand our business. Maintaining and enhancing our brand depends largely on our ability to continue to provide quality, well-designed, useful, reliable, and innovative SaaS solutions, which we cannot assure you we will do successfully.

We believe the importance of brand recognition will increase as competition in our market increases. In addition to our ability to provide reliable and useful SaaS solutions at competitive prices, the successful promotion of our brand will also depend on the effectiveness of our marketing efforts. We market our platform and products through our direct sales force, regional channels partners, and a number of free traffic sources, including customers' word-of-mouth referrals. We have incurred and expect to incur significant costs and expenses to market our brand and we intend to continue such efforts. We cannot assure you, however, that our sales and marketing expenses will lead to increasing revenue, and even if they did, such increases in revenue might not be sufficient to offset the expenses incurred.

32. ***Our use of open source software could adversely affect our ability to offer our platform, products and services and subject us to possible litigation.***

We use open source software in connection with our development of technology infrastructure. From time-to-time, companies that use open source software have faced claims challenging the use of open source software and/or compliance with open source license terms. We may in the future be subject to suits by parties claiming ownership of what we believe to be open source software, or claiming non-compliance with open source licensing terms. Some open source licenses require users who distribute software containing open source to make available all or part of such software, which in some circumstances could include valuable proprietary code of the user. While we monitor the use of open source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open source agreement, such use could inadvertently occur, in part because open source license terms are often ambiguous. Any requirement to disclose our proprietary source code or pay damages for breach of contract could be harmful to our business, results of operations or financial condition, and could help our competitors develop travel products and services that are similar to or better than ours.

33. ***Travel providers have sought, and continue to seek, alternative distribution models, including direct distribution models, which may adversely affect our business, prospects, financial condition and results of operations.***

Many travel providers have sought, and continue to seek, to decrease their reliance on the indirect distribution channel. This trend has been particularly evident among low-cost airlines, some of which sell their tickets exclusively through direct distribution channels, such as their websites. Low-cost airlines have significantly increased their market share over the past decade and their tendency to rely on direct distribution methods has been one of the key factors that has contributed towards an increase, in recent years, in the number of airline bookings made through direct channels.

Travel providers may seek to reduce their reliance on third-party distributors such as us by:

- establishing or improving their own travel distribution websites;
- forming joint ventures and alliances to create multi-supplier travel distribution websites;
- electing to make all or part of their inventory unavailable to distributors or available only in exchange for agreed reductions in the booking fees charged by distributors, whether through direct reductions, surcharges on travel agencies or otherwise;
- applying alternative global distribution methods developed by new entrants to the marketplace which incorporate new technologies that are purported to be more cost-effective to travel providers because they avoid or reduce the incentive fees paid to travel agencies; and
- creating commercial relationships with online and offline travel agencies to increase travel booked with those providers directly, rather than through a distribution platform.

The Internet has become a major distribution channel for the global hospital and travel industry. If direct distribution were to account for an increasing proportion of the total number of bookings made worldwide in the coming years, it could limit our ability to take advantage of organic growth in the worldwide market for travel and/or cause fewer bookings to be made through our distribution platform, either of which could have a material adverse effect on our business, prospects, financial condition and results of operations.

34. If our third-party service providers and key vendors are not able to or do not fulfil their service obligations, our operations could be disrupted and our operating results could be harmed.

We depend on a number of service providers and key vendors, such as software and hardware vendors, outsourced hosting providers and hardware and software maintenance providers who are critical to our operations. These service providers and vendors are involved in our offerings, communications equipment, hardware and software and related support and maintenance. Any under-performance or non-performance by a key vendor can lead to loss of revenue opportunity wherever we charge our customers on a transaction-based fee model. Similarly, for our subscription-based fee model, customers can potentially claim compensation based on non-compliance with agreed service level agreements between us and the customer. Our operations could be disrupted if we do not successfully manage relationships with our service providers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. For instance, on January 4, 2019, our data centre service provider in the United States faced a power outage for about four hours which resulted in unavailability of our Distribution products to our customers for such time. Although this incident did not result in any material financial impact on our Company, there can be no assurance that similar incidents will not occur in the future or will not result in an adverse impact on our financial condition and results of operations. If our service providers and vendors do not perform their service obligations, it could adversely affect our reputation, business, financial condition and results of operations.

35. We have in the past entered into, and may, in future, enter into agreements with our customers that include exclusivity arrangements or unique contractual or pricing terms, which may result in significant risks or liabilities to us.

Our contracts with our customers are typically non-exclusive, but we have historically entered into arrangements with some of our customers and our partners that included exclusivity provisions, and we may continue to do so in the future. These exclusivity provisions limit our ability to license our platform and products and provide services to specific customers, or to compete in certain geographic markets and industries, which may limit our growth and negatively impact our results. We have in limited circumstances entered into unique contractual and pricing arrangements with our customers. Such contractual terms may impact our ability to target certain customers or travel segments which may impact our ability to expand our operations and could result in adversely impacting our business, results of operations and financial condition. For instance, in our MarTech segment, we operate brand engagement and brand monitoring for hotels on a subscription model and also operate on a mix of subscription and transaction model where we charge campaign-based fees for managing campaigns for our customers across hospitality and travel segments on a periodic basis. For our DaaS products, we operate on a subscription model where our customers in the hospitality sector subscribe to our DaaS products such as Optima and Parity for a period and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model. For our OTA customers and airline, car rental, cruises, ferries, vacation rental and vacation packages customers we operate on a hybrid model where we charge a minimum subscription fees for use of our products and a pay-per-use charge for accessing additional data. In our Distribution segment, we operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done by OTAs and GDS operators.

36. ***We have in this Preliminary Placement Document included certain non-GAAP financial and operational measures and certain other industry measures related to our operations and financial performance that may vary from any standard methodology that is applicable across our industry. We rely on certain assumptions and estimates to calculate such measures, therefore such measures may not be comparable with financial, operational or industry related statistical information of similar nomenclature computed and presented by other similar companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Preliminary Placement Document. We compute and disclose such non-GAAP financial and operational measures, and such other industry related statistical and operational information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of SaaS businesses, many of which provide such non-GAAP financial and operational measures, and other industry related statistical and operational information.

These non-GAAP financial and operational measures, and such other industry related statistical and operational information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial and operational measures, and industry related statistical information of similar nomenclature that may be computed and presented by other companies pursuing similar business. We have derived certain industry information in this Preliminary Placement Document from the 1Lattice Report, and the 1Lattice Report highlights certain industry and market data relating to us and our competitors, which may not be based on any standard methodology and are subject to various assumptions.

Further, as the industry in which we operate continues to evolve, the measures by which we evaluate our business may change over time. In addition, if the internal tools we use to track these measures under-count or over-count performance or contain algorithmic or other technical errors, the data and/or reports we generate may not be accurate. We calculate measures using internal tools, which are not independently verified by a third party.

Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our Financial Information disclosed elsewhere in this Preliminary Placement Document. Also, see " – ***Industry information included in this Preliminary Placement Document has been derived from an industry report exclusively commissioned by and paid for by us for the purpose of the Issue.***" On page 65.

37. ***We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.***

We may have contingent liabilities from time to time. As of March 31, 2023, the following were our contingent liabilities:

(₹ million)

Particulars	**As of March 31, 2023**
Rategain IT Solutions Private Limited (whose IT Undertaking was demerged into our Company) ("**Demerged Company**") had received a show cause notice of ₹ 59.74 million dated April 21, 2016 from Commissioner of Service Tax, Audit -1, New Delhi for the period 2010-11 to 2014-15 alleging non-payment of service tax on reverse charge mechanism on foreign payments made by the demerged company in the said period, pursuant to an audit conducted by the Service Tax Audit Department for the said period. The Demerged Company, based on various judicial pronouncements had filed a petition before the Honourable High Court at New Delhi challenging the Jurisdiction and Authority of the Service Tax Audit division to audit and issue show cause notice. The Honourable High Court then directed the Holding Company to provide reply to the Commissioner of Service Tax (Audit) against the show cause notice which the Holding Company had duly filed. During financial year 2019-2020, the Holding Company received an order wherein the tax authorities had dropped the proceedings in favor of the Holding Company and the matter stands closed. Department had filed an appeal with CESTAT against the order dated March 12, 2019. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company	59.74
The Holding Company received a show cause notice of ₹ 624.03 million from Director General of Central Excise Intelligence on account of wrong classification of services provided by the Holding Company. The Holding Company classified its services under "Information Technology Software Service" and as per the show cause notice, department disputed that services provided by the Holding	624.03

Particulars	As of March 31, 2023
Company would be covered "Online Information and Database Access and/or Retrieval services (OIDAR)", wherein the place of provision of service has been specified as per PoP Rules, 2012 to be the location of service provider (i.e. location of RateGain in India). Accordingly, the definition of export of services would not be satisfied and Holding Company would be liable to charge and pay service tax. The Director General of Central Excise Intelligence then directed the Holding Company to provide reply against the show cause notice. As per the management's contention, the Holding Company's business model for the provision of services of market intelligence do not follow the mode of online database access and accordingly, their services would not constitute OIDAR services. The Holding Company filed a reply along with a writ petition in high court against the aforesaid mentioned order in earlier years and in financial year 2019-20, Honourable High Court provided stay order for any further proceedings in respect of this matter. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company.	
Total	683.77

Further, we are involved in other disputes, lawsuits, claims, inquiries and proceedings including commercial matters that arise from time to time in the ordinary course of business. If a significant portion of our contingent liabilities materialise, it could adversely affect our results for operations, financial condition and cash flows. For details, see "***Financial Information – Fiscal 2023 Audited Consolidated Financial Statements – Note 33 – Contingent Liabilities***" on page 438.

38. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We have obtained a number of insurance policies in connection with our operations including group health insurance, group life insurance, illness group insurance policy for COVID-19, office protection shield insurance and commercial general liability insurance, workers' compensation insurance, management liability insurance, cyber liability insurance, life and accidental death and dismemberment and dependent life insurance, For further information, see "***Business – Insurance***" on page 201. As of March 31, 2021, 2022 and 2023, and as of September 30, 2023, the aggregate coverage of the insurance policies obtained by us was ₹5,285.63 million, ₹6,270.21 million, ₹8,515.61 million and ₹9,051.15 million, which constituted 120.18%, 80.28%, 90.09% and 86.03% of our total assets, respectively.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

39. Industry information included in this Preliminary Placement Document has been derived from an industry report exclusively commissioned by and paid for by us for the purpose of the Issue.

Certain sections of this Preliminary Placement Document include information based on, or derived from, the 1Lattice Report or extracts of the 1Lattice Report prepared by Lattice Technologies Private Limited, which is not related to our Company, Directors, Key Managerial Personnel, members of Senior Management or Promoters. We exclusively commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Issue. All such information in this Preliminary Placement Document indicates the 1Lattice Report as its source. Accordingly, any information in this Preliminary Placement Document derived from, or based on, the 1Lattice Report should be read taking into consideration the foregoing. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Further, the 1Lattice Report is not a recommendation to invest / disinvest in any company covered in the 1Lattice Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information. In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Preliminary Placement Document based on, or derived from, the 1Lattice Report. You should consult your own advisors and undertake an independent assessment of information in this Preliminary Placement Document based on, or derived from, the 1Lattice Report before making any investment decision regarding the Issue. See "***Industry Overview***" on page 126.

40. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the ordinary course of business entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions include remuneration to executive Directors, Key Managerial Personnel and members of the Senior Management. For further information relating to our related party transactions, see "***Related Party Transactions***" on page 44.

While we believe that all such transactions have been conducted on in the normal course of business, on an arm's length basis and in accordance with the SEBI Listing Regulations, we cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties. It is likely that we may enter into related party transactions in the future. We cannot assure you that our existing agreements and any such future transactions, will be in the interest of our Company and minority shareholders or will not have an adverse effect on our financial condition and results of operations. Furthermore, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that we will be able to address such conflicts of interest or others in the future.

41. Failure to obtain or renew approvals, licenses and registrations, required in ordinary course of business in a timely manner, or at all, may adversely affect our business, financial condition, cash flows and results of operations.

We are required to obtain certain approvals, registrations and licenses from regulatory authorities in ordinary course of business. These approvals, licenses and registrations may be subject to numerous conditions. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity, which could adversely affect our business, results of operations, cash flows and financial condition. In addition, we have, and may need to in the future, apply for certain additional approvals, including the renewal of approvals, which may expire from time to time.

There is no assurance that such approvals and licenses will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would make our operations non-compliant with applicable laws and may result in imposition of penalties by relevant authorities and may also prevent us from carrying out our business. Our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses and registrations could expose us to legal action, compliance costs or liabilities, or could affect our ability to continue to operate at the locations or in the manner in which we have been operating thus far.

42. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in certain years or in the foreseeable future. Our Board has approved and adopted a dividend distribution policy effective from August 5, 2021. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act 2013. We have not issued dividend during the Fiscals 2021, 2022, 2023 and six months ended September 30, 2023 and up to the date of this Preliminary Placement Document. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. For further details, see "***Dividends***" on page 87. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value or having appreciated, will not get impaired for any reasons whatsoever. Further, our Promoters will continue to hold a significant portion of our post-Issue paid-up Equity Share capital and will have a significant ability to control the payment and, or, the rate of dividends. Therefore, we cannot assure you that our Company will be able to declare dividends, of any particular amount or with any frequency in the future.

43. Our Promoters and Promoter Group will continue to exercise significant influence over us and may cause us to take actions that are not in the best interest of our other shareholders.

After the completion of the Issue, our Promoters along with the members of the Promoter Group will continue to hold substantial shareholding in our Company. As on September 30, 2023, the Promoters and the members of the Promoter Group held 55.72% of the paid-up equity share Capital of our Company. So long as our Promoters own a significant portion of our Equity Shares, they will be able to significantly influence the election of our Directors and control most matters affecting us, including our business strategies and policies, decisions with respect to mergers, business combinations, acquisitions or dispositions of assets, dividend policies, capital structure and financing, and may also delay or prevent a change of management or control, even if such a transaction may be beneficial to other shareholders of our Company. Further, our Promoters will continue to determine decisions requiring majority voting of shareholders and the other shareholders may not be able to affect the outcome of such voting. The interests of our Promoters, as the controlling shareholders, may also conflict with our interests or the interests of the other shareholders of our Company.

44. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. Such instances may also adversely affect our reputation, thereby adversely impacting our business, cash flows, results of operations and financial condition.

EXTERNAL RISK

45. Our customers may engage in transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organisations also administer similar economic sanctions. We may enter into transactions with customers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

46. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects, cash flows and results of operations.

Our business and financial performance could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us and our general and microfinance businesses, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. The Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill, 2023 ("**Finance**

Bill") has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023 ("**Finance Act**"). We have not fully determined the impact of these recent and proposed laws and regulations on our business. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

The Government has recently introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. In another example, the GoI has made it mandatory for business establishments with turnover above a certain size to offer digital modes of payment from November 2019, with no charges being levied on the consumers or the merchants by banks and payment service providers. Such measures could adversely impact our income streams in the future and adversely affect its financial performance.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

47. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Audited Consolidated Financial Statements for Fiscals 2021, 2022 and 2023 and our Unaudited Condensed Interim Financial Statements for the six months ended September 30, 2023 (including the comparative financial information with respect to the six months ended September 30, 2022) presented in this Preliminary Placement Document are prepared and presented in accordance with Ind-AS. Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind AS contained in this Preliminary Placement Document. Accordingly, the degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is dependent on the investor's familiarity with Ind AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 88.

48. Any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly: (i) involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market; or (iii) results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any award passed by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, cash flows and results of operations.

49. Recent global economic conditions have been challenging and continue to affect the Indian market.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. The COVID-19 pandemic has caused an economic downturn in several major economies and generated volatility in, and general adverse impact on, the global securities markets, including in India; further, it is not possible for us to predict the extent and duration of this volatility and adverse impact on the global or Indian securities markets, including any possible impact on our Equity Shares. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Further deterioration in the global economy as a result of COVID-19 or the Russia-Ukraine conflict, Israel-Palestine conflict or otherwise, or the perception that such deterioration could occur, may continue to adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could adversely affect our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares. Any financial disruption could materially and adversely affect our business, results of operations, Shareholders' Equity and the price of our Equity Shares.

50. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

The war in Ukraine, Israel-Palestine conflict and escalating tension among countries in the Middle East have contributed to rising rates of inflation, including in India. In response to the rising rates of inflation, various central banks, including the RBI has increased interest rates, resulting in increased cost of credit. Further deterioration in the global economy because of the Russia-Ukraine conflict, Israel-Palestine conflict, any significant escalation of an existing or new pandemic or otherwise, or the perception that such deterioration or escalation could occur, may continue to adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets.

We are dependent on domestic, regional and global economic and market conditions particularly North America and Europe, where most of our revenue from operations is generated. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate.

There have been periods of slowdown in the economic growth of India. Demand for our solutions may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

51. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we sell our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. Any future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

52. A downgrade in ratings of India and other jurisdictions we operate in may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

53. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India.

Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union including trade agreements between the United Kingdom and European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

54. We are subject to changes in Indian taxation laws and their interpretation.

Any change in Indian tax laws could adversely affect our operations. The Government of India announced the union budget for Fiscal 2024 and the finance bill in the Lok Sabha on February 1, 2023. The finance bill has received assent from the President of India on March 30, 2023 and has been enacted as the Finance Act, 2023. The Finance Act, 2023 proposes various amendments to taxation laws in India. Any such and future amendments may affect certain benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us.

Furthermore, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Similarly, the Finance Act, 2020, had notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and exemption from dividend distribution tax ("DDT"), in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020. We cannot predict whether any new tax laws or regulations impacting our operations will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

55. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our clients thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

56. A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

57. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India.

Our Company is a public limited company incorporated under the laws of India. Most of our Company's Directors and executive officers named herein are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors to effect service of process on our Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India. In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The manner of recognition and enforcement of foreign judgments in India is dependent on whether the country in which the foreign judgment has been pronounced is a reciprocating territory or not. For further information on recognition and enforcement of foreign judgments in India, please see "***Enforcement of Civil Liabilities***" on page 17.

A party seeking to enforce a foreign judgment in India may be required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999 to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

Risks Relating to the Equity Shares and this Issue

58. An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than across a recognised Indian stock exchange for a period of one year from the date of the issue of the Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the issue of the Equity Shares in this Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

59. After this Issue, the price of the Equity Shares may be volatile.

The Issue Price will be determined by our Company in consultation with the Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and the global securities market or prospects for our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us;
- volatility in the Rupee's value relative to the U.S. dollar, the Euro and other foreign currencies;

- our Company's profitability and performance;
- perceptions about our Company's future performance or the performance of Indian banks in general;
- the performance of our Company's competitors and the perception in the market about investments in the banking sector;
- adverse media reports about our Company or the Indian banking sector;
- a comparatively less active or illiquid market for the Equity Shares;
- changes in the estimates of our Company's performance or recommendations by financial analysts;
- significant developments in India's economic liberalization and deregulation policies;
- inclusion or exclusion of our Company in indices;
- significant developments in India's fiscal regulations;
- any other political or economic factors; and
- COVID–19 related measures undertaken by the GoI

We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

60. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction in which the investors are located in do not permit the investors to exercise their pre-emptive rights, without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value that the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

61. An investor's ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document.

No actions have been taken to permit a public offering of the Equity Shares offered in the Issue in any jurisdiction. As such, an investor's ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in this Preliminary Placement Document. For further information, see "***Selling Restrictions***" on page 230. Furthermore, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. For further information, see "***Transfer Restrictions***" on page 237. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

62. Investors to the Issue are not allowed to withdraw or revise their Bids downwards after the Bid /Issue Closing Date.

In terms of Regulation 179 (1) of the SEBI (ICDR) Regulations, investors in the Issue are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the investors' demat account with the depository participant could take approximately seven (7) days and up to ten (10) days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operation or financial condition of the Bank, or other events affecting the investor's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. The investors shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the investor's ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

63. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade. There is no guarantee that the Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell the Equity Shares held by them on the Stock Exchange.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

64. An investment in the Equity Shares is subject to general risks related to investments in Indian Companies.

Our Company is incorporated in India and almost all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

65. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company. The Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act. There is no certainty on the impact of Finance Act 2021 on tax laws or other regulations, which may adversely affect the Bank's business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

66. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

67. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

68. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by shareholders with significant shareholding or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue Equity Shares or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

69. Your ability to acquire and sell Equity Shares is restricted by the distribution and transfer restrictions set forth in this Preliminary Placement Document and the Placement Document.

No actions have been taken to permit a public offering of the Equity Shares in any jurisdiction, including India. In particular, the Equity Shares offered in this Issue have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and are being offered and sold only outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S under the U.S. Securities Act. Furthermore, the Equity Shares are subject to restrictions on transferability and resale. You are required to inform yourself about and observe these restrictions, which are set forth in "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively. Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth in the Placement Document.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 108,446,554 Equity Shares have been issued, subscribed and are fully paid up. The face value of our Equity Shares is ₹ 1 per equity share. The Equity Shares are listed and are available for trading on BSE and NSE.

On November 13, 2023, the closing price of the Equity Shares on BSE and NSE were ₹ 718.15 and ₹ 718.30 per Equity Share, respectively. The tables below set out, for the periods indicated, the high, low and average closing prices and the trading turnover on NSE and BSE for our Equity Shares.

A. The following tables set out the reported high, low and average of the closing prices of our Equity Shares on NSE and BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for the Fiscals 2021, 2022 and 2023.

NSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
Fiscal 2021*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Fiscal 2022**	515.20	January 18, 2022	2,604,393	1,320.79	280.65	March 7, 2022	216,008	60.40	363.09	96,301,686	36,263.40
Fiscal 2023	400.00	April 7, 2022	2,001,279	806.66	238.30	June 30, 2022	217,041	52.74	310.31	101,003,529	31,978.72

(Source: www.nseindia.com)

* *Information for Fiscal 2021 is not available since our Company got listed on December 17, 2021*

** *From listing date (December 17, 2021) till end of period (March 31, 2022)*

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

BSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
Fiscal 2021*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Fiscal 2022**	514.45	January 18, 2022	206,770	104.62	279.45	March 7, 2022	66,953	18.74	362.87	9,121,942	3,290.68
Fiscal 2023	400.55	April 7, 2022	184,824	73.63	238.95	June 30, 2022	25,369	6.18	310.25	12,233,186	3,773.44

(Source: www.bseindia.com)

* *Information for Fiscal 2021 is not available since our Company got listed on December 17, 2021*

** *From listing date (December 17, 2021) till end of period (March 31, 2022)*

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

B. The following tables set out the reported high and low closing prices of our Equity Shares recorded on NSE and BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months.

NSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in million)
May 2023	415.90	May 15, 2023	896,153	373.12	362.55	May 5, 2023	77,730	28.22	389.02	9,682,348	3,820.11
June 2023	417.85	June 30, 2023	544,555	227.55	380.30	June 1, 2023	1,225,390	466.96	400.85	12,136,495	4,870.11
July 2023	461.60	July 31, 2023	404,621	187.37	427.65	July 11, 2023	234,120	100.57	440.47	7,923,589	3,497.78
August 2023	602.05	August 30, 2023	548,568	331.64	460.00	August 3, 2023	165,057	76.55	545.33	20,271,338	10,952.64
September 2023	631.10	September 4, 2023	264,868	166.31	539.30	September 21, 2023	319,584	174.91	577.54	7,236,492	4,214.64
October 2023	629.40	October 19, 2023	367,230	233.72	579.25	October 4, 2023	553,585	324.41	607.86	6,987,907	4,311.62

(Source: www.nseindia.com)

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each month presented.*
3. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

BSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in million)
May 2023	416.20	May 15, 2023	56,362	23.47	361.35	May 5, 2023	7,215	2.62	388.86	618,852	244.10
June 2023	418.05	June 30, 2023	19,222	8.01	379.40	June 1, 2023	5,733,533	2,151,31	400.74	6,430,954	2,432.20
July 2023	461.70	July 31, 2023	14,592	6.75	427.85	July 11, 2023	8,351	3.59	440.38	594,050	260.80
August 2023	602.00	August 30, 2023	59,530	35.78	459.40	August 3, 2023	31,384	14.56	545.14	1,364,235	735.69
September 2023	632.75	September 4, 2023	26,707	16.77	538.40	September 21, 2023	41,704	22.81	577.31	409,147	238.17
October 2023	629.80	October 18, 2023	17,050	10.76	580.20	October 4, 2023	16,234	9.53	608.76	648,176	399.32

(Source: www.bseindia.com)

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each month presented.*
3. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

C. The following table sets forth the market price of our Equity Shares on NSE and BSE on August 8, 2023, the first working day following the approval of the Board of Directors for the Issue.

NSE						BSE					
Open (₹)	**High (₹)**	**Low (₹)**	**Close (₹)**	**Number of Equity Shares traded**	**Turnover (₹ in million)**	**Open (₹)**	**High (₹)**	**Low (₹)**	**Close (₹)**	**Number of Equity Shares traded**	**Turnover (₹ in million)**
489.00	577.70	487.15	513.70	5,846,131	3,131.72	489.95	578.00	487.00	513.70	307,136	164.27

(Source: www.nseindia.com and www.bseindia.com)

USE OF PROCEEDS

The gross proceeds of the Issue will aggregate up to ₹ [●] million. Subject to compliance with applicable laws, after deducting fees, commissions and expenses of the Issue of approximately ₹ [●] million, the net proceeds from the Issue shall be approximately ₹ [●] million ("**Net Proceeds**").

Objects of the Issue

Subject to compliance with applicable laws and regulations, our Company proposes to utilize the Net Proceeds for strategic investments, acquisitions and inorganic growth (the "**Objects**") as may be permissible under the applicable law and approved by the Board. For further details, see "***Business – Strategies – Pursue strategic investment and acquisition opportunities***" on page 184.

Requirements of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)

Sr. No.	Particulars	Amount
1.	Strategic investments, acquisitions and inorganic growth	[●]
	Total Net Proceeds	**[●]**

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clause of our Memorandum of Association enables us to undertake the objects contemplated by us in this Issue.

Our fund requirements, deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, other commercial and technical factors and other agreements entered into by our Company, which are subject to change in the future. We currently propose to deploy the Net Proceeds by the end of Fiscal 2027. Such fund requirements and deployment of funds have not been appraised by any bank or financial institution. These are based on current market conditions and business needs, and are subject to revisions in light of changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, increasing regulations or changes in government policies, which may not be in our control. Further, if the Net Proceeds are not utilised (in full or in part) for the Objects during the period stated above due to factors such as (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Net Proceeds shall be utilised in subsequent periods as may be determined by our Company, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law.

Details of use of proceeds

Strategic investments, acquisitions and inorganic growth

We continuously look to create strategic value through inorganic growth and we have over the years acquired technological capabilities that have helped expand our product offerings and scale our operations. Pursuant to our overall strategy to continue scaling our business, we intend to keep pursuing strategic investments and acquisitions which are complementary to our business and which will enhance our product and service capabilities. We continue to selectively pursue opportunities for evaluating potential targets for strategic investments, merger, acquisitions and partnerships, that complement and enhance our product and service offerings, strengthen or establish our presence in our targeted markets, or enable us to gain access to technology and customer portfolio of the target entities, benefits the development of our existing products. We have established a track record of inorganic growth through strategic acquisitions to supplement our product offerings, diversify our revenue streams, and integrate such acquired businesses to further strengthen our portfolio. We have historically improved operating efficiencies, revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins.

As part of our inorganic growth measures, we look to strategically acquire businesses that offer products and technologies similar to ours that help us expand our product portfolio and improve performance of our existing products. We evaluate horizontal acquisitions that allows us to grow our geographic reach and also our customer base. We intend to seek attractive inorganic opportunities that we believe will fit well with our strategic business objectives and growth strategies. The amount of Net Proceeds to be used for acquisitions will be based on our management's decision and may not be the total value or cost of any such acquisitions.

We have undertaken inorganic expansion through acquisitions with companies through asset purchase and we continue to explore such international opportunities where we can collaborate with partners to enhance our product portfolio. For instance, we have undertaken the following acquisitions in the past:

Year	Entities Acquired	Acquisition price (in million)	Mode of funding	Benefits
2018	DHISCO Electronic Distribution, Inc. and DHISCO, Inc.	USD 15.05	Proceeds from the issuance of Series A CCCPS and Deferred Payment (as defined below) was paid from the proceeds of the initial public offering[*]	A hotel distribution technology company, which has been upgraded and integrated with our proprietary technology and helped us to expand our operations to hotels and OTAs in Asia by upgrading and integrating it with our distribution business
2019	BCV Social LLC	USD 14.69		A marketing technology company, whose offerings have been integrated and deployed with our MarTech offering in various regions
		- USD 3.02	Internal accruals	
		- USD 11.67	Debt financing which was subsequently repaid through proceeds of the initial public offering in accordance with the prospectus of the Company, dated December 10, 2021	
2021	myhotelshop GmbH	EUR 7.50		A company which offers reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website, enable more direct bookings and optimize returns. With its acquisition, we have managed to expand our paid digital marketing offering to social media channels to have a more comprehensive offering for our hotel partners
		- EUR 5.25	Proceeds from the issuance of Series B CCCPS	
		- EUR 1.13	Internal accruals	
		- EUR 1.12	To be paid from internal accruals	
2023	Adara Inc.	USD 16.37		A company which provides access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands. With its acquisition, we are now able to provide travel-intent data with forward-looking accurate rate intelligence from different sources and perform performance or digital marketing campaigns for its partner brands
		- USD 14.92	Proceeds of the initial public offering	
		- USD 1.45	To be paid from internal accruals	

[*] *The purchase price of USD 15,054,871 was to be paid by our Subsidiary, RateGain US, including through two unsecured promissory notes for an amount of USD 2,000,000 each. Further to the amended terms of such unsecured promissory notes, the amount was to be paid in instalments along with an interest on the unpaid amount until December 31, 2023 ("**Deferred Payment**"). Such Deferred Payment aggregating to USD 3.36 million was paid through the proceeds of the initial public offering in accordance with the prospectus of the Company, dated December 10, 2021.*

Rationale for acquisitions:

Our Company intends to acquire such companies which (i) are in the same line of business as the Company, with the intention of acquiring the customers of the target. Such acquisitions will help the Company to increase market penetration as well as provide access to travel related data of the target that can be used to enrich the Company's data lake; (ii) are in a complementary line of business to the Company's existing businesses which will benefit to add additional capabilities to the existing line of business in the interest of attaining speed to market new products and services; (iii) are in the business of revenue maximisation thesis and whose capabilities can help the Company's revenue maximization objectives; (iv) have a team that has built a complementary technology to the business of the Company but has not been able to scale or develop its business. Such an acquisition will enable us to hire the team members and merge their capabilities with our platform. This will help the Company to acquire new technology and talent.

These factors will also determine the form of investment for these potential strategic initiatives, i.e., whether they will involve equity, debt or any other instrument or combination thereof. As on the date of this Preliminary Placement Document, our Company has not identified any potential target for investment or acquisition and has not entered into any definitive agreement for which it intends to utilize Net Proceeds.

Other confirmations

Neither our Promoters, Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Object. Further, neither our Promoter nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoter, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe in the Issue.

Since the Net Proceeds are proposed to be utilised towards strategic investments, acquisitions and inorganic growth, and not being used towards implementation of any project, the following disclosure requirements are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market/mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank.

Monitoring of Utilisation of Funds

In accordance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency for monitoring the utilization of Net Proceeds. The Audit Committee and Monitoring Agency will monitor the utilization of the Net Proceeds and the Monitoring Agency shall submit the report required under Regulation 173A(2) of the SEBI ICDR Regulations, on a quarterly basis, to the Audit Committee until such time as the Net Proceeds have been utilised in full. Such report, along with the comments (if any) shall be submitted to the Stock Exchanges within 45 days from the end of each quarter and uploaded on the website of our Company, or such other time as may be prescribed under the SEBI Listing Regulations. As our Company intends to utilize the Net Proceeds towards potential acquisitions and strategic initiatives, details pertaining to such acquisitions, as and when undertaken, will be published on the website of the Company and will be disclosed to the Stock Exchanges in accordance with Regulation 30 and Part A of Schedule III, of the SEBI Listing Regulations.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. Subject to applicable laws, including SEBI Listing Regulations, on an annual basis, our Company shall (i) prepare a statement of funds utilized for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized; and (ii) disclose every year, the utilization of the Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Object of the Issue as stated above.

CAPITALIZATION STATEMENT

The following table sets forth our capitalization on a consolidated basis as of September 30, 2023 on a consolidated basis which is derived from the Unaudited Consolidated Financial Results and adjusted to give effect to the receipt of the gross proceeds of the Issue. This table should be read in conjunction with "***Selected Financial Information***", "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and other financial information contained in the "***Financial Information***" on pages 37, 45, 88 and 259, respectively.

(in ₹ million)

Particulars	Pre-Issue (as at September 30, 2023)	Amount after considering the Issue (i.e., Post Issue)*#^
Short term borrowings		
Secured	Nil	[●]
Unsecured	Nil	[●]
Current maturities of finance lease Obligations	39.99	[●]
Long term borrowings		
Secured	Nil	[●]
Non current lease liabilities	141.52	[●]
Total debt (A)	**181.51**	**[●]**
Equity		
Equity share capital	108.43	[●]
Other equity	7,599.85	[●]
Total equity (B)	**7,708.28**	**[●]**
Total capitalization (A+B)	**7, 889.79**	**[●]**
Total debt/Total equity (A/B)	**0.02**	**[●]**

* *Will be finalized upon determination of the Issue Price.*
\# *Adjustments do not include Issue related expenses.*
^ *As adjusted to reflect the number of Equity Share issued pursuant to the Issue.*
Notes:
1. *The post – Issue capitalization data is not determinable at this stage and will be finalised upon determination of Issue Price.*

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Preliminary Placement Document is set out below:

(In ₹, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORIZED SHARE CAPITAL**	
	147,000,000 Equity Shares of face value of ₹ 1 each	147,000,000.00
	300,000 Preference Shares of face value of ₹ 10 each	3,000,000.00
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**	
	108,446,554 Equity Shares of face value of ₹ 1 each	108,446,554.00
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares aggregating up to ₹ [●](1)(2)	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares of face value of ₹ 1 each (2)	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue (as of the date of this Preliminary Placement Document)	5,733,099,722
	After the Issue(2)(3)	[●]

(1) The Issue has been authorized by the Board of Directors pursuant to its resolution dated August 7, 2023 and the Shareholders pursuant to a special resolution passed at the AGM dated September 15, 2023.

(2) To be determined upon finalization of the Issue Price.

(3) The securities premium account after the Issue is calculated on the basis of gross proceeds of the Issue. Adjustments do not include Issue related expenses.

Equity Share Capital History of our Company

The history of the equity share capital of our Company is provided in the following table:

Date of allotment/forfeiture	Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
November 16, 2012	Initial subscription to the Memorandum of Association	10,000	10	10.00	Cash
December 4, 2014	Pursuant to the Scheme of Arrangement and Demerger(1)	645,000	10	N.A.	Other than Cash
March 8, 2021	Private Placement(2)	80	10	13,728.38	Cash
March 8, 2021	Private Placement(3)	80	10	13,576.88(4)	Cash
June 29, 2021	Forfeiture(2)	(80)	10	N.A.	N.A.
July 28, 2021	Pursuant to a shareholders' resolution dated July 28, 2021, 850,000 equity shares (authorised share capital) of face value of ₹ 10 each was split into 8,500,000 Equity Shares of face value of ₹ 1 each. Accordingly, 655,080 paid-up equity shares of face value of ₹ 10 each were split into 6,550,800 Equity Shares of face value of ₹ 1 each				
August 5, 2021	Bonus issue of Equity Shares in the ratio of 11 Equity Shares for every 1 equity share held in the Company	72,058,800	1	-	-
October 20, 2021	Pursuant to exercise of stock options under ESOP Schemes	1,309,440	1	11.89	Cash
October 26, 2021	Pursuant to exercise of stock options under ESOP Schemes	204,440	1	6.94	Cash

Date of allotment/forfeiture	Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
November 22, 2021	Conversion of Series A CCCPS and Series B CCCPS	17,798,880	1	N.A.	Cash
December 15, 2021	Initial public offering	8,707,897	1	425.00	Cash
		127,855	1	385.00[5]	Cash
February 18, 2022	Pursuant to exercise of stock options under ESOP Schemes	497,640	1	6.94	Cash
		36,000	1	161.17	Cash
March 3, 2022	Pursuant to exercise of stock options under ESOP Scheme 2018	18,500	1	84.52	Cash
May 27, 2022	Pursuant to exercise of stock options under ESOP Schemes	14,040	1	145.33	Cash
		680,940	1	6.94	Cash
		8,000	1	161.17	Cash
June 9, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	12,000	1	6.94	Cash
		10,080	1	145.33	Cash
July 4, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	12,570	1	145.33	Cash
		12,000	1	161.17	Cash
		129,720	1	6.94	Cash
July 4, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	8,040	1	145.33	Cash
September 10, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	6,500	1	161.17	Cash
October 3, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	8,040	1	145.33	Cash
November 25, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	9,000	1	161.17	Cash
		39,960	1	6.94	Cash
December 2, 2022	Pursuant to exercise of stock options under ESOP Scheme 2015	6,000	1	6.94	Cash
January 6, 2023	Pursuant to exercise of stock options under ESOP Schemes	12,000	1	145.33	Cash
		50	1	6.94	Cash
		17,500	1	84.52	Cash
March 9, 2023	Pursuant to exercise of stock options under ESOP Scheme 2015	18,000	1	6.94	Cash
		2,500	1	161.17	Cash
July 28, 2023	Pursuant to exercise of stock options under ESOP Scheme 2015 and SAR 2022	53,050	1	6.94	Cash
		18,000	1	161.17	Cash
		16,080	1	145.33	Cash
		3,976	1	1	Cash
September 25, 2023	Pursuant to exercise of stock options under ESOP Scheme 2015 and SAR 2022	22,080 7,129	1 1	145.33 1	Cash Cash
October 18, 2023	Pursuant to exercise of stock options under SAR 2022	9,047	1	1	Cash

(1) *Pursuant to a scheme of arrangement and demerger as approved by the High Court of Delhi by way of its order dated November 25, 2014 ("**Scheme of Arrangement and Demerger**"), the business of providing web-based solutions to online travel agents, airlines, hotels etc. of RateGain IT Solutions Private Limited demerged from RateGain IT Solution Private Limited and vested in our Company. Accordingly, three equity shares were allotted to the shareholders of RateGain Travel Technologies Limited for every single equity share held by them in RateGain IT Solutions Private Limited.*

(2) *Total 80 equity shares of face value of ₹ 10 were issued and allotted to Jaison Manian as partly paid-up, pursuant to a private placement offer letter at a premium of ₹ 13,718.38 each, where ₹ 4,603.56 per equity share has been paid as application money upon subscription of the equity shares. Further, Jaison Manian was required to pay remaining ₹ 9,124.82 per equity share as first and second call pursuant to the pursuant to the arrangement with our Company. Further, pursuant to the first and second call notice dated February 5, 2021, our Company requested final call money, which was not paid by Jaison Manian within the due date and accordingly, our Company, by a Board resolution dated June 29, 2021, has forfeited all the equity shares that were allotted to Jaison Manian.*

(3) *Total 80 equity shares of face value of ₹ 10 were issued and allotted to Mark E Skroch as partly paid-up, pursuant to a private placement offer letter at a premium of ₹ 13,718.38 each, where ₹ 4562.50 per equity share has been paid as application money upon subscription*

of the equity shares. Further, Mark E Skroch was required to pay remaining ₹ 9,165.88 per equity share as first and final call pursuant to the arrangement with the Company. Further, pursuant to the first and second call notice dated February 5, 2021, our Company requested Mark E Skroch to pay the final call money, which was duly paid on March 4, 2021 and June 29, 2021, respectively and accordingly the equity shares are fully paid-up.

(4) *Amount of share premium was reduced by ₹ 151.50 from ₹ 13,718.38 to ₹ 13,566.88 by way of a resolution passed by our Board on June 29, 2021 due to foreign currency fluctuation.*

(5) *A discount of ₹40 per Equity Share on the offer price of ₹ 425 per Equity Share was provided to eligible employees who participated in the initial public offering.*

Except as stated in "- ***Equity Share Capital History of our Company***" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

Share Based Employee Benefits Schemes

Our Company has instituted two employee stock option schemes, RateGain Employee Stock Option Scheme 2015 ("**ESOP Scheme 2015**") and RateGain Employee Stock Option Scheme 2018 ("**ESOP Scheme 2018**"), one stock appreciation rights scheme, RateGain - Stock Appreciation Rights Scheme 2022 ("**SAR 2022**") and one stock purchase scheme, RateGain Employees Stock Purchase Scheme 2023 ("**ESPS 2023**") for the purpose of attracting, retaining, rewarding and motivating our employees to contribute to our growth and profitability.

ESOP Scheme 2015

Set out below are the details of ESOP Scheme 2015:

Sr. No	Particulars	Number of options under ESOP Scheme 2015
1.	Total number of options granted	2,621,727
2.	Options vested (net of exercised)	51,150
3.	Options unvested	63,240
4.	Options exercised	2,238,330
5.	Options lapsed or forfeited	269,007
6.	Total number of options outstanding	114,390

ESOP Scheme 2018

Set out below are the details of ESOP Scheme 2018:

Sr. No	Particulars	Number of options under ESOP Scheme 2018
1.	Total number of options granted	3,238,920
2.	Options vested (net of exercised)	1,007,280
3.	Options unvested	Nil
4.	Options exercised	955,840
5.	Options lapsed or forfeited	1,275,800
6.	Total number of options outstanding	1,007,280

SAR 2022

Set out below are the details of SAR 2022:

Sr. No	Particulars	Number of units under SAR 2022
1.	Total number of units granted	2,710,900
2.	Units vested (net of exercised)	126,201
3.	Units unvested	2,035,739
4.	Units exercised	47,523
5.	Units lapsed or forfeited	501,437
6.	Total number of units outstanding	2,161,940

ESPS 2023

Set out below are the details of ESPS 2023:

Sr. No	Particulars	Number of units under ESPS 2023
1.	Total number of shares granted	Nil
2.	Shares vested (net of exercised)	Nil
3.	Shares unvested	Nil
4.	Shares exercised	Nil
5.	Shares lapsed or forfeited	Nil
6.	Total number of shares outstanding	Nil

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them will be included in the Placement Document in the section "***Details of Proposed Allottees***" on page 464.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below.

Sr. No.	Category	Pre-Issue (As of November 10, 2023)		Post-Issue*	
		No. of Equity Shares held	% of share holding	No. of Equity Shares held	% of share holding
A.	**Promoters' holding****				
1.	Indian				
	Individual	60,401,440	55.70%	[●]	[●]
	Bodies corporate	Nil	Nil	[●]	[●]
	Sub-total	**60,401,440**	**55.70%**	**[●]**	**[●]**
2.	Foreign promoters	Nil	Nil	[●]	[●]
	Sub-total (A)	**60,401,440**	**55.70%**	**[●]**	**[●]**
B.	**Non – Promoters' holding**				
1.	Institutional investors	25,309,370	23.34%	[●]	[●]
2.	Non-institutional investors				
	Private corporate bodies	11,799,564	10.88%	[●]	[●]
	Directors and relatives	Nil	Nil	[●]	[●]
	Indian public	10,002,144	9.22%	[●]	[●]
	Others including non-resident Indians (NRIs)	934,036	0.86%	[●]	[●]
	Sub-total (B)	**48,045,114**	**44.30%**	**[●]**	**[●]**
	Grand Total (A+B)	**108,446,554**	**100%**	**[●]**	**[●]**

**Note*: *The post-Issue shareholding pattern will be filled-in before filing of the Placement Document with the Stock Exchanges*.
** *Includes shareholding of the members of the Promoter Group.*

DIVIDENDS

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including Companies Act, 2013 together with the applicable rules issued thereunder. Our Board may also, from time to time, declare interim dividends. For further information, see "***Description of the Equity Shares***" on page 243.

The dividend distribution policy of our Company was approved and adopted by our Board on August 5, 2021. We may retain all our future earnings, if any, for use in the operations and expansion of our business. The dividend, if any, will depend on a number of factors, including but not limited to our Company's profits, accumulated reserves, earnings outlook, capital requirements, financial commitments and financial requirements including business expansion plans, applicable legal restrictions, cost of raising funds from alternate sources, cash flows and other factors considered relevant by our Board. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to applicable laws and regulations including taxation laws, economic conditions, prevalent market practices, and technological changes.

Further, our shareholders may not expect dividend in certain circumstances including growth opportunities which require our Company to allocate a significant amount of capital, in the event of a higher working capital requirement for business operations or otherwise, inadequacy of cash flow available for distribution, inadequacy or absence of profits, utilization of surplus cash for buyback of securities or setting off previous year losses, prohibition to declare dividend by any regulatory body and other factors which may be considered relevant by the Board. For details in relation to risks involved in this regard, see "***Risk Factors - Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***" on page 66.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

We have not declared and paid any dividends on the Equity Shares and Preference Shares during the Financial Years ended March 31, 2021, March 31, 2022, March 31, 2023 and the period from April 1, 2023 until the date of this Preliminary Placement Document.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Audited Consolidated Financial Statements and our Unaudited Consolidated Financial Results. Unless the context requires otherwise, the financial information corresponding to (i) Fiscals 2023, 2022 and 2021 has been derived from the Audited Consolidated Financial Statements and (ii) the six months ended September 30, 2023 and September 30, 2022 has been derived from the Unaudited Consolidated Financial Results.

*Our Audited Consolidated Financial Statements have been prepared under Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act, 2013, Companies (Indian Accounting standards) Rules, 2015, and other relevant provisions of the Act. Our Unaudited Consolidated Financial Results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Ind AS as prescribed under Section 133 of the Act read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI Listing Regulations.*

Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal are to the 12-month period ended March 31 of that year. Financial information for the six months ended September 30, 2023 and September 30, 2022 is not annualised and not indicative of full year results, and is not comparable with annual financial statements presented in this Preliminary Placement Document.

*This Preliminary Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Preliminary Placement Document. For further information, see "**Forward-Looking Statements**" on page 15. Also read "**Risk Factors**" and **"- Significant Factors Affecting our Results of Operations and Financial Condition**" on pages 45 and 93, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to RateGain Travel Technologies Limited on a consolidated basis and references to "the Company" or "our Company" refers to RateGain Travel Technologies Limited on a standalone basis.

*Unless otherwise indicated, all industry and market data used in this section has been derived from the report "Global Travel and Tourism Industry Report" dated November 6, 2023 (the "**1Lattice Report**") prepared and released by Lattice Technologies Private Limited and commissioned by us, exclusively for the purpose of the Issue. Our Company commissioned and paid for the 1Lattice Report pursuant to the engagement letter dated September 23, 2023. The relevant industry sources are indicated at all relevant places within this section. For more information, see "**Risk Factors – Industry information included in this Preliminary Placement Document has been derived from an industry report exclusively commissioned by and paid for by us for the purpose of the Issue.**" on page 65.*

OVERVIEW

We are a leading global provider of Software as a Service ("**SaaS**") solutions in the hospitality and travel industry with a focus to help our customers to increase their revenue. We offer travel and hospitality solutions across a wide spectrum of verticals including hotels, airlines, online travel agents ("**OTAs**"), destination management organisations, vacation rentals, package providers, car rentals, travel management companies, cruises and ferries. We are one of the world's largest processors of online hotel transactions data (delivering advanced and affordable connectivity and distribution solutions to hotels worldwide). We are also one of the world's largest aggregators and processors of travel pricing data for the hospitality and travel industry and have one of the world's most comprehensive travel intent data. (*Source: 1Lattice Report*)

We offer a suite of inter-connected products that manage the revenue creation value chain for our customers by leveraging our big-data capabilities and integration with other technology platforms helping hospitality and travel providers acquire more guests, retain them via personalized guest experiences and seek to maximize their margins. Through our products, we provide AI-powered solutions to our customers to optimize revenue in real-time across each step in a traveller's journey and drive guest acquisition, retention, and wallet share expansion.

We began operations in 2004 with the introduction of a competitive intelligence price comparison product for hotels and have over the last 15 years, expanded our product portfolio to include artificial intelligence and machine learning capabilities that leverage our in-house data lake to offer products in the areas of rate intelligence, cognitive revenue management, smart distribution, brand engagement and paid digital marketing. The acquisitions undertaken by us in recent years have enabled us to strengthen and supplement our product offerings. For instance, we acquired DHISCO in 2018, a hotel distribution technology company, which helped us to expand operations to hotels and OTAs in Asia by upgrading and integrating it with our distribution business. We also acquired, BCV, a marketing technology company in 2019 which we have been able to integrate and deploy with our marketing technology ("***MarTech***") business and have been able to extend its offerings to our customers globally. Our acquisition of Myhotelshop in 2021 complements our MarTech businesses by offering reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website and enable more direct bookings and optimize returns. We also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands and managing performance and digital marketing campaigns for its customers. Adara's offering aligns with our data as a service ("***DaaS***") and MarTech businesses and strengthens their value proposition. Currently, our products are classified into three strategic business units: (i) DaaS; (ii) Distribution; and (iii) MarTech. For details, see "- ***Hospitality and Travel Technology Solutions***" below.

Total addressable market and serviceable addressable market

We serve a large and rapidly growing total addressable market. Third party technology providers (excluding hardware) and digital marketing spend for the industry was a US$ 34 billion market in 2022 and is estimated to grow to U$ 42.6 billion in 2027 at a CAGR of 8.6%. The products and services provided by the Company had a serviceable addressable market size of US$ 6.6 billion in 2023, and is estimated to grow to US$ 9.9 billion in 2027. This is a large and rapidly growing addressable market opportunity for a vertical specific platform company like ours. (*Source: 1Lattice Report*)

The global travel technology industry has been steadily growing as the travel sector embraces digital solutions to improve the overall travel experience and makes processes more efficient. According to 1Lattice Report, technology innovation is crucial for the growth of the travel industry. Advanced booking platforms, virtual tours, and personalized recommendations improve the travel experience. Travel technology's rate of progress was slow for the past 25 years, but it has significantly picked up speed in the last decade, with new and inventive companies driving everyone to create better applications more quickly. In general, software capabilities have improved a lot, and now there's tough competition in many parts of the travel industry. (*Source: 1Lattice Report*).

End to end platform play advantage

In a highly fragmented landscape of travel technology providers, we offer a platform that bridges the data gap across the hospitality and travel industry and is able to provide an end to end solution which empowers our customers to optimise revenues across the value chain. We provide inter-operable products that leverage data across internal and external sources, unlock value through integration and enable better, faster and automated decision making allowing us to provide an all encompassing solution to our customers. Our solutions help the hospitality and travel industry, and companies find the right guest, decide the right price, distribute it to the preferred channel of the guest and once converted, helps them have an exceptional experience.

Hospitality and Travel Technology Solutions

We deliver our hospitality and travel technology solutions through our SaaS platform and our products are classified into three strategic business units:

- ***Data as a Service ("DaaS")*** – Delivers insights including competitive rate intelligence and price parity solutions. We procure and process data from various sources in real time. We are able to equip suppliers and demand providers with the ability to connect with data and information to increase acquisition and conversion. We offer data under three categories:

    - *Market intelligence:* This provides access to pricing and availability data at scale along with analytics to present trends, opportunities and market developments.

- *Dynamic pricing recommendations:* We serve certain segments within the travel industry that have traditionally used a flat pricing or a seasonal pricing structure with our proprietary dynamic pricing technology to help them maximize revenue.

- *Targeted digital marketing and advertising*: Data partners supply aggregated real-time traveller data, that allows us to deliver actionable insights and predictive intelligence to drive better marketing return on investments. We leverage and share anonymized digital profiles (or custom audiences) scored on travel intent to optimize marketing campaigns for our customers for them to deliver targeted personalized advertisements.

- ***Distribution*** – Commercial teams at hotels are unable to connect directly to each specific channel or demand partner since the process is time-consuming, costly, and requires specialized technical tools. We address this issue by providing a connectivity platform that facilitates the communication of availability, rates, inventory and content between leading accommodation providers and their demand partners. Distribution also enables delivery of reservations back to hotel systems to ensure smooth operations and accurate reporting by hotels. As of Fiscal 2023 and September, 30, 2023, our Distribution offering has 763 and 843 customers, respectively, accounting for 25.82 million and 13.92 million transactions during the same period.

- ***Marketing Technology ("MarTech")*** – Our MarTech offering comprises of an end-to-end digital marketing suite that provides brand engagement, brand monitoring and paid digital marketing for our customers by assisting them in innovating their digital marketing strategy to capture visitors from their preferred channel. This includes content analysis and optimization, scaling of the brand, campaign implementation, optimizing direct bookings through direct customer acquisitions and performance marketing operation leveraging the travel intent data. We also manage social media for luxury travel suppliers allowing them to be responsive to social media engagements 24x7 as well as effectively manage their social media handles and run promotional campaigns. Additionally, our offering also leverages AI driven audience identification and real-time insights to help luxury travel suppliers manage their brand presence across social media and metasearch platforms while at the same time optimizing direct bookings, enabling our customers to optimise returns through higher retention and wallet share expansion. As of Fiscal 2023 and September, 30, 2023, our MarTech offering has 1,359 and 1,417 customers, respectively.

Reliable, widely available and affordable internet-based computer-to-computer communication has made practical the implementation and use of cloud-based systems. Cloud adoption is becoming viable owing to the basic benefits of uptime, availability, and high level of support in the cloud, as well as the superior development environment for building applications and platforms that can auto-scale through micro-service architectures. It is expected that companies utilizing cloud-based modern solutions and offering a wide range of services, are certain to be beneficiaries of these trends. (*Source: 1Lattice Report*) As a SaaS company, our cloud-based products offer customer improved usability, and we can effectively scale our operations. The scale of our operations and our strength in analytics have helped us grow in operations and monetize our offerings.

For our DaaS products, we operate on a subscription model where our customers in the hospitality sector subscribe to our DaaS products such as Optima and Parity for a period and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model. Further, we offer Adara DaaS products on a hybrid fee model. For our OTA customers and airline, car rental, cruises, ferries, vacation rental and vacation packages customers we operate on a hybrid model where we charge a minimum subscription fees for use of our products and a pay-per-use charge for accessing additional data. In our Distribution segment, we operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done by OTAs and GDS operators. In our MarTech segment, we operate brand engagement and brand monitoring for hotels on a subscription model and also operate on a mix of subscription and transaction model where we charge campaign-based fees for managing campaigns for our customers across hospitality and travel segments on a periodic basis. In Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, we generated 26.34%, 24.00%, 25.00% and 40.82% of our revenues from operations from the sale of services of our transaction based products while we generated 44.16%, 41.00%, 32.48% and 23.30% of our revenues from operations from the sale of services of our subscription-based products in similar periods and we generated 29.50%, 35.00%, 42.52% and 35.88% of our revenues from operations from the sale of services of our products which are on a hybrid revenue model of subscription and transaction based pricing. Further, our net revenue retention in Fiscal 2023 and six months ended September 30, 2023 was 110.42% and 110.14%, respectively.

Our product development philosophy is based on helping drive scale and reducing the total cost of ownership for our customers by building cloud-first products and following agile development practices. Our success in product and technology innovation has been recognized through numerous awards and accolades, such as being the winner of the Deloitte Technology Fast50 Award in 2020 and the 'Most Innovative Startup' at the Economic Times Innovation Awards 2020, World's Best Channel Manager and World's Best Car Rental Technology Provider award by World Travel Tech Awards 2022, second runners up in HotelTech Report awards in the categories for Rate Shopping and Market Intelligence providers for Optima and Channel Managers provider for RezGain, recognised as one of the Best Marketing Teams by Comparably in 2023 and awarded SaaS Startup of the Year by SaaS BOOMi in 2023.

As of September 30, 2023, we serve 3,104 customers including eight Global Fortune 500 companies. Our customers include Hyatt Hotels & Resorts, Omni Hotels and Resorts, Turtle Bay Resorts, LLC, Scenic Tours Europe AG, Carnival Corporation, TUI Cruises GmbH, Norse Atlantic UK Ltd, Air Mauritius Limited, Volotea SL, The Hertz Corporation and Cendyn Group. We also count 2,495 large and mid-size hotel chains, 168 travel partners including airlines, car rental companies and large cruise companies, 134 destination management organisations and 154 distribution partners including OTAs such as Hopper Inc., Apple Leisure Group and Flight Centre Travel Group, in over 100 countries as our customers, as of September 30, 2023. We service our customers in multiple geographies with local go-to-market teams and as of September 30, 2023, have entities in six countries. As of September 30, 2023, over 650 customers have been associated with us for over five years and we have grown our customer base over the years through our well-developed sales, customer success and marketing function that focuses on generating and converting quality sales leads and measuring customer satisfaction through a net promoter score tracking process which helps in our land and expand strategy. After our initial contract, and based in our customer's experience, our customers typically purchase additional licenses for other properties or functions, branches as well as buy additional products from us thus expanding the overall commercial value of the contract. We often bundle the offerings as a platform package which, in our experience, helps with customer retention and acts as an advantage over point solutions. Our internal practices have developed over a decade and have helped increase our net promoter score ("**NPS**") and our NPS was 34.5, 32.2, 25.3 and 37.4 in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. We track this through an automated and independent process to measure customer health and gather feedback for continuous improvement.

Strategic Business Units

DaaS. We provide competitive intelligence and parity intelligence to help hotels, OTAs and travel suppliers stay competitive and optimize their revenues. Our competitive intelligence products tracked over 143 billion price points across hotels, OTAs, airlines, cruise lines, vacation rental, tour operators and car rentals in the six months ended September 30, 2023 and covers points such as pricing, ratings, rankings, availability, room descriptions, cancellation policy, payment policy, discounting and package inclusions. We enable our clients to accurately forecast demand by providing AI-powered demand insights, forecasting airline travellers for 90 days, monitoring parity in real time and automating alerts for market action changes. We operate a subscription model where our customers in the hospitality and travel sector subscribe to our DaaS products such as Optima and Parity+ and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model. Further, with the acquisition of Adara, we provide anonymized digital profiles (or custom audiences) to brands and marketing agencies for them to run digital marketing campaigns. Active Customers in our DaaS business have grown from 820 Active Customers as of Fiscal 2023 to 844 as of September 30, 2023. Through Adara DaaS, we provide unique travel-intent data to help brands across travel, finance, experience and retail segments to make informed decisions and reach their target audience through insights into such data that influences consumer behaviour in real-time

Distribution. We provide technology infrastructure that helps both hotel chains and demand partners such as online travel agents, GDS providers and corporate travel agents communicate availability, rates, inventory as well as process bookings. Our distribution platform helps hotels to sell the right product at the right price on the right channel by serving the right content through demand partners. We have two products in the distribution space: RezGain, which operates on a subscription basis and targeted to mid-market, and DHISCO, which operates on a transaction model where we generate revenues from bookings done via OTAs and GDS operators. DHISCO caters to enterprise customers. We covered over 197,000 hotel properties with over 80 demand partners, as of September 30, 2023. These connections are available through multiple flow architectures including various combinations and conduct distribution of availability, rates, inventory, negotiated rates, cancellation policy, amenities, attributes, images and description, all in multiple languages. We enable our clients to easily connect to new demand by connecting them to new source markets, automating channel mapping faster, updating content easily across OTAs, connecting to meta search channels. We offer reliable delivery evident from 99.9% uptime. In Fiscals 2021, 2022 and 2023, our distribution platform handled 9.02 million, 15.78 million and 25.82 million bookings, respectively, while in the six months ended September 30, 2023, it handled 13.92 million bookings. The aggregate value of bookings completed using our products was ₹ 141,866.83 million, ₹ 391,314.94 million, ₹ 612,351.32 million and ₹ 360,590.72 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively, while the average booking value was ₹ 15,732.56, ₹ 24,790.36, ₹ 23,714.92 and ₹ 25,888.24 in similar periods. Aggregate value of bookings and average booking value was ₹ 360,590.72 million and ₹ 25,888.24 in the six months ended September 30, 2023.

MarTech. We are a 'single source provider' of social media management, including brand engagement, brand monitoring and paid digital marketing, to leading hospitality and travel brands including well-known luxury properties. We offer real-time social listening and guest communication, active management of their social assets and campaign management through our AI based solution to increase awareness, engagement and sales that help in personalization of guest experience. Further, we offer digital marketing across metasearch platforms, campaign management and programmatic advertising that enables hotel suppliers, travel and agency customers to reach more customers and optimize returns. We enable our clients drive higher return on investments by tracking intent data from 300+ brands, improve return on advertisement spends on digital media, and 24x7 engagement with guests through messaging. As per the HotelTech Report, we are the #1 Social Media Management provider for hotels globally as of September 30, 2023. We generate revenues from our MarTech solutions on a subscription basis as well as on a transaction basis where we charge campaign-based fees for managing campaigns for our hospitality, and travel partners on a periodic basis.

We are led by a globally diverse senior management team that is present across three continents and includes Bhanu Chopra, our Promoter and executive chairman of the board, who has over 20 years in the technology and travel industry. We are led by Tanmaya Das, our Chief Financial Officer, Peter Strebel, President – Americas and Yogeesh Chandra, Chief Strategy Officer. Members of our leadership team have extensive experience in the technology, finance and hospitality and travel sectors. We have been able to leverage their go-to-market and product development expertise to develop products that address our customers' requirements.

Changes in industry post COVID-19 Pandemic

The COVID-19 pandemic has had a significant impact on the global economy and financial markets, with two prominent shifts being change in customer behaviour and the adoption of technology. This has cumulatively accelerated the ongoing trend toward digitalization and integration of AI in the industry. Post the COVID-19 pandemic, customers are increasingly favouring adoption of digital platforms to be able drive efficiencies across their systems, unlock new revenue streams and be able to more effectively engage with guests across different mediums. Consequently, the rapid growth of e-commerce, digital services, and online content could be witnessed, which brought with it a surge in consumer data, ultimately benefitting businesses that are capable of harnessing AI to derive unique insights and actionable strategies from the same. (*Source: 1Lattice Report*)

Technology acts as the bridge that helps in connecting consumer expectations and ensuring that it is seamlessly delivered. Consumers need convenience, personalization, and a seamless experience from the time they book their trip to the end of their stay. This is where hotels and travel companies have been trying to implement multiple technologies, however due to legacy systems and unavailability of interoperable systems, as well as lack of talent, hotels are unable to deploy systems that are able to seamlessly serve the guests, get relevant insights and create more revenue opportunities. Due to the need for a large manpower, hotels are a great fit to embrace automation across different functions, for instance, using automated check-in and check-out systems, thereby decreasing the need for manual staff intervention. This enables hotels to decrease staff costs and improve revenue through faster and more efficient service. It improves operational efficiency and profitability, as well as customer experience. Similar automation initiatives in room service and billing can help further reduce overheads. Further, increased adoption of AI substantially decreases cost owing to the development of computing infrastructure at increasingly competitive prices. Resultantly, this rapid development of algorithms has also enabled access to more scenarios via open source. AI and machine learning algorithms are being employed for trading strategies, risk assessment, and fraud detection. These technologies offer more accurate predictions and faster decision-making capabilities. Moreover, the industry has recognized the need for technological advancements and automation to mitigate labour shortages, improve efficiency, and remain competitive in a rapidly evolving financial landscape. These changes are likely to continue shaping the industry's future. (*Source: 1Lattice Report*)

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Expansion of our customer base

We generate and expect to continue to generate, a large majority of our revenue from the sale of our SaaS products to customers in the hospitality and travel industry. Accordingly, our growth depends significantly on our ability to attract new customers as well as retain and expand relationship with existing ones and is dependent upon acceptance by customers of our SaaS products and services in the hospitality and travel industry, our ability to keep pace with technological changes and provide innovative services and pricing pressures for our services due to competition. The number of customers who use our SaaS products is crucial to our results of operations and continued revenue growth. Our customer base has grown from 1,337 Active Customers as of March 31, 2021 to 2,942 Active Customers as of March 31, 2023 and we had 3,104 Active Customers as of September 30, 2023. In particular, we strategically focus on and expanding our customers from which we can increase our Annual Recurring Revenue or ARR. Our ARR increased from ₹2,630.14 million in Fiscal 2021 to ₹7,745.10 million in Fiscal 2023, and has further increased to ₹9,388.96 million in the six months ended September 30, 2023. In addition, our Gross Retention Rate has remained fairly stable and was 89.24%, 90.14%, 90.07% and 90.21% in Fiscals 2021, 2022 and 2023, and in the six months ended September 30, 2023, respectively.

We intend to deepen our relationships with existing customers and expand their usage of our solutions and services, which is critical to our long-term business and revenue growth, and continuously endeavor to increase the number of our customers. Continued expansion of our customer base with high spend as well as deepening of the relationship with existing ones also help strengthen our brand and reputation within the travel SaaS industry, thereby attracting more customers for our products and services. For example, our Average Revenue per Customer was ₹1.97 million, ₹1.80 million, ₹2.63 million and ₹3.02 million in Fiscals 2021, 2022 and 2023, and in the six months ended September 30, 2023, respectively. In addition, a large and expanding customer base provides vast amounts of data for us which we can leverage to better understand our customers' needs and preferences, and, to an extent, their customers' needs and preferences. We are, therefore, able to further refine our SaaS offerings to improve our customers' overall experience, which is pivotal to the success of our business and future growth.

Product, revenue and geographic mix

We generate revenue primarily from the sale of our SaaS products that include our MarTech, Distribution and DaaS products offered through our platforms. In our MarTech segment, we operate brand engagement and brand monitoring for hotels on a subscription model and also operate on a mix of subscription and transaction model where we charge campaign-based fees for managing campaigns for our customers across hospitality and travel segments on a periodic basis. In our Distribution segment, we operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done via OTAs and GDS operators. For our DaaS products, we operate on a subscription model where our customers in the hospitality sector subscribe to our DaaS products such as Optima and Parity for a period and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model. For our DaaS products related to Adara, where we provide travel intent data to our customers across travel and hospitality industry, we operate on a hybrid model where we charge a minimum subscription fee for use of our products and a pay-per-use charge for accessing additional data. For our OTA customers and airline, car rental, cruises, ferries, vacation rental and vacation packages customers we operate on a hybrid model where we charge a minimum subscription fees for use of our products and a pay-per-use charge for accessing additional data. In Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, we generated 26.34%, 24.00%, 25.00% and 40.82% of our revenues from operations from the sale of services of our transaction-based products while we generated 44.16%, 41.00%, 32.48% and 23.30% of our revenues from operations from the sale of services of our subscription-based products in similar periods and we generated 29.50%, 35.00%, 42.52%, and 35.88% of our revenues from operations from the sale of services of our products which are on a hybrid revenue model of subscription and transaction based pricing.

The following table sets forth certain information relating to our revenue from contracts with customers across our business segments in the periods indicated:

Segment	Fiscal 2021		Fiscal 2022		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)
MarTech	356.11	14.20	1,201.76	32.78	2,089.90	36.98
Distribution	1,218.05	48.57	1,415.45	38.61	1,942.95	34.38
DaaS	933.77	37.23	1,048.70	28.61	1,618.43	28.64
Total revenue from contracts with customers	**2,507.93**	**100.00**	**3,665.91**	**100.00**	5,651.28	**100.00**

Historically, we have generated a significant portion of our revenues from operations from North America and Europe. As of September 30, 2023, we were present in six jurisdictions, namely, India, the United States of America, United Kingdom, Spain, Germany, and UAE. The following table presents the contribution by geography to revenue from contracts with customers:

Region	Fiscal 2021		Fiscal 2022		Fiscal 2023	
	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers
North America (primarily USA)	1,623.89	64.75	2,283.84	62.30	3,167.55	56.05
Asia-Pacific (primarily India)	380.97	15.19	385.84	10.53	621.64	11.00
Europe (primarily UK)	375.92	14.99	867.49	23.66	1,698.21	30.05
Others	127.15	5.07	128.74	3.51	163.88	2.90
Total	2,507.93	**100.00**	**3,665.91**	**100.00**	**5,651.28**	**100.00**

Due to this concentration of our revenue in such regions, our results of operations are particularly sensitive to factors affecting North America, Europe and Asia Pacific including but not limited to competition, regulatory actions, pricing pressures, fluctuations in the demand for or supply of our platform, products or services, or the outbreak of an infectious disease such as COVID-19 and the subsequent rate of vaccinations. As we continue to grow our business internationally, however, we expect the dependence of our revenues on such markets to decrease in proportionate terms.

Ability to enhance operating efficiency through investments in technology

Our results of operations have been, and will continue to be, affected by our ability to improve our operating efficiency, especially through investment in technology. As our business continues to scale up, it is essential to improve operating efficiency to enhance the competitiveness of our SaaS products. We intend to continue to invest in further developing and applying advanced technologies in the fields of AI, machine learning, cloud computing and data lake to enhance the functionalities and customer experience of our SaaS products. Our technology infrastructure costs, i.e., our hosting and proxy charges and software licenses, were ₹271.48 million, ₹328.67 million, ₹505.43 million and ₹387.58 million and represented 10.82%, 8.97%, 8.94% and 8.63% of our revenue from operations in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. In the future, we will continue to invest in technology to further enhance our operations, which may increase our expenditure or operating costs but will improve our operating leverage, cost efficiency and service quality. Our continued improvement of our SaaS products is paramount to our customer experience, driving our ability to attract and retain customers, improve the rate of transactions, and generate revenues. To grow our product development capabilities, we have set up RateGain Labs, an in-house incubator that will leverage our existing expertise to solve current travel industry problems through data, proximity to clients and business experience. In recent years we have witnessed rise of AI and machine learning especially in the travel and hospitality industry. Significant growth in the travel and hospitality industry and a rising demand for automation across industries can be considered driving force for adoption of SaaS models and AI. As we continue to grow, it is essential to for us to build our AI capabilities to provide better services to our customers and expand our business. We are focused on developing applications that use data science, AI and machine learning. For instance, our DaaS product Optima is a real-time rate intelligence platform that syndicates hotel software database with smart data analytics. Optima enables users to compare competitor rates and OTAs rank in real-time along with the parity check reports. Optima is powered by *dataSURE*, an artificial intelligence and machine learning driven data quality framework. Further, through RateGain Labs, we develop data and AI driven products for the travel. Further, Adara's AI capabilities also support us in generating targeted audiences for our marketing campaigns. Our ability to track large volume of proprietary data across various categories of travel enables our artificial intelligence model based products to predict and forecast demand accurately and on a real-time basis and accordingly, make pricing recommendations to our customers to optimise their revenue. Going forward, we intend to continue to prudently invest resources in technology in a cost-effective manner to support the long-term growth of our business.

Inorganic growth through strategic acquisitions

In addition to the organic growth of our operations, we have a track record of inorganic growth through strategic acquisitions that supplement our business verticals. We acquired DHISCO in 2018 and turned it profitable following its acquisition. Following the acquisition, we were able to maintain its existing customer base and grow revenues. We have integrated DHISCO with our proprietary technology to improve connectivity options in the hospitality and travel industry. In Fiscal 2020 we also acquired BCV Social, a marketing technology company and have been able to extend its offerings to our customers globally. We have also completed the acquisition of myhotelshop in 2021, a company which offers reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website, enable more direct bookings and optimize returns. More recently, we also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners. Adara's offering aligns with our DaaS and MarTech segments and strengthens their value proposition. We expect to continue making acquisitions and entering into new business ventures or initiatives as part of our strategy. For further details about our inorganic growth strategy, see "***Business – Strategies – Pursue strategic investment and acquisition opportunities***" on page 184. We believe that the effect of our acquisitions and the consolidation of the acquired entity's financial results in our consolidated financial statements will strengthen our financial performance. Given the fragmented nature of the travel technology industry, there exist opportunities for consolidation. Our successful and timely integration of such acquisitions will enable us to capture relevant synergies both from a technological and bottom line perspective. We will seek to integrate such acquired businesses into our current operations in a manner that maximizes such synergies. Although some of our acquisitions involve entities that were loss making at the time of acquisition, we believe that these entities have growth potential and the integration of these entities into our businesses will enable us to achieve profitability in these entities.

Currency fluctuation

We are affected by fluctuations in currency exchange rates with respect to our contracts with our customers. A majority of our revenues are generated in currencies other than the Indian Rupee. The Indian rupee is our functional currency and our consolidated financial statements are prepared in Indian rupees. However, the US dollar, the pound sterling, the Euro and AED are the functional currencies for our foreign subsidiaries in the United States, United Kingdom, Spain, Germany and UAE. We translate foreign currencies into Indian rupees as follows:

- Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency at the exchange rates at the date of the transactions;
- Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains or losses arising on account of realisation or settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the consolidated statement of profit and loss; and
- Foreign exchange gains or losses arising on translation of foreign currency monetary loans are presented in the consolidated statement of profit and loss on a net basis. Our exchange differences on translation of foreign operations were ₹6.57 million, (₹17.08 million), ₹125.64 million and ₹30.98 million in Fiscals 2021, 2022 and 2023 and six months ended September 30, 2023, respectively.
- However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs.

Revenues from sale of services outside India was ₹2,488.93 million, ₹3,640.04 million, ₹5,615.31 million and ₹4,468.11 million, and represented 99.24%, 99.29%, 99.36% and 99.46%respectively, of our total revenue from operations in Fiscals 2021, 2022 and 2023, and the six months ended September 30, 2023, respectively.

Depreciation of the Indian Rupee against the U.S. Dollar and other foreign currencies may affect our results of operations including by increasing the cost of financing any debt denominated in foreign currency that we may enter into or proposed capital expenditure, if any, in foreign currencies.

We hedge a substantial portion of our foreign currency exposure naturally through our overseas subsidiaries where the revenue and costs are in foreign currencies. We also use foreign currency forward contracts to hedge risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions as set out in our '*Process Narrative for Forex Management*' and, we designate these hedging instruments as cash flow hedges.

NON-GAAP MEASURES

EBITDA, EBITDA Margin and Return on Net Worth (together, "**Non-GAAP Measures**"), presented in this Preliminary Placement Document is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of EBITDA and EBITDA Margin

Particulars	**Fiscal**			**Six Months ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
			(₹ million)		
Profit / (loss) for the period / year (A)	(285.75)	84.19	684.01	213.80	549.45
Tax Expense / (Credit) (B)	39.47	24.18	(11.43)	53.15	164.52
Profit / (loss) before tax (C=A+B)	(246.28)	108.37	672.58	266.95	713.97
Adjustments (D+E+F-G):	307.87	197.18	173.93	28.17	128.12
Add: Finance Costs (D)	82.04	52.33	15.11	8.09	6.98
Add: Depreciation and Amortization (E)	358.81	300.64	358.14	165.83	217.52
Add: Exceptional Item (F)	0.00	9.43	0.00	0.00	0.00
Less: Other income (G)	132.98	165.22	199.32	145.75	96.38
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (H= C+D+E+F-G)	61.59	305.55	846.51	295.12	842.09
Revenue from operations (I)	2,507.93	3,665.91	5,651.28	2,439.09	4,492.02
EBITDA Margin (EBITDA as a percentage of Revenue from operations) (J = H/I)	2.46%	8.33%	14.98%	12.10%	18.75%

Reconciliation of Net Worth and Return on Net Worth to Total Assets

Particulars	**As at March 31,**			**As at September 30, 2023**
	2021	**2022**	**2023**	
		(₹ million)		
Total assets **(A)**	4,398.04	7810.91	9452.82	10520.85
Total liabilities **(B)**	1,948.83	1619.38	2355.38	2812.57
Net Worth **(A-B)**	2449.21	6191.53	7097.44	7708.28
Profit / (loss) for the period / year **(C)**	(285.75)	84.19	684.01	549.45

Particulars	As at March 31, 2021	2022 (₹ million)	2023	As at September 30, 2023
Return on net worth (%) **(C/(A-B))**	(11.67%)	1.36%	9.64%	7.13%*

**Not annualized.*

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Total Income

Our total income comprises: (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises sale of services that includes our MarTech, Distribution and DaaS. In our MarTech segment, we operate brand engagement and brand monitoring for hotels on a subscription model and also operate on a mix of subscription and transaction model where we charge campaign-based fees for managing campaigns for our customers across hospitality and travel segments on a periodic basis. In our Distribution segment, we operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done by OTAs and GDS operators. For our DaaS products, we operate on a subscription model where our customers in the hospitality sector subscribe to our DaaS products such as Optima and Parity for a period and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model.

Other Income

Other income includes (i) interest income that comprises (A) interest income earned on bank deposits (at amortised cost); and (B) interest income on loans and financials asset (at amortised cost); and (ii) other income that comprises primarily: (A) gain on termination of lease; (B) sale of SEIS licenses and other benefits; and (C) net gain on current investments measured at FVTPL.

Expenses

Our expenses comprise: (i) employee benefits expense; (ii) finance costs; (iii) depreciation and amortisation expense; and (iv) other expenses.

Employee Benefits Expense

Employee benefits expense comprise: (i) salaries and wages; (ii) contribution to provident and other funds; (iii) staff welfare expenses; and (iv) employee stock option expense.

Finance Costs

Finance costs include (i) interest expense on borrowings; (ii) interest on lease liability; (iii) interest expense on financial liabilities at amortised cost and (iv) interest on delay in deposit of income tax.

Depreciation and Amortisation Expense

Depreciation and amortisation expense comprise: (i) depreciation on property, plant and equipment; (ii) amortisation of intangible assets; and (iii) depreciation of right of use assets.

Other Expenses

Key components of other expenses are explained below:

- Hosting and proxy charges that primarily consists of cloud computing charges and rentals for servers to host our data and software for servicing our customers while proxy charges are incurred for use of proxies to scrape websites for accessing publicly available information to provide the output to our customers;

- Communication charges incurred towards telecommunication and internet expenses for our operations;
- Fees and subscription expenses primarily comprising membership subscriptions of institutions in the travel domain, and data and software subscription charges;
- Trade and other receivables written off on account of bad debts being written off;
- Software licensing expenses primarily comprising license costs for various software procured for our operations;
- Contractual manpower costs incurred towards third party services obtained to complete certain projects; and
- Advertising and sales promotion expenses;
- Rent expenses include rent paid for various offices in different locations; and
- Travelling and conveyance expenses towards go-to-market activities.

RESULTS OF OPERATIONS

The following tables set forth our selected financial information from our statement of profit and loss in the Fiscals 2021, 2022 and 2023 and six months ended September 30, 2022 and September 30, 2023, the components of which are also expressed as a percentage of total income for such periods. The financial information corresponding to six months ended September 30, 2022 and September 30, 2022 has been derived from the Unaudited Consolidated Financial Results and the financial information corresponding to Fiscals 2021, 2022 and 2023 has been derived from Audited Consolidated Financial Statements:

Particulars	Fiscal						Six months ended September 30,			
	2021		2022		2023		2022		2023	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income
Income										
Revenue from operations	2,507.93	94.96%	3,665.91	95.69%	5,651.28	96.59%	2,439.09	94.36%	4,492.02	97.90%
Other income	132.98	5.04%	165.22	4.31%	199.32	3.41%	145.75	5.64%	96.38	2.10%
Total Income	2,640.91	100.00%	3831.13	100.00%	5,850.60	100.00%	2584.84	100.00%	4,588.40	100.00%
Expenses										
Employee benefits expense	1,512.62	57.28%	1,913.74	49.95%	2527.56	43.20%	1,155.38	44.70%	1,822.90	39.73%
Finance costs	82.04	3.11%	52.33	1.37%	15.11	0.26%	8.09	0.31%	6.98	0.15%
Depreciation and amortisation expense	358.81	13.59%	300.64	7.85%	358.14	6.12%	165.83	6.42%	217.52	4.74%
Other expenses	933.72	35.36%	1,446.62	37.76%	2,277.21	38.92%	988.59	38.25%	1,827.03	39.82%
Total expenses	2,887.19	109.33%	3,713.33	96.93%	5178.02	88.50%	2,317.89	89.67%	3,874.43	84.44%
Exceptional items	0.00	0.00%	9.43	0.25%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Profit / (loss) before tax	(246.28)	(9.33%)	108.37	2.83%	672.58	11.50%	266.95	10.33%	713.97	15.56%
Tax expense										
Current tax	31.11	1.18%	45.33	1.18%	97.13	1.66%	52.74	2.04%	191.73	4.18%
Deferred tax credit	8.36	0.32%	(21.15)	(0.55%)	(108.56)	(1.86%)	0.41	0.02%	(27.21)	(0.59%)
Total tax expense	39.47	1.49%	24.18	0.63%	(11.43)	(0.20%)	53.15	2.06%	164.52	3.59%
Profit / (Loss) for the period	(285.75)	(10.82%)	84.19	2.20%	684.01	11.69%	213.80	8.27%	549.45	11.97%
Other comprehensive income										
Items that will not be reclassified to profit or loss										

Particulars	Fiscal						Six months ended September 30,			
	2021		2022		2023		2022		2023	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income
Re-measurement of the defined benefit plan	0.32	0.01%	(0.59)	(0.02%)	(2.58)	(0.04%)	(0.3)	0.01%	(1.29)	(0.03%)
Income tax relating to these items	(0.09)	(0.00%)	0.16	0.00%	0.70	0.01%	0.12	0.00%	0.32	0.01%
Items that may be reclassified to profit or loss										
Exchange differences on translation of foreign operations	6.57	0.25%	(17.08)	(0.45%)	125.64	2.15%	86.42	3.34%	30.98	0.68%
Total other comprehensive income	6.80	0.26%	(17.51)	(0.46%)	123.76	2.12%	86.24	3.34%	30.01	0.65%
Total comprehensive income for the period	(278.95)	(10.56%)	66.68	1.74%	807.77	13.81%	300.04	11.61%	579.46	12.63%

SIX MONTHS ENDED SEPTEMBER 30, 2023 COMPARED TO SIX MONTHS ENDED SEPTEMBER 30, 2022

Income

Total income increased by 77.51% from ₹2,584.84 million in the six months ended September 30, 2022 to ₹4,588.40 million in the six months ended September 30, 2023 primarily due to increase in the revenue from operations.

Revenue from Operations

Revenue from operations increased by 84.17% from ₹ 2,439.09 million in the six months ended September 30, 2022 to ₹4,492.02 million in the six months ended September 30, 2023.

Other Income

Other income decreased by 33.87% from ₹145.75 million in the six months ended September 30, 2022 to ₹96.38 million in the six months ended September 30, 2023.

Expenses

Total expenses increased by 67.15% from ₹2,317.89 million in the six months ended September 30, 2022 to ₹3,874.43 million in the six months ended September 30, 2023, primarily due to increase in our employee benefits expenses, depreciation and amortisation expenses and certain other expenses. This was partially offset by decrease in Finance Costs by 13.72% from ₹8.09 million in the six months ended September 30, 2022 to ₹6.98 million in the six months ended September 30, 2023.

Employee Benefits Expense

Employee benefits expense increased by 57.77% from ₹1,155.38 million in the six months ended September 30, 2022 to ₹1,822.90 million in the six months ended September 30, 2023.

Finance Costs

Finance costs decreased by 13.72% from ₹8.09 million in the six months ended September 30, 2022 to ₹6.98 million in the six months ended September 30, 2023.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 31.17% from ₹165.83 million in the six months ended September 30, 2022 to ₹217.52 million in the six months ended September 30, 2023.

Other Expenses

Other expenses increased by 84.81% from ₹988.59 million in the six months ended September 30, 2022 to ₹1,827.03 million in the six months ended September 30, 2023.

Profit/Loss before Tax

For the reasons discussed above, profit before tax was ₹266.95 million in the six months ended September 30, 2022 compared to ₹713.97 million in the six months ended September 30, 2023.

Tax Expense

Current tax expenses increased from ₹52.74 million in the six months ended September 30, 2022 to ₹191.73 million in the six months ended September 30, 2023 and deferred tax charge decreased from ₹0.41 million in the six months ended September 30, 2022 to a credit of ₹27.21 million in the six months ended September 30, 2023. As a result, total tax expense amounted to ₹53.15 million in the six months ended September 30, 2022 compared to a total tax expense of ₹164.52 million in the six months ended September 30, 2023.

Profit/Loss for the Period

We recorded a profit for the period of ₹213.80 million in the six months ended September 30, 2022 compared to ₹549.45 million in the six months ended September 30, 2023.

FISCAL 2023 COMPARED TO FISCAL 2022

Income

Total income increased by 52.71% from ₹3,831.13 million in Fiscal 2022 to ₹5,850.60 million in Fiscal 2023 primarily due to increase revenue from operations due to increase in sale of services.

Revenue from Operations

Revenue from operations increased by 54.16% from ₹3,665.91 million in Fiscal 2022 to ₹5,651.28 million in Fiscal 2023, primarily due to an increase in sale of services across our various business segments.

Sale of Services

Sale of services increased by 54.16% from ₹3,665.91 million in Fiscal 2022 to ₹5,651.28 million in Fiscal 2023.

The following table sets forth certain information relating to our revenue from contracts with customers presented in accordance with our business segments in the periods indicated:

Segment	Fiscal 2022		Fiscal 2023	
	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)
MarTech	1,201.76	32.78%	2,089.90	36.98%
Distribution	1,415.45	38.61%	1,942.95	34.38%
DaaS	1,048.70	28.61%	1,618.43	28.64%
Total revenue from contracts with customers	**3,665.91**	**100.00%**	**5,651.28**	**100.00%**

Revenue from our MarTech segment increased by 73.90% from ₹1,201.76 million in Fiscal 2022 to ₹2,089.90 million in Fiscal 2023, primarily due to growth of business from existing customers and addition of new customers across various services offered along with integration of myhotelshop and Adara in our business.

Revenue from our Distribution segment increased by 37.27% from ₹1,415.45 million in Fiscal 2022 to ₹1,942.95 million in Fiscal 2023, primarily due to the growth in volume of hotel reservations and bookings done through our platform and new customers added within this segment.

Revenue from our DaaS segment increased by 54.33% from ₹1048.70 million in Fiscal 2022 to ₹1,618.43 million in Fiscal 2023, primarily due to organic increase in business from and in number of customers along with integration of Adara in our business.

Other Income

Other income increased by 20.64% from ₹165.22 million in Fiscal 2022 to ₹199.32 million in Fiscal 2023, primarily on account of increase in the interest income (at amortised cost) earned on bank deposits by 155.34% from ₹25.73 million in Fiscal 2022 to ₹65.70 million in Fiscal 2023 and increase in interest income on loans and financials asset (at amortised cost) by 322.06% from ₹23.71 million in Fiscal 2022 to ₹100.07 million in Fiscal 2023 on account of treasury gain.

This was partially offset by decrease in sale of SEIS license and other benefits by 100.00% from ₹23.63 million in Fiscal 2022 to ₹nil in Fiscal 2023 on account of amendment in the SEIS incentive scheme post June 2022, decrease in gain on foreign currency transactions and translation by 44.54% from ₹34.04 million in Fiscal 2022 to ₹18.88 million in Fiscal 2023 and decrease in net gain on current investments measured at FVTPL by 71.51% from ₹36.43 million in Fiscal 2022 to ₹10.38 million in Fiscal 2023 on account of treasury allocation.

Expenses

Total expenses increased by 39.44% from ₹3,713.33 million in Fiscal 2022 to ₹5,178.02 million in Fiscal 2023, primarily due to increase in our employee benefits expenses, depreciation and amortisation expenses and certain other expenses including cost of managing campaigns for customers of myhotelshop and infrastructure costs. This was partially offset by decrease in finance costs by 71.13% from ₹52.33 million in Fiscal 2022 to ₹ 15.11 million in Fiscal 2023.

Employee Benefits Expense

Employee benefits expense increased by 32.07% from ₹1,913.74 million in Fiscal 2022 to ₹2,527.56 million in Fiscal 2023, primarily due to an increase in salaries and wages by 37.44% from ₹1,704.93 million in Fiscal 2022 to ₹2,343.21 million in Fiscal 2023 on account of the increase in the number of our employees from 606 as of March 31, 2022 to 713 as of March 31, 2023 primarily due to annual increments, acquisition and integration of employees of Adara, an increase in contribution to provident and other fund by 31.79% from ₹61.75 million in Fiscal 2022 to ₹81.38 million in Fiscal 2023. This was partially offset by a decrease in staff welfare expenses by 26.08% from ₹75.80 million in Fiscal 2022 to ₹56.03 million in Fiscal 2023 and a decrease in employee stock option expenses by 34.13% from ₹71.26 million in Fiscal 2022 to ₹46.94 million in Fiscal 2023.

Finance Costs

Finance costs decreased by 71.13% from ₹52.33 million in Fiscal 2022 to ₹15.11 million in Fiscal 2023 primarily on account of decrease in interest expense on borrowings by 100.00% from ₹41.86 million in Fiscal 2022 to ₹nil in Fiscal 2023 primarily due to repayment of financing facilities from Silicon Valley Bank by our Subsidiary, Rategain Technologies Limited. This was partially offset by increase in interest on lease liabilities by 68.65% from ₹8.39 million in Fiscal 2022 to ₹14.15 million in Fiscal 2023.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 19.13% from ₹300.64 million in Fiscal 2022 to ₹358.14 million in Fiscal 2023, primarily on account of amortisation of intangible assets that increased by 21.17% from ₹240.99 million in Fiscal 2022 to ₹292.00 million in Fiscal 2023 primarily on account of amortisation of intangible assets and amortisation of right of use assets that increased by 51.69% from ₹22.15 million in Fiscal 2022 to ₹33.60 million in Fiscal 2023. This was partially offset by depreciation on property, plant and equipment that decreased by 13.23% from ₹37.50 million in Fiscal 2022 to ₹32.54 million in Fiscal 2023.

Other Expenses

Other expenses increased by 57.42% from ₹1,446.62 million in Fiscal 2022 to ₹2,277.21 million in Fiscal 2023, primarily due to an increase in:

- Hosting and proxy charges that increased by 57.99% from ₹254.13 million in Fiscal 2022 to ₹401.49 million in Fiscal 2023, primarily due to increase in demand for cloud computing, rental servers and proxy services which increased the requirement of such services.

- Travel and conveyance expenses that increased by 185.07% from ₹32.75 million in Fiscal 2022 to ₹93.36 million in Fiscal 2023, primarily due to travel and conveyance related costs incurred in relation to the acquisition of Adara and an increase in go-to-market market activities due to rise in in-person events being held globally.

- Legal and professional charges (including payment to auditors increased) that increased by 54.44% from ₹66.07 million in Fiscal 2022 to ₹102.04 million in Fiscal 2023 due to acquisition of Adara.

- Advertising and sales promotion expenses that increased by 53.05% from ₹173.80 million in Fiscal 2022 to ₹266.00 million in Fiscal 2023, primarily due to increase in advertising and sales in relation to advertisement and network fee expenses of marketing and business related events for Adara.

- External services expenses that increased by 161.06% from ₹232.86 million in Fiscal 2022 to ₹607.90 million in Fiscal 2023, owing to cost of managing campaigns for customers of myhotelshop.

- Software licenses expenses that increased by 39.44% from ₹74.54 million in Fiscal 2022 to ₹103.94 million in Fiscal 2023, due to increase in number of employees and procurement of additional office space.

Profit / Loss before Tax

For the reasons discussed above, profit before tax was ₹108.37 million in Fiscal 2022 compared to ₹672.58 million in Fiscal 2023.

Tax Expense

Current tax expenses increased from ₹45.33 million in Fiscal 2022 to ₹97.13 million in Fiscal 2023 and deferred tax charge increased from a credit of ₹21.15 million in Fiscal 2022 to ₹108.56 million in Fiscal 2023, primarily on account of benefit of creation of deferred tax assets in USA. As a result, total tax expense amounted to ₹24.18 million in Fiscal 2022 compared to a total tax credit of ₹11.43 million in Fiscal 2023.

Profit / Loss for the Year

We recorded a profit for the year of ₹84.19 million in Fiscal 2022 compared to ₹684.01 million in Fiscal 2023.

FISCAL 2022 COMPARED TO FISCAL 2021

Income

Total income increased by 45.07% from ₹2,640.91 million in Fiscal 2021 to ₹3,831.13 million in Fiscal 2022 primarily on account of increase in our revenue from operations due to increase in sale of our existing services and acquisition of myhotelshop.

Revenue from Operations

Revenue from operations increased by 46.17% from ₹2,507.93 million in Fiscal 2021 to ₹3,665.91 million in Fiscal 2022, primarily due to an increase in sale of services across our business segments.

Sale of Services

Sale of services increased 46.17% from ₹2,507.93 million in Fiscal 2021 to ₹3,665.91 million in Fiscal 2022.

The following table sets forth certain information relating to our revenue from contracts with customers presented in accordance with our business segments in the periods indicated:

Segment	Fiscal 2021		Fiscal 2022	
	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)	Amount (₹ million)	Percentage of Revenue from Contracts with Customers (%)
MarTech	356.11	14.20%	1201.76	32.78%
Distribution	1,218.05	48.57%	1415.45	38.61%
DaaS	933.77	37.23%	1048.70	28.61%
Total revenue from contracts with customers	**2,507.93**	**100.00%**	**3,665.91**	**100.00%**

Revenue from our MarTech segment increased by 237.47% from ₹356.11 million in Fiscal 2021 to ₹1,201.76 million in Fiscal 2022, primarily due to expansion of our business with existing customers and increase in the number of customers along with the acquisition of myhotelshop.

Revenue from our Distribution segment increased by 16.21% from ₹1,218.05 million in Fiscal 2021 to ₹1,415.45 million in Fiscal 2022, primarily due to recovery from the impact of COVID-19 and growth in volume of hotel reservations and bookings.

Revenue from our DaaS segment increased by 12.31% from ₹933.77 million in Fiscal 2021 to ₹1,048.70 million in Fiscal 2022, primarily due recovery from the impact of COVID-19 and organic growth due to increase in number of customers.

Other Income

Other income increased by 24.24% from ₹132.98 million in Fiscal 2021 to ₹165.22 million in Fiscal 2022, primarily due to an increase interest income by 618.60% from ₹6.88 million in Fiscal 2021 to ₹49.44 million in Fiscal 2022 owing to increase in interest income earned on bank deposits from ₹1.87 million in Fiscal 2021 to ₹25.73 million in Fiscal 2022, increase in other interest income by from ₹5.01 million in Fiscal 2021 to ₹23.71 million in Fiscal 2022.

This was partially offset by a decrease in sundry balances written back by 100.00% from ₹1.72 million in Fiscal 2021 to ₹nil million in Fiscal 2022, and decrease in gain on termination of lease by 94.71% from ₹54.11 million in Fiscal 2021 to ₹2.86 million in Fiscal 2022.

Expenses

Total expenses increased by 28.61% from ₹2,887.19 million in Fiscal 2021 to ₹3,713.33 million in Fiscal 2022, primarily due increase in our employee benefit expenses and other expenses including cost of managing campaigns for customers of myhotelshop. This was partially offset by a decrease in the finance costs by 36.21% from ₹82.04 million in Fiscal 2021 to ₹52.33 million in Fiscal 2022 and a decrease in the depreciation and amortization expenses by 16.21% from ₹358.81 million in Fiscal 2021 to ₹300.64 million in Fiscal 2022.

Employee Benefits Expense

Employee benefits expenses increased by 26.52% from ₹1,512.62 million in Fiscal 2021 to ₹1,913.74 million in Fiscal 2022 primarily due to an increase in salaries and wages by 29.59% from ₹1,315.60 million in Fiscal 2021 to ₹1,704.93 million in Fiscal 2022 on account of increase in the number of our employees due to acquisition of myhotelshop from 445 as of March 31, 2021 to 606 as of March 31, 2022 and annual increments. This also led to an increase in contribution to provident and other funds by 106.18% from ₹29.95 million in Fiscal 2021 to ₹61.75 million in Fiscal 2022, and increase in staff welfare expenses by 40.16% from ₹54.08 million in Fiscal 2021 to ₹75.80 million in Fiscal 2022. The increase was offset partially by a decrease in employee stock option expenses by 36.93% from ₹112.99 million in Fiscal 2021 to ₹71.26 million in Fiscal 2022 as more Equity Shares were issued in Fiscal 2021 as compared to Fiscal 2022 on account of a change in the employee stock option plan and the initial public offering.

Finance Costs

Finance costs decreased by 36.21% from ₹82.04 million in Fiscal 2021 to ₹52.33 million in Fiscal 2022, primarily due to a decrease in interest expense on borrowings by 28.85% from ₹58.83 million in Fiscal 2021 to ₹41.86 million in Fiscal 2022 due to repayment of financing facilities from Silicon Valley Bank by our Subsidiary, Rategain Technologies Limited and interest on lease liabilities that decreased by 62.48% from ₹22.36 million in Fiscal 2021 to ₹8.39 million in Fiscal 2022 on account of lease accounting to be aligned with the revised lease agreement for the lease for office of the Company. This was partially offset by an increase in interest expense on financial liabilities by 100.00% from ₹nil in Fiscal 2021 to ₹0.13 million in Fiscal 2022 and an increase in interest on delay in deposit of income tax by 129.41% from ₹0.85 million in Fiscal 2021 to ₹1.95 million in Fiscal 2022.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses decreased by 16.21% from ₹358.81 million in Fiscal 2021 to ₹300.64 million in Fiscal 2022, primarily due to a decrease in depreciation on property plant and equipment by 34.49% from ₹57.24 million in Fiscal 2021 to ₹37.50 million in Fiscal 2022 and depreciation of right of use assets by 64.35% from ₹62.13 million in Fiscal 2021 to ₹22.15 million in Fiscal 2022. This was marginally offset by an increase in the amortisation of intangible assets by 0.65% from ₹239.44 million in Fiscal 2021 to ₹240.99 million in Fiscal 2022.

Other Expenses

Other expenses increased by 54.93% from ₹933.72 million in Fiscal 2021 to ₹1,446.62 million in Fiscal 2022, primarily due to an increase in:

- Hosting and proxy charges by 24.99% from ₹203.32 million in Fiscal 2021 to ₹254.13 million in Fiscal 2022 primarily due to increase in demand for cloud computing, rental servers and proxy services which increased the requirement of such services.

- Rent expenses by 17.00% from ₹30.42 million in Fiscal 2021 to ₹35.59 million in Fiscal 2022.

- Insurance expenses by 34.75% from ₹12.95 million in Fiscal 2021 to ₹17.45 million in Fiscal 2022 due to increase in number of employees.

- Communication charges by 10.06% from ₹68.89 million in Fiscal 2021 to ₹75.82 million in Fiscal 2022.

- Travelling and conveyance charges 32.97% from ₹24.63 million in Fiscal 2021 to ₹32.75 million in Fiscal 2022 due to recovery of business after COVID-19.

- Training and recruitment expenses by 471.03% from ₹ 4.28 million in Fiscal 2021 to ₹24.44 million in Fiscal 2022 due to re-establishment of the learning and development department in the Company.

- Advertising and sales promotion expenses by 3065.76% from ₹5.49 million in Fiscal 2021 to ₹173.80 million in Fiscal 2022 due to resumption of business after investment in sales promotion and advertising of Company's products after lockdowns due to COVID-19.

- Contractual manpower by 140.63% from ₹54.05 million in Fiscal 2021 to ₹130.06 million in Fiscal 2022, due to recovery of business after COVID-19.

- Write off of property, plant and equipment by 18328.57% from ₹0.07 million in Fiscal 2021 to ₹12.90 million in Fiscal 2022.

The increase was partially offset by a decrease in trade and other receivables written off by 23.30% from ₹74.39 million in Fiscal 2021 to 57.06 million in Fiscal 2022 and a decrease in demand partner fees by 30.66% from ₹92.08 million in Fiscal 2021 to ₹63.85 million in Fiscal 2022.

Exceptional item(s)

In Fiscal 2022, we recorded an exceptional expense of ₹9.43 million towards the initial public offering of the Equity Shares of our Company.

Profit/Loss before Tax

For the reasons discussed above, loss before tax was ₹246.28 million in Fiscal 2021 compared to a profit ₹108.37 million in Fiscal 2022.

Tax Expense

Current tax expenses increased from ₹31.11 million in Fiscal 2021 to ₹45.33 million in Fiscal 2022 and deferred tax charge decreased from ₹8.36 million in Fiscal 2021 to a deferred tax credit of ₹21.15 million in Fiscal 2022. As a result, total tax expense amounted to ₹39.47 million in Fiscal 2021compared to ₹24.18 million in Fiscal 2022.

Profit/Loss for the Year

We recorded a loss for the year of ₹285.75 million in Fiscal 2021 compared to a profit of ₹84.19 million in Fiscal 2022.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations through a combination of debt financing, funds and internal accruals for inorganic expansions. From time to time, we may obtain loan facilities to finance our short-term working capital requirements, although we have not raised any debt for organic purposes as we have been operationally profitable.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal			Six months ended September 30, 2023
	2021	2022	2023	
	(₹ million)			
Net cash generated from operating activities	205.95	168.05	519.18	769.18
Net cash generated from/ (used in) investing activities	(817.18)	(2,951.40)	125.81	100.97
Net cash generated from/ (used in) financing activities	928.83	2,399.07	(17.01)	(11.69)
Net increase/ (decrease) in cash and cash equivalents	317.60	(384.28)	627.98	858.46
Cash and cash equivalents at the end of the year	537.56	340.98	999.30	1865.88

Operating Activities

Six Months ended September 30, 2023

In the six months ended September 30, 2023, net cash generated from operating activities was ₹769.18 million. Profit before tax was ₹713.97 million and adjustments primarily consisted of depreciation and amortisation expense of ₹217.52 million; finance cost of ₹6.79 million; employee stock option expense of ₹22.57 million; trade and other receivables written off of ₹6.49 million; and allowance for expected credit loss of ₹8.62 million. This was partially offset by net gain on current investments made at FVTPL of ₹2.21 million; interest income of ₹88.57 million; and unrealized foreign exchange profit of ₹1.64 million.

Operating profit before working capital changes and other adjustments were ₹883.54 million in six months ended September 30, 2023. The main working capital adjustments included decrease in financial assets of ₹29.95 million majorly on account of refund of security deposit; Decrease in other assets of ₹6.89 million; increase in other financial liabilities of ₹66.00 million on account of employee related payables; increase in provisions of ₹7.96 million on account of increase in provisions related to retirement benefits and increase in trade payable of ₹78.87 million on account of increase in our creditors. This was partially offset by increase in trade receivables of ₹397.30

million on account of increase in revenue and increase in loans of ₹9.51 million. Cash generated from operating activities post working capital changes in six months ended September 30, 2023 amounted to ₹851.94 million. Income tax paid (net) amounted to ₹82.76 million.

Fiscal 2023

In Fiscal 2023, net cash generated from operating activities was ₹519.18 million. Profit before tax was ₹672.58 million and adjustments primarily consisted of depreciation and amortisation expense of ₹358.14 million; finance cost of ₹14.34 million; employee stock option expense of ₹46.94 million; trade and other receivables written off of ₹81.65 million; and allowance for expected credit loss of ₹28.59 million. This was partially offset by net gain on current investments made at FVTPL of ₹10.38 million; interest income of ₹165.77 million; unrealized foreign exchange profit of ₹56.01 million; and gain on sale of property, plant and equipment of ₹0.98 million.

Operating profit before working capital changes and other adjustments were ₹969.10 million in Fiscal 2023. The main working capital adjustments included decrease in financial assets of ₹203.94 million majorly on account of recovery of expenses in relation to the initial public offering from the selling shareholders; decrease in loans of ₹0.74 million; increase in other financial liabilities of ₹44.59 million on account of employee related payables; increase in provisions of ₹4.88 million on account of increase in provisions related to retirement benefits. This was partially offset by increase in trade receivables of ₹265.49 million on account of addition to debtor balance post our acquisition of Adara; increase in other assets of ₹47.47 million on account of increase of balances with government authorities; decrease in trade payables of ₹106.90 million; and decrease in other liabilities of ₹166.68 million on account of decrease of deferred revenue. Cash generated from operating activities post working capital changes in Fiscal 2023 amounted to ₹636.71 million. Income tax paid (net) amounted to ₹117.53 million.

Fiscal 2022

In Fiscal 2022, net cash generated from operating activities was ₹168.05 million. Profit before tax was ₹108.37 million and adjustments primarily consisted of depreciation and amortisation expense of ₹300.64 million; finance cost of ₹50.38 million; employee stock option expense of ₹71.28 million; trade and other receivables written off of ₹57.06 million; allowance for expected credit loss of ₹22.26 million; gain on sale of property, plant and equipment of ₹0.02 million; exceptional items of ₹9.43 million; and write off of property, plant and equipment (net) of ₹12.90 million. This was partially offset by net gain on current investments measured at FVTPL of ₹36.43 million; interest income of ₹49.44 million; unrealised foreign exchange profit of ₹0.02 million; and gain on termination of lease of ₹2.86 million.

Operating profit before working capital changes and other adjustments were ₹543.59 million in Fiscal 2022. The main working capital adjustments included increase in other liabilities of ₹43.39 million on account of increase of deferred revenue and increase of provisions of ₹4.48 million. This was partially offset by an increase in trade receivables of ₹276.60 million on account of addition to debtor balance post acquisition of myhotelshop; increase in financial assets of ₹4.99 million; increase in other assets of ₹37.48 million majorly due to increase of advance to employee; decrease in trade payables of ₹58.52 million; and decrease in other financial liabilities of ₹12.45 million. Cash generated from operating activities post working capital changes in Fiscal 2022 amounted to ₹201.43 million. Income tax paid amounted to ₹33.38 million.

Fiscal 2021

In Fiscal 2021, net cash generated from operating activities was ₹205.95 million. Loss before tax was ₹246.28 million and adjustments primarily consisted of depreciation and amortisation expense of ₹358.81 million; finance cost of ₹81.19 million; employee stock option expense of ₹96.40 million; trade and other receivables written off of ₹74.39 million; allowance for expected credit loss of ₹20.26 million; write off of property, plant and equipment (net) of ₹0.07 million; and gain/loss on sale of property, plant and equipment (net) ₹0.05 million. This was partially offset by net gain on current investments measured at FVTPL of ₹31.07 million; interest income of ₹6.88 million; unrealized foreign exchange profit of ₹0.14 million; gain on termination of lease of ₹54.11 million and sundry balances written back of ₹1.72 million.

Operating profit before working capital changes and other adjustments were ₹ 290.97 million in Fiscal 2021. The main working capital adjustments included decrease in trade receivables of ₹ 28.99 million; decrease in financial assets of ₹ 66.88 million majorly on account of termination of sub-lease agreement due to termination of master lease agreement for our leased premises in Dallas, USA; decrease in other assets of ₹ 34.46 million; increase in other financial liabilities of ₹ 28.06 million on account of employee related payables; and increase in provisions of ₹ 3.02 million on account of increase in provisions related to retirement benefits. This was partially offset by a decrease in trade payables of ₹ 141.27 million on account of release of creditor outstanding payments which were on hold due to extended payment terms agreed as COVID-19 relief and decrease in other liabilities of ₹82.21 million primarily on account of decrease in deferred revenue. Cash generated from operating activities post working capital changes in Fiscal 2021 amounted to ₹ 228.90 million. Income tax paid amounted to ₹ 22.95 million.

Investing Activities

Six Months ended September 30, 2023

Net cash generated from investing activities was ₹100.97 million in six months ended September 30, 2023, primarily on account of, proceeds from sale of investments in mutual funds of ₹498.26 million; proceeds from sale of investments in bonds of ₹960.81 million, proceeds from maturity of bank deposits of ₹638.37 million; and interest income of ₹52.61 million. It was partially offset by purchase of property, plant, equipment and intangible assets and right of use assets ₹16.64 million; investment in mutual funds of ₹490.02 million; investment in bonds of ₹830.13 million, investment in bank deposits of ₹712.29 million.

Fiscal 2023

Net cash generated from investing activities was ₹125.81 million in Fiscal 2023, primarily on account of proceeds from sale of property, plant and equipment of ₹2.33 million, proceeds from sale of investments in mutual funds of ₹2,326.28 million; proceeds from sale of investments in bonds of ₹2,975.47 million, proceeds from maturity of bank deposits of ₹7,709.68 million; and interest income of ₹182.82 million. It was partially offset by purchase of property, plant, equipment and intangible assets and right of use assets ₹44.22 million; investment in mutual funds of ₹1,924.25 million; investment in bonds of ₹3,119.22 million, investment in bank deposits of ₹6,614.93 million, consideration paid related to myhotelshop's acquisition of ₹141.55 million; and consideration paid for acquisition of Adara's business of ₹1,224.99 million.

Fiscal 2022

Net cash used in investing activities was ₹2,951.40 million in Fiscal 2022, primarily on account of purchase of property, plant, equipment and intangible assets and right of use assets of ₹35.96 million; investments in mutual funds of ₹646.65 million; investment in bonds of ₹1,248.97 million; investments in bank deposits of ₹5,710.14 million; and payment for acquisition of myhotelshop of ₹565.35 million. It was partially offset by proceeds from sale of property, plant and equipment ₹1.28 million; proceeds from sale of investments in mutual funds of ₹1,575.63 million, proceeds from maturity of bank deposits of ₹3,635.93 million; receipt of loans given of ₹44.82 million; and interest income of ₹28.00 million.

Fiscal 2021

Net cash used in investing activities was ₹817.18 million in Fiscal 2021, primarily on account of purchase of property, plant, equipment and intangible assets of ₹7.31 million; investments in mutual funds of ₹810.11 million; and investment in bank deposits of ₹1.92 million. It was marginally offset by payment for repayment of loans from subsidiaries of ₹0.09 million and interest income of ₹2.07 million.

Financing Activities

Six Months ended September 30, 2023

Net cash used in financing activities was ₹11.69 million in six months ended September 30, 2023, primarily on account of repayment of lease liabilities of ₹13.74 million; finance cost paid on lease liabilities of ₹6.64 million; and finance cost paid of ₹0.15 million. This was partially offset by proceeds from issue of equity instruments of ₹8.55 million and share application money received of ₹ 0.29 million.

Fiscal 2023

Net cash used in financing activities was ₹17.01 million in Fiscal 2023, primarily on account of repayment of lease liabilities of ₹24.40 million; finance cost paid on lease liabilities of ₹14.15 million; and finance cost paid of ₹0.19 million. This was partially offset by proceeds from issue of equity instruments of ₹21.73 million.

Fiscal 2022

Net cash generated from financing activities was ₹2,399.07 million in Fiscal 2022, primarily on account of proceeds from issue of equity instruments of ₹3,777.89 million; and receipt of share application money of ₹3.81 million. This was offset by repayment of long-term borrowings of ₹1,125.82 million; repayment of lease liabilities of ₹15.39 million; share issue expenses of ₹177.34 million; finance cost paid on lease liabilities of ₹8.39 million and finance cost paid of ₹55.69 million.

Fiscal 2021

Net cash generated from financing activities was ₹928.83 million in Fiscal 2021, primarily on account of conversion of compulsorily convertible preference shares of ₹1,110.54 million; and receipt of share application money of ₹0.37 million. This was partially offset by repayment of long term borrowings of ₹22.27 million; repayment of lease liabilities of ₹16.83 million; share issue expenses of ₹73.81 million; finance cost paid on lease liabilities of ₹22.36 million; and finance cost paid of ₹46.81 million.

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

We may have contingent liabilities from time to time. As of March 31, 2023, the following were our contingent liabilities:

(₹ million)

Particulars	As of March 31, 2023
Contingent liabilities	
Rategain IT Solutions Private Limited (whose IT Undertaking was demerged into our Company) ("**Demerged Company**") had received a show cause notice of ₹ 59.74 million dated April 21, 2016 from Commissioner of Service Tax, Audit -1, New Delhi for the period 2010-11 to 2014-15 alleging non-payment of service tax on reverse charge mechanism on foreign payments made by the demerged company in the said period, pursuant to an audit conducted by the Service Tax Audit Department for the said period. The Demerged Company, based on various judicial pronouncements had filed a petition before the Honourable High Court at New Delhi challenging the Jurisdiction and Authority of the Service Tax Audit division to audit and issue show cause notice. The Honourable High Court then directed the Holding Company to provide reply to the Commissioner of Service Tax (Audit) against the show cause notice which the Holding Company had duly filed. During financial year 2019-2020, the Holding Company received an order wherein the tax authorities had dropped the proceedings in favor of the Holding Company and the matter stands closed. Department had filed an appeal with CESTAT against the order dated March 12, 2019. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company	59.74
The Holding Company received a show cause notice of ₹ 624.03 million from Director General of Central Excise Intelligence on account of wrong classification of services provided by the Holding Company. The Holding Company classified its services under "Information Technology Software Service" and as per the show cause notice, department disputed that services provided by the Holding Company would be covered "Online Information and Database Access and/or Retrieval services (OIDAR)", wherein the place of provision of service has been specified as per PoP Rules, 2012 to be the location of service provider (i.e. location of RateGain in India). Accordingly, the definition of export of services would not be satisfied and Holding Company would be liable to charge and pay service tax. The Director General of Central Excise Intelligence then directed the Holding Company to provide reply against the show cause notice. As per the management's contention, the Holding Company's business model for the provision of services of market intelligence do not follow the mode of online database access and accordingly, their services would not constitute OIDAR services. The Holding Company filed a reply along with a writ petition in high court against the aforesaid mentioned order in earlier years and in financial year 2019-20, Honourable High Court provided stay order for any further proceedings in respect of this matter. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company.	624.03
Total	683.77

For further information on our contingent liabilities, see "***Financial Information – Fiscal 2023 Audited Consolidated Financial Statements – Note 33 – Contingent Liabilities***" on page 438.

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities established for the purpose of facilitating off-balance sheet arrangements.

CAPITAL EXPENDITURES

In Fiscals 2021, Fiscal 2022, and Fiscal 2023 and in the six months ended September 30, 2023, our capital expenditures were ₹7.31 million, ₹45.41 million, ₹30.00 million and ₹23.65 million, respectively, representing 0.29%, 1.24%, 0.53% and 0.97% of our revenue from operations, in such periods.

For further information, see "***Financial Information***" on page 259.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For details, see "***Related Party Transactions***" on 44.

AUDITOR'S OBSERVATIONS

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the audited consolidated financial statements as of and for the years ended March 31, 2021, 2022 and 2023 and as of and for the six months ended September 30, 2023.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE FINANCIAL YEARS

There have been no changes in our accounting policies during Fiscals 2021, 2022 and 2023 and during the six months ended September 30, 2023.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our management monitors and manages key financial risk relating to our operations by analysing exposures by degree and magnitude of risk. The risks include market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk. Our Board of Directors has overall responsibility for the establishment and oversight of our risk management framework. Our risk management policies are established to identify and analyse the risks faced by us, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our activities.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers. Our trade receivables were 669.05 million, 1,005.58 million, 1,607.83 million and 1,998.81 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. We manage credit risk through credit approvals, by establishing credit limits and continuously monitoring the creditworthiness of customers to whom we grant credit in the normal course of business.

Expected Credit Loss

We allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss, (for example, timeliness of payments and available information) and applying experienced credit judgement. Exposures to customers outstanding at the end of each reporting period are reviewed by us to determine incurred and expected credit losses, giving due regard for probable exposures on disputed dues or dues that are subject to litigation. We have not experienced significant impairment of trade receivables resulting in credit losses.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. We have established a liquidity risk management framework for the management of our short-term, medium-term and long-term funding and liquidity management requirements. We manage liquidity risk by maintaining reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. We are exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from our operating, investing and financing activities.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as, equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. We have established risk management policies to limit the impact of these risks on our financial performance. We aim to ensure optimization of cash through fund planning and cash management practices.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Price Risk

Investment of our short-term surplus funds in liquid schemes of mutual funds provides high levels of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

Inflation

In recent years, India, USA and Europe have experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Preliminary Placement Document, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "***– Significant Factors Affecting our Results of Operations and Financial Condition***" and the uncertainties described in "***Risk Factors***" on pages 93 and 45, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "***– Significant Factors Affecting our Results of Operations and Financial Condition***" and the uncertainties described in "***Risk Factors***" on pages 93 and 45, respectively. To our knowledge, except as discussed in this Preliminary Placement Document, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in this section, "***Risk Factors***" and "***Business***" on pages 45 and 171, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Preliminary Placement Document, we have not announced and do not expect to announce in the near future any new business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "***Risk Factors***", "***Industry Overview***", "***Business***" and on pages 45, 126 and 171, respectively, for further details on competitive conditions that we face across our various business segments.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals and in the six months ended September 30, 2022 and September 30, 2023 are as described in "***– Six Months ended September 30, 2023 compared to Six Months ended September 30, 2022***", "***– Fiscal 2023 compared to Fiscal 2022***" and "***– Fiscal 2022 compared to Fiscal 2021***" above on pages 111, 100 and 102, respectively.

SEGMENT REPORTING

Our business activity primarily falls within a single segment which is providing technology solutions to assist clients in the hospitality and travel industry. The geographical segments considered are "within India" and "outside India" accordingly, other than as disclosed in "***Financial Information***" on page 259, we do not follow any other segment reporting.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not subject to seasonality or cyclicality. For further information, see "***Industry Overview***" and "***Business***" on pages 126 and 171, respectively.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed in this Preliminary Placement Document, there have been no significant developments after September 30, 2023 that may affect our future results of operations.

SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of the Audited Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of measurement

The Audited Consolidated Financial Statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial assets and financial liabilities that are measured at fair value or amortized cost, defined benefit obligations and share based payments.

Critical accounting estimates and judgements

The preparation of Audited Consolidated Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the Audited Consolidated Financial Statements in the period in which changes are made and if material, their effects are disclosed in the notes to the Audited Consolidated Financial Statements.

Information about significant areas of estimation /uncertainty and judgements in applying accounting policies that have the most significant effect on the Audited Consolidated Financial Statements are as follows: -

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Leases- Judgment required to ascertain lease classification, lease term, incremental borrowing rate, lease and non-lease component, and impairment of ROU.

Significant estimates

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Allowance for expected credit losses – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Business combinations – Measurement of consideration and assets acquired as part of business combination.

Share based payments – Measurement of share based payments; measurement of financial guarantee contracts, provisions and contingent liabilities.

Projections – cash flow projections and liquidity assessment.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in the Audited Consolidated Financial Statements.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to / by the Group.

All assets and liabilities for which fair value is measured or disclosed in the Audited Consolidated Financial Statements are categorized within fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Audited Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Basis of Consolidation

The Audited Consolidated Financial Statements include the financial statements of our Company and its subsidiaries.

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of subsidiaries are included in the Audited Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

The standalone financial statements of the Company and financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and any unrealised incomes and expenses arising from intra-group transactions. These Audited Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the Audited Consolidated Financial Statements. The said Goodwill is not amortised, however, it is tested for impairment at each balance sheet date and the impairment loss, if any, is provided for.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the audited consolidated statement of profit and loss.

Other Significant Accounting Policies

The accounting policies set out below have been applied consistently to the periods presented in the Audited Consolidated Financial Statements.

Property, plant equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the audited consolidated statement of profit and loss when such asset is derecognised.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other subsequent cost are charged to audited consolidated statement of profit and loss at the time of incurrence.

Depreciation

Depreciation on PPE is provided on the straight-line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 ('Schedule II') on a pro-rata basis from the date the asset is ready to put to use.

Leasehold improvements are depreciated on a straight line basis over the period of the initial lease term or estimated useful life, whichever is shorter.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

Business Combination and Intangible Assets

Business combination and goodwill

The Group accounts for the business combinations using the acquisition method when control is transferred to the respective company of the Group. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and other intangible assets) acquired and any non-controlling interest in the acquired business. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Any goodwill that arises is not amortised but is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognised in the audited consolidated statement of profit and loss.

Other intangible assets

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible assets and are recognised in the audited consolidated statement of profit and loss when the asset is derecognised.

Subsequent cost

Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on other intangible assets is recognised in audited consolidated statement of profit and loss, as incurred.

Amortisation

Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year.

The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss under the head Depreciation and amortization expense.

Amortisation has been charged based on the following useful lives:

Asset description	Useful life of asset (in years)
Softwares	3-10
Customer relationship and trade name	12
Non-compete	3-6
Leasehold improvements	5

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Leases

The Group as a lessee

The Group enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

The Group enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:
• The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
• The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
• The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in audited consolidated statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Group presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

Impairment - non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to a CGU or groups of CGU that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the audited consolidated statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Provisions and contingent liabilities

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability recognised in the audited consolidated balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the audited consolidated statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in audited consolidated statement of profit and loss as past service cost.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long-term employee benefits

Compensated absences

The Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in audited consolidated statement of profit and loss in the period in which they arise.

Share based payments

The fair value of on grant date equity-settled share-based payment arrangements granted to eligible employees of the Group under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the audited consolidated statement of profit and loss, in relation to options granted to employees of the Group (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity. For share-based payment awards with market conditions, the grant- date fair value of the share-based payment is measured to reflect such conditions and there is no true- up for differences between expected and actual outcomes. At the end of each period, the Group revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

In case of cash-settled plan, fair value is determined on each reporting date and expense is accordingly recognised in the audited consolidated statement of profit and loss with a corresponding increase to the ESOP liability.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the consolidated statement of profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Indian Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in statement of assets and liabilities. Significant management judgment is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the date of the transactions.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the audited consolidated statement of profit and loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the audited consolidated statement of profit and loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the audited consolidated statement of profit and loss, within finance costs.

Foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into Indian rupees (INR), the functional currency of the Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.

Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

Revenue recognition

Revenue from Contracts with Customers is recognised upon transfer of control of promised services to customers. Revenue is measured at the transaction price (net of variable consideration) which is the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Revenue from sale of services in case of hospitality sector is recognized when the services are performed through an indefinite number of repetitive acts over the specified subscription period on straight line basis or on the basis of underlying services performed, as the case may be, in accordance with the terms of the contracts with customers and in case of travel sector the same is recognised when the related services are performed as per the terms of contracts.

The group defers unearned revenue, including payments received in advance, until the related subscription period is complete or underlying services are performed.

Service income and management fee

Revenue from sale of service being marketing support services, management fee and auxiliary and business support services are recognised on the basis of satisfaction of performance obligation over the duration of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Recognition and initial measurement

Trade receivables and debt instruments are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through consolidated Statement of profit and loss, transaction costs that are attributable to its acquisition or use.

Classification

For the purpose of initial recognition, the Group classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the consolidated Statement of profit and loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the consolidated Statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the consolidated Statement of profit and loss.

Impairment of financial assets (other than at fair value)

The Group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the consolidated Statement of profit and loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through profit and loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated Statement of profit and loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated Statement of profit and loss.

Compound financial instruments

Compound financial instruments are bifurcated into liability and equity components based on the terms of the contract.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not measured subsequently.

Interest on liability component is recognised in consolidated Statement of profit and loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the consolidated Statement of profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting consolidated Statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

Cash and cash equivalents

Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Segment reporting

As the Group's business activity primarily falls within a single segment which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers.

Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Group operates, i.e., the functional currency, to be Indian Rupees (₹). The financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

Exceptional items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance.

Cash flow statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

Share issue expense

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilization in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of profit and loss.

Recent accounting pronouncements

Ministry of Corporate Affairs ("**MCA**") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- <u>Ind AS 1 - Presentation of Financial Statements</u>

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company does not expect the amendment to have any significant impact in its financial statements

- <u>Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors</u>

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company does not expect the amendment to have any significant impact in its financial statements

- <u>Ind AS 12 - Income Taxes</u>

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company does not expect the amendment to have any significant impact in its financial statements.

INDUSTRY OVERVIEW

*The information in this section is derived from the report "Global Travel and Tourism Industry Report" dated November 6, 2023 (the "**1Lattice Report**"), exclusively prepared and issued by Lattice Technologies Private Limited who were appointed on September 23, 2023, and commissioned by and paid for by us in connection with the Issue. Also see, "**Presentation of Financial Information and Other Conventions**" on page 12. The recipient should not construe any of the contents in the 1Lattice Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue.*

Macro Overview

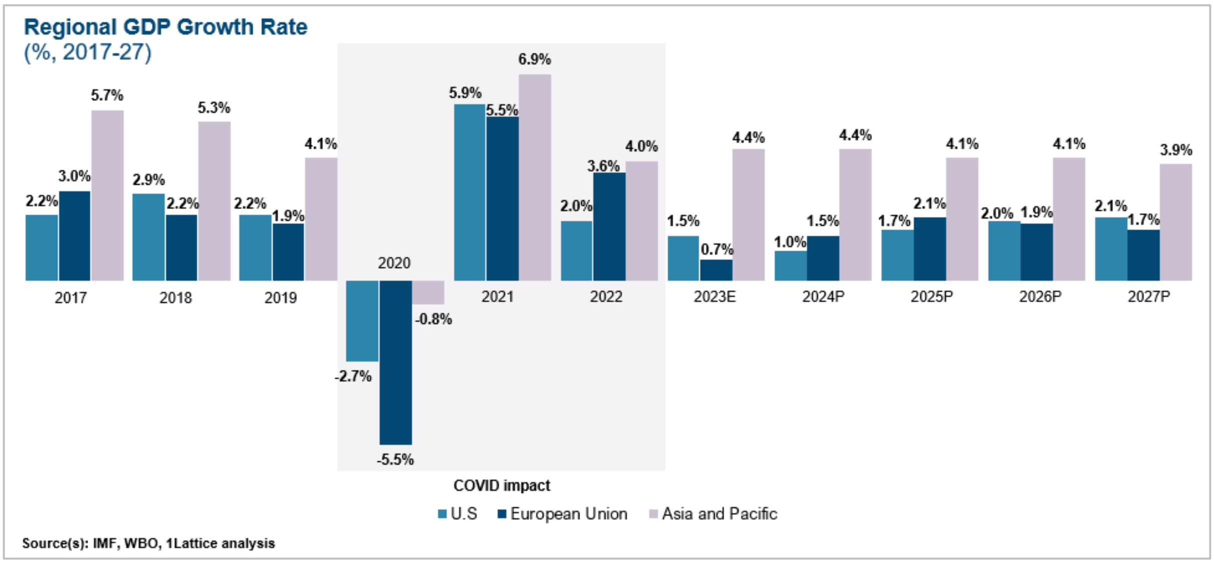
The global economy and the travel and tourism industry are intricately connected, with the performance of one often influencing the other. This interconnectedness highlights how economic trends and shifts impact travel behaviors.

Review and Outlook of Global GDP Growth:

The global economy has rebounded after the historic economic downturn caused by the COVID pandemic. After a significant decline in 2020, recovery was driven by extended fiscal support, adaptation to new work patterns, and vaccine distribution. Global GDP grew at the rate of 3.4% in 2022, slightly lower than expected due to the geopolitical crisis of the Russia-Ukraine war. GDP further growth is projected to average 3% from 2023 to 2027.

Regional GDP Growth Trends and Outlook

A strong rebound in 2021 after the major decline in 2020, brought regional economies back to pre-pandemic levels. The economies took another downturn in 2022 because of the Russia-Ukraine War, European economy is the most affected economy witnessing a decline in growth from 3.6% in 2022 to 0.7% in 2023. However, it is expected to bounce back to an average of 1.8% in the upcoming years from 2024 to 2027, which is a stable growth rate for the European Union given the historical GDP growth rate of the region. Similarly, US and Asia & Pacific economies are expected to grow at stable growth rate of 2% and 4% respectively.



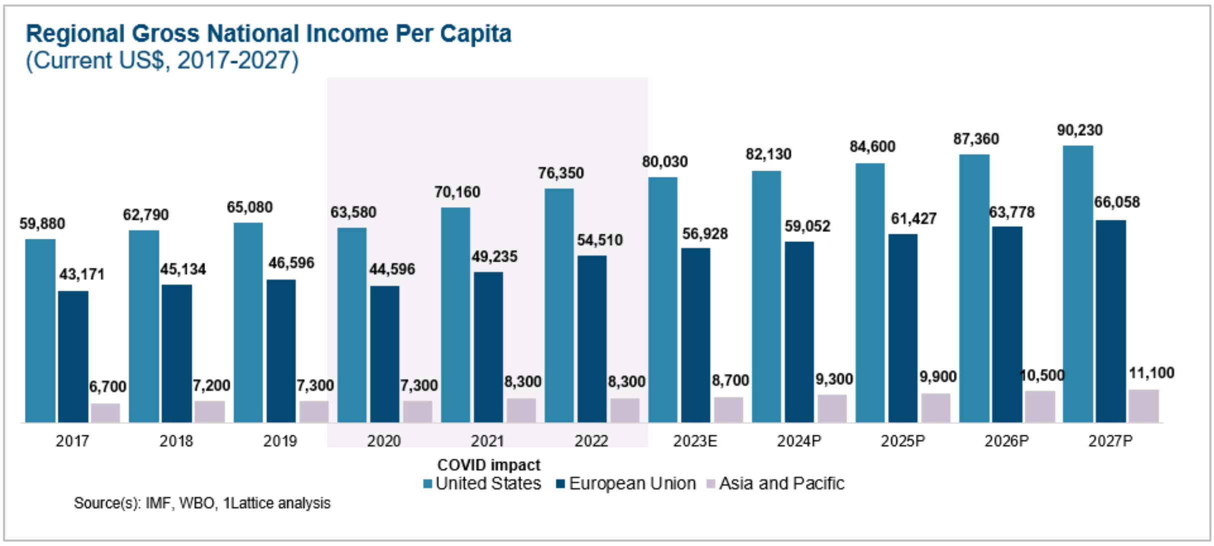
Income Indicators of Major Countries

Gross National Income (GNI) per capita reflects the economic well-being and standard of living of a country's population. GNI per capita of U.S. has increased significantly from US$ 59,880 in 2017 to US$ 76,350 in 2022, growing at CAGR of 5.0% over 2017-22. While European Union has grown from US$ 43,171 in 2017 to US$ 54,510 in 2022, growing at CAGR of 4.8% over 2017-22. In APAC, China and India have continued to grow well and are also expected to increase further. In India, GNI per capita is expected to increase from US$ 2,600 in 2023 to US$ 3,470 by 2027, growing at CAGR of 7.5% over 2023-27.

Countries	Gross National Income, Per Capita (Current US$)										
	2017	2018	2019	2020	2021	2022	2023E	2024P	2025P	2026P	2027P
Singapore	61,160	66,840	66,070	61,270	77,710	82,810	91,100	94,590	98,380	1,02,370	1,06,500
U.S.	59,880	62,790	65,080	63,580	70,160	76,350	80,030	82,130	84,600	87,360	90,230
Australia	55,800	56,340	54,270	53,070	63,900	65,530	64,960	64,600	66,300	67,970	70,250
European Union	43,171	45,134	46,596	44,596	49,235	54,510	56,928	59,052	61,427	63,778	66,058
Hong Kong	46,030	48,310	48,280	46,450	49,840	49,230	52,430	55,220	57,750	60,310	62,940
Japan	38,900	39,850	40,550	40,120	39,880	33,820	35,390	36,490	38,330	40,090	41,570
China	8,760	9,850	10,170	10,530	12,570	12,810	13,720	14,800	15,900	17,080	18,320
Malaysia	9,970	11,090	11,230	10,360	11,450	12,360	13,380	14,250	15,210	16,160	17,020
Thailand	6,600	7,300	7,810	7,710	7,230	7,650	8,180	8,780	9,290	9,810	10,360
Indonesia	3,890	3,950	4,190	3,930	4,360	4,800	5,020	5,390	5,780	6,180	6,610
India	1,960	1,970	2,050	1,910	2,230	2,380	2,600	2,800	3,010	3,230	3,470

Source(s): IMF, Macrotrends LLC

Regional GNI growth varied significantly pre-pandemic. The pandemic caused global GNI per capita declines in 2020, except for China, which showed resilience. GNI per capita of U.S. is expected to increase from US$ 80,030 in 2023 to US$ 90,230 by 2027, growing at CAGR of 3.0% over 2023-27. Similarly, in Europe, it is expected to grow from US$ 56,928 in 2023 to US$ 66,058 by 2027, growing at CAGR of 3.8% over 2023-27. APAC is expected to grow at a higher rate, growing from US$ 8,700 in 2023 to US$ 11,100 by 2027, growing at CAGR of 6.3% over 2023-27.

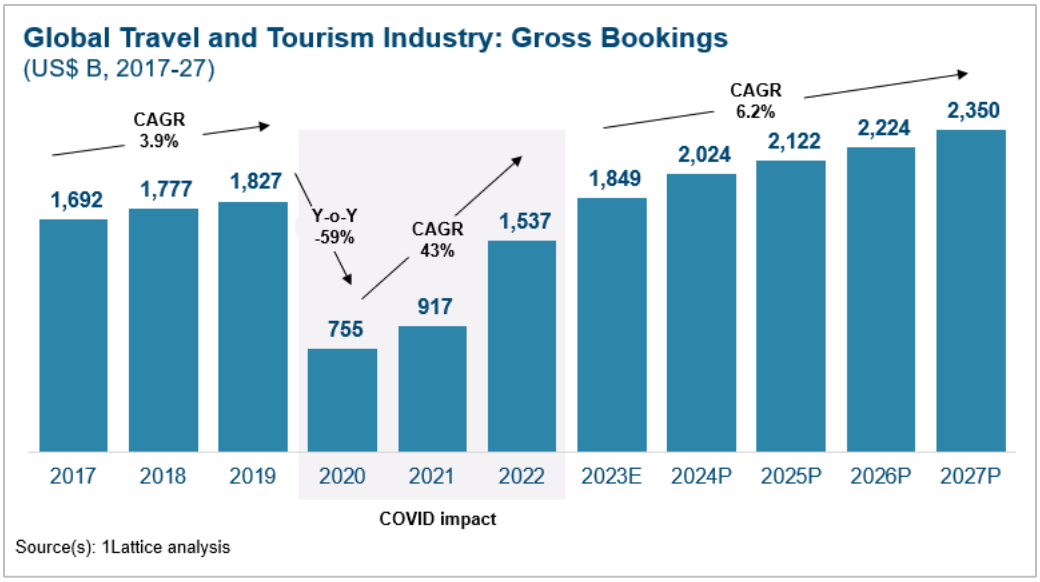


Global Travel and Tourism Industry

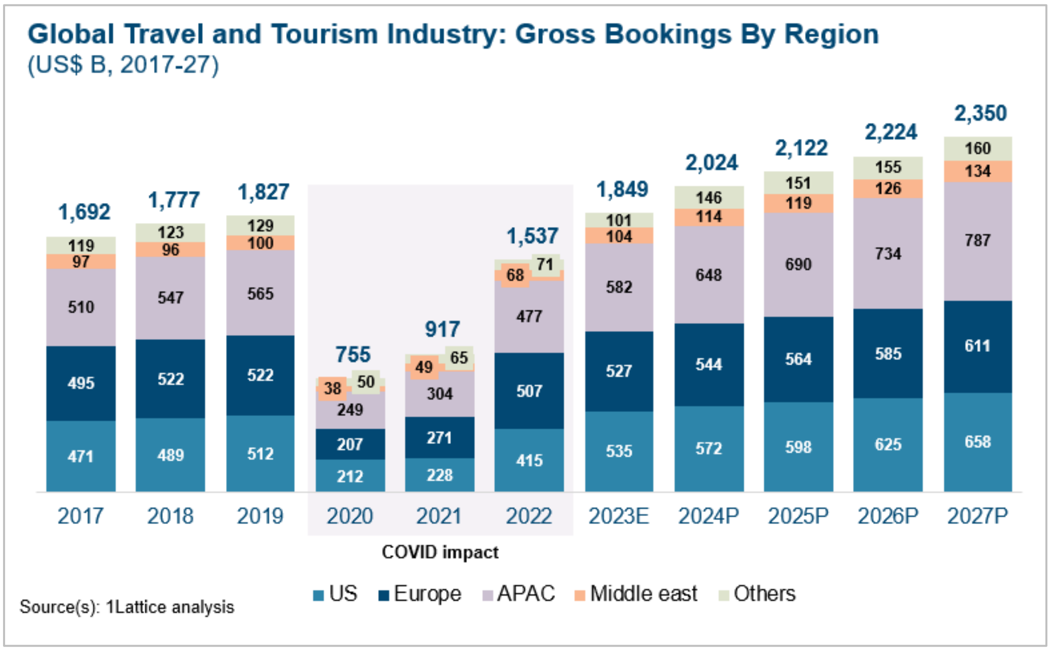
The global travel and tourism industry is a dynamic sector with a wide array of services and activities. Over the years, it has evolved into a multifaceted domain, encompassing airlines, hotels, tour operators, travel agencies, attractions, and more. In this global arena, travellers seek enriching experiences and businesses strive to offer innovative and sustainable solutions to cater to diverse preferences and expectation.

Global Travel and Tourism Industry overview

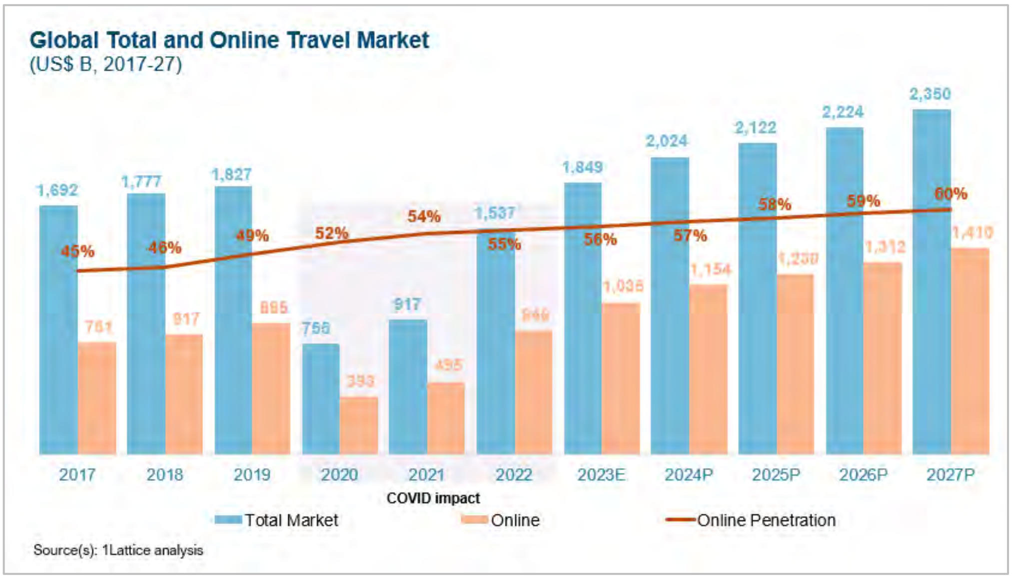
Global travel and tourism industry plays a pivotal role in the global economy. With millions of people crossing borders for business, leisure, and various other purposes, this industry has been a major driver of economic growth, job creation, and cultural exchange. However, the world of travel and tourism has faced disruptions due to the impact of the COVID-19 pandemic. The global travel and tourism industry is experiencing a revival following the pandemic, driven by the increased demand of people to explore and travel once again.



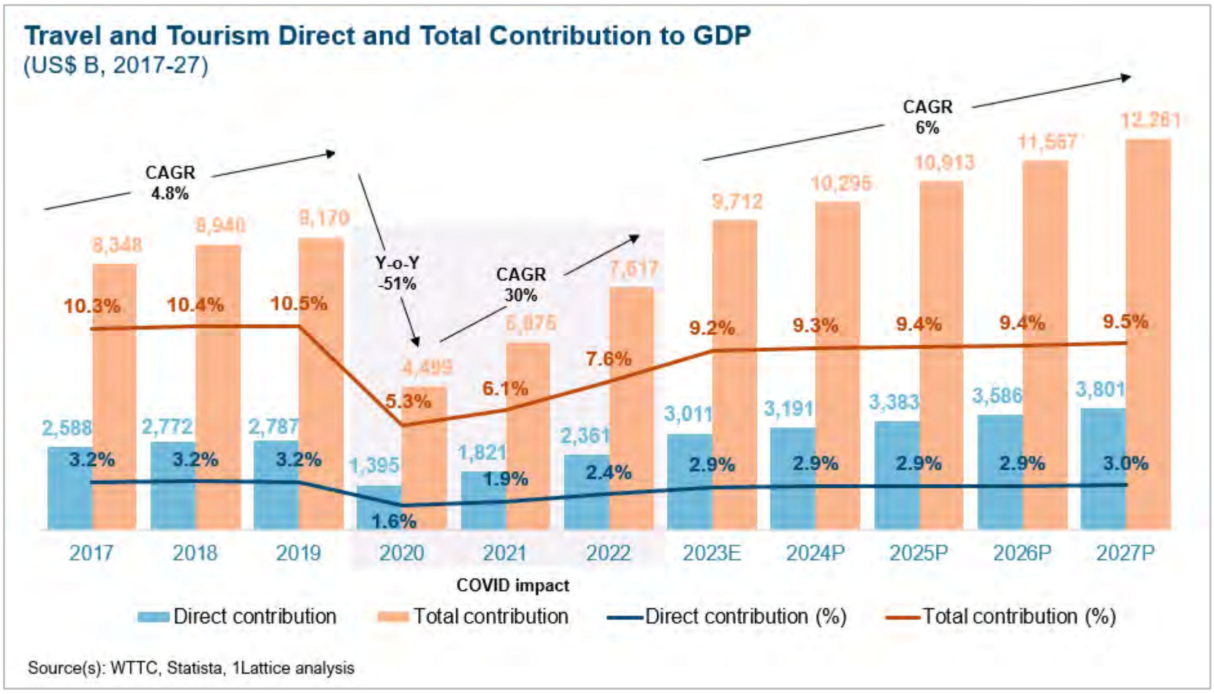
Gross bookings in Travel and Tourism industry grew at 3.9% from US$1,692B in 2017 to US$ 1,827B in 2019. Following the pandemic, gross bookings rebounded strongly from US$ 755B in 2020 to US$ 1,849B in 2023 and is expected to surpass pre-pandemic levels in 2023. Furthermore, global travel and tourism industry is expected to grow at a CAGR of 6.2% from 2023 to 2027, resulting in gross bookings of US$ 2,350B by 2027



Gross bookings across U.S., Europe, APAC and Middle East are expected to surpass the pre-pandemic levels in 2023. APAC and Middle East are expected to show a higher growth rate as compared to the other regions.

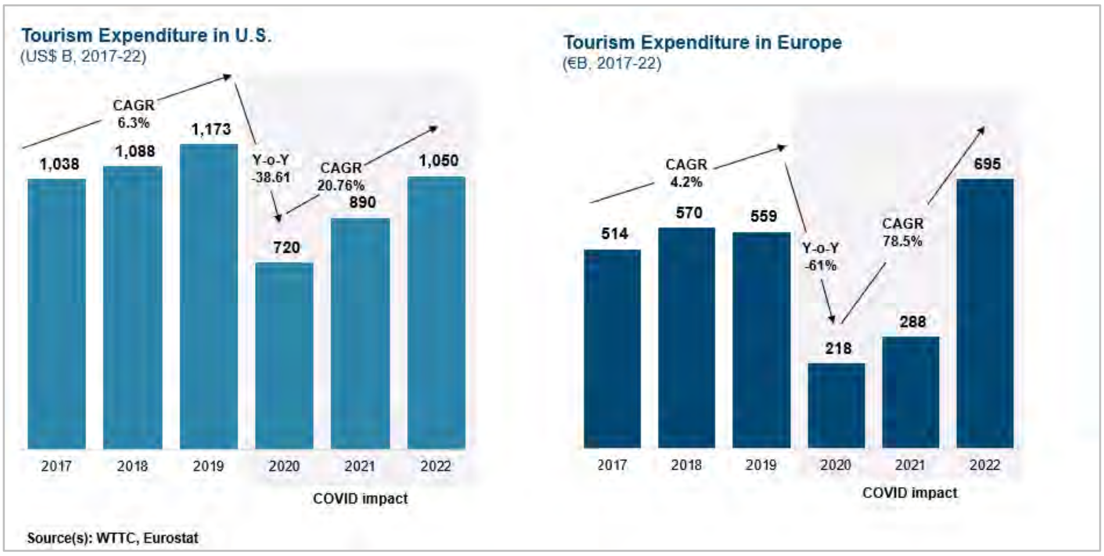


The pandemic's impact was profound, shifting a significant portion of the market to online platforms. In 2022, the online market made up 55% of the total market, reaching a value of US$ 846B. This shift towards online channels is expected to continue, with online sales projected to reach US$ 1,410B by 2027, in line with the growing importance of e-commerce and digital platforms in the global market. The global online travel market is expected to grow at CAGR of 8.0% over 2023-27 which is growing faster than the global total travel market growth of 6.2% CAGR over 2023-27.

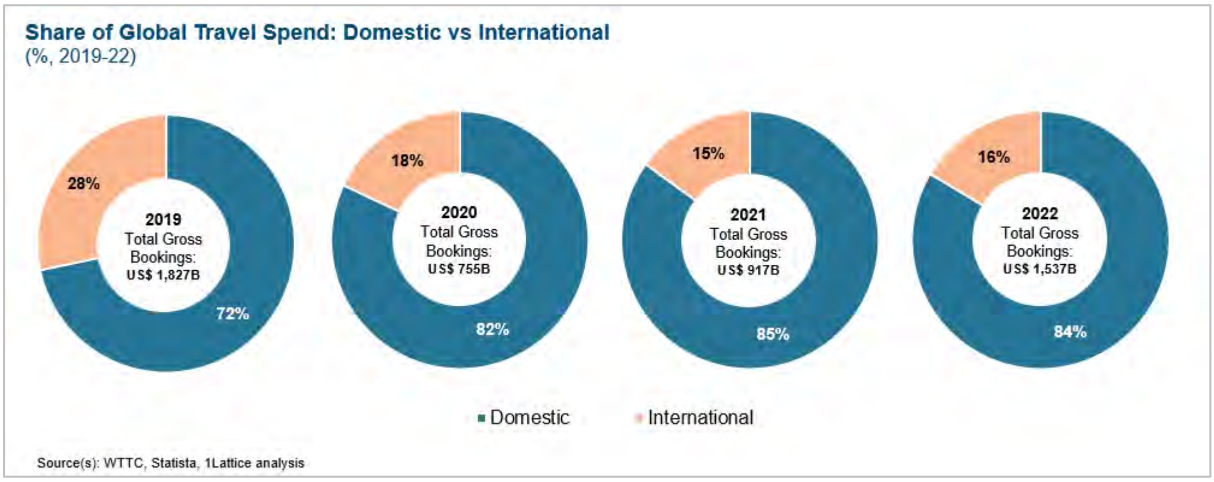


The travel and tourism industry plays a significant role in the global economy. The contribution of travel and tourism industry to global GDP encompasses various impacts, including direct, indirect, and induced effects. The direct contribution specifically relates to the industries directly involved with tourists, such as hotels, travel agencies, airlines, and businesses in the restaurant and leisure sectors catering to travelers. The indirect contribution considers the value added by industries that supply goods and services to those directly engaged in tourism, such as food and beverage suppliers, construction companies, and utilities providers. Lastly, the induced contribution gauges the value added through the spending of income earned from tourism by employees and business owners, either directly or indirectly involved in the industry.

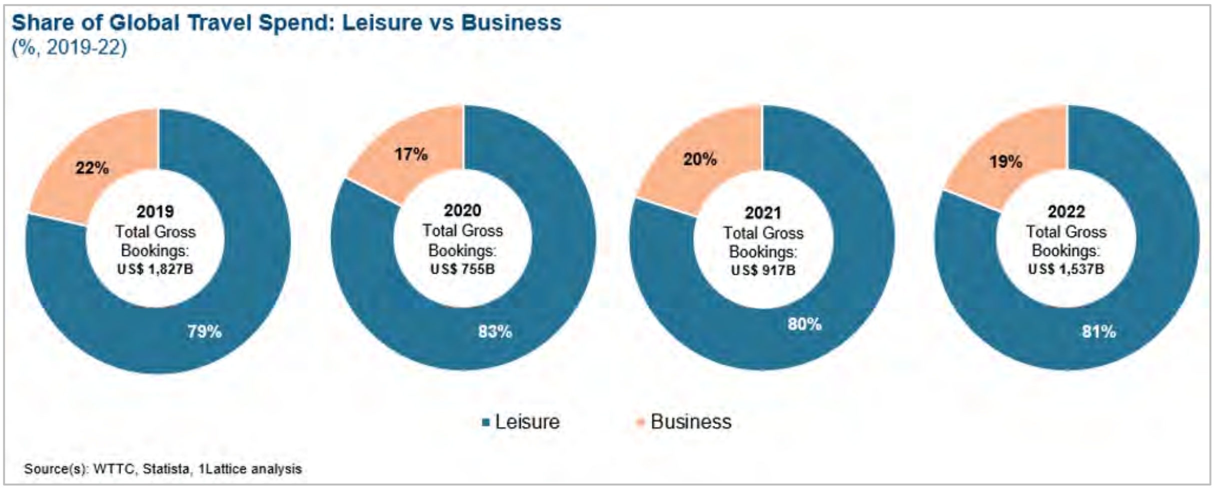
In 2019, travel and tourism contributed a total of 10.5% to the worldwide GDP, amounting to US$ 9,170B. Despite the dip in their contribution, the industry started showing recovery from 2021 and currently is contributing approximately 7.6% to the global GDP and is expected to surpass the pre-COVID levels in 2023 by reaching US$ 9,712B. The total contribution of the Travel and Tourism industry is projected to grow at a CAGR of 6% to US$ 12,261B by 2027.



Tourism expenditure in U.S. grew faster from 2017 to 2019 as compared to Europe. The expenditure declined by ~39% in U.S. from US$1,173B in 2019 to US$ 720B in 2020 whereas Europe witnessed a decline by 61% in the same period. The travel industry has already recovered from the implications of the COVID-19 pandemic, tourism expenditure in the European Union has surpassed pre-pandemic levels of 2019, while U.S. is expected to surpass pre-pandemic levels of 2019 soon



Global Travel & Tourism's recovery was primarily driven by increased spending from domestic travelers. The percentage share of spending by domestic visitors rose from 72% in 2019 to 84% in 2022. As the travel restrictions became more lenient, international travel also increased in 2022. The share of leisure spending in Travel and Tourism has also increased from 79% in 2019 to 81% in 2022.



Key Growth Drivers for Travel Suppliers

With online travel industry expected to grow at 8% CAGR over 2023-27, growing faster than total global travel industry (6.2% CAGR over 2023-27), thus making travel companies utilizing modern solutions and offering a wide range of online enabled services, certain to be beneficiaries of this trend. Some of the important technological growth drivers for global travel suppliers are distribution of inventory, attracting customers at optimal cost, and revenue management.

- **Distribution:** Distribution can mean all the different ways inventory is showcased to potential buyers. Electronic distribution of inventory has led to rise of a vast intermediary network capitalizing on opportunities to streamline connections, introduce new capabilities, or secure advantageous pricing. Consequently, there is an array of connectivity options between suppliers and distributors, each with its own set of advantages and limitations. Effective distribution channels, both online and offline, enable travel and tourism businesses to reach a broader audience and makes travel products and services more accessible to consumers. The ease of booking provided by distribution channels simplifies the travel planning process, leading to a significant growth in travel and tourism industry.

- **Attracting Customers at Optimal Cost:** Attracting new customers is a top priority for any business, and in the travel industry, reaching out to potential customers is a significant investment. Travel companies often allocate substantial budgets, reaching billions of dollars, for digital marketing to entice, educate, and inspire wanderlust among a diverse audience. Efficient customer acquisition allows travel businesses to explore new markets and demographics without impacting the profitability of companies

  Suppliers aim to direct customers to their owned channels, such as booking engines, call centers, or mobile apps. Direct hotel bookings help in maximizing profitability through their direct channels by offering unique and engaging products that stand out from the competition, whether through affordability, luxury, location, or other differentiating factors. Robust digital marketing efforts are employed to entice new customers with appealing promotions and to compete with the lower prices provided by the distributors (OTAs, or offline agents).

  For online travel agencies (OTAs), maintaining their reputation of offering the best deals is crucial. Customers compare prices across various platforms, and if an OTA consistently falls short in delivering promised value proposition, they risk losing those customers acquired. Achieving competitive prices involves a robust supply chain, acquiring inventory cost-effectively, and employing intricate revenue management strategies to determine the optimal pricing for each option. This pricing must be compared swiftly with other competing OTAs and end-supplier websites to maintain price parity and still yield a profit.

- **Revenue Management:** Revenue management in the travel industry is a multifaceted strategy that considers numerous factors such as pricing, occupancy, brand perception etc. Travel businesses, ranging from airlines to hotels and tour operators, employ various revenue management strategies to determine the cost of their services. Various strategies such as 'Dynamic Pricing', 'Seasonal Pricing', 'Promotional Pricing' are deployed by companies with the ultimate objective to strike the right balance that maximizes revenue while ensuring customers perceive the price as fair and competitive when compared to other competitor companies.

  The digital era has facilitated real-time adjustments in pricing strategies based on market dynamics and customer behaviour, making the pricing landscape more dynamic and responsive. Price benchmarking is not just about being competitive, but also how they are perceived by customers on various booking channels. By tailoring pricing and offers to different customer segments, companies can attract a broader range of travellers thus leading to higher conversion rates and revenue growth.

- **Integration of Advanced Digital Technologies:** The integration of advanced digital technologies within the travel and tourism sector is driving innovation and efficiency. These technologies include mobile apps, artificial intelligence, augmented reality, and virtual reality, which enhance the traveller's experience. They streamline booking processes, offer personalized recommendations, and provide a more interactive and engaging journey, influencing the sector's growth.

- **Changing Consumer Mindset:** Consumers are increasingly valuing experiences over material possessions. This shift in mindset is driving them to allocate a larger share of their disposable income to travel and tourism experiences. People are more inclined to invest in creating memories, exploring new destinations, and participating in unique activities rather than acquiring physical goods.

Change in Customer Behaviour

The pandemic has brought about substantial changes in traveller behaviour compared to the pre-2019 period. Travelers' preferences, priorities, and habits have evolved significantly due to the impact of the pandemic. The composition of travellers is also undergoing a noticeable change as the number of Gen Z travellers increase. Gen Zers are active on different social media platforms, spend their money differently and have their own viewpoints on how they impact the world through their explorations. According to Expedia, since the COVID-19 crisis, Gen Zers have increased their use of OTAs by 30%.

The pandemic has further accelerated the shift towards online travel booking, as travellers seek the convenience and safety of making reservations from the comfort of their homes. A substantial 83% of adults in the United States express the desire to make their travel reservations through online platforms. According to Skift report, 2x increase in % of travelers booking observed due to deep discounts

The pandemic has accelerated the adoption of digital booking platforms, particularly OTAs, which offer convenience and flexibility. According to Hospitalitynet, 41% of the people surveyed prefer making their bookings through OTAs, while 29% choose to book through travel agents or operators. An increasing number of travellers are gravitating towards a streamlined and hassle-free approach to planning their trips. According to Google, 94% travelers switch between devices while planning a trip at same time (According to Phocuswire), 73% of travellers prefer booking their entire trip through a single, comprehensive website.

Traveler behaviour has shifted with a growing preference for last-minute bookings, especially since the pandemic began. The trend shows a significant rise in bookings made for the same day as the travel date, and a majority of reservations are now made within a week of the trip. According to a PhocusWire report, there has been a substantial 165% increase in bookings happening on the day of travel, along with a notable 50% decline in bookings made more than 31 days in advance. Additionally, travellers are opting for shorter journeys, covering distances under 400 km, while longer trips exceeding 800 km have decreased by 47%. According to JTB Business travel, 81% travelers prefer self-serve technology during a trip

As traveller behaviour undergoes a transformation, businesses are actively seeking to realign their strategies and services to cater to the evolving expectations of their customers.

Changes in Industry Post COVID-19 Pandemic

The COVID-19 pandemic has had a significant impact on the global economy and financial markets, with two prominent shifts being (1) change in customer behaviour and (2) the adoption of technology. This has cumulatively accelerated the ongoing trend toward digitalization and integration of AI in the industry. Post the COVID-19 pandemic, customers are increasingly favouring adoption of digital platforms to be able drive efficiencies across their systems, unlock new revenue streams and be able to engage more effectively across different mediums. Consequently, the rapid growth of e-commerce, digital services, and online content could be witnessed, which brought with it a surge in consumer data, ultimately benefitting businesses that are capable of harnessing AI to derive unique insights and actionable strategies from the same.

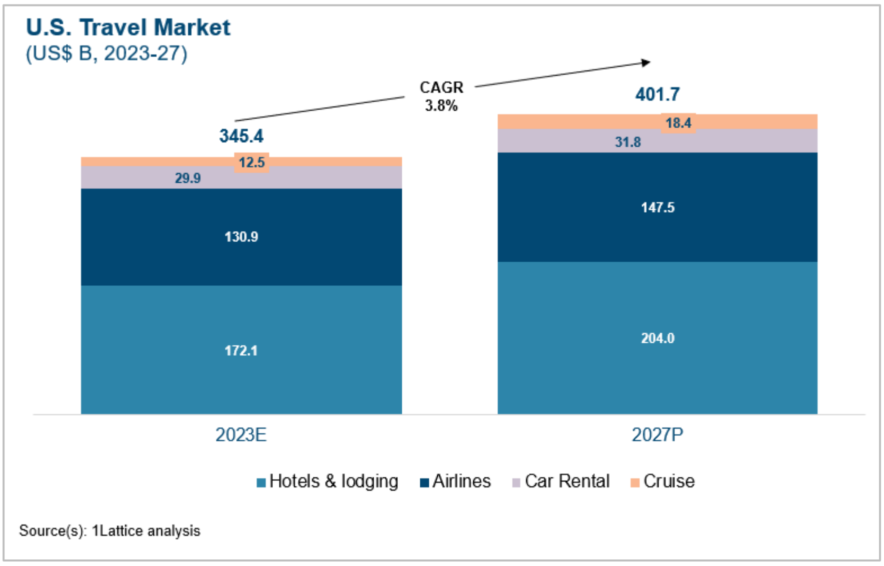
Technology acts as the bridge that helps in connecting consumer expectations and ensuring that it is seamlessly delivered. Consumers need convenience, personalization, and a seamless experience from the time they book their trip to the end of their stay. This is where hotels and travel companies have been trying to implement multiple technologies, however due to legacy systems and unavailability of interoperable systems, as well as lack of talent, hotels are unable to deploy systems that are able to seamlessly serve the guests, get relevant insights and create more revenue opportunities. Due to the need for a large manpower, hotels are a great fit to embrace automation across different functions, for instance, using automated check-in and check-out systems, thereby decreasing the need for manual staff intervention. This enables hotels to decrease staff costs and improve revenue through faster and more efficient service. It improves operational efficiency and profitability, as well as customer experience. Similar automation initiatives in room service and billing can help further reduce overheads. Further, increased adoption of AI substantially decreases cost owing to the development of computing infrastructure at increasingly competitive prices. Resultantly, this rapid development of algorithms has also enabled access to more scenarios via open source. AI and machine learning algorithms are being employed for trading strategies, risk assessment, and fraud detection. These technologies offer more accurate predictions and faster decision-making capabilities. Moreover, the industry has recognized the need for technological advancements and automation to mitigate labour shortages, improve efficiency, and remain competitive in a rapidly evolving financial landscape. These changes are likely to continue shaping the industry's future.

The U.S. Travel Market

Following the challenging period of the pandemic, the travel market in the United States saw a notable resurgence in 2022. The number of international visitors visiting U.S. rose to 51 million which translates to 64% of its 2019 volume. The number of people traveling out of the U.S. was ~81 million, which is 81% of 2019 volume

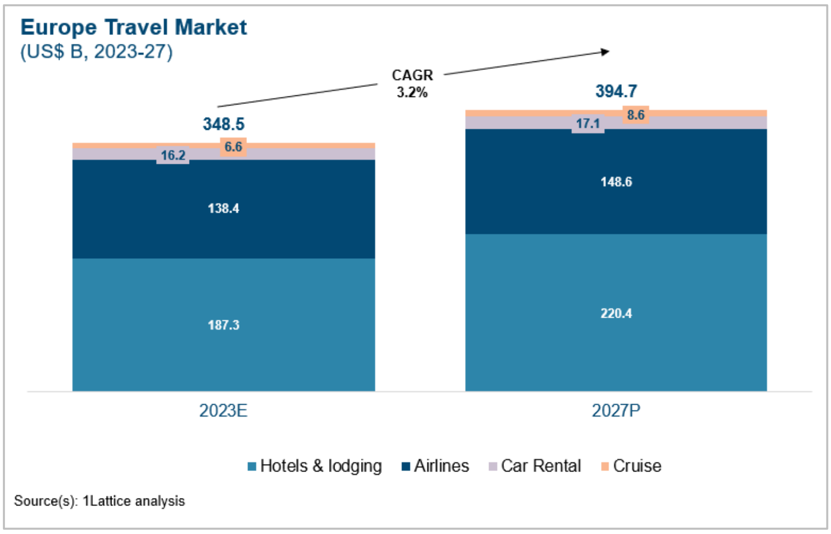
According to Skift report, Inbound international travel showed an upward trajectory, with approximately 24 million visitors arriving from overseas, excluding Canada and Mexico, a surge of 161% compared to the preceding year. As the year progressed, December emerged as a significant period for international travel, demonstrating a substantial surge in inbound international visitors. The volume of inbound travelers in this month surged by 46% year over year, totaling 5 million, a robust 73% of the December volume seen before the pandemic.

Moreover, the volume of overseas visitors to the U.S. in December amounted to 2.5 million, representing a commendable 94% of the pre-pandemic December volume. These figures collectively signify a resilient recovery and restoration of international tourism in the United States during 2022.



Hotel & Lodging

Many hotels experienced a sharp decline in bookings and had to temporarily shut down or operate at minimal capacity due to low demand. The hotel industry in the U.S. declined from US$ 170.2B in 2019 to US$ 86.1B in



2020, a sharp decline of ~50%. U.S. hotel industry has experienced some structural changes such as the growth of personalized travel packages enabling customers to tailor their travel and lodging options and an increase in the use of technology for improved safety and ease. Post-pandemic, the industry recovered strongly by 38%, amounting to US$ 164B in 2022 and the industry is estimated to cross the 2019 levels, reaching US$ 172B in 2023.The hotel and lodging industry is projected to grow at a CAGR of 4% from 2023 to 2027.

In the USA, the labor shortage within the travel and tourism industry has prompted a notable shift towards digitalization. The scarcity of skilled workers has encouraged businesses to invest in technology as a solution to various workforce challenges. Mobile apps and self-service options have become essential tools for enhancing the guest experience, streamlining processes, and reducing the need for extensive on-site staff.

Airlines

Encompassing a vast network of domestic and international carriers, the airlines industry provides essential connectivity for both leisure and business travelers. However, the sector faced unprecedented challenges during and post the COVID pandemic, revenue declining from US$ 108.4B in 2019 to US$ 36.4B in 2020. As the world gradually recovers, the U.S. airline industry showed a strong recovery, growing to US$ 117.2B in 2022 and even surpassing the pre-COVID levels. Consequently, the revenue is expected to grow at a CAGR of 3% from 2023 to 2027, resulting in US$ 147.5B of revenue by 2027.

Car Rental

The severe effects of COVID greatly impacted the tourism industry in 2020, consequently impacting the car rental sector. Moreover, reduced air travel worldwide has led to decreased demand for car rentals at airport locations. The U.S. car rental bookings declined from US$ 27.7B in 2019 to US$ 19.2B in 2020, a significant drop of 40%. Following the pandemic, the car rental market in the U.S. witnessed a notable growth in revenue to US$ 26.3B in 2022, indicating a strong growth and also likely to surpass the pre-COVID levels by the end of 2023. Annual revenue growth from 2023 to 2027 is predicted at 1.5%, leading to a revenue estimation of approximately US$31.8B by the year 2027.

Cruise

The cruise industry in U.S. had grown from US$ 10.9B in 2017 to US$ 13.3 in 2019. Having experienced a complete halt in operations during 2020 due to the pandemic, the cruise industry commenced its recovery journey in 2021. However, the real resurgence was observed in 2022, there was an exceptional surge in cruise gross bookings, witnessing a remarkable increase of over 500% compared to the previous year, although this growth stemmed from a significantly reduced starting point. Consequently, there has been a significant increase in the revenue earned by the cruise industry in the U.S. from US$ 1.17B in 2020 to US$ 9.27B in 2022.

Europe Travel Market

The European travel market during the pandemic faced unprecedented challenges. Travel restrictions, border closures, and health concerns significantly impacted the industry. The recovery journey for the European travel market began in 2021, followed by a significant growth of nearly 69% in 2022. The European travel market is on the path to reach and surpass the levels seen in 2019 by the end of 2023.

Hotel & Lodging

Europe's hotel industry was adversely affected by the COVID pandemic, both domestic and international travel limitations and closures that disturbed the tourism industry. The European hotel industry dropped by 66%, from US$ 185.3B in 2019 to US$ 62.9B in 2020. As the situation improved, the industry grew substantially by 68% to US$ 178.1B in 2022 and is also expected to surpass the pre-pandemic levels by the end of 2023, amounting to US$ 187.3B. The European hotel industry is projected to grow at a CAGR of 4% from 2023 to 2027, reaching US$ 220B by 2027.

Airlines

Revenue in the airline industry declined from US$131.7B in 2019 to US$ 37.0B in 2020 due to the pandemic. The airline industry in Europe in 2022 has shown signs of recovery following the pandemic, increasing to US$ 105.1B in 2022 and witnessing a total of 9.3 million flights, marking an increase of 3.1 million flights compared to the previous year. This accounts for a substantial 83% of the air traffic seen in 2019 and the industry is on path to reach and even cross pre-COVID levels in 2023. Revenue in the airline market is expected to reach US$ 138.4B in 2023 and US$ 148.6B by 2027.

Car Rental

Like other segments, the car rental industry also took a hit in Europe due to the pandemic. From a revenue of US$ 16.4B in 2019, it dropped to US$ 8.2B in 2020, declining by 50%. Following the ease of restrictions, the car rental industry grew strongly to US$ 14.2B in 2022, with expectations of it reaching US$ 16.2 in 2023 and reaching pre-pandemic levels by 2024. The industry is projected to grow further with a CAGR of 1.5% from 2023 to 2027, amounting to US$ 17.1B by 2027.

Cruise

With its rich maritime history, Europe has become a favored hub for cruising enthusiasts. This industry has witnessed growth, innovation, and evolving trends. Even though the cruise industry witnessed a sharp decline in the number of passengers from Europe due to the COVID pandemic, over five million individuals embarked on cruise journeys from the region in 2022. This marked a substantial increase from the previous year. The revenue earned by the cruise industry dropped from US$ 7.8B in 2019 to US$ 1.3B in 2020. Since then, the industry has gained momentum, growing to US$ 4.8B in 2022 and is likely to reach 2019 levels by end of 2023. The European cruise industry is projected to grow at a CAGR of 7% from 2023 to 2027, amounting to US$ 8.6B.

Middle East Market

Countries in the Middle East, known for their rich cultural heritage and modern attractions, experienced a notable decrease in inbound tourists due to the pandemic. The total travel gross bookings in the Middle East during the pandemic declined by 71% and similarly, the airline gross bookings declined by 78%.

The recovery of the Travel & Tourism sector in the Middle East during 2021 was notably slower compared to other global regions. The Travel & Tourism industry made up 8.4% of the 2019 GDP, amounting to US$ 324.0B. However, this contribution plummeted to 4.5% (US$ 163.0B) in 2020. Following a substantial 50% decline in the sector's contribution to GDP in 2020, there was a rebound of 15.9%, reaching US$ 189.0B in 2021.

UAE and Saudi Arabia constitute ~70% of the total travel gross bookings in the Middle East. Revenue of hotel industry in UAE dropped from US$ 0.5B in 2019 to US$ 0.2B in 2020 and grew exponentially to US$3.8B in 2022. Saudi Arabia hotel industry declined from US$ 2.5B in 2019 to US$ 1.1B in 2020. The industry grew to US$ 2.1B in 2022 and is expected to grow at 4.7% from 2023 to reach US$ 3.0B by 2027.

The package holidays industry in UAE dropped by 54% from US$ 420.1M in 2019 to US$ 192.1M in 2020 and recovered to US$ 412.0M in 2022 whereas the cruise industry dropped by 82% from US$ 13.6M in 2019 to US$ 2.4M in 2020, growing back to US$ 10.7M in 2022. Saudi Arabia experienced a similar trajectory as the package holidays industry dropped from US$ 720.0M in 2019 to US$ 312.2M in 2020. The UAE cruise industry, on the other hand, declined from US$ 43.7M in 2019 to US$ 7.6M in 2020. Both these industries recovered significantly growing to US$ 583.0M (Package holidays) and US$ 32.4B (Cruises) in 2022 respectively.

Additionally, pre-pandemic data indicated that international visitors spend contributed more compared to domestic visitors. However, a sharp decline of 68.9% in the international's visitor spending during 2020, followed by a modest 4.1% rise in 2021, reduced its contribution to 39%.

In 2022, the growth of Middle East Travel & Tourism's contribution to GDP significantly accelerated by 36.1%. This surge was primarily fuelled by an expected 80% rise in spending from international visitors. Projections indicate that the sector's GDP is going to return to pre-pandemic 2019 levels by the year 2024. Looking ahead to the decade between 2022 and 2032, the Travel & Tourism sector is estimated to contribute considerably to the regional economy, displaying an average annual growth rate of 7.7%. This growth rate significantly outpaces the anticipated 2.5% growth of the overall regional economic output. Notably, Saudi Arabia is forecasted to lead this growth, demonstrating the highest average annual growth rate of 11% in the Middle East region over the next decade.

During the second quarter of 2023, the Middle East's hotel construction sector has experienced substantial growth, reaching its highest project count since the first quarter of 2020. There has been a consistent 10% Y-o-Y increase in the number of projects and a 5% rise in room count, resulting in a total of 597 projects with 146,521 rooms. Saudi Arabia leads the way in the Middle East's hotel construction projects, setting a new record with 276 projects and 72,144 rooms. UAE follows with 106 projects and 27,921 rooms.

Saudi Arabia is making a big push in the tourism sector, a central part of its Vision 2030 strategy for national transformation. Historically, Saudi Arabia was accessible primarily to individuals holding business visas, religious pilgrims, and expatriate workers. However, the landscape shifted significantly with the kingdom's pivotal decisions in 2019 and 2020. Saudi Arabia is making significant strides to transform with the aim of repositioning itself as a compelling travel option that can compete with its Gulf counterparts such as Dubai, Oman, and Abu Dhabi.

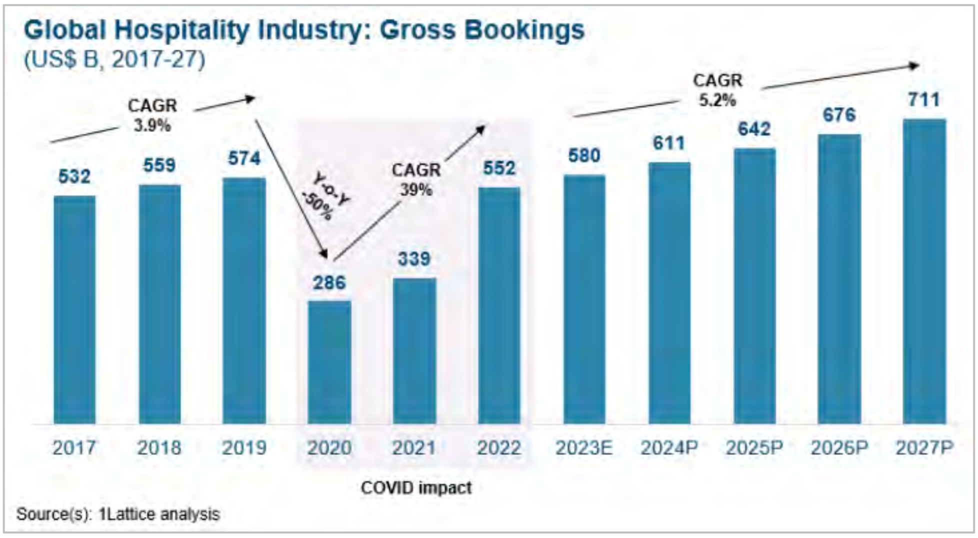
Due to the Vision 2030 initiative, Saudi Arabia is actively working to welcome global visitors. They have ambitious investment plans of US$ 810B dedicated to cultural, leisure, and entertainment projects in the coming ten years. This forward-looking strategy has already boosted Saudi Arabia's appeal as a tourist hotspot. In 2022, Saudi Arabia welcomed over 93.5 million tourists, comprising 77 million domestic and 16.5 million international visitors. As per the World Travel and Tourism Council (WTTC), Saudi Arabia is projected to achieve 22.1 million international visitors by 2025. The country's ambitious plan includes drawing in a substantial number of visitors. The target is to attract 100 million overnight visitors each year by 2030. These visitors are expected to be a mix of domestic travellers (45%) and international tourists (55%).

Additionally, in 2022, Sharjah International Airport in the UAE managed the travel of approximately 13.1 million passengers. The ongoing expansion project is set to boost the terminal's capacity significantly, aiming to serve around 20 to 25 million passengers by 2026. Meanwhile, Saudi Arabia has unveiled ambitious plans for the new King Salman International Airport in Riyadh, which is anticipated to become one of the world's largest airports. Covering a vast area of approximately 57 square kilometers, the airport will have six parallel runways. The primary objective is to accommodate up to 120 million travelers by 2030, and this number is projected to further increase to 185 million passengers, with the airport capable of processing 3.5 million tons of cargo by 2050.

Global Hospitality Industry Overview

The hospitality industry is central to the global economy and significantly influences how people engage with travel, leisure, and business ventures on an international level. Over the years, the hospitality industry has evolved significantly, adapting to changing consumer behaviors, technological advancements, and sustainability imperatives.

Global Hospitality Industry Overview



The Hospitality Industry has grown with a CAGR of 3.9% from US$ 532B in 2017 to US$ 574B in 2019. The pandemic had a significant impact on the hospitality industry, causing considerable disruptions leading to a steep ~50% drop in gross bookings in the year 2020. However, the industry is on quick path to recovery from COVID-19 impact and is expected to reach US$ 580B in 2023, surpassing 2019 and reach US$ 711B by 2027, growing at a CAGR of 5.2% over 2023-27.

Top 10 Global Hotel Chains

Hotel Chains	2018		2019		2020		2021		2022	
	Properties	Rooms	Properties	Rooms	Properties	Rooms	Properties	Rooms	Properties	Rooms
Marriott International	6,906	1,317,368	7,163	1,348,532	7,457	1,391,134	7,989	1,479,179	8,288	1,525,407
Jin Jiang International Holdings Co. Ltd.	8,715	941,794	10,020	1,081,230	9,494	946,085	10,613	1,019,377	10,694	1,024,682
Oyo Rooms	17,344	515,144	45,600	1,054,000	44,000	1,200,000	N/A		N/A	
Hilton Worldwide Holdings	5,685	912,960	6,110	971,780	6,478	1,019,287	6,892	1,074,791	6,915	1,086,520
IHG	5,603	836,541	5,903	883,563	5,964	886,036	5,991	880,327	6,164	911,627
Wyndham Hotels & Resorts	9,200	809,900	9,280	831,025	8,941	795,909	8,950	810,000	9,100	843,000
Accor	4,780	703,806	5,036	739,537	5,139	753,344	5,298	777,714	5,445	802,269
Huazhu Group Ltd.	4,230	422,747	5,618	536,876	6,789	652,162	7,830	7,53,216	7,988	764,859
Choice Hotels International	7,021	569,108	7,153	590,897	7,147	597,977	7,030	579,746	7,487	627,804
Best Western Hotels & Resorts	3,618	295,849	3,997	369,386	4,131	380,165	4,035	363,280	3,938	346,396

Source(s): Company websites, 1Lattice analysis

Hotel Revenue Optimization Going Forward

In the hospitality industry, hotel revenue optimization is a crucial strategy for ensuring higher profitability. Before the advent of advanced software and data analytics tools, hotels relied on manual methods to optimize pricing, manage distribution channels, and make strategic decisions. Managing complex pricing strategies, keeping track of competitors' rates, and analyzing market trends manually can be overwhelming and time-consuming. Additionally, manually updating rates and inventory across various distribution channels, like OTAs, GDS, and the hotel's website, is a labor-intensive task prone to errors.

Technology plays a crucial role in simplifying and streamlining these processes. Revenue management systems and distribution platforms utilize algorithms and real-time data analysis to optimize pricing based on demand, competitor rates, and historical data. This not only saves time but also enhances pricing accuracy, ultimately leading to improved revenue. Furthermore, technology allows hotels to manage their distribution channels more effectively. With channel management software, they can update rates and availability across all platforms simultaneously, reducing the risk of overbooking or missed revenue opportunities. Various factors, like technological progress, changing consumer preferences, and the unpredictable global situation, are shaping the industry. These factors emphasize the need for a well-planned revenue optimization and distribution strategy.

The Evolving Role of Hospitality Systems

In recent years, there has been a notable trend toward utilizing technology in the hospitality industry. While technology is reshaping the industry, the importance of human touch and personalized service remains paramount. Hotels and hospitality businesses are trying to effectively integrate technology to enhance operational efficiency and guest experiences while ensuring that human interactions and personalized services remain at the core of their offerings.

Increasing data driven approach

The travel and tourism industry is undergoing a digital transformation, significantly impacting how travelers plan and experience their journeys. Post-pandemic, new steps and strategies have pushed forward recovery as hotels are increasingly focused on data driven consumer behaviors and are offering flexible options on bookings and cancellations.

In this digital era, data-driven insights have become crucial for the hospitality sector. Analyzing customer data helps hotels tailor their services to meet guest expectations effectively. By understanding guest preferences, hotels can refine their business strategies. This data-driven approach aids in targeted marketing, optimizing prices, and enhancing guest satisfaction, key elements for a successful recovery and sustained growth in the hospitality industry. Technologies like Big Data analytics, social media, and artificial intelligence (AI) are shaping marketing strategies and improving security. However, ensuring data security and equal digital access are crucial to maintaining travelers' trust in this industry.

Determining and Achieving Optimum Booking Channel Mix

Hotels strive for a higher Revenue per Available Room (RevPAR) and optimal Average Daily Rate (ADR). The focus of hotel distribution management has shifted significantly towards online channels due to their increasing use and ease of management. These digital platforms, particularly OTAs, might offer hotel rooms at a discounted rate, leading to lower profitability, thus making market mix optimization essential, which involves carefully managing how hotels present their offerings across various channels.

Prioritization of Distribution
Hotel distribution channels are the various avenues through which hotels make their rooms available to potential guests. These channels are essential for ensuring that hotel rooms are sold, and they play a vital role in revenue management and marketing.

- **Direct Booking:** This channel includes bookings made directly through the hotel's website, reservation call centre, or in-person at the hotel. Direct bookings are advantageous for hotels as they usually entail lower distribution costs and foster stronger guest relationships.

- **Online Travel Agencies (OTAs):** OTAs like Booking.com, Expedia, and Agoda act as intermediaries between hotels and guests. They provide a platform for travelers to search, compare, and book hotel rooms. OTAs are essential for expanding a hotel's online visibility but may come with higher commission fees.

- **Metasearch Engines:** Metasearch platforms like TripAdvisor, Kayak, and Trivago aggregate information from various OTAs and hotel websites, allowing guests to compare prices and book directly through the platform.

With evolving times, hotels are also looking at more unconventional booking channels including social media, mobile booking, etc.

A well-crafted distribution strategy is pivotal in the hotel industry for several key reasons. It maximizes revenue by optimizing occupancy rates and pricing through various channels, enhances market visibility, and enables tailored outreach to target audiences. This strategy ensures competitiveness, efficient inventory management, and improved guest experiences. It reduces dependence on a single channel, controls costs, and adapts to market changes. Maintaining brand consistency and fostering beneficial partnerships are also significant benefits. In essence, an effective distribution strategy empowers hotels to increase revenue, connect with target audiences, stay competitive, and navigate the dynamic travel landscape while optimizing profitability.

Optimization of Distribution Channels

As reservations from online travel agencies (OTAs) increased and the costs linked to them rose, the significance of effective online distribution became urgent. This shift pushed hotel operators to reevaluate their focus on online distribution and highlight the importance of encouraging direct bookings.

- **Website:** Hotel brand's online presence, comprises of their official website and social media platforms, has become central to their promotional strategies especially post COVID. While the role of social media in influencing potential guests has become increasingly significant, the hotel's website remains to be of utmost importance. The website needs to fully describe the facilities and amenities in a manner that will compel the visitor to create a reservation.

- **Customer Relationship Management:** A CRM system in the hotel industry provides a comprehensive set of tools to improve the guest experience. CRM software is a powerful tool for customer acquisition, retention, and fostering loyalty. The CRM software stores valuable customer details such as personal information, check-in and check-out dates, purpose of visit and services utilized. This information can be leveraged by the marketing and sales teams to reconnect with guests and invite them back. Its functions, such as real-time reporting, personalized notifications, and communication based on guests' past activities, make it easier to upsell and cross-sell services. Furthermore, hotel CRM software automates personalized communication, including offers, birthday and anniversary greetings, and post-check-out feedback forms.

- **Rate Parity:** Rate parity, which involves maintaining consistent pricing across various online channels, benefits hotels in multiple ways. It fosters trust and transparency, promoting guest loyalty and trust. Rate parity discourages guests from seeking better deals on other platforms, driving direct bookings through the hotel's website. This, in turn, reduces commission expenses and enhances profitability, making it an effective strategy for attracting and retaining guests.

- **Running Campaigns on Metasearch Engine:** Running metasearch engine campaigns is a strategic move for hotels to capture the attention of potential guests. These campaigns offer several benefits, such as increased online visibility and the ability to attract guests who actively compare prices and amenities. These campaigns provide precise targeting, ensuring that hotels reach the right audience. Furthermore, they offer real-time performance tracking, allowing hotels to adjust their strategies as needed. Metasearch campaigns contribute to higher direct bookings for hotels.

- **Loyalty programs:** Loyalty programs play a crucial role in attracting and retaining guests for hotels. These programs offer guests various benefits, such as discounts, exclusive deals, and reward points, which encourage them to choose a specific hotel for their stays. This creates a mutually beneficial relationship between guests and the hotel. Loyalty programs enhance guest retention by motivating customers to make repeat bookings. Satisfied guests who have enjoyed the perks of loyalty programs are more likely to return. They can also become advocates, recommending the hotel to others, which brings in new business.

- **Mobile Apps:** Travelers are increasingly relying on mobile applications to plan their trips, book accommodations, and manage their itineraries. This trend is largely driven by the convenience and accessibility that mobile apps offer, allowing customers to make reservations and access travel-related information on-the-go. Mobile apps enable users to browse a wide range of options, compare prices, read reviews, and make instant bookings. Moreover, mobile apps often provide loyalty programs and rewards for repeat bookings, which further incentivize customers to stick with a particular travel service provider.

Hotels are now recognizing the importance of e-commerce strategies for boosting direct reservations and guest satisfaction by showcasing the hotel's services and features online in an attractive, smooth, and convincing way.

Distribution Through Vital Non-Direct Booking Channels

While direct bookings alone will not be able to provide 100% occupancy of hotel rooms hence, hotels utilize various non-direct booking channels like online travel agencies, global distribution systems, and tour operators to maximize bookings. Enabling sales through non-direct booking channel is long process and requires number of actions, with each action having multiple and detailed steps.

- Identification of the relevant channel and player within each of those channel types, through which inventory will be presented.

- Establishing connections with each player in the channel, followed by multiple rounds of discussions on opportunity, requirement and prerequisites, data compliances and flow process, and agreement details on connectivity and participation in various sales programs

- Ensuring required property-related data (name, landmark/directions to the property, contact details, descriptions, # rooms, selling price, guest policies, photos, etc.) can be sourced by the hotel and delivered electronically to the various players tied up, both at the time of initial set-up on player's database and ensure subsequent periodic updates are generated by the hotel.

- Once the players in each channel are finalized, establishing and activating the process to communicate the hotel's data to the vendor and to receive booking detail / confirmation from the various players for processing by the hotel.

This process is tedious and often requires collaboration with experts from various departments such as Marketing, Sales, Reservations, Revenue Management, Accounting, and IT. However, with the advent of technology, this tedious process can be managed through central reservation systems to provide technology and technical services

CRS - The Heart of the Hotel Distribution Program

A Central Reservation System (CRS) in the hotel industry is a crucial tool that allows hotels to manage and consolidate room inventory, rates, and reservations across various distribution channels, including the hotel's website, online travel agencies (OTAs), global distribution systems (GDS), tour operators, and more.

The CRS ensures smooth distribution of up-to-date room availability and prices to these channels. The CRS also provides information about booking patterns, revenue generated, channel performance, and details about the guests. Hotels can use this data for informed decision-making and strategizing. For hotel chains / groups, the CRS offers a centralized system to manage multiple properties, streamlining reservation processes, optimizing revenue, and improving operational efficiency. This simplifies operations and helps in coordinating inventory and pricing strategies effectively.

Adding CRS Connectivity

Hotel industry leaders from 17 hotel companies collaborated to form a non-profit company. This entity aimed to develop a computerized connection utility linking hotel CRSs to airline GDSs, improving technical support and connectivity. These hotel companies and travel industry publisher, Reed Travel Group joined together and formed THISCO (The Hotel Industry Switch Company) to create UltraSwitch, revolutionizing CRS/GDS connectivity. UltraSwitch translated messages between CRSs and various GDSs, streamlining communication. UltraSwitch, activated in 1990, simplified CRS-GDS connectivity for hotels. It established the practice of using specialized Channel Managers for connectivity between CRSs and electronic sales channels.

UltraSwitch's success led to its acquisition of its sole competitor, WizCom International. It was later rebranded as Pegasus, focusing on CRS connectivity, including internet-based sales services like online travel agencies (OTAs) through its new connectivity platform UltraConnect. Pegasus played a pivotal role in connecting hotels to OTAs, becoming a preferred choice for internet sales opportunities. While some hotels directly linked to major OTAs, most relied on Pegasus for connectivity to numerous OTAs, consolidating their internet sales strategy.

While the original Pegasus has been split into three companies (DHISCO is one of the three companies), DHISCO continues as a crucial enabler for global hotels, maintaining strong support and interest, especially for its pioneering initiative in GDS and online distribution. Now DHISCO functions under RateGain (running as DHISCO Switch), It remains a key player, enabling essential connectivity for hotels to crucial online sales channels. DHISCO's innovation extended to connecting hotels with various online sales channels like tour wholesalers, operators, bedbanks, and meeting/conference attendee registration sites. They also introduced data caching and automation in data maintenance, setting industry standards.

Bringing Automation to Revenue Management

Traditionally, Revenue Managers relied on Excel spreadsheets to organize and manage revenue and sales data. But now, advanced technology has led to the rise of business intelligence tools that offer a comprehensive view of a hotel's performance, market trends, and customer behavior, enhancing profitability in the hospitality industry.

Business Intelligence Tools: Business intelligence tools enable Revenue Managers to analyze data, predict future trends, and respond in real time, making their revenue management strategies more effective. Revenue Managers sought solutions that were easy to navigate and required minimal training for them to become proficient.

Competitor Rate Shopper Tools: For decades, hotel reservation and sales staff relied on manual methods like phone calls and on-site visits to competitor hotels to inquire about room rates and learn about events. Competitor Rate Shoppers tools scrape competitor websites for rate data and have evolved to offer advanced features like rate type analysis, booking pace reporting, and integration capabilities.

In the current complex marketplace, Competitor Rate Shoppers are vital in the Revenue Management toolkit. They provide real-time data analysis and use AI and machine learning to deepen insights. Industry leaders in this domain include Amadeus Hospitality, D-Edge, eRevMax, Fornova, OTA Insight, RateGain, and SiteMinder.

MarTech: MarTech has become a valuable tool for hotels and the wider hospitality industry. MarTech encompasses a wide range of digital tools and platforms designed to enhance marketing efforts. They enable hotels to collect and analyze vast amounts of data, including customer preferences and market trends, facilitating data-driven pricing decisions. MarTech also provides the means to automate marketing campaigns, personalize offers, and engage in targeted promotions, driving demand during off-peak times and optimizing revenue during high-demand periods.

They provide insights into competitor pricing and real-time performance analytics, facilitating ongoing strategy refinement. MarTech's forecasting capabilities, channel management, and rate parity monitoring further empower revenue management efforts.

Content Management: Content management involves creating and delivering relevant information to customers through various channels, which is crucial in the travel and tourism industry to attract and retain customers and enhance a service provider's reputation. In direct channels, service providers have full control and ownership of their content, allowing them to update and modify it according to their preferences. However, in indirect channels, they share their content with intermediaries, limiting their control over how it's presented. Quality and consistency of content can also vary between these channels. Additionally, service providers using direct channels can distribute content to target customers without paying commissions and can employ various marketing methods. In contrast, indirect channels may involve fees and competition with other providers using the same intermediaries.

Channel Manager: Channel manager software solution allows hotel to simultaneously display room availability across various linked booking channels (direct websites, apps, OTAs etc.), thus prevent the risk of double bookings. When a booking is confirmed whether through the hotel's official website or any other booking platform, the channel manager automatically updates room availability in real-time across all connected channels. This real-time automation extends to actions such as temporarily closing room sales or making comprehensive adjustments to hotel's inventory.

Additionally, channel manager solution provides hotels with enhanced control over their distribution channels. Revenue managers have the flexibility to establish specific targets for each channel and subsequently fine-tune inventory and pricing on a per-channel basis to maximize revenue. This dynamic approach enables revenue managers to more accurately oversee a hotel's distribution strategy and prioritize the most profitable channels at any given moment.

Changing Customer Expectations in Post COVID Era

The rise of smartphones have led to a notable shift in customer behaviors in the hotel industry, thus leading to a mobile centric approach by companies. This shift has transformed how guests browse, book, and connect with hotels. Strong Wi-Fi signals have become a decisive factor in hotel selection. Here are key trends and adjustments within this context:

Mobile-Centric Approach: Hotels have transitioned from desktop-centric to mobile-centric design for websites and booking engines, recognizing the smartphone as a primary interaction device. Creating mobile-specific versions of websites has become essential.

Immediate Response and Fulfilment: The ease of accessing communication devices has raised the expectation for rapid responses and fast request processing. Instant access to information and efficient e-commerce interactions have led to a preference for prompt actions when it comes to searches, inquiries, and purchases.

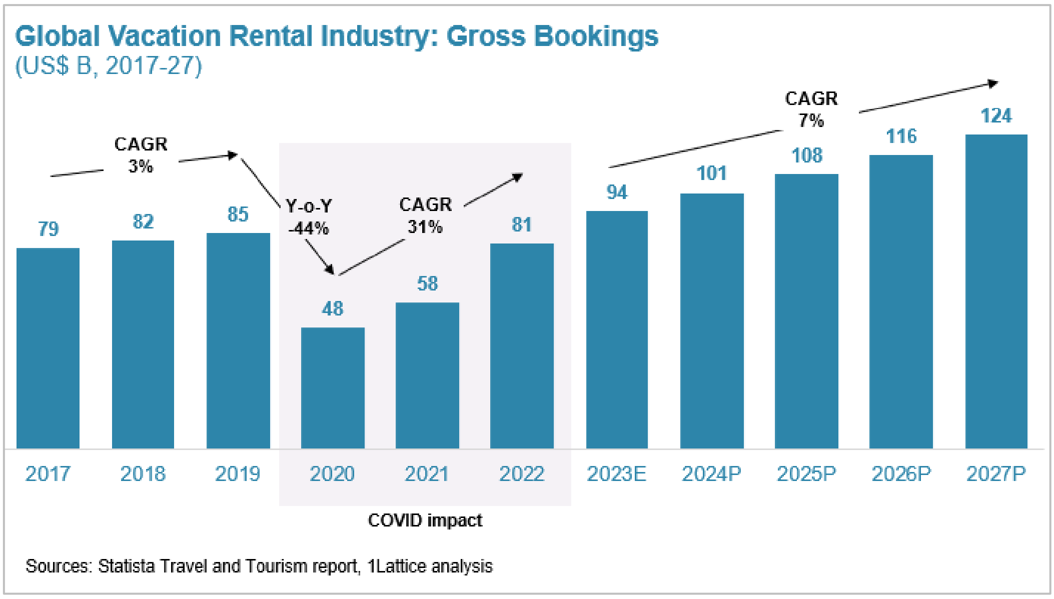
Personalization: Acknowledging and valuing guests through personalization, such as addressing them by name, significantly impacts their satisfaction. E-commerce leaders utilize customer data to tailor messages and offers, setting the expectation for personalization in the hospitality industry.

In conclusion, the success of hotels and the effectiveness of hotel systems are directly linked to understanding and meeting customer interests and expectations. As travelers increasingly rely on mobile devices for all aspects of their travel experiences and expect personalized and prompt service, the hospitality industry and its technology must rise to the challenge to meet these expectations.

Vacation Rental Industry

The Vacation Rentals market encompasses reservations for private accommodations, ranging from private vacation homes and houses (e.g., HomeAway) to short-term rentals of individual rooms or apartments through platforms like Airbnb. These bookings can be made through various channels, including online portals, travel agencies, or by phone. Global vacation rental market is US$ 81B in 2022, has recovered very rapidly to pre-covid levels as of 2022 and will outgrow to US$ 94B in 2023 and expected to reach US$ 124B by 2027.

Vacation Rental overview



Key Growth Drivers-

Peer-to-Peer (P2P) Adoption: Initially, there were doubts among both travellers and property owners about P2P vacation rentals. However, public perception has shifted, leading to increased adoption. Many homeowners are converting their vacant properties into accommodations for travelers, providing an additional income source. This trend is poised to boost market growth.

Cost-Effective Options: Rise in preference for vacation rental properties over traditional hotels due to their affordability, enhanced comfort, privacy, and pet-friendly features. The cost-effectiveness of vacation rentals, combined with comparable amenities to hotels, drives consumer preference for these accommodations.

Rise in Transformational Travel: The rising trend focusing on wellness trips to rejuvenate the mind and body to drive domestic vacation rentals market growth for activities like beach vacations, skiing etc.

Technological Advancements: Vacation rental managers are embracing advanced technology to meet growing demand and enhance operational efficiency. They utilize property management software systems that oversee all booking-related tasks and employ smart home technology like Amazon Alexa. Innovations such as 3D property tours, keyless entry systems, and high-tech monitoring contribute significantly to this industry's growth.

Vacation Rental Becoming Mainstream

As the hotel industry makes a robust recovery following the economic downturn, alternative lodging options such as Airbnb and HomeAway are gradually encroaching upon their potential market share. This trajectory is poised for further acceleration as emerging generations embrace travel booking alternatives beyond traditional hotels. While the short-term rental market is experiencing growth, hotels still have ample opportunities to maintain their competitiveness within the sharing economy.

Vacation rentals encompass a variety of accommodations such as houses, apartments, condos, villas, and resorts that are periodically rented out to both local and international tourists by property managers. The surge in popularity of vacation rentals is attributed to their advantages, including cost-effectiveness, comfort, and their suitability for families with children and pet-friendly policies. Over the forecast period from 2022 to 2026, the U.S. vacation rental market is anticipated to exhibit a compound annual growth rate (CAGR) of 8.5%.

The appeal of vacation rentals has experienced substantial growth, indicating a notable increase in the percentage of travelers opting for vacation rentals. Between 2011 and 2019, the proportion of travelers who chose vacation rentals over traditional accommodations more than tripled, rising from 10% to 34%. The COVID pandemic further accelerated this trend as many travelers prioritized vacation rentals for safety reasons, opting for them over hotels.

Technology Growth Drivers-

The vacation rental industry has seen a remarkable surge in growth in recent years, driven by an array of compelling factors that have revolutionized the way travelers choose their accommodations and property owners manage their investments. In respect to technology adoption the small-scale owners would be lagging compared to hotel owners. From evolving consumer preferences and technological innovations to strategic marketing approaches and cutting-edge distribution methods, act as driving forces for technology adoption in a new era of travel experiences and accommodation options.

Property Management System Property owners with multiple vacation rental properties and professional managers can utilize property management systems (PMS) to streamline various aspects of their vacation rental business, including booking-related tasks. Property management systems allow property owners to list their vacation rentals online through various platforms. Travelers can easily find and book these properties online, making it convenient for both hosts and guests. It can provide real-time availability and pricing information and helps property owners keep track of the availability of their vacation rentals. This prevents double bookings and ensures that the property is available when guests want to book.

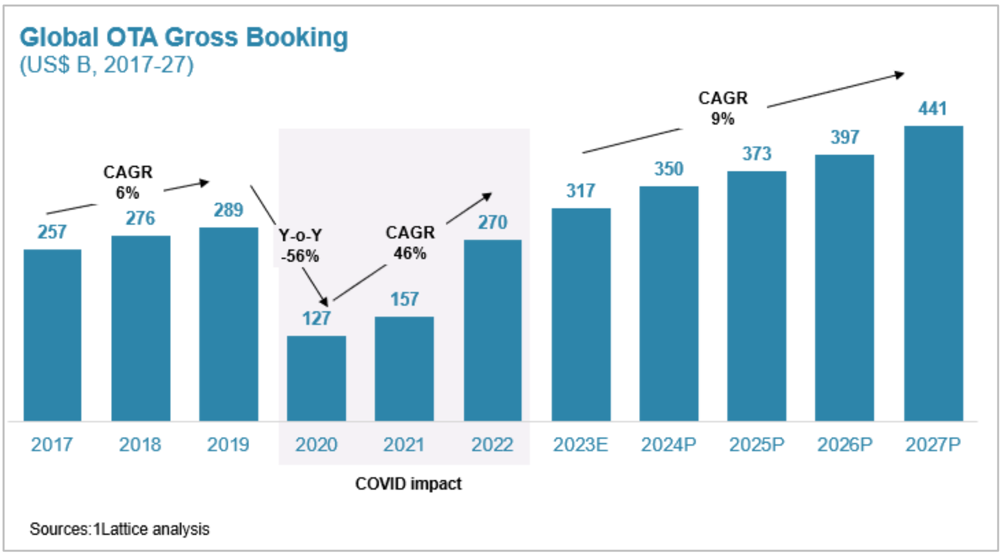
Distribution- Distribution is a vital growth driver for vacation rentals. It involves the strategic distribution of rental properties across various online and offline channels to reach a broader audience and maximize occupancy rates and revenue. Expanding distribution through online travel agencies (OTAs), vacation rental platforms, and other listing sites increases the visibility of your properties to a larger audience, resulting in more inquiries and bookings. Numerous vacation rental properties leverage the extensive visibility offered by third-party distribution platforms such as Airbnb and Vrbo.

Revenue Management: Price is determined by comparing prices to nearby similar properties, but dynamic pricing will help achieve the optimal revenue for the owners, as property owners are small scale operator's tie-ups with property management companies will enable access to the RMS software and dynamic benchmarking data thus enabling higher revenue.

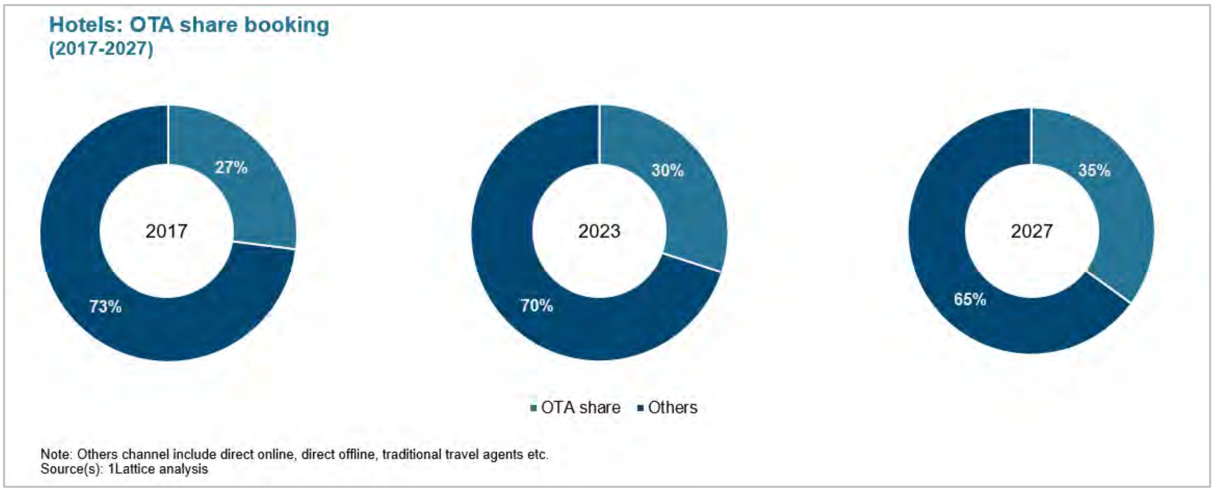
Global OTAs Industry

Online travel agencies (OTAs) are increasingly becoming important in the accommodation industry, providing travellers a convenient way to arrange their stays. From the comfort of their homes, travellers can easily compare hotel prices and book online. OTAs draw a global audience and have become authorities in travel, instilling trust in their guidance. When hotels and other accommodations partner with OTAs, they gain broad visibility and align their services with trusted sources of information.

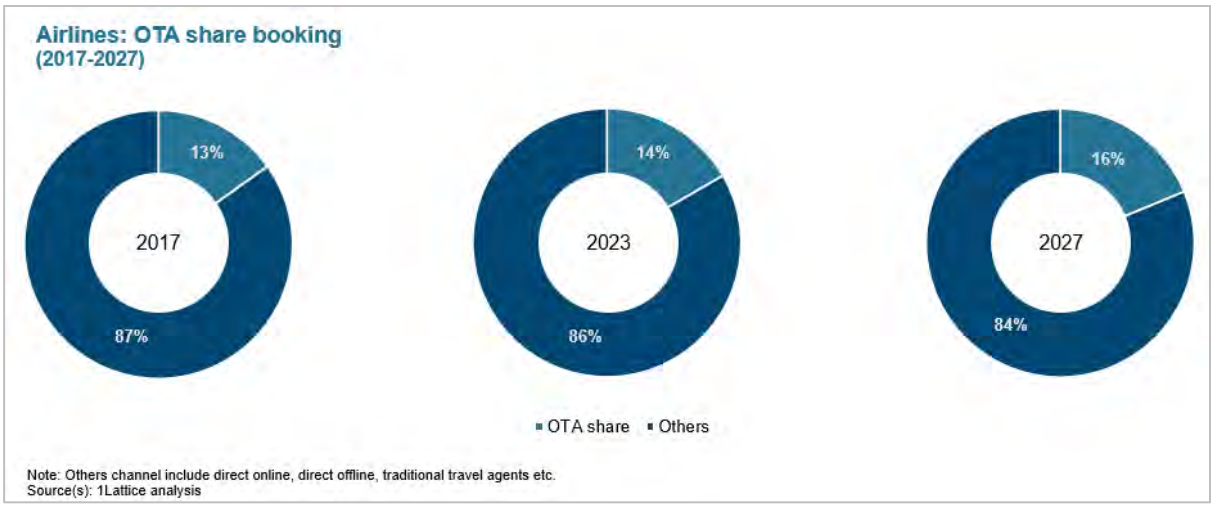
Global OTAs overview



The OTA gross booking has grown from US$ 257B in 2017 to US$ 289B in 2019 at CAGR of 6% over 2017-2019. The OTA gross booking has shown quick recover back from COVID-19 impact in 2022 and estimated to surpass in 2023 and expected to be US$ 317B in 2023 and the industry is expected to foresee a stable growth of 9% CAGR from 2023-27.



In 2017, OTA commanded a substantial market share of 27%, which increased to 30% in 2023 and is projected to further rise to 35% by 2027. This dominant position in hotel industry was reinforced by other channels such as direct online, direct offline, traditional travel agents. However, despite its initial dominance, the other channel has witnessed a gradual decline in market share over time.

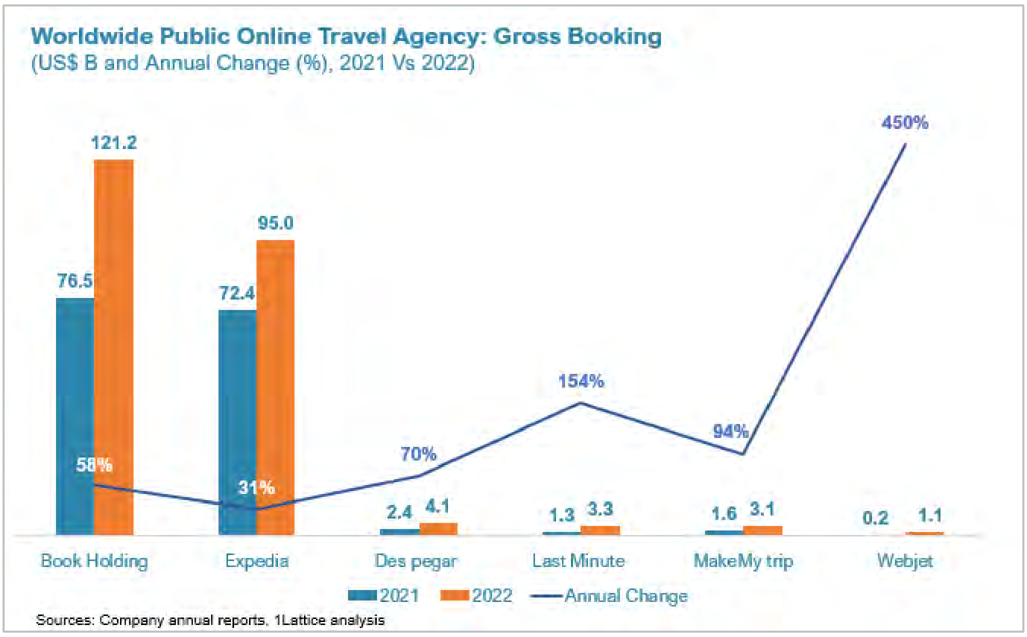


The market share of OTA within the airline industry exhibited a gradual progression over the years: in 2017, it stood at 13%, grew to 14% in 2023, and is projected to further increase to 15% by 2027. This growth has been slow but is anticipated to gain momentum in the forthcoming years.

Leading OTAs by Regions

North America	South America	Europe	APAC
Expedia	Des pegar	Booking.com	Trip.com
Booking.com	BestDay.com	Expedia	Qunar
Priceline	Price Travel	eDreams Odigeo	Fliggy
Travelocity	Tiquetes Baratos	Lastminute.com Group	MaFengWo
Orbitz	Almundo	HRS	Tuniu
Hotels.com		theTrainline.com	eLong
HotelTonight		Travel Republic	TravelGo
Fareportal		Loveholidays	MakeMy Trip
Hopper		Hotels.com	Rakuten
CheapOair		eBookers	Recruit
OneTravel		Agoda	Traveloka
		Hotel.de	Booking.com
		Orbitz Travel	Agoda
		hotel.ch	Expedia
		Tiscover	Webjet
		Atrapalo	Jalan
		Kiwi	Traveloka

In the OTA market, Booking Holdings and Expedia are the largest global online travel agencies in terms of revenue. Airbnb, an online travel company specializing in vacation rentals, has also experienced remarkable growth, a threefold increase since 2017. There are multiple factors contributing to the sustained dominance of OTAs in the online booking arena, such as their agility, advanced technological capabilities, and extensive expertise in online shopping methods and strategies. Additionally, they are effectively utilizing their loyalty programs to encourage prospective guests to make bookings through their platforms. Consequently, the OTA-to-direct booking ratio has maintained its consistency in recent times.



Regional Outlook-

- **APAC**: In 2020, Asia Pacific held the largest market share in the global online travel market, driven by its immense growth potential in the internet travel sector, particularly in India and China. Factors such as rising discretionary income, a growing middle-class population, and increased internet accessibility have fuelled this expansion.

  In India, MakeMyTrip is the leading OTA. Excluding the four major international OTAs – Booking.com, Expedia, and Agoda – that also operate successfully in the Indian online travel market,

- **US**: The United States welcomed nearly 80 million international tourists, marking a decade-long increase. In the U.S. OTA market, Expedia, and Booking Holdings, the two major players, maintain dominance, accounting for ~90% of the market share.

- **Latin America**: The Latin American online travel industry appears to be highly competitive, with Argentina's Despegar.com emerging as the market leader in 2019. In that same year, Airbnb, a C2C rental platform, secured a three percent market share in Latin America

- **European Union**: Booking.com and Expedia are the leading OTA players in Europe, both of them are expected to account for ~90% of market share in European region. HRS is the third largest OTA players in the EU region. OTA channels have been driving force in international visitors to EU region from countries like US and Canada.

Tech Evolution in OTAs and Meta Platforms

In the ever-evolving travel industry, Online Travel Agencies (OTAs) and meta-search platforms have become integral players, reshaping the way people plan and book their trips. Behind the scenes, a plethora of cutting-edge technologies have fueled their success. These technologies work together to access supply from various travel players, monitor parity instantly, and keep these platforms ahead of the competition. As the digital era continues to transform the travel landscape, OTAs and meta platforms harness advanced IT solutions to offer seamless booking experiences, personalized recommendations, and efficient customer service. From mobile app development to AI-powered algorithms, these technological innovations empower travelers to explore the world with ease and convenience.

Importance of Technology for OTAs and Meta-search Platforms

MarTech

MarTech tools enable OTAs and meta-search platforms to segment their customer base effectively. By analyzing user behavior and preferences, they can tailor marketing campaigns to specific customer segments. For instance, travelers seeking budget options may receive promotions highlighting affordable deals, while luxury travelers might receive offers for upscale accommodations. This personalized approach enhances customer engagement and boosts conversion rates. By accessing tools needed to gather, process, and analyze data from various touchpoints, OTAs and meta-search platforms gain insights into customer behaviors, campaign performance, and market trends. This data-driven approach guides strategic decision-making, helping them allocate resources efficiently, target high-value customer segments, and optimize their marketing spend. OTAs and meta-search platforms also use content management systems and AI-driven tools to ensure their listings feature accurate descriptions and high-quality images. This approach enhances the user experience, fosters trust, and encourages bookings.

Rate Optimization and Channel Intelligence

In the fiercely competitive travel industry, understanding customer behavior is paramount. AI-driven data analytics allows OTAs and meta-search platforms to collect and analyze vast amounts of data, enabling them to target markets with higher intent to travel. These analytics help identify trends, preferences, and demographics, allowing these platforms to tailor their offerings to the most promising customer segments.

Conversion rate optimization (CRO) tools, A/B testing, and data analytics help refine the user journey, ensuring a smooth path from prospect to booking. Predictive AI algorithms optimize pricing and promotions, improving conversion rates. Blockchain ensures data integrity and trust, safeguarding reviews and facilitating secure transactions. These evolving technologies redefine digital strategies, prioritizing user efficiency, and driving direct conversions while reducing reliance on third-party channels.

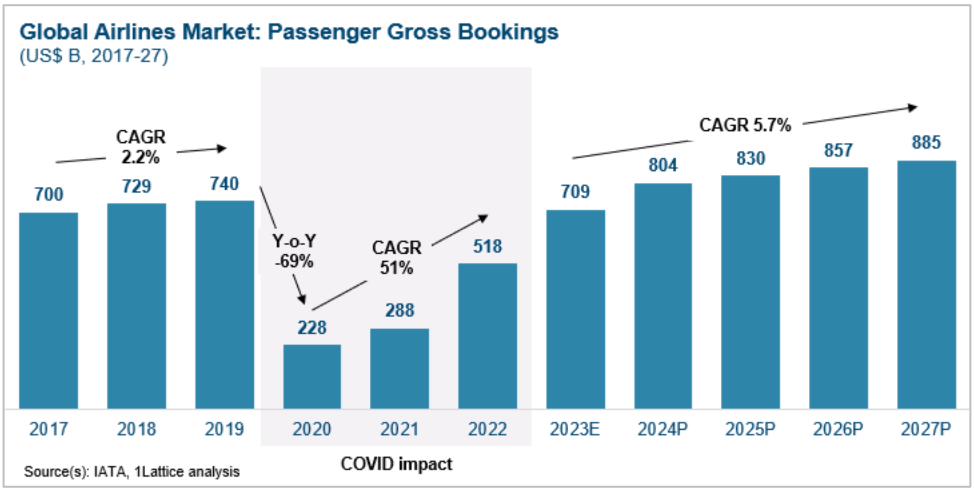
Supply and Distribution Management

Managing supply and distribution networks for OTAs meta-search platforms has become vastly efficient through the integration of technology. Advanced systems and platforms allow OTAs meta-search platforms to seamlessly connect with an extensive array of travel service providers, including hotels, airlines, car rentals, and activities. Technology facilitates real-time inventory updates, enabling instant access to a wide range of options for travelers. These systems, often powered by Application Programming Interfaces (APIs), ensure that information remains up-to-date and synchronized across multiple channels. Additionally, machine learning and data analytics help OTAs optimize pricing, monitor demand trends, and tailor offerings to meet customer preferences. This tech-driven approach not only enhances the user experience but also ensures that OTAs can efficiently manage their supply and distribution networks to offer a comprehensive and competitive array of travel options to their customers.

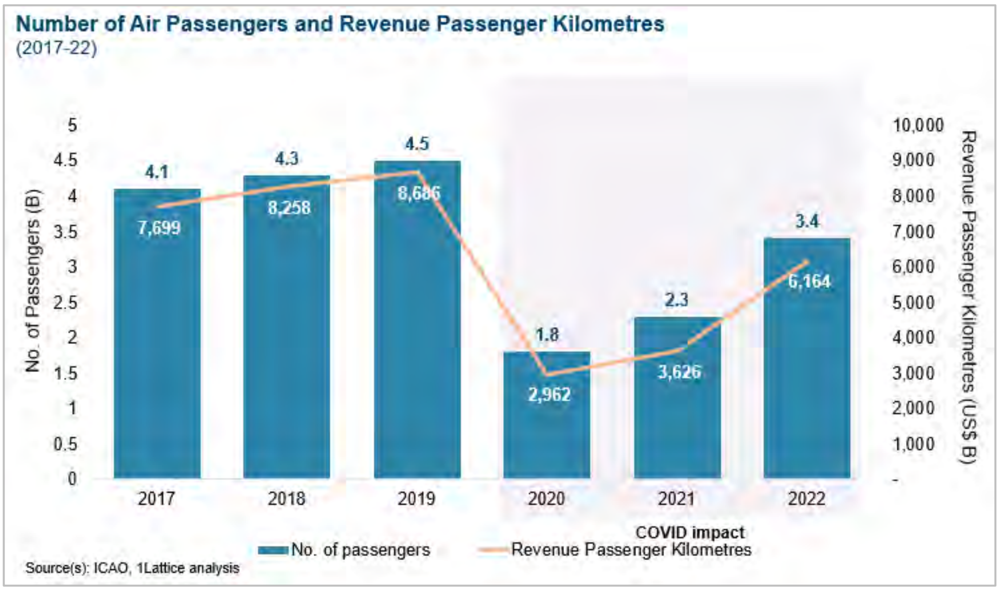
The Global Airline Industry

The global airline industry is a complex and dynamic sector that plays a crucial role in facilitating global travel and trade. It encompasses a wide range of businesses and services, including passenger transportation, cargo shipping, maintenance, and repair, and more. This industry has made the world more connected than ever before, fostering international trade, tourism, and cultural exchange. It is a critical enabler of globalization.

Airline Industry Overview:



The airline industry is one of the largest in the world, generating hundreds of billions of dollars in revenue annually. From 2017 to 2019, the industry grew at a CAGR of 2.2%. However, due to the severe impact of COVID, there was a sharp decline of 69% in the airlines market in 2020. The pandemic inflicted severe financial harm throughout the aviation industry, with airlines being the hardest hit. The passenger airlines were the most impacted, while cargo airlines and freight forwarders remained relatively unaffected. However, the industry has been recovering steadily post COVID at a CAGR of 51% over 2020-22. It is expected to reach US$ 709B in 2023 and US$ 885B by 2027, growing at a CAGR of 5.7%.



In 2023, a swift rebound in air passenger demand is expected, returning to levels seen before the pandemic. 2022 had a remarkable recovery, with an 47% increase in the number of air passengers compared to 2021. Simultaneously, revenue passenger kilometers (RPKs) soared by approximately 70% during this period.

Number of Airline Operators Globally and by Geography

Region	Number of airlines
U.S.	18
North America	188
Europe	303
Asia Pacific	277
Rest of World	341

Source(s): Bureau of Transportation Statistics (U.S.) ICAO, IATA 1Lattice analysis

The industry is dominated by a relatively small number of major airlines, often referred to as "legacy carriers", which have extensive international networks. Some of the largest global airlines include American Airlines, Delta Air Lines, United Airlines, Emirates and Lufthansa. In addition to these, there are numerous regional and low-cost carriers serving specific markets.

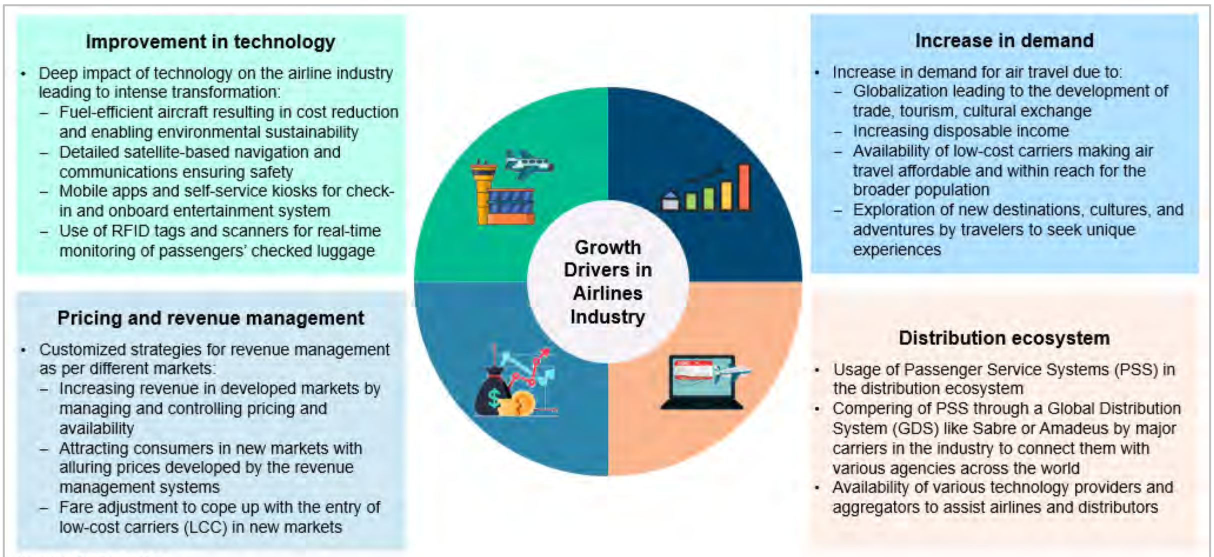
S. No.	Top Airlines	Annual Revenue (US$ M)					
		2017	2018	2019	2020	2021	2022
1.	Delta Air Lines	41,138	44,438	47,007	17,095	29,899	50,582
2.	American Airlines Group	42,622	44,541	45,768	17,337	29,882	48,971
3.	United Airlines Holdings	37,784	41,303	43,259	15,355	24,634	44,955
4.	Lufthansa*	37,358	37,319	38,245	14,268	17,652	34,409
5.	Emirates*	24,927	26,435	24,832	8,350	15,979	28,986
6.	Air France - KLM Group	29,144	31,314	30,452	12,666	16,936	27,808
7.	International Airlines Group*	24,024	25,471	26,781	8,196	8,878	24,219
8.	Southwest Airlines	21,146	21,965	22,428	9,048	15,790	23,814
9.	Qatar Airways*	11,403	12,977	13,803	7,938	14,156	20,594
10.	Singapore Airways	15,806	16,323	15,976	3,816	7,615	17,775
11.	China Southern Airlines	18,915	21,701	22,330	13,412	15,755	12,937
12.	All Nippon Airways	18,560	18,525	18,163	6,850	9,081	12,635
13.	Alaska Air Group	7,894	8,264	8,781	3,566	6,176	9,646
14.	Air China	18,356	21,287	20,293	10,702	12,183	8,362
15.	China Eastern Airlines	15,166	17,062	17,946	9,020	10,249	6,961

Note(s): * indicates the airlines that have mentioned the revenue in regional currency
For Lufthansa and International Airlines Group,1 Euro = US$ 1.05; For Emirates, 1 AED = US$ 0.27; For Qatar Airways, 1 QAR = US$ 0.27
Source(s): Company reports, Macrotrends LLC

8 out of the top 15 airlines by revenue around the world have surpassed pre-pandemic levels in 2022, demonstrating a strong recovery. 3 more airlines have achieved >90% of the pre-pandemic levels and are on pace to surpass those levels in 2023. The revenues for majority of the leading airlines have surpassed pre-COVID levels (or are close to surpassing) which shows that the demand for air travel has recovered back to pre-COVID levels

Key Drivers of Growth in Airline Industry:

The substantial growth observed in the airline industry is the result of a combination of factors. These elements collectively contribute to the industry's resilience and ability to meet evolving consumer needs and preferences. These elements include rising demand for air travel, effective pricing and revenue management strategies, a well-developed distribution ecosystem, and continuous technological advancements.



Source(s): 1Lattice analysis

Tech Usage in Airline Industry

The aviation industry is on a persistent path of technological revolution with major changes in pricing, revenue management, and distribution systems. This path has evolved from rudimentary manual processes in the past to today's dynamic era of AI-driven solutions, reshaping airline tech.

Pricing and Revenue Management

The evolution of technology in pricing and revenue management has been a journey of constant innovation and adaptation. In the early days, airlines relied on manual processes and rudimentary systems to manage their fares and inventory. However, with the advent of computerized reservation systems in the late 20th century, these systems allowed airlines to automate the booking process, significantly improving efficiency and expanding their global reach.

Fast forward to the present, and airlines have harnessed cutting-edge technology to analyze vast amounts of data in real-time, including social media trends and weather conditions, to optimize ticket prices dynamically. Big data analytics and machine learning algorithms enable airlines to predict passenger demand with remarkable precision. This wealth of data not only informs pricing strategies but also helps airlines allocate seats more effectively and optimize ancillary revenue streams. As technology continues to advance, we see the emergence of AI-driven solutions, particularly continuous pricing, which takes real-time adjustments to an unprecedented level of sophistication. This shift is poised to redefine how airlines maximize their revenues in a highly competitive market.

The future promises even more exciting developments, with the potential integration of blockchain for enhanced security and the Internet of Things (IoT) for real-time monitoring, further reshaping the landscape of pricing and revenue management in the airline industry. Airlines are increasingly investing in AI, machine learning, and big data analytics to refine pricing strategies. Advanced revenue management systems are a necessity, and many legacy airlines are updating their technology infrastructure to stay competitive.

Airline Distribution

Distribution systems have also witnessed remarkable growth in technological capabilities. Global Distribution Systems (GDS) and travel agents have been augmented by digital distribution channels. Airlines now interact directly with passengers through their own websites and mobile applications. This transformation has spurred competition, as travelers can easily compare prices and services across multiple platforms, including Online Travel Agencies (OTAs) and metasearch engines.

Websites and mobile applications have become central to the digital distribution landscape. Airlines have invested significantly in user-friendly, responsive designs, ensuring passengers can easily access flight information, book tickets, and complete check-in procedures using their smartphones or other mobile devices.

Airlines have expanded their partnership networks and adopted open data standards, facilitating the integration of their systems with third-party services. This integration enhances the distribution process, allowing passengers to access a comprehensive range of flight options and services from a variety of platforms.

MarTech

Personalized marketing strategies have also become a focal point, ensuring airlines remain adaptable and responsive to shifting passenger preferences. Airlines are leveraging data analytics to personalize their distribution strategies and engage with passengers at various touchpoints, from initial booking to post-flight feedback. Additionally, personalized marketing and digital platforms play a vital role in pricing strategies, ensuring that airlines remain responsive to market dynamics.

Landscape of technology systems in airline and key technology providers

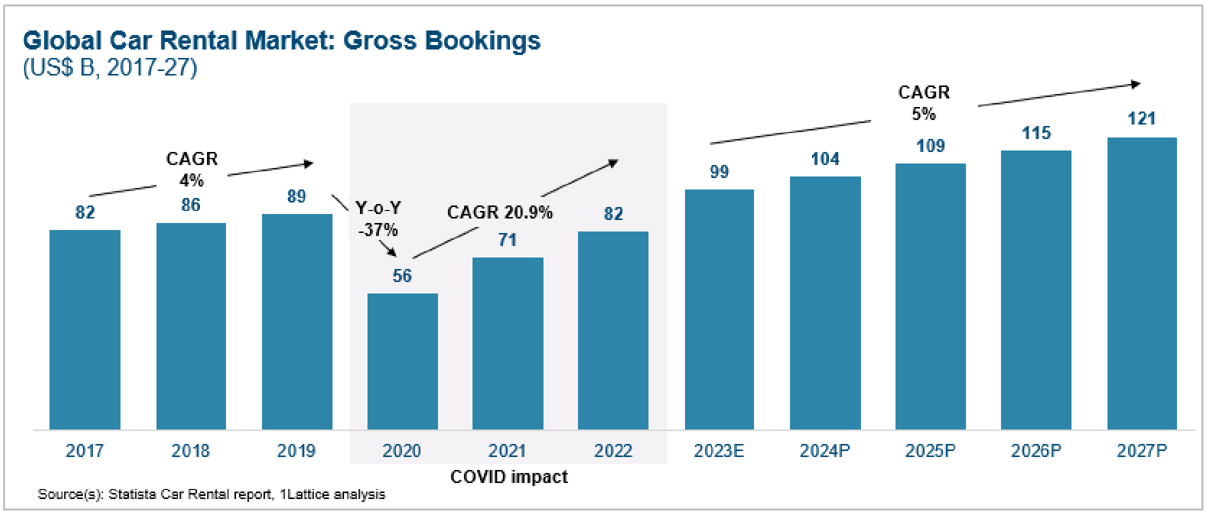
Airlines rely on a multifaceted tech ecosystem, encompassing Passenger Service Systems (PSS), revenue management systems, marketing technologies (MarTech), Data as a Service (DaaS), and distribution platforms. Technology providers like Amadeus and Sabre offer comprehensive solutions. Cloud-based technologies, which provide scalability, flexibility, and cost-efficiency, are gaining ground. Emerging technologies like blockchain and IoT are set to further transform data security, transactions, and real-time monitoring.

Airlines are actively exploring innovative technologies within each of these domains. Advanced revenue management systems for airlines (like AirGain by RateGain) in particular are at the forefront of utilizing AI and machine learning to adapt to dynamic market conditions, maximize revenues, and optimize inventory control. Distribution systems are evolving to offer better connectivity and data exchange between airlines and distribution partners, allowing for smoother transactions and passenger interactions.

The Global Car Rental Industry

The global car rental industry is a significant component of the broader transportation and travel sector. It provides rental vehicles to individuals and businesses for various purposes, including leisure travel, business trips, and temporary transportation needs.

Global Car Rental Industry Overview:



The car rental industry grew at a CAGR of 4% from 2017 to 2019. The market is expected to surpass pre-COVID levels in 2023 and is expected to grow at a CAGR of 5% reaching US$ 121B by 2027. Competition in the car rental industry is intense, with companies vying for market share through pricing, service quality, and customer loyalty programs. Online travel agencies and ride-sharing services have also entered the competition. Major international car rental companies include Enterprise Holdings (which owns brands like Enterprise, Alamo, and National), Hertz Global Holdings, Avis Budget Group (which operates Avis, Budget, and Zipcar), and Europcar Group, among others. Additionally, there are numerous regional and local car rental companies worldwide.

Worldwide	US	Europe	APAC
ENTERPRISE HOLDINGS	ENTERPRISE HOLDINGS	SIXT	一嗨租车 eHi Car Services
avis budget group	avis budget group	ENTERPRISE HOLDINGS	Hertz
Hertz	Hertz	Europcar moving your way	TOYOTA Rent a Car
SIXT	SIXT	avis budget group	NIPPON Rent-A-Car
Europcar moving your way	FOX RENT A CAR	Hertz	Zoomcar Never Stop Living
			carzonrent WE TAKE YOU PLACES

Source(s): 1Lattice analysis

<table>
<tr><th>Car Rental Companies</th><th>US Fleet</th><th>International Fleet</th><th>Global Fleet</th></tr>
<tr><td>Enterprise Holdings Inc</td><td>1,200,000</td><td>900,000</td><td>2.100,000</td></tr>
<tr><td>Avis Budget Group Inc</td><td>425,000</td><td>230,000</td><td>655,000</td></tr>
<tr><td>Hertz Global Holdings Inc</td><td>398,860</td><td>98,066</td><td>496,926</td></tr>
<tr><td>Europcar</td><td colspan="2" rowspan="6">N/A</td><td>246,900</td></tr>
<tr><td>Sixt SE</td><td>149,000</td></tr>
<tr><td>eHi Car Service</td><td>76,000</td></tr>
<tr><td>Zoomcar</td><td>25,000</td></tr>
<tr><td>Toyota Rent a Car</td><td>24,000</td></tr>
<tr><td>Carzonrent India</td><td>6,500</td></tr>
</table>

Source(s): Company annual reports and website

Key Growth Drivers in Car Rental Industry:

Various elements contribute to the growth of the car rental industry. Key contributors to this trend encompass higher rates of urbanization and traffic congestion and readily available diverse vehicle options.

Swift Urbanization and Increasing Traffic Gridlock: The rise in urbanization has brought about challenges such as reduced parking availability, increased traffic congestion, and stricter vehicle ownership regulations. Consequently, younger commuters have a higher preference for car rental services as a flexible solution to urban mobility needs. Renting a car offers the advantages of easy mobility without the hassles of parking challenges and upkeep expenses associated with car ownership in urban settings.

Shift Towards Sustainable Solutions: With a growing emphasis on sustainability and reducing carbon footprints, there's a noticeable shift from vehicle ownership to car rentals. People are becoming more aware of the environmental impact of personal cars, leading them to choose rental options as a more sustainable transportation alternative. Car rental companies are responding by including eco-friendly vehicle options in their fleets, further encouraging this shift towards sustainable solutions, and contributing to the industry's growth.

Technological Integration: Innovations in technology have significantly impacted the car rental industry, allowing companies to enhance customer services through efficient management of information, user-friendly online booking, and real-time reservations. GPS, satellite navigation, and the internet have revolutionized car rental businesses, optimizing fleet management, reducing costs, and improving overall service quality. Furthermore, artificial intelligence (AI) adoption is transforming the industry, aiding in efficient data management, and improving the overall customer experience, indicating a promising future for AI integration in car rentals.

U.S. And Europe Car Rental Industry

U.S. and Europe constitute major share in the global car rental market. Post pandemic, the industry experienced a resurgence due to a renewed interest in travel and tourism, coupled with an increased demand for adaptable and convenient mobility options. With digital transformation, the industry effectively utilized online booking platforms, mobile applications, and contactless payment systems. It also evolved according to customer preferences and expectations, such as preference for premium vehicle options, a growing concern for environmental sustainability, and an interest in emerging business models such as car-sharing and peer-to-peer rentals. Furthermore, the industry's revenue is projected to grow by a CAGR of ~4% from 2023 to 2027.

The growth of the car rental market in Europe is being significantly determined by the high costs associated with vehicle ownership and maintenance. As a result, a considerable number of people opt for renting cars when needed rather than owning one. Moreover, tourism is growing in European countries, and more people are traveling domestically and internationally. This rise in travel has led to a greater need for flexible and affordable mobility solutions, making renting a car a convenient option. Apart from cost, the ease of booking a rental car online has significantly contributed to the growth of the car rental market. Online platforms have made it simple to book a rental car, boosting the market's growth. Consequently, revenue of car rental industry in Europe is projected to grow at a CAGR of ~3.5% from 2023 to 2027.

Car rental companies nowadays use both offline and online methods to make it easy for customers to rent a car. After the pandemic, more people are using the internet to book rental cars through websites and apps. In the travel booking landscape, there are 2 major players: Online Travel Agencies (OTAs) and direct suppliers. In 2021, as more people travelled within their own countries, OTAs saw a big increase in bookings. However, at the same time, more people started booking directly with the travel companies. Even though people often use OTAs to research their car rental, they are now choosing to book directly through the travel company's website for their final reservations. The OTA percentage share of online bookings is around 35% for U.S in 2022. whereas OTA share in Europe is ~32% in 2022.

Tech Usage in Car Rental Industry

The car rental industry has witnessed a significant transformation due to the integration of technology. The impact is seen across various aspects of technology in the car rental industry, including revenue management, price intelligence, demand forecasting, fraud detection, and enhanced customer service and support.

Revenue Management and Maximization

The car rental sector now heavily relies on technology for revenue management, and it's not a one-size-fits-all solution. One remarkable application is dynamic pricing. Here, ML algorithms continuously analyze market dynamics, allowing car rental companies to adjust prices in real-time based on variables like location, vehicle type, and customer demand. This not only keeps their offerings competitive but also maximizes revenue by ensuring that prices are reflective of the product's true value at any given moment.

Car rental companies leverage AI to analyze customer data, identifying patterns in preferences and behaviors. This information is used to offer tailored pricing and promotions that resonate with individual customers. Such a customized approach not only elevates the customer experience but also cultivates brand loyalty, leading to repeat business and sustained revenue growth.

Price Intelligence and Optimization

Price intelligence involves using AI / ML algorithms to meticulously study market data. This information is then employed to adjust pricing strategies. By doing so, car rental companies can ensure their pricing accurately reflects market conditions. This precision is instrumental in providing customers with the most competitive rates while also optimizing the company's profitability. There exists an opportunity for pricing solutions among existing car rental companies globally given that there are limited means for the industry in terms of distribution channels unlike airlines and hotels.

Demand Forecasting

Demand forecasting in the car rental industry is another area that has significantly improved compared to last decade. The advanced models analyze historical data, external factors, and industry trends, they use this information to make precise predictions about future demand. For car rental companies, this is a game-changer. With demand forecasting, they can allocate resources more efficiently, ensuring the right mix of vehicles is available when and where customers need them. This level of planning is not just about optimizing revenue; it's about enhancing the overall customer experience.

Furthermore, demand forecasting has a ripple effect across the business. It informs decisions regarding staffing, ensuring that the right number of employees is available during peak times while minimizing labor costs during slow periods. It also influences decisions about fleet maintenance and investments in new vehicles. By data driven decision making, companies can manage their fleet cost-effectively.

In terms of expansion, demand forecasting is invaluable. By understanding market trends and customer preferences, car rental companies can identify growth opportunities, whether that's opening new locations, forming partnerships, or launching specific marketing initiatives. AI-driven demand forecasting equips car rental companies with insights that help them make strategic investments and navigate a competitive and ever-evolving market.

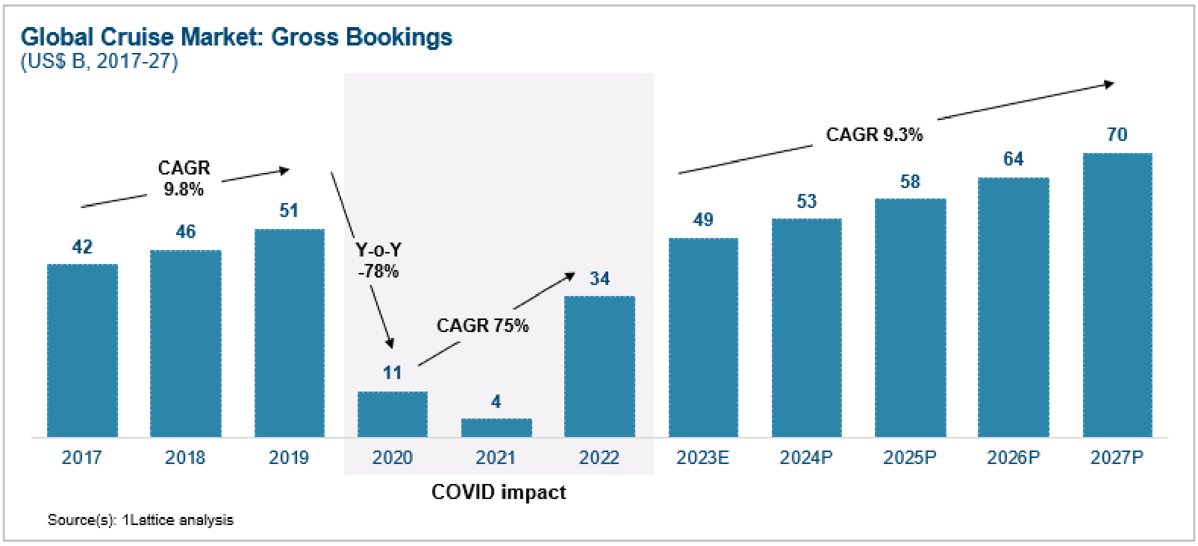
Fraud Detection

Fraud detection is a critical component of revenue management in car rentals. AI-powered models scrutinize vast datasets to identify patterns and behaviors indicative of fraud. This proactive approach not only safeguards companies but also protects their customers from financial loss. In a sector where trust is paramount, AI-driven fraud detection is instrumental in fostering a sense of security and confidence among clients.

The Global Cruise Industry

The global cruise industry revolves around taking passengers on sea journeys to various destinations. It offers diverse vacation experiences, from luxury ocean cruises to adventurous expeditions. The cruise industry continues to evolve by embracing new trends and technologies to cater to a wide range of travelers seeking memorable journeys at sea.

Cruise Industry Overview:



There has been significant growth in the cruise industry due to cruise tourism being the quickest growing segment of the tourism market. From 2017 to 2019, the industry grew at a CAGR of 9.8%. Though the industry showed a remarkable growth from 2020 to 2022, at a CAGR of 75%, which has showcased sharp pre-covid recovery path, it is expected to grow at a CAGR of 9.3% from 2023 and reach US$ 70B by 2027.

Cruise Industry Growth Drivers:

Key factors like robust customer acquisition through effective distribution channels, streamlined revenue management and technological innovations are key drivers of growth in Cruise Industry

Strong Distribution System for Customer Acquisition: Cruise travelers can typically be divided into two groups: those who love cruising and those who have never tried it before. For first timers, picking the right cruise and travel package can be confusing since unlike hotels or flights, cruises have a wide array of choices and options. The cruise industry has a strong pattern of repeat customers, with loyal cruisers returning for multiple voyages. To continue growing beyond repeat business, cruise lines would require attracting new customers. That is why they maintain strong relationships with travel agents, including online travel agencies (OTAs). These agents are well-versed in the intricacies of cruise travel and can help new customers understand the options and decisions involved in planning a cruise vacation.

Efficient Revenue Management: The demand cycle is quite uneven for cruise lines, unlike airlines or hotels. This is because of the abundance of choices and seasonal fluctuations in the industry. While destinations like the Caribbean offer year-round cruises, northern locations like Alaska, Canada, and New England are only available in the summer. The early part of the year sees increased demand. Cruise ships incur substantial fixed costs as a result, efficient revenue management plays a pivotal role in aligning fluctuating demand with supply by adjusting prices to optimize ship utilization.

Technological Interventions: Technological progress in the cruise industry has spurred the development of more efficient and sustainable production methods, driving market expansion. Beyond the evident health advantages of minimizing human contact in the close quarters of a cruise ship, this has also streamlined the passenger experience. Digital check-ins and biometric-based boarding passes, already commonplace in major airlines, have become standard practice in the cruise industry.

Cruise Line Tech Evolution Overview:

The cruise industry is undergoing a profound transformation by embracing digital technologies. Major cruise brands, including MSC Cruises and Royal Caribbean, have allocated substantial budgets to transition into digital-first organizations. These endeavors have not only redefined the booking process and the cruise experience, but also facilitated more personalized marketing efforts, streamlined boarding procedures, and enabled cruise lines to engage with passengers before, during, and after their voyages, capturing real-time feedback.

Pricing and Revenue Management in Cruise Lines

Historically, revenue management has been a well-established practice, primarily led by the airline industry. However, the cruise sector is now recognizing the potential of automated revenue management systems to enhance financial performance. Price sensitivity is a key factor in this evolution. Traditional revenue management practices, rooted in fare differentiation with restrictions like advance purchase or cancellation penalties, face challenges in a price-sensitive environment. Passengers tend to gravitate towards the lowest available fares, causing revenue dilution. To address this, sophisticated models based on price elasticity have been developed. These models predict the likelihood of passengers upselling to higher fares, resulting in optimal allocations that minimize revenue dilution.

Competitor insights have gained importance in modern revenue management. Historically, cruises relied on their own booking data without considering competitor actions. However, the industry now recognizes the influence of competitors on passenger behavior, especially in competitive markets. Access to competitor data and its integration into inventory and customer acquisition decisions has become essential. While manual methods were prevalent, automated processes for monitoring competitor activities and influencing inventory decisions are on the rise. Adjusting inventory levels based on both competitor fares and cruise-specific factors like seasonal loads and customer loyalty is now the norm.

Ancillary revenue makes up 35-40% of cruise ship revenue, thus optimizing ancillary revenue is another critical aspect. Cruise lines have introduced innovative pricing models to generate revenue beyond ticket fares. Modern revenue management systems now incorporate total revenue (ticket fares plus ancillary revenue) into their optimization engines. These models use the combined revenue as the true booking value to determine optimal inventory levels.

Advanced revenue management functionalities, such as customer-centric approaches and real-time decision-making, are becoming prevalent. These innovations ensure the retention of valuable passengers and timely adjustments to revenue controls. The cruise industry's shift towards automated, data-driven revenue management systems reflects a growing awareness of their potential to enhance financial performance and adapt to a price-sensitive environment.

Increased Marketing for Customer Acquisition

Cruise lines are strategically embracing digital channels for customer acquisition. In the era of mobile search and online interactions, establishing a robust digital presence across platforms is imperative. For e.g., mobile search optimization is essential to cater to users searching via smartphones and tablets. With consumers relying more on mobile devices for travel information and bookings, cruise lines must adapt. This transformation redefines how cruise lines engage with potential passengers and enhance their brand appeal.

In the digital landscape, social media has emerged as a potent tool for cruise lines to encourage passengers to share their experiences, becoming influential in word-of-mouth marketing. User-generated content on social platforms extends their reach, attracting new passengers. Customer reviews play a significant role, with potential passengers turning to online testimonials. Cruise lines must actively manage their online reputations, leveraging positive reviews to attract customers and addressing negative feedback for improvement. In addition, the use of automated systems to track competitor activity provides valuable insights into customer acquisition. Real-time competitive intelligence is now indispensable in the dynamic cruise industry. Social media monitoring tools allow cruise lines to harness the passion of their loyal cruisers and attract new segments to the joys of cruising.

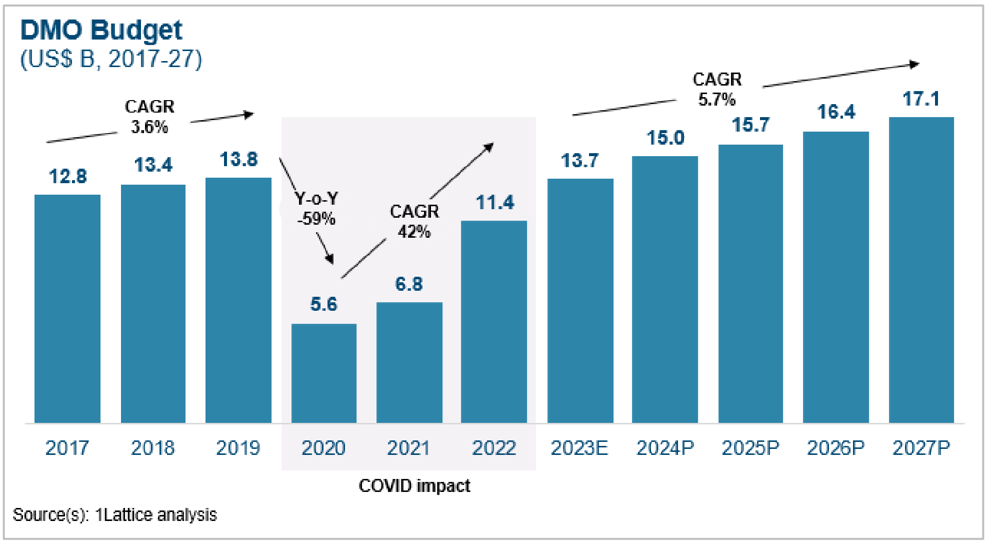
In summary, the shift to digital channels is pivotal for cruise lines. Embracing mobile search, managing online reputations, using automated competitive insight systems, and harnessing social media contribute to a strategy that boosts customer acquisition in the competitive cruise industry.

Consumer Management by Cruise Lines

The management of customers by cruise lines has evolved with the adoption of digital technologies. Customer relationship management (CRM) systems are employed to track and manage customer interactions. These systems provide invaluable data to personalize marketing messages and enhance the overall customer experience. Cruise lines are also introducing loyalty programs to reward customers, increasing passenger retention and satisfaction. Feedback management systems are instrumental in collecting and analyzing customer feedback, leading to improvements in the passenger experience.

Destination Marketing Organization

Destination Marketing Organization (DMO) is a fundamental entity for promoting a specific place or destination as an attractive location for visitors. DMOs play a vital role in the tourism industry by showcasing the unique features, culture, and offerings of a destination to attract tourists and travelers. These organizations employ various marketing strategies to effectively reach potential visitors, share information about local attractions, events, accommodations, and encourage them to explore and experience what the destination has to offer.



In 2019, the budget allocated to DMOs was US$ 13.8B which plummeted to US$ 5.6B in 2020 due to the pandemic. Since then, the budget has increased with a significant CAGR of 42% to US$ 11.4B in 2022, which showcases quick recovery from COVID-19 impact. The budget is projected to surpass the pre-pandemic levels by 2024 and is expected to grow at a CAGR of 5.7% from 2023 to 2027,

DMOs engage in various efforts to encourage and support sustainable travel practices, including:

- Informing visitors about the attractions and offerings of the destination
- Advertising through targeted campaigns
- Partnering with other organizations to address sustainability concerns and achieve common objectives.

The shift in DMOs is noticeable, moving beyond traditional marketing and promotional roles. Now, they focus on strategic planning, coordinating different activities, and managing things effectively. This includes bringing together various groups working towards a common goal in a destination. Places that don't have such an organized setup are realizing its importance and are considering creating a DMO to guide and unify their efforts.

Destination Management Organizations (DMOs) are proactively tackling various challenges in the travel industry. A fundamental issue they address is promoting sustainable tourism. DMOs play a crucial role in educating both tourists and businesses on responsible travel practices to mitigate environmental impacts. Additionally, engaging with local communities is a priority for DMOs, allowing them to address concerns linked to over-tourism, cultural preservation, and the equitable distribution of tourism benefits. These organizations also focus on enhancing the skills and knowledge of industry stakeholders through training programs, contributing to better service quality and improved overall customer experiences. Collaboration is a key approach, as DMOs form partnerships with local entities and government bodies to create a more integrated and efficient approach to overcoming industry challenges.

Embracing technology is another area of focus, with DMOs incorporating innovations such as virtual reality, augmented reality, and AI-powered chatbots to enhance visitor engagement. Moreover, they employ creative marketing strategies to attract diverse tourists, showcasing unique experiences and adventure tourism. Leveraging data analytics is vital for DMOs to understand traveler behavior, preferences, and trends, enabling them to tailor marketing strategies and allocate resources optimally.

Destination Marketing Organizations (DMOs) require precise and thorough insights derived from rigorous analysis. Artificial Intelligence (AI) and AI-assisted solutions offer a better way to gather detailed industry insights.

These DMOs have a big task—to attract more visitors to their cities. This means bringing in new businesses, improving infrastructure, and identifying promising new markets. Access to comprehensive statistical data is crucial to plan effective marketing campaigns and review existing strategies for optimal outcomes.

Additionally, DMOs collaborate with various stakeholders such as car rentals, hotels, airlines, and municipal corporations to enhance tourist attractions and ensure seamless event implementation, transportation, and program logistics, ultimately maximizing city footfall.

RateGain leverages Adara to offer a centralized source to comprehend what customers intend to do, target them effectively, encourage their actions, provides insights on travelers' behavior, and traveler profiles, aiding DMOs and DMCs in planning effective acquisition campaigns.

Advancement of Technology Enablement in Travel Industry

Big Waves of Change in Technology are Coming Ashore for Travel

Technological innovation impacts both the travel and hospitality sectors, but they differ in their core offerings. Transportation modes like planes, trains, and automobiles serve as connections between destinations, emphasizing efficiency. Despite challenges, the travel industry prioritized digital transformation in 2021, recognizing the advantages it brings, especially during the pandemic. A Skift report in 2020 highlighted that 43% of surveyed travel brands considered advancing digital transformation efforts even more crucial than before.

According to a study conducted by Gartner, in 2022, traditional offerings were to make up 58.7% of the addressable revenue. However, traditional markets will not grow as much as the cloud market. The need for seamless integration abilities, flexible work methods, and adaptable setups will push more towards using cloud services.

COVID has accelerated the digitization of customer interaction by several years

The COVID pandemic rapidly pushed businesses to embrace technology. McKinsey notes that this transformation is now permanent, with technology becoming a fundamental tool in various industries. Increased spending on improving digital infrastructure, cloud applications, and bandwidth has been witnessed. Technology already plays a crucial role in bookings, research, and recommendations to customers and generating higher occupancy and revenue for suppliers.

Hospitality Industry Trends and Issues

The hospitality sector is extremely competitive, making it essential to keep up with the latest hospitality technology trends. Technology can help businesses streamline their processes, reduce costs, lower staff workloads, increase revenue generation potential, and improve customer experience delivery. *Examples* Revenue management tools help optimize the price on every day basis depending on demand forecasted, existing inventory and real-time competitor prices to arrive at a higher yield to the companies.

Using the latest technology may improve the accuracy of work to a level that would be difficult for human staff to achieve on their own. Technology solutions can also make work more manageable and may make it easier to live up to the increasingly high expectations that today's customers have.

According to a recent study by Deloitte named "The changing guest experience," hotels are heavily investing in technologies to improve guest engagement and personalization in terms of CRS and PMSs systems. To successfully address issues and accommodate unique requests, CRS ability to combines guest data from reservations, reward programs, and previous stays with external data from reviews and social media interactions will help hotels achieve high customer experience.

Hotel System Interfacing & Integration

Traditionally, hotel systems operated in isolation, despite often serving the same guest and holding redundant data. It took a long time for these systems to connect and share details, like transferring restaurant charges to a guest's hotel bill or updating reservations across different systems. The Property Management System (PMS) in hotels is crucial for this integration, helping with guest verification and room information.

Another significant progress is made by the Hospitality Technology Next Generation (HTNG), a worldwide nonprofit group that helps hotel companies and tech providers. HTNG's main goal is to bring together technology experts in the hotel industry to tackle common problems and create more business opportunities globally.

Hotels use guest relationship management software to provide various information, which should be connected to improve data collection for better service and guest satisfaction. Traditional tools face challenges such as security concerns, lack of standardization, and not having enough IT support staff make it hard to fully integrate hotel systems thus making SaaS based tool optimal for transforming business.

Revenue Management and Revenue Management systems

A Revenue Management System (RMS) is a software solution that streamlines these tasks - utilizing hotel and market data to inform pricing decisions in real-time. A good RMS centralizes crucial revenue management decisions through a single dashboard, offering efficiency and effectiveness. RMS helps make smarter decisions using data, improving how they operate and make money. Utilizing a Revenue Management System simplifies the process of price adjustments across multiple distribution channels, eliminating the need to access each system separately. Thus, improves important metrics like RevPAR, which boosts the hotel's financial performance and overall profit.

Analytics, Business Intelligence and Data Science

Hotel managers benefit from constantly tracking and analyzing their operations using operational analytics. These tools can also compare their hotel's performance with competitors, predict how customers behave during different times of the year, monitor brand mentions and reviews on social media through feedback analysis, and understand why some website bookings were not completed.

Additionally, AI and data science-based tools offer hotels to assess and improve their performance. They use operational analytics to distribute resources more efficiently, save energy, improve revenue management strategies, and make staff tasks easier using smart virtual assistants.

Data Segregation and Data Security

In the hospitality industry, electronic payment methods, particularly credit cards, are extensively used for bookings and payments. However, cybercriminals often exploit this dependency to hack into point-of-sale (POS) systems and steal card details. Hospitality companies are particularly vulnerable due to their vast databases and sometimes weak security measures. Major players in the industry like Marriott, Best Western, and Choice Hotels have been victims of significant data breaches. To mitigate risks, financial losses, potential fines, and damage to reputation, it's crucial for hospitality businesses to make cybersecurity a top priority, especially considering the increasing global adoption of data protection regulations like GDPR.

Key data protection measures for hospitality companies comprise: -

- Employ consistent encryption for payment card data.
- Maintain ongoing cybersecurity training programs for a skilled workforce.
- Comply diligently with applicable regulations, including PCI DSS.
- Implement cybersecurity tools like firewalls, network monitoring, anti-malware, and traffic filtering to thwart common threats.
- Perform cybersecurity tests simulating actual hacker behaviour.
- Ensure data awareness and enforce the principle of least privileges to restrict access to sensitive information.

Replacement of On-premises Systems with Cloud-based Systems

Between the 1970s and 2010s, hotels used limited on-premises solutions for operations. These systems didn't adapt well to changing needs, like online room sales. Since 2010, cloud-based Hotel Property Management Systems (PMS) have transformed hotel operations. Cloud based tools are now vital for a hotel's success, offering enhanced security compared to traditional on-premises systems. Cloud PMS seamlessly integrates with online booking platforms, boosting bookings and providing real-time access to inventory and rates for the sales team. It also allows specialized interfaces for travel agents and corporate clients, increasing reservations from these important sources.

Anywhere, Anytime System Access

Hotel owners and managers have long wanted to access their hotel computer systems even outside their regular work hours. With tools like FX Pulse or FX Front Desk, which integrate applications, hoteliers can effectively keep track of crucial information about their hotels. This includes assessing vital success factors and comparing key indicators, no matter where they are. This means that hotel managers / owners can stay connected and informed without having to be physically present at the hotel. Moreover, hotel owners can easily view daily reports for multiple hotels or portfolios. They can check important metrics like occupancy rates, average daily rates, revenue per available room, as well as profit and loss statements.

The hospitality industry and its systems are continually changing to adapt to evolving guest expectations and advancements in technology. There is a continuous effort to innovate and respond to changing business landscapes, data security challenges, and technological advancements.

Guest Experience Promise & Delivery

In the travel and tourism industry, providing an exceptional guest experience is crucial for building brand loyalty, attracting repeat business, and gaining positive word-of-mouth recommendations. Businesses must commit to their clients in order to compete in this market by establishing clear expectations and then working diligently to ensure that those expectations are not only met but exceeded. This commitment includes a variety of things, such as providing top-notch client service, personalized itineraries, secure and comfortable hotels, and unforgettable experiences. But making bold claims isn't enough; it also needs to follow through on your commitments. The travel and tourism sector must make an investment in delivering on its commitment to providing a positive guest experience, whether that be through cutting-edge technology, well-trained personnel, or collaborations with neighborhood organizations. In doing so, they can distinguish themselves in a market where a customer's experience is the ultimate currency and develop trust, loyalty, and long-lasting memories for tourists.

Global Systems from Global Vendors

Global Systems in the hotel industry are advanced technology packages from big international companies. These packages include tools to manage bookings, reservations, billing, and guest relations, making hotel work smoother. They use modern tech like cloud computing and AI. These systems are reliable, adaptable, and secure. Moving to cloud-based versions can be a bit tricky initially due to differences in internet access and rules about data privacy. Companies making these technologies have good opportunities but also face some challenges in this ever-changing cloud-based setup.

Heightened Focus on System Usability

The first hotel computer systems were created by developers, focusing more on function than design. Recent advancements in design techniques for hotel systems aim to make them more user-friendly and intuitive, resembling modern apps. Moving towards cloud-based systems has also significantly improved usability and is seen as a key differentiator for hotels.

Total Addressable Market for Global Travel Technology

The global travel technology industry has been steadily growing as the travel sector embraces digital solutions to improve the overall travel experience and makes processes more efficient. These solutions leverage advanced technologies like AI, machine learning, and data analytics to automate processes and enhance customer experience, playing a vital role in today's age of travel.

RateGain is a leading global provider of Software as a Servcice ("**SaaS**") solutions in the hospitality and travel industry with a focus to help its customers to increase their revenue. RateGain is a leading software company specializing in providing valuable business intelligence, distribution and marketing solutions to the hospitality and travel industry. One of the key strengths of RateGain is its dedication to supporting commercial teams within hotels and travel companies. They offer tools and strategies that help these teams optimize their approach at every stage of a guest's journey, ranging from pre-booking interactions to post-stay engagements.

The strategic move of acquiring DHISCO (global provider of connectivity and distribution solutions to 100K+ hotels) improved RateGain's competitive edge, facilitated integration of advanced technologies, and amplified its global presence. The acquisition of companies like BCV Social, MHS and Adara expanded their capabilities into MarTech and travel intent measurement, respectively. This diversification allows RateGain to cater to a broader range of needs within the hospitality and travel industry.

Deloitte regularly releases a series of reports called CIO Insights, analyzing different aspects of technology on a global scale. According to Deloitte Global Technology Leadership Study 2023, travel, media, and hospitality businesses spent, on average, 5.2% of revenue of technology in 2023 as compared to 3.9% in 2020. As a result, total technology spend across all listed supplier types is US$68.6B in 2022 and estimated to reach US$ 103.6B by 2027. In a survey by Phocuswright about technology spending, participants with larger budgets reported allocating an average of 29% of their funds to third-party technology.

After excluding hardware costs based on a 2022 study by Spiceworks, which indicated that hardware constituted 30% of technology budgets, the total addressable market (TAM) was calculated for third-party technology in the travel industry, amounting to $13.9B in 2022 and is expected to grow to US$ 21.0B by 2027, growing at a CAGR of 8.6% between 2022 and 2027.

TAM – Technology third party spend excluding hardware, US$ B

Gross revenue by segment	2022	2023E	2024P	2025P	2026P	2027P
Hotel	552	580	611	642	676	711
Airlines	518	709	804	830	857	885
OTA	46	54	60	63	68	75
Vacation Rental	81	94	101	108	116	124
Cruise	34	49	53	58	64	70
Car Rental	82	99	104	109	115	121
Total revenue	**1,313**	**1,586**	**1,733**	**1,812**	**1,895**	**1,984**
Technology spend @ 5.22%	68.6	82.8	9.05	94.6	98.9	103.6
3rd party spend @ 29%	19.9	24.0	26.2	27.4	28.7	30.0
TAM – Technology third party spend excluding hardware @ 30%	**13.9**	**16.8**	**18.4**	**19.2**	**20.1**	**21.0**

Source(s): Hotel (1Lattice analysis), Airlines (IATA, 1Lattice analysis), OTA (1Lattice analysis), Vacation Rental (Statista, 1Lattice analysis), Cruise (1Lattice analysis) and Car Rental (Statista, 1Lattice analysis)

Marketing expenditure of US$ 26.3 billion in 2022 across travel categories including hotels, airlines, OTAs, vacation rentals, cruises and car rentals, this expenditure is expected to grow to US$39.7B by 2027. In 2022, Destination Management Organizations (DMOs) received a budget of US$ 11.4B from a mix of public and private sources. DMO budget is estimated to be US$ 17.1B by 2027. Out of the total budget, DMOs allocated US$ 2.3B for marketing, it is anticipated that total marketing expenses will increase to US$3.5B by 2027.

Marketing TAM, US$ B

	2022	2023E	2024P	2025P	2026P	2027P
Total revenue (Includes Hotels, Airlines, OTA, Vacation Rental, Cruise and Car Rental)	1,313	1,586	1,733	1,812	1,895	1,984
Marketing spend across travel categories @ 2% - (A)	26.3	31.7	34.7	36.2	37.9	39.7
DMO budget	11.4	13.7	15.0	15.7	16.4	17.1
Marketing expenses from DMO budget @ 20% - (B)	2.3	2.8	3.0	3.2	3.3	3.5
Total Marketing spend (A+B)	29.3	35.4	38.7	40.4	42.2	44.2
Total marketing TAM - online spend @ 50% of total marketing spend	**14.3**	**17.2**	**18.9**	**19.7**	**20.6**	**21.6**

Source(s): 1Lattice analysis

Consequently, the total online based marketing TAM is determined by combining the online marketing expenditures from all travel categories and the marketing budget of DMOs which amounted to US$ 14.3B in 2022 and estimated to reach US$ 21.6B by 2027.

When adding third-party technology expenditures (excluding hardware) and total marketing TAM, the total TAM amounted to US$ 28.2B in 2022, and this figure is expected to reach US$ 42.6B by 2027 growing at CAGR of 8.6% over 2022-2027.

Total TAM, US$ B						
	2022	2023E	2024P	2025P	2026P	2027P
Technology third party spend excluding hardware	13.9	16.8	18.4	19.2	20.1	21.0
Marketing TAM	14.3	17.2	18.9	19.7	20.6	21.6
Total TAM	**28.2**	**34.0**	**37.2**	**38.9**	**40.7**	**42.6**

Source(s): 1Lattice analysis

Technology innovation is crucial for the growth of the travel industry. Advanced booking platforms, virtual tours, and personalized recommendations improve the travel experience. Travel technology's rate of progress was slow for the past 25 years, but it has significantly picked up speed in the last decade, with new and inventive companies driving everyone to create better applications more quickly. In general, software capabilities have improved a lot, and now there's tough competition in many parts of the travel industry.

Serviceable Addressable Market for RateGain Products

To calculate the SAM for RateGain products, we are estimating the total market available for products and services provided by RateGain. This has been done by calculating the number of potential customers who can be using RateGain's products and can afford them. We are then multiplying the number of potential customers with RateGain's current ACV for each customer type. To project SAM for future years, we have used the same Y-o-Y growth rates observed from the TAM.

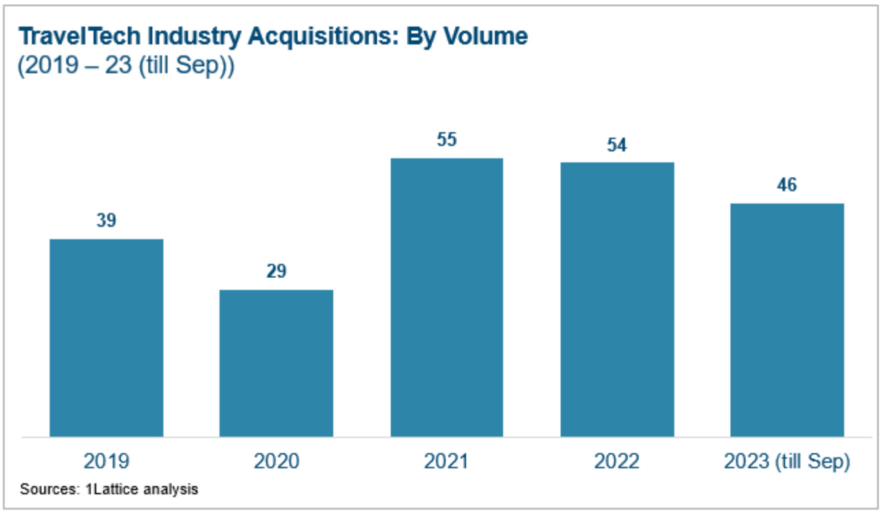
Global SAM estimates, US$ M						
	2022	2023E	2024P	2025P	2026P	2027P
Distribution	895	1,080	1,180	1,234	1,290	1,351
DaaS	613	740	809	845	884	926
MarTech	5,057	6,105	6,673	6,976	7,294	7,640
Total SAM	6,564	7,924	8,662	9,055	9,469	9,918

Source(s): 1Lattice analysis

Distribution SAM is US$ 0. 9B in 2022 and estimated to be ~US$ 1.4B in 2027. DaaS SAM is estimated to be ~US$ 0.9B in 2027. MarTech SAM estimated to be ~US$ 7.6B in 2027. The total SAM is US$ 6.6B in 2022 and expected to be US$ 9.9B in 2027 growing at CAGR of ~8.6% CAGR over 2022-2027.

Consolidation in TravelTech industry

Market consolidation has become the new trend in the TravelTech industry. As the industry is recovering from the harsh impacts of COVID, increasing inclination towards digitization through AI and tech has become a driving factor for growth. Prominent corporations seeking to acquire or merge with other tech companies to create their proprietary software represent a strategic initiative geared towards broadening their tech proficiency, elevating customer satisfaction, and streamlining operational effectiveness.



Consolidation in the TravelTech industry has increased in recent years, as the volume of acquisitions grew at a CAGR of 11% from 2019 to 2022. This growth is driven by various factors, one significant factor being companies seeking to gain a competitive edge by acquiring innovative startups with unique technologies or customer bases. Global reach is also an important factor as acquisitions allow companies to quickly establish a global presence through regional players.

Leading Deals in TravelTech Industry

Company name	Acquired by	Date of Acquisition	Acquisition price (US$ M)
INFARE	OAG	Jul 28, 2023	500
ibssoftware	Apax	May 15, 2023	450
EVERYMUNDO	PROS	Nov 30, 2021	80

Sources: 1Lattice analysis

The leading deals in 2023 are Infare and IBS software, with acquisition cost of >US$ 450M. Over the last few years some of the notable acquired companies include Alice, Peakwork, Transparent, DigitalHotelier etc.

Other notable companies in TravelTech Industry

PEAKWORK, Transparent, DigitalHotelier, AIRDNA, kambr, GuestJoy, yieldPlanet, AVVIO, WebHotelier, tambourine, W, upstay, ALICE, PACE REVENUE, Ads HOTEL

Sources: 1Lattice analysis

In conclusion, the consolidation of TravelTech industry, reflects a strategic response to the rapidly evolving landscape of the travel and technology sectors. By acquisition of business, companies can stay competitive, by expanding their service offerings or geographical presence and offering seamless customer-centric experiences in an increasingly digital world.

Travel Technology Competitive Landscape

RateGain Technologies (RG) operates as a travel SaaS (Software as a Service) company having a diverse client base encompasses a wide range of travel and hospitality solutions across the spectrum of verticals: hotels, airlines, OTAs, destination management organizations, vacation rentals, package providers, car rentals, travel management companies, cruises and ferries. RateGain offer an extensive range of solutions divided into three main categories:

1. DaaS, where their primary offering is Pricing Analytics
2. Distribution, with a focus on Distribution Channel Management and
3. MarTech includes paid digital marketing, traveler insights, social monitoring

Most of their offerings were recognized and awarded by the Hotel Tech Report including Rate Shopping/Marketing Intelligence (Rank 3/34), Channel Managers (Rank 3/102) and Parity Management (Rank 4/9). Additionally, BCV ranks first in the social media category in the report (Rank 1/19).

Working with Top 23 of 30 Hotel Chains, Top 25 of 30 Online Travel Agents, most of the leading car rental companies, several of the world's fastest growing airlines, all large cruise lines, most of the largest travel management companies, including 8 Global Fortune 500 companies, RateGain is the only platform that enables companies to enhance guest experiences at every stage of their journey. SaaSBOOMi awarded RateGain the title of "SaaS Startup of the Year" in March 2023. The 'Smart Distribution' solution by RateGain has been recognized by the United Nations World Tourism Organization (UNWTO) as a valuable solution contributing to the industry's "Healing for Prosperity" initiative.

RateGain's achievements are a result of its skill in effectively using large amounts of data. This is made easy through smooth connections with major Central Reservation Systems (CRSs), Property Management Systems (PMSs), and many distribution channels. This ability gives them a strong competitive position in the industry. RateGain's DHISCO distribution platform handles a significant number of electronic hotel transactions, making it one of the biggest in this field. RateGain's distribution platform is one of the world's largest processors of online hotel transactions data, delivering advanced and affordable connectivity and distribution solutions to hotels worldwide. Additionally, it is one of the few travel technology companies to provide end to end support from Data & Decision through distribution and marketing technology. RateGain is one of the world's largest aggregators and processors of travel pricing data for the hospitality and travel industry. RateGain is considered unique for their specific breadth of supplier coverage and functional coverage, RateGain's ability to gather and leverage vast amounts of travel data for AI models, and its ability to use data to create actionable business intelligence for their customers.

Notably, in 2019, RateGain made a significant move into MarTech by acquiring BCV Social, which helped in diversifying its offerings. BCV is a Chicago-based social media management and strategy company focused primarily on the hotel industry. The agreement enabled RateGain to present its clients with a complete cloud platform for a great guest experience, through various digital tools meant to boost direct sales, enhance guest interactions, and reduce negative experiences. This acquisition enabled RG to introduce a more flexible model that integrated revenue management, sales, and marketing. This integration broke down the conventional barriers, providing a remarkable level of visibility and control.

This acquisition enabled RateGain to boost revenue potential in various sectors including hotel chains, airlines, car rentals, OTAs, cruise lines, package providers, TMCs, and vacation rentals. The Guest Experience Cloud platform merges BCV's strengths in social media analysis, creative strategies, and engagement with RateGain's AI-powered revenue management and smart distribution solutions. It's a powerful combination that will significantly benefit the company across these industries.

In 2021, RateGain acquired myhotelshop which was recognized for its expertise in providing hotels with direct-channel solutions and boosting direct bookings. This acquisition was a significant step towards enhancing RateGain's capabilities in the area of direct-channel strategy and technology. It allowed RateGain to offer a more comprehensive suite of services to its customers, by integrating myhotelshop 's technology and expertise into its portfolio, RateGain empowered hotels to optimize their online presence, increase direct bookings, and ultimately enhance revenue. This move further solidified RateGain's position as one of the key leaders in providing innovative and effective solutions to the global travel and hospitality industry.

In 2023, RateGain Travel Technologies Limited also entered into an acquisition with Adara inc. under an asset purchase agreement. Adara is a trusted ally for collecting, organizing data, and providing predictive intelligence services. They assist major travel and hospitality companies in excelling in the modern digital era by providing insights that help engage customers effectively. One thing that sets Adara apart is its ability to access authorized data on what travelers intend to do from the biggest names in travel and hospitality.

The acquisition of Adara will also make RateGain stronger and more united across the business departments of major hotel chains, airlines, and car rental companies. These businesses already collaborate with both Adara and RateGain. Additionally, it will grant access to a niche group of over 50 Destination Marketing Organizations in the United States. By coming together, Adara and RateGain have the capability of creating a comprehensive platform that understands travel intentions and this platform will process over 200 billion Average Rate Index (ARI) updates and manage a vast number of data points, benefiting from partnerships across the globe, thus making RateGain one of the world's most comprehensive travel-intent data. It offers the industry a centralized source to comprehend what customers intend to do, target them effectively, and encourage their actions.

RateGain's extensive industry experience and insights enable them to identify suitable targets and effectively evaluate and execute potential opportunities. The fragmented nature of the hospitality and travel technology industry coupled with current evolving macro-economic environment with high interest rates presents significant inorganic growth opportunities.

Continuing their path of growth, RateGain Travel Technologies has collaborated with Akasa Air, a newly established airline, to collect real-time data on air travel. This data will prove instrumental in aiding the airline's efforts to establish dynamic fare structures. RateGain's AI-driven platform, AirGain, empowers the airline's revenue and pricing teams with precise market intelligence, enabling them to develop a competitive pricing strategy, as recently highlighted in a press release.

Lastly and most importantly, RateGain anticipated that technology and artificial intelligence (AI) will play a central role in shaping the future of travel planning, especially when the industry confronted a shortage of workforce in the hospitality industry. Rate Gain saw this as a strategic opportunity. Despite the challenges posed by the pandemic, hotels and airlines worldwide have displayed remarkable recoveries, surpassing their pre-COVID performance levels. Nevertheless, the industry confronts a new reality where traditional talent recruitment approaches may no longer yield the desired outcomes.

In the below tables, we have looked at the RateGain competitors across the 3 key product categories. RateGain is distinct compared to other competitors due to its multiple product offerings and catering to customers' multiple use-case. and at the same time leverage vast data collected across the products leading to superior business intelligence decisions and thus leading to superior customer experience. RateGain competes with TravelClick, OTAinsight and Fornova in the hotels segment, while RateGain compete with InFare in the airline segment. In the car rental segment, the primary competitor is RateHighway. While in OTA segment compete with Fornova. RateGain's distribution products DHISCO and RezGain, competes with Siteminder, Derbysoft and TravelClick, all focused on the hotels segment.

DaaS-

Parameters	Ota Insight	Fornova	Rate Highway	Infare
Product / Offerings	• Market insight • Rate insight • Parity insight • Revenue insight • New benchmark insight • Independent hotel pricing	• Competitive and distribution intelligence • e-commerce optimizer • Revenue intelligence and operational analytics • Hotel Listing	• Collection (Rate Searches/ Report) • Comparison (Rate Alerts, Rules, & Enhanced Intelligence) • Correction (Rate Management/Update) • Rate index	• Airline PPS • Pharos • Channel Monitor • Retailer PPS • Vacation • Market trends • Customer portal

Parameters	Ota Insight	Fornova	Rate Highway	Infare
		• Mobility intelligence • Online travel agency		• Pricing & Revenue Management • Distributio n & Retail • Intelligenc e & Analytics
Verticals	• Single • Multiple Property	• Hotel Groups • OTAs • Car rentals • Booking sites	• Car rentals	• Airlines • Tour operators / agencies
Clients	60,000	20,000	Unknown	Over 250 airlines worldwide
Revenue	US$ 31.4M in 2021	N/A	N/A	N/A
Funding (till date)	US$ 103.0M	US$ 26.0M	Unfunded	Acquired by OAG
#Employees	201-500	200+	11-50	51-200
HQ (country)	United Kingdom	United Kingdom	United States	Denmark
Founded Year	2012	2010	2003	2000

Distribution-

Param eters	SiteMinder	TravelClick	DerbySoft	Staah
Produc t / Offeri ngs	• Channel manager • Hotel apps • Property management system • Hotel expert partners • Global distribution system • Hotel metasearch • Hotel payment processing • Guest engagement • Business Insights	• Media solutions • Reservations and booking engine Guest management. • Emerging solutions • Property management • Guest management solutions • Business intelligence Sales and catering • Service optimization	• Conn ectivity services • Prop erty connector • Mark eting services • WeC hat Mini program provider • Cont ent suite	• Cha nnel manager • Glo bal Distribut ion System • Bo oking engine • Inst ant website • Rev iewmind er
Vertica ls	• Hotels	• Hotels • Travel sellers & providers • Events and groups • Destinations	Hotels	• Hot els
Clients	40,000	52,000	227,000	18,000
Reven ue	US$ 98.6M in FY23	N/A	N/A	N/A

Funding (till date)	US$ 178.5M pre-IPO funding, ~US$ 480.0M raised at time of IPO and market capitalization as of 3rd Nov 2023 is ~US$770.0M	(Acquired by Amadeus)	US$ 30.5M	Unfunded
#Employees	501-1,000	1,000+	201-500	201-500
HQ (country)	Australia	United States	USA	New Zealand
Founded Year	2006	1999	2002	2008

MarTech –

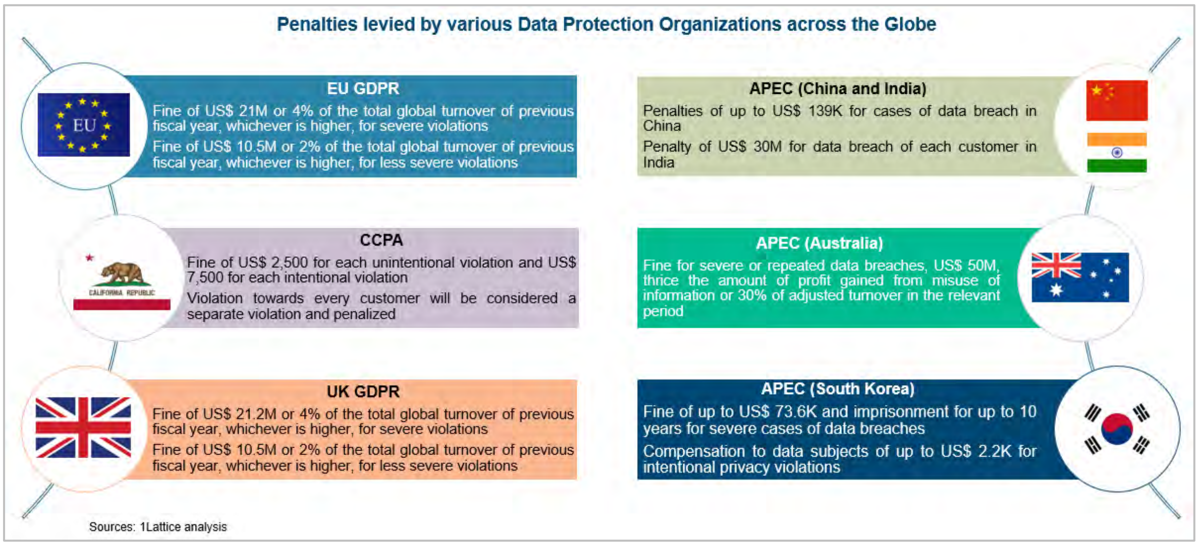
Parameters	Triptease	Sojern	Koddi	Journera
Product / Offerings	• Digital marketing platform • Paid search • Metasearch • On site messages • Chat • Display retargeting •	• Marketing platform • Intelligent Audiences • Multichannel Activation • Optimization • Guest Experience Solutions	• Commerce media • Koddi Ads • Precise Marketing Control • Intelligent Media Management at Scale	• OmniChannel approach • Opportunity engine • Traveler attribute suite • Managed services • Tap into first data
Verticals	• Hotels	• Hotels • Airlines • DMOs • Tourist attractions	• Hotels • OTAs • Car rentals	• Airlines • Hotels • Ground Transportation, tourism • Other travel services
Clients	2,865	1,000	N/A	N/A
Revenue	US$ 21.0M in 2021	N/A	N/A	N/A
Funding (till date)	US$ 25.0M	US$ 172.3M	Unfunded	US$ 36.0M
#Employees	51-200	500+	201+	11-50
HQ (country)	United Kingdom	United States	United States	United States
Founded Year	2012	2007	2013	2016

	RateGain	OTA insight	Fornova	TravelClick	SiteMinder	DerbySoft
Daas	✓	✓	✓	✓	✓	
Distribution	✓			✓	✓	✓
MarTech	✓					

GDPR, CCPA and Other Privacy Acts' Impact on the Travel Industry

In our contemporary world, safeguarding data has become imperative, given the prevalence of cybercrimes. As technology continues to advance and data sharing becomes more pervasive on a global scale, data protection regulations have emerged as a fundamental requirement for companies handling this valuable information. To enforce compliance with these regulations and safeguard individuals' privacy, governments and governing bodies worldwide have introduced a slew of privacy laws and regulations.

Among these, the EU General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), UK GDPR, Asia-Pacific Economic Cooperation (APEC) Privacy Framework, and others have taken center stage. These privacy laws are designed to ensure that organizations handling personal data adhere to a set of fundamental principles like transparency, consent, security, and accountability that govern data protection. Failure to adhere to these regulations can result in severe penalization for the companies.



Data protection laws have had a significant impact on the travel industry, reshaping how companies in this sector handle and manage customer data. They are required to implement encryption, access controls, and other safeguards to protect customer information from data breaches and cyberattacks. Customers must give explicit consent for their data to be used for specific purposes, such as booking flights, hotels, or tours. This transparency builds trust with travelers and ensures that companies only use data for legitimate purposes. Data protection laws also grant customers the right to access their personal data held by travel companies and request its deletion.

As data privacy regulations continue to evolve globally, the travel industry may increasingly turn to third-party solutions for regulatory compliance as these firms can help ensure that a travel company meets these obligations and avoids legal and financial penalties. Third-party providers can offer scalable solutions that can be adjusted to meet changing demands as travel companies may face fluctuations in their data security needs, especially during peak travel seasons or when launching new services. Also, travel companies have a primary focus on providing travel services, such as booking flights, hotels, and tours. Managing cybersecurity in-house can be a distraction from their core business activities. By outsourcing security to third parties, they can concentrate on what they do best while leaving the security aspects to experts.

In the near future, with the development of more acts like GDPR, CCPA, travel companies are going to be highly dependent on third-party solutions such as specialized software vendors, who have a vested interest in developing and offering compliance tools to a wide range of businesses, making it more efficient and cost-effective for travel companies to meet their regulatory obligations while focusing on their primary services and customer needs.

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BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 15 for a discussion of the risks and uncertainties related to those statements and also "**Risk Factors**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 45, 259 and 88, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Global Travel and Tourism Industry Report" dated November 6, 2023 (the "**1Lattice Report**"), exclusively prepared and issued by Lattice Technologies Private Limited who were appointed on September 23, 2023, and commissioned by and paid for by us in connection with the Issue. Also see, "**Presentation of Financial Information and Other Conventions**" on page 12.*

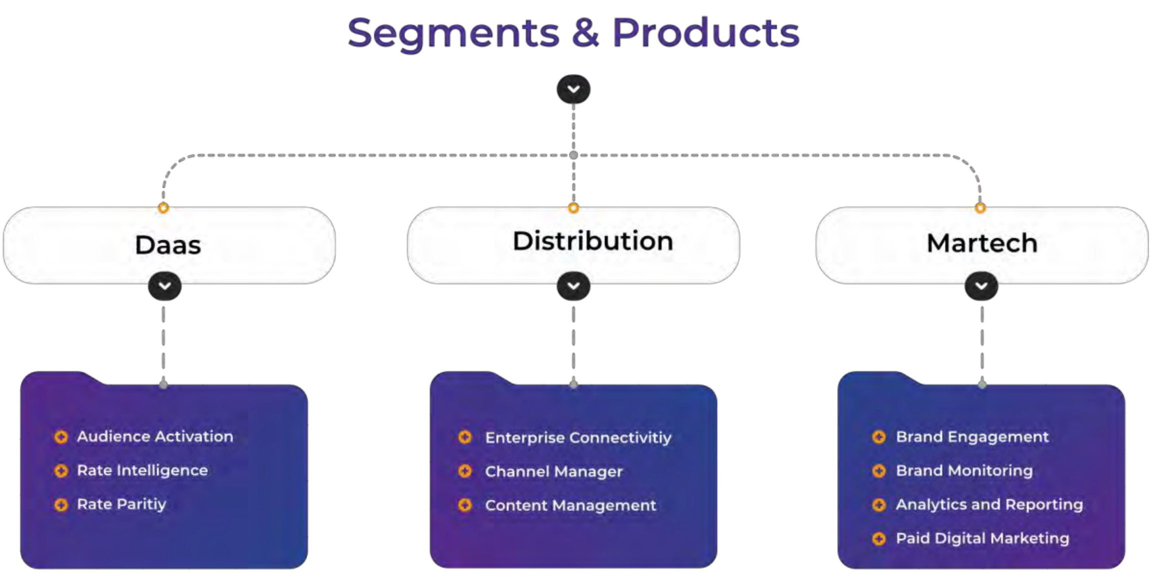
Mission

Our mission is to be the leading revenue maximization platform for the hospitality and travel industry. We offer an integrated technology platform powered by artificial intelligence enabling our customers to increase their revenue through customer acquisition, retention and wallet share expansion.

Overview

We are a leading global provider of Software as a Service ("**SaaS**") solutions in the hospitality and travel industry with a focus to help our customers to increase their revenue. We offer travel and hospitality solutions across a wide spectrum of verticals including hotels, airlines, online travel agents ("**OTAs**"), destination management organisations, vacation rentals, package providers, car rentals, travel management companies, cruises and ferries. We are one of the world's largest processors of online hotel transactions data (delivering advanced and affordable connectivity and distribution solutions to hotels worldwide). We are also one of the world's largest aggregators and processors of travel pricing data for the hospitality and travel industry and have one of the world's most comprehensive travel intent data. (*Source: 1Lattice Report*)

We offer a suite of inter-connected products that manage the revenue creation value chain for our customers by leveraging our big-data capabilities and integration with other technology platforms helping hospitality and travel providers acquire more guests, retain them via personalized guest experiences and seek to maximize their margins. Through our products, we provide AI-powered solutions to our customers to optimize revenue in real-time across each step in a traveller's journey and drive guest acquisition, retention, and wallet share expansion.

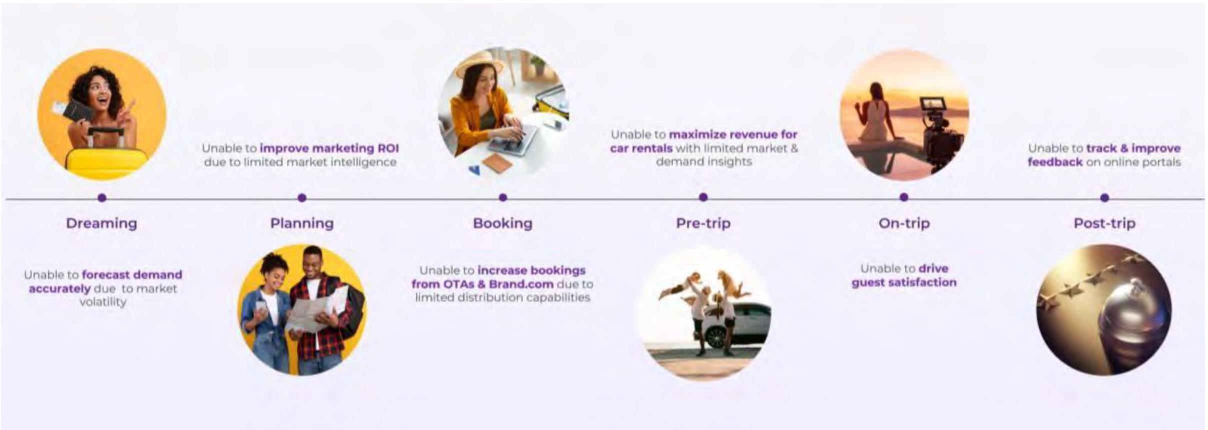


We began operations in 2004 with the introduction of a competitive intelligence price comparison product for hotels and have over the last 15 years, expanded our product portfolio to include artificial intelligence and machine learning capabilities that leverage our in-house data lake to offer products in the areas of rate intelligence, cognitive revenue management, smart distribution, brand engagement and paid digital marketing. The acquisitions undertaken by us in recent years have enabled us to strengthen and supplement our product offerings. For instance, we acquired DHISCO in 2018, a hotel distribution technology company, which helped us to expand operations to hotels and OTAs in Asia by upgrading and integrating it with our distribution business. We also acquired, BCV, a marketing technology company in 2019 which we have been able to integrate and deploy with our marketing technology ("***MarTech***") business and have been able to extend its offerings to our customers globally. Our acquisition of Myhotelshop in 2021 complements our MarTech businesses by offering reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website and enable more direct bookings and optimize returns. We also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands and managing performance and digital marketing campaigns for its customers. Adara's offering aligns with our data as a service ("***DaaS***") and MarTech businesses and strengthens their value proposition. Currently, our products are classified into three strategic business units: (i) DaaS; (ii) Distribution; and (iii) MarTech. For details, see "- ***Hospitality and Travel Technology Solutions***" below.

Total addressable market and serviceable addressable market

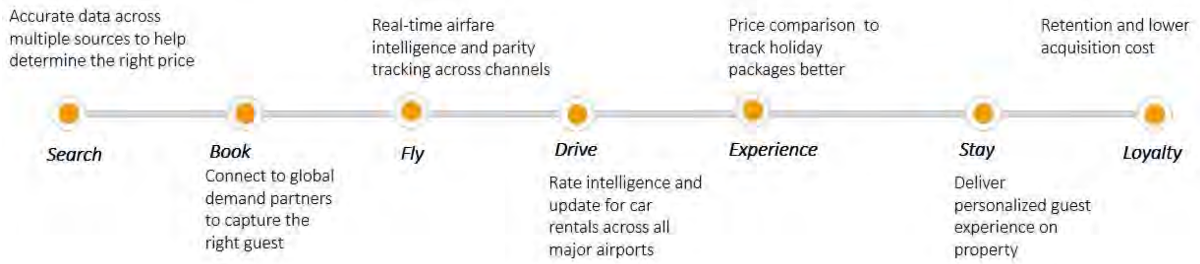
We serve a large and rapidly growing total addressable market. Third party technology providers (excluding hardware) and digital marketing spend for the industry was a US$ 34 billion market in 2022 and is estimated to grow to U$ 42.6 billion in 2027 at a CAGR of 8.6%. The products and services provided by the Company had a serviceable addressable market size of US$ 6.6 billion in 2023, and is estimated to grow to US$ 9.9 billion in 2027. This is a large and rapidly growing addressable market opportunity for a vertical specific platform company like ours. (*Source: 1Lattice Report*)

The global travel technology industry has been steadily growing as the travel sector embraces digital solutions to improve the overall travel experience and makes processes more efficient. According to 1Lattice Report, technology innovation is crucial for the growth of the travel industry. Advanced booking platforms, virtual tours, and personalized recommendations improve the travel experience. Travel technology's rate of progress was slow for the past 25 years, but it has significantly picked up speed in the last decade, with new and inventive companies driving everyone to create better applications more quickly. In general, software capabilities have improved a lot, and now there's tough competition in many parts of the travel industry. (*Source: 1Lattice Report*).



End to end platform play advantage

In a highly fragmented landscape of travel technology providers, we offer a platform that bridges the data gap across the hospitality and travel industry and is able to provide an end to end solution which empowers our customers to optimise revenues across the value chain. We provide inter-operable products that leverage data across internal and external sources, unlock value through integration and enable better, faster and automated decision making allowing us to provide an all encompassing solution to our customers. Our solutions help the hospitality and travel industry, and companies find the right guest, decide the right price, distribute it to the preferred channel of the guest and once converted, helps them have an exceptional experience.



Hospitality and Travel Technology Solutions

We deliver our hospitality and travel technology solutions through our SaaS platform and our products are classified into three strategic business units:

- ***<u>Data as a Service ("DaaS")</u>*** – Delivers insights including competitive rate intelligence and price parity solutions. We procure and process data from various sources in real time. We are able to equip suppliers and demand providers with the ability to connect with data and information to increase acquisition and conversion. We offer data under three categories:

    - *Market intelligence:* This provides access to pricing and availability data at scale along with analytics to present trends, opportunities and market developments.

    - *Dynamic pricing recommendations:* We serve certain segments within the travel industry that have traditionally used a flat pricing or a seasonal pricing structure with our proprietary dynamic pricing technology to help them maximize revenue.

    - *Targeted digital marketing and advertising*: Data partners supply aggregated real-time traveller data, that allows us to deliver actionable insights and predictive intelligence to drive better marketing return on investments. We leverage and share anonymized digital profiles (or custom audiences) scored on travel intent to optimize marketing campaigns for our customers for them to deliver targeted personalized advertisements.

- ***<u>Distribution</u>*** – Commercial teams at hotels are unable to connect directly to each specific channel or demand partner since the process is time-consuming, costly, and requires specialized technical tools. We address this issue by providing a connectivity platform that facilitates the communication of availability, rates, inventory and content between leading accommodation providers and their demand partners. Distribution also enables delivery of reservations back to hotel systems to ensure smooth operations and accurate reporting by hotels. As of Fiscal 2023 and September, 30, 2023, our Distribution offering has 763 and 843 customers, respectively, accounting for 25.82 million and 13.92 million transactions during the same period.

- ***<u>Marketing Technology ("MarTech")</u>*** – Our MarTech offering comprises of an end-to-end digital marketing suite that provides brand engagement, brand monitoring and paid digital marketing for our customers by assisting them in innovating their digital marketing strategy to capture visitors from their preferred channel. This includes content analysis and optimization, scaling of the brand, campaign implementation, optimizing direct bookings through direct customer acquisitions and performance marketing operation leveraging the travel intent data. We also manage social media for luxury travel suppliers allowing them to be responsive to social media engagements 24x7 as well as effectively manage their social media handles and run promotional campaigns. Additionally, our offering also leverages AI driven audience identification and real-time insights to help luxury travel suppliers manage their brand presence across social media and metasearch platforms while at the same time optimizing direct bookings, enabling our customers to optimise returns through higher retention and wallet share expansion. As of Fiscal 2023 and September, 30, 2023, our MarTech offering has 1,359 and 1,417 customers, respectively.

Reliable, widely available and affordable internet-based computer-to-computer communication has made practical the implementation and use of cloud-based systems. Cloud adoption is becoming viable owing to the basic benefits of uptime, availability, and high level of support in the cloud, as well as the superior development environment for building applications and platforms that can auto-scale through micro-service architectures. It is expected that companies utilizing cloud-based modern solutions and offering a wide range of services, are certain to be beneficiaries of these trends. (*Source: 1Lattice Report*) As a SaaS company, our cloud-based products offer customer improved usability, and we can effectively scale our operations. The scale of our operations and our strength in analytics have helped us grow in operations and monetize our offerings.

	DaaS	Distribution	Martech
Overview	• Provide data and information to players across the travel and hospitality industry • Deliver insights including competitive and rate parity intelligence • AI led products to gauge demand and optimize pricing • Custom audiences based on travel intent	• Seamless connectivity between hotels and their demand partners including OTAs, GDS and others • Communicate availability, rates, inventory and content • AI led product to standardize content distribution	• End to end digital marketing suite to manage brand presence for hotels across social media and metasearch platforms • To optimize direct bookings • Monitor guest engagement 24x7 • Performance marketing operation leveraging the travel-intent data
Revenue Model	Subscription model Hybrid model[1]	RezGain - Subscription model[2] DHISCO - Transaction model[3]	Subscription model Transaction model[4]
Acquisitions	Adara (2023)	DHISCO (2018)	BCV Social (2019) MyHotelShop (2021) Adara (2023)

1. *Hybrid Model - charges a minimum subscription fee and a pay-per-use model for accessing additional data*
2. *Subscription model - where customers pay a subscription fee to access the product*
3. *Transaction Model – company generates revenues from bookings*
4. *Transaction Model – Revenue from campaigns managed for clients*

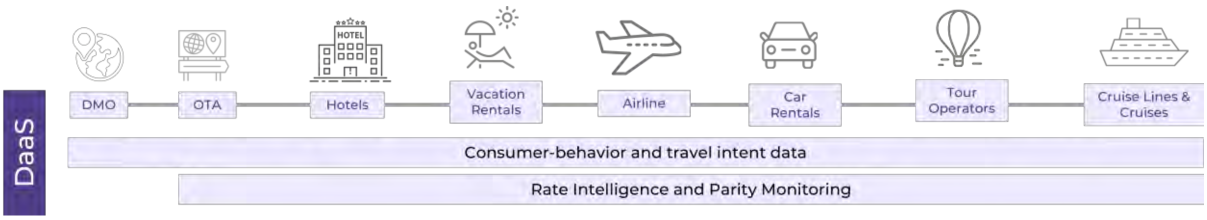
For our DaaS products, we operate on a subscription model where our customers in the hospitality sector subscribe to our DaaS products such as Optima and Parity for a period and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model. Further, we offer Adara DaaS products on a hybrid fee model. For our OTA customers and airline, car rental, cruises, ferries, vacation rental and vacation packages customers we operate on a hybrid model where we charge a minimum subscription fees for use of our products and a pay-per-use charge for accessing additional data. In our Distribution segment, we operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done by OTAs and GDS operators. In our MarTech segment, we operate brand engagement and brand monitoring for hotels on a subscription model and also operate on a mix of subscription and transaction model where we charge campaign-based fees for managing campaigns for our customers across hospitality and travel segments on a periodic basis. In Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, we generated 26.34%, 24.00%, 25.00% and 40.82% of our revenues from operations from the sale of services of our transaction based products while we generated 44.16%, 41.00%, 32.48% and 23.30% of our revenues from operations from the sale of services of our subscription-based products in similar periods and we generated 29.50%, 35.00%, 42.52% and 35.88% of our revenues from operations from the sale of services of our products which are on a hybrid revenue model of subscription and transaction based pricing. Further, our net revenue retention in Fiscal 2023 and six months ended September 30, 2023 was 110.42% and 110.14%, respectively.

Our product development philosophy is based on helping drive scale and reducing the total cost of ownership for our customers by building cloud-first products and following agile development practices. Our success in product and technology innovation has been recognized through numerous awards and accolades, such as being the winner of the Deloitte Technology Fast50 Award in 2020 and the 'Most Innovative Startup' at the Economic Times Innovation Awards 2020, World's Best Channel Manager and World's Best Car Rental Technology Provider award by World Travel Tech Awards 2022, second runners up in HotelTech Report awards in the categories for Rate Shopping and Market Intelligence providers for Optima and Channel Managers provider for RezGain, recognised as one of the Best Marketing Teams by Comparably in 2023 and awarded SaaS Startup of the Year by SaaS BOOMi in 2023.

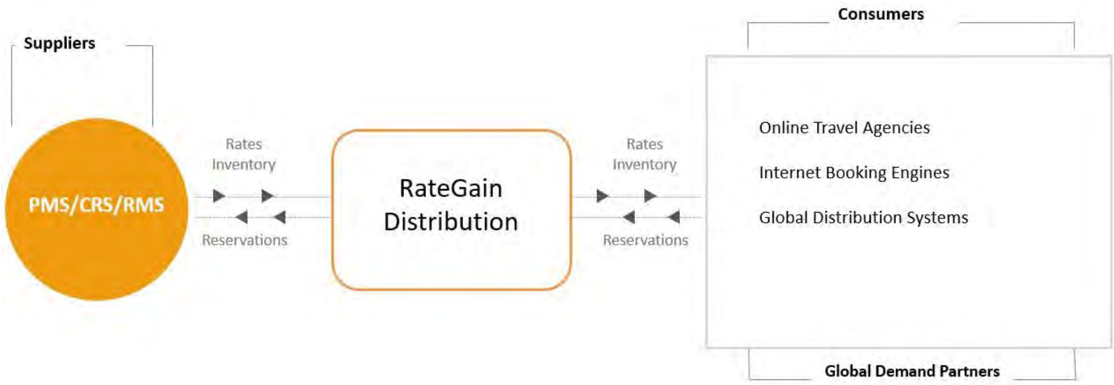
As of September 30, 2023, we serve 3,104 customers including eight Global Fortune 500 companies. Our customers include Hyatt Hotels & Resorts, Omni Hotels and Resorts, Turtle Bay Resorts, LLC, Scenic Tours Europe AG, Carnival Corporation, TUI Cruises GmbH, Norse Atlantic UK Ltd, Air Mauritius Limited, Volotea SL, The Hertz Corporation and Cendyn Group. We also count 2,495 large and mid-size hotel chains, 168 travel partners including airlines, car rental companies and large cruise companies, 134 destination management organisations and 154 distribution partners including OTAs such as Hopper Inc., Apple Leisure Group and Flight Centre Travel Group, in over 100 countries as our customers, as of September 30, 2023. We service our customers in multiple geographies with local go-to-market teams and as of September 30, 2023, have entities in six countries. As of September 30, 2023, over 650 customers have been associated with us for over five years and we have grown our customer base over the years through our well-developed sales, customer success and marketing function that focuses on generating and converting quality sales leads and measuring customer satisfaction through a net promoter score tracking process which helps in our land and expand strategy. After our initial contract, and based in our customer's experience, our customers typically purchase additional licenses for other properties or functions, branches as well as buy additional products from us thus expanding the overall commercial value of the contract. We often bundle the offerings as a platform package which, in our experience, helps with customer retention and acts as an advantage over point solutions. Our internal practices have developed over a decade and have helped increase our net promoter score ("**NPS**") and our NPS was 34.5, 32.2, 25.3 and 37.4 in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. We track this through an automated and independent process to measure customer health and gather feedback for continuous improvement.

Strategic Business Units

DaaS. We provide competitive intelligence and parity intelligence to help hotels, OTAs and travel suppliers stay competitive and optimize their revenues. Our competitive intelligence products tracked over 143 billion price points across hotels, OTAs, airlines, cruise lines, vacation rental, tour operators and car rentals in the six months ended September 30, 2023 and covers points such as pricing, ratings, rankings, availability, room descriptions, cancellation policy, payment policy, discounting and package inclusions. We enable our clients to accurately forecast demand by providing AI-powered demand insights, forecasting airline travellers for 90 days, monitoring parity in real time and automating alerts for market action changes. We operate a subscription model where our customers in the hospitality and travel sector subscribe to our DaaS products such as Optima and Parity+ and also on a hybrid fee model where we charge a minimum annual subscription fee and provide a pay per use model. Further, with the acquisition of Adara, we provide anonymized digital profiles (or custom audiences) to brands and marketing agencies for them to run digital marketing campaigns. Active Customers in our DaaS business have grown from 820 Active Customers as of Fiscal 2023 to 844 as of September 30, 2023. Through Adara DaaS, we provide unique travel-intent data to help brands across travel, finance, experience and retail segments to make informed decisions and reach their target audience through insights into such data that influences consumer behaviour in real-time



Distribution. We provide technology infrastructure that helps both hotel chains and demand partners such as online travel agents, GDS providers and corporate travel agents communicate availability, rates, inventory as well as process bookings. Our distribution platform helps hotels to sell the right product at the right price on the right channel by serving the right content through demand partners. We have two products in the distribution space: RezGain, which operates on a subscription basis and targeted to mid-market, and DHISCO, which operates on a transaction model where we generate revenues from bookings done via OTAs and GDS operators. DHISCO caters to enterprise customers. We covered over 197,000 hotel properties with over 80 demand partners, as of September 30, 2023. These connections are available through multiple flow architectures including various combinations and conduct distribution of availability, rates, inventory, negotiated rates, cancellation policy, amenities, attributes, images and description, all in multiple languages. We enable our clients to easily connect to new demand by connecting them to new source markets, automating channel mapping faster, updating content easily across OTAs, connecting to meta search channels. We offer reliable delivery evident from 99.9% uptime. In Fiscals 2021, 2022 and 2023, our distribution platform handled 9.02 million, 15.78 million and 25.82 million bookings, respectively, while in the six months ended September 30, 2023, it handled 13.92 million bookings. The aggregate value of bookings completed using our products was ₹ 141,866.83 million, ₹ 391,314.94 million, ₹ 612,351.32 million and ₹ 360,590.72 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively, while the average booking value was ₹ 15,732.56, ₹ 24,790.36, ₹ 23,714.92 and ₹ 25,888.24 in similar periods. Aggregate value of bookings and average booking value was ₹ 360,590.72 million and ₹ 25,888.24 in the six months ended September 30, 2023.



MarTech. We are a 'single source provider' of social media management, including brand engagement, brand monitoring and paid digital marketing, to leading hospitality and travel brands including well-known luxury properties. We offer real-time social listening and guest communication, active management of their social assets and campaign management through our AI based solution to increase awareness, engagement and sales that help in personalization of guest experience. Further, we offer digital marketing across metasearch platforms, campaign management and programmatic advertising that enables hotel suppliers, travel and agency customers to reach more customers and optimize returns. We enable our clients drive higher return on investments by tracking intent data from 300+ brands, improve return on advertisement spends on digital media, and 24x7 engagement with guests through messaging. As per the HotelTech Report, we are the #1 Social Media Management provider for hotels globally as of September 30, 2023. We generate revenues from our MarTech solutions on a subscription basis as well as on a transaction basis where we charge campaign-based fees for managing campaigns for our hospitality, and travel partners on a periodic basis.

We are led by a globally diverse senior management team that is present across three continents and includes Bhanu Chopra, our Promoter and executive chairman of the board, who has over 20 years in the technology and travel industry. We are led by Tanmaya Das, our Chief Financial Officer, Peter Strebel, President – Americas and Yogeesh Chandra, Chief Strategy Officer. Members of our leadership team have extensive experience in the technology, finance and hospitality and travel sectors. We have been able to leverage their go-to-market and product development expertise to develop products that address our customers' requirements.

Changes in industry post COVID-19 Pandemic

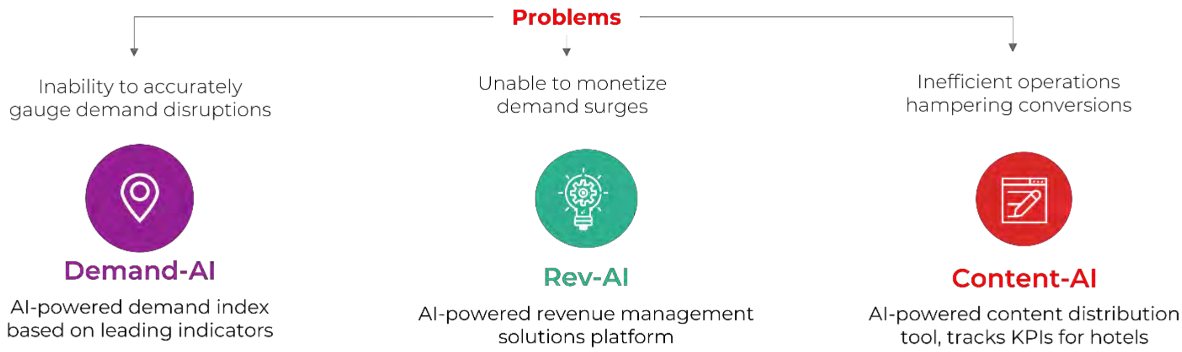
The COVID-19 pandemic has had a significant impact on the global economy and financial markets, with two prominent shifts being change in customer behaviour and the adoption of technology. This has cumulatively accelerated the ongoing trend toward digitalization and integration of AI in the industry. Post the COVID-19 pandemic, customers are increasingly favouring adoption of digital platforms to be able drive efficiencies across their systems, unlock new revenue streams and be able to more effectively engage with guests across different mediums. Consequently, the rapid growth of e-commerce, digital services, and online content could be witnessed, which brought with it a surge in consumer data, ultimately benefitting businesses that are capable of harnessing AI to derive unique insights and actionable strategies from the same. (*Source: 1Lattice Report*)

Technology acts as the bridge that helps in connecting consumer expectations and ensuring that it is seamlessly delivered. Consumers need convenience, personalization, and a seamless experience from the time they book their trip to the end of their stay. This is where hotels and travel companies have been trying to implement multiple technologies, however due to legacy systems and unavailability of interoperable systems, as well as lack of talent, hotels are unable to deploy systems that are able to seamlessly serve the guests, get relevant insights and create more revenue opportunities. Due to the need for a large manpower, hotels are a great fit to embrace automation across different functions, for instance, using automated check-in and check-out systems, thereby decreasing the need for manual staff intervention. This enables hotels to decrease staff costs and improve revenue through faster and more efficient service. It improves operational efficiency and profitability, as well as customer experience. Similar automation initiatives in room service and billing can help further reduce overheads. Further, increased adoption of AI substantially decreases cost owing to the development of computing infrastructure at increasingly competitive prices. Resultantly, this rapid development of algorithms has also enabled access to more scenarios via open source. AI and machine learning algorithms are being employed for trading strategies, risk assessment, and fraud detection. These technologies offer more accurate predictions and faster decision-making capabilities. Moreover, the industry has recognized the need for technological advancements and automation to mitigate labour shortages, improve efficiency, and remain competitive in a rapidly evolving financial landscape. These changes are likely to continue shaping the industry's future. (*Source: 1Lattice Report*)

Strengths

Integrated tech stack of SaaS based solutions for travel and hospitality industry

We offer a comprehensive platform of industry-specific solutions with growth and monetization capabilities. Product and technology innovation is at the core of our success. Given the fragmented nature of the hospitality and travel industry, we have developed products that are inter-operable and integrate across a single platform allowing customers to maximize their revenues while also resulting in cost savings. We have built our proprietary AI algorithms and applied it in connection with our SaaS products to provide our customers with next generation of product features. Our suite of products for rate intelligence includes OPTIMA, Parity+, Rate Intelligence for OTAs, AirGain, CarGain and FerryGain that offer customers competitive pricing intelligence leveraging an AI powered data platform while tracking real-time parity with features such as advanced dashboards, identification of key violators and reasons, revenue leakage. Our Rev.AI product is focused on the car rental segment that intends to replace static pricing mechanisms with dynamic pricing recommendations. Our products are enabled with an intuitive user interface, offer a high degree of personalisation at a subscriber level and break down market rate and pricing strategy into logical insights. For further information, see "***– Business Operations***" on page 185.



We are focused on developing applications that use data science, artificial intelligence and machine learning. Through RateGain Labs, our in-house incubator, we develop data and AI driven products for the travel. Our ability to track large volume of proprietary data across various categories of travel enables our artificial intelligence models to predict and forecast demand accurately and on a real-time basis. We work across the hospitality and travel industry to ensure that we are constantly innovating and enhancing our products and platform offerings. Our architecture is scalable and flexible to meet the demands of our customers and can be deployed at scale to support vast amounts of data. Our platform is designed to comply with the highest standards of security to serve our customers globally. We have a security framework that is PCI DSS compliant, and our data privacy measures are designed to meet the requirements set forth under the GDPR. Our continuous innovation, as well as strategic acquisition of technological capabilities, helps us continuously expand and extend the addressable market giving us a competitive advantage.

Our MarTech offerings enable hotels and travel partners to identify and generate AI audiences which have high travel intent, target them on the platform of their choice, convert them on their own website and then personalize the guest experience by understanding their needs via a 24x7 monitoring solution that enables hotels to manage inquiries, complaints, and specific needs in real-time and to mitigate negative experiences and increase guest loyalty. Our paid digital marketing offering specializes in reporting, bid administration, and campaign management across metasearch platforms, enabling hotels and travel partners to increase reservations through their own digital platforms.

Marquee global customers with long-term relationships

We have global and diverse customer base with whom we have long-standing relationships. As of September 30, 2023, our customer base of 3,104 customers including eight Global Fortune 500 companies comprised both travel suppliers and travel intermediaries including airlines, hotels, cruise lines, car rental companies, online travel agents, tour operators and wholesalers. Our customers include 25 out of the top 30 OTAs, several of the world's fastest-growing airlines, 23 of the top 30 hotel chains, all leading global car rental companies, leading cruise lines, and most of the largest travel management companies (*Source: 1Lattice Report*). In the hotel segment, we work primarily with large and mid-size chains including the Hyatt Hotels & Resorts and Omni Hotels and Resorts along with independent hotels including Turtle Bay Resorts. Besides hotels, we also work with leading OTAs such as Hopper Inc., Apple Leisure Group and Flight Centre Travel Group. We also work with several of the world's fastest growing airlines which include Norse Atlantic UK Ltd, Air Mauritius Limited and Volotea SL. Our customer in the car rental segment include the Hertz Corporation. We also work with all leading global car rental companies and leading cruise lines (*Source: 1Lattice Report*). Our customer base has increased over the years, and we added 1,767 Active Customers in the last three Fiscals and in the six months ended September 30, 2023. Our customer base grew from 1,337 Active Customers as of March 31, 2021 to 2,399 Active Customers as of March 31, 2022 and to 2,942 Active Customers as of March 31, 2023 and we had 3,104 Active Customers as of September 30, 2023, as a result of our sales and marketing efforts. We serve customers in over 100 countries, as of September 30, 2023 including in other parts of United States, Europe, Asia Pacific and Middle East.

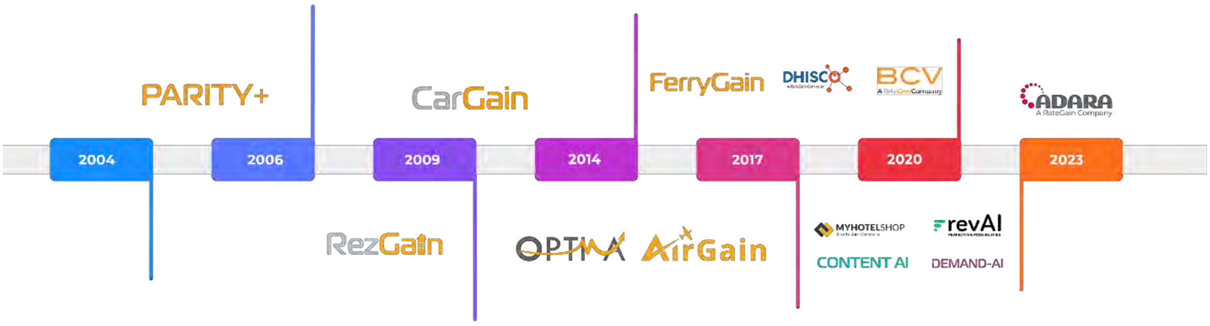
We derive a majority of our revenues from enterprise customers, i.e., customers that generated revenues of over ₹ 4.00 million in any Fiscal and such customers accounted for 78.88%, 75.31%, 75.15% and 73.27% of our total revenue from operations in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. Our AI enabled platform and technology focused offerings have led to consistent customer retention rates. Further, by leveraging our AI capabilities, we have been able to (i) generate AI powered travel intent audiences for more targeted marketing; (ii) make pricing recommendations; and (iii) track a variety of data points to track the demand index for a destination. As of September 30, 2023, seven of our top 10 customers (by revenue in Fiscal 2023) have been associated with us for over 10 years. Revenue contributed from our ten major customer groups was ₹ 928.13 million, ₹ 1,174.92 million, ₹ 1,820.56 million and ₹ 1,112.57 million, and represented 37.01%, 32.05%, 32.22% and 24.77% of our revenue from operations in Fiscals 2021, 2022 and 2023 and in the six months ended September 33, 2023, respectively. Our long-standing relationships with our customers is evidenced by our Gross Revenue Retention that was 89.24%, 90.14%, 90.07% and 90.21% in Fiscals 2021, 2022 and 2023, and in the six months ended September 30, 2023, respectively.

We seek to continuously grow revenues from our existing customers by up selling our existing products in use by them and offering additional products that address their requirements. Our broad range of product and platform offerings helps us to cross-sell to our existing customers as well as to acquire new customers.

We offer customer support through our global support and implementation team that results in a quicker resolution of issues. We have a specialised centre of excellence for certain products and solutions to guide and train customers on best practices for effective and quick implementations. We have a customer feedback mechanism including automated NPS surveys, onboarding customer satisfaction surveys, business reviews and customer advisory boards for various geographies. We conduct annual advisory meetings with industry leaders to gain perspective on the hospitality and travel industry.

Diverse and comprehensive portfolio of revenue maximization and business critical solutions

We have developed a comprehensive product portfolio that caters to the technology ecosystem for the hospitality and travel industry and in particular, to enterprise and mid-market customers for revenue management decision support, competitive intelligence, distribution and social media marketing, online reputation, brand engagement and paid digital marketing. We have, over the years grown our operations and the scale of our operations allows customers globally to streamline their operations and increase revenues. We have a diverse client base encompassing a wide range of travel and hospitality solutions across the spectrum of verticals: hotels, airlines, OTAs, destination management organisations, vacation rentals, package providers, car rentals, travel management companies, cruises and ferries (*Source: 1Lattice Report*). We frequently contribute to the travel recovery index published by one of the largest travel industry intelligence platform providing insights to key sectors of travel.



We initially commenced operations with a single price comparison product that offered competitive intelligence on rates to hotels. We have diversified our products to offer revenue optimization, travel intent, distribution solutions and marketing technology solutions as well as expanded to adjacent segments within the hospitality and travel industry. We are one of the few travel technology companies that provides end to end support from data and decision through distribution and marketing technology. (*Source: 1Lattice Report*) We have introduced AirGain, CarGain and FerryGain, pricing intelligence products that are custom created for the airline, car rental and cruise and ferries industry, respectively, and complement our existing pricing insights and competitive intelligence products. Our products are developed in-house through a centralized group of software development, product management and data science talent which we believe creates a high operating leverage. In 2022, we introduced RateHub, a platform that helps hotels distribute data to meta-search engines and drive traffic to the booking engine by increasing its visibility on such meta-search engines and thereby increasing direct bookings for our hotel partners.

Integration of our products with major property management systems (“**PMS**”), central reservations systems (“**CRS**”) and revenue management systems (“**RMS**”) and long-tail channels such as tour operators, GDS, bedbanks, wholesalers and OTAs, allows us to access data that results in a strong network effect for our business. While each of our products has value as a standalone offering but each of them contribute to the larger capabilities of our product suite. Data created by one set of products feeds into our other products. For example, we use data from our DaaS products such as rate shopping and switch products to inform our AI based products to track demand and make optimal pricing recommendations. Similarly, depth of business intelligence data is used to make our MarTech vertical more efficient. This has led to creation of innovative cross use-cases across products that we believe, cannot be easily replicated.

RezGain provides CRS level connectivity, automated currency conversion, productivity reporting, business intelligence and content management. In the six months ended September 30, 2023, we covered over 197,000 hotel properties, and processed 13.92 million bookings through our channels. DHISCO, our two-way channel, connects with over 80 demand partners, as of September 30, 2023. Our distribution platform is one of the largest processor of electronic hotel transactions, delivering advanced and affordable connectivity and distribution solutions to hotels worldwide (*Source: 1Lattice Report*). Our Smart Distribution tool allows customers to effectively discover new demand, automate contracting with new channels, set content and rates automatically, optimize the channel mix and thereafter distribute across various channels. Our content distribution tool, Content.AI, tracks content related KPIs for hotels such as amenities, images and room types to identify potential gaps and provides actionable insights. It is able to transform content and augments imagery that increases the chances of conversion on demand platforms.

We also develop customized social strategies for our customers to align with their marketing objectives and create content optimized for social media. Our proprietary tech-enabled solution allows our customers to drive revenue with social content, increase channel growth and engagement, increase engagement with users, measure social performance and deliver key actionable social insights. We are a market leader in social media solutions and is evident with the number of industry recognitions awarded including being voted the #1 Social Media Tool by Hotel Tech Report and second runners up in HotelTech Report awards in the categories for Rate Shopping and Market Intelligence provider for Optima and Channel Managers provider for RezGain. Further, paid digital marketing allows us to target specific demographics, interests, and behaviours, and are shown to users who are more likely to be interested in the products or services of our customers, increasing the chances of customer acquisition. With the acquisition of Adara in 2023, we leverage and share anonymized digital profiles (or custom audiences) scored on travel intent which makes our digital marketing offering more compelling by helping to target the right audiences and optimize returns on their campaigns.

Successful integration of growth opportunities through acquisitions

In addition to generating organic growth opportunities, we have a demonstrated history of integrating acquisitions with our business and consolidating our position in the hospitality and travel industry. We follow a disciplined and opportunistic approach to acquisitions, and our track record of efficiently integrating acquired businesses, realizing cost synergies, and consolidating our position in the market is a testament to our expertise. Our ability to consolidate acquisitions has been a key strength, enabling us to continue to deliver superior value to our customers and stakeholders. For instance, we have undertaken the following acquisitions in the past:

Year	Entities Acquired	Benefits	EBITDA% at acquisition	Current EBITDA%
2018	DHISCO Electronic Distribution, Inc. and DHISCO, Inc.	A hotel distribution technology company, which has been upgraded and integrated with our proprietary technology and helped us to expand our operations to hotels and OTAs in Asia by upgrading and integrating it with our distribution business	(14.87%)	26.19%
2019	BCV Social LLC	A marketing technology company, whose offerings have been integrated and deployed with our MarTech offering in various regions	(13.31%)	(0.18%)
2021	myhotelshop GmbH	A company which offers reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website, enable more direct bookings and optimize returns. With its acquisition, we have managed to expand our paid digital marketing offering to social media channels to have a more comprehensive offering for our hotel partners	(9.05%)	21.51%
2023	Adara Inc.	A company which provides access to ethically sourced travel intent data from over 300 partners to power digital marketing campaigns for brands. With its acquisition, we are now able to provide travel-intent data with forward-looking accurate rate intelligence from different sources and perform performance/ digital marketing campaigns for its partner brands	(15.42%)	20.85%

As part of our inorganic growth measures, we aim to strategically acquire businesses that offer products and technologies similar to ours or complimentary to our existing products. This will help us expand our product portfolio and improve performance of our existing products. We evaluate horizontal acquisitions that allows us to grow our geographic reach and our customer base. We acquired DHISCO in 2018 and turned it profitable following its acquisition. Following the acquisition, we were able to maintain its existing customer base and grow revenues. We have integrated DHISCO with our proprietary technology to improve connectivity options in the hospitality and travel industry. DHISCO was mainly focused on the North America market and its operations were limited to providing connectivity solutions to hotels in North America and Europe. As a result of the acquisition, we have been able to expand operations to hotels and OTAs in Asia. We have scaled the sales team and now offer connectivity options to local suppliers. We also acquired, BCV, a marketing technology company in 2019 and have been able to extend its offerings to our customers globally. We have migrated the centre of excellence from the United States to India that has resulted in margin expansion and productizing offerings to improve gross margins. Post the acquisition and with the installation of the Center of Excellence across multiple functions, we have been able to deploy our MarTech offering in other regions. We offer our MarTech product as a bundle to our existing customers along with other products to increase the unit ticket value of our commercial relationship. We have also completed the acquisition of Myhotelshop in 2021, a company which offers reporting, bid management and campaign intelligence platform for hotels to run campaigns across metasearch platforms to direct more customers to hotel's own website, enable more direct bookings and optimize returns. We have managed to expand our paid digital marketing offering to social media channels as well to have a more comprehensive offering for our hotel partners. As a result of the acquisition of Myhotelshop, we have been able to expand its offerings to geographies in APAC and Middle East. More recently, we also acquired Adara in 2023, providing access to ethically sourced travel intent data from over 300 partners along with expansion into adjacent travel segments, such as destination marketing organizations and large airlines. Adara's offering aligns with our DaaS and MarTech segments and strengthens their value proposition. With the acquisition of Adara, we are now able to provide travel-intent data with forward-looking accurate rate intelligence from different sources providing the ability to marketing and revenue teams to work closer and look at activating the right audiences as well as providing them the right offer on the right channel, enabling our partners to optimize returns on their digital marketing campaigns. Adara adds a layer of intelligence through travel intent data to our digital marketing offering by giving us access to the right audience.

Strong financial performance with track record of successful acceleration post acquisitions

We have maintained focus on capital efficiency and have grown without incurring material indebtedness, our conservative approach of operating with low debt has enabled us to remain in a good position during the COVID19 crisis. We have demonstrated strong financial performance and our revenue from operations were ₹2,507.93 million, ₹ 3,665.91 million, ₹ 5,651.28 million and ₹ 4,492.02 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. Our EBITDA was ₹ 61.59 million, ₹ 305.55 million, ₹ 846.51 million and ₹ 842.09 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively, while our EBITDA Margin was 2.46%, 8.33%, 14.98% and 18.75% in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively. For details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin***" on page 96. Our net cash generated from operating activities have been positive in all periods and were ₹ 205.95 million, ₹ 168.05 million, ₹ 519.18 million and ₹ 769.18 million in Fiscals 2021, 2022 and 2023 and in the six months ended September 30, 2023, respectively.

Our balance sheet position enables us to make strategic investments by acquiring stakes in certain companies, and consolidate our position by acquiring brands, complementary technologies and product lines. We have established a track record of successful inorganic growth through strategic acquisitions to supplement our product offerings, diversify our revenue streams, and integrate such acquired businesses to further strengthen our portfolio. We have historically introduced operating efficiencies, revenue growth and/or increased profitability in our acquired businesses, resulting in increased operating margins.

Global and diverse management team with relevant technology and domain expertise and focus on employee welfare

We benefit from the vision and experience of our senior management team. Key members of our senior management team include Bhanu Chopra, Promoter and executive Chairman of the board who has over 20 years of experience and has been profiled on "Young Turks" by CNBC-TV18 and is a member of Delhi chapter of Young Presidents Organisation. Tanmaya Das, Chief Financial Officer, has extensive experience in consulting and has been associated with PricewaterhouseCoopers in the past. Our Chief Strategy Officer, Yogeesh Chandra has experience in hospitality industry and has been associated with Taj Hotels, The Spencer on Byron Hotel, New Zealand and Kingsgate Hotel, Parnell, Auckland. We are also supported by Peter Strebel, President – Americas who has been associated with Omni Hotels and Resorts. Sahil Sharma, our Chief Human Resource Officer has been instrumental in managing our human resources and CSR efforts. Our senior management team has over a decade of experience each in contribution to revenue growth in the SaaS and hospitality and travel sectors. They have extensive go-to market and product development experience. Given that our senior management team is located across three continents, we benefit from teams across multiple geographies including go-to market teams that are located where are our enterprise and mid-market customers are based allowing us to maintain relationships with them.

Our shareholders also offer us guidance that has helped us grow our operations over the years. We lay importance on employee learning and satisfaction. Our learning and development initiatives include 'Micro MBA', functional trainings and leadership development opportunities. To ensure employee satisfaction, we have introduced an employee ticketing processes to address queries and implemented a structured employee satisfaction survey. We have an anonymous chatbot that allows employees to interact with the CEO. We believe that our initiatives and focus on employee welfare have led us to be recognized as a 'Great Place to Work' for four consecutive years and have been awarded as the Dream Employer of the Year at the World HRD Congress in 2021 and the Best HR Strategy in line with Business Award at the World HRD Congress in 2018. We also received awards for Talent Management by Times Ascent in 2022 and for Best CEOs for Diversity and Best Company for Career Growth by Comparably in 2023.

Strategies

Going forward, our growth levers to include:

New product development capabilities: We are substantially investing in our products to build capabilities that will be used by travel and hospitality companies. These include AI-led products that will offer real time intelligence and make pricing recommendations for revenue maximization. We are also building our distribution products to become more integral to our hotel partners and are exploring use cases for adopting generative AI.

Land and expand: We continue to focus on the success of our customers through bundling which will add to stickiness and present them with a platform option for vendor consolidation.

Penetration: We will continue to expand our sales infrastructure focused on enterprise and mid-market segment in specific travel and hospitality sectors to increase our penetration in areas such as MarTech and certain categories within DaaS and Distribution.

Go-to-market at scale: We will continue to build our network that will be used for integrating our products with regional niche players that will leverage our capabilities to strengthen their respective offerings to their customer base.

Continue to scale DaaS and Distribution offerings through cross-sell and geographical expansion in existing and adjacent verticals

Over the last 15 years, we have introduced various products that provide access to rate intelligence to customers in the hospitality and travel industry that gives them a real-time and accurate view of the market. We intend to expand our existing product offerings into segments of the hospitality and travel industry with the anticipated resumption of economic activity and travel demand.

We intend to leverage our portfolio of products and products under development to provide additional solutions to our existing customers. The interoperability of our products allows us to displace point solutions and offer bundled offerings to our customers. For example, to assist customers that require both rate intelligence and distribution capabilities, we have launched Demand.AI that provides an aggregated, real-time view of demand based on data-mining across various silos including internet searches, flight activity, local COVID-19 lockdown rules, booking engine inventory and pricing data. Using this tool, our hotel customers can gauge predicted demand for a particular property. Customers are also able to generate granular information to manage demand fluctuations in its vicinity and for similar category of hotel rooms. We also expect to benefit from innovations made to AirGain, an airfare pricing intelligence product created for the airlines industry. Our ability to provide unique products that are personalized, contextual and relevant to addressing key operational issues of our customers will allow us to grow our wallet-share amongst our existing customers and help reduce our customer acquisition cost. Our bundled offering include:

We also plan to expand into adjacent verticals within the travel industry that rely on the same product set to guide their businesses. We plan on increasing our customer base through the Distribution segment, and capitalizing on it and upscaling our integrated offerings. We intend to leverage our well-entrenched relationships with our customers to add additional verticals that will allow us to grow our revenues at minimal customer acquisition costs. We will look to expand further into the car rental segment and especially across their franchises in different geographies. In 2023, the global car rental market was an estimated US$ 99 billion and is expected to grow to US$121 billion by 2027. There exists an opportunity for pricing solutions among existing car rental companies globally given that there are limited means for the industry in terms of distribution channels unlike airlines and hotels (*Source: 1Lattice Report*). Our Rev.AI product is focused on the car rental segment that intends to replace static pricing mechanisms with dynamic pricing recommendations to optimize yield, generate demand through cohort promotions and enhance utilization through inventory management.

We expect partnerships and alliances to be a key growth lever for our operations. We intend to cost-effectively expand into adjacent verticals and new geographies through partnerships with brands to offer and recommend our solutions. For example, in October 2023, we entered into a collaboration with Green Motion International, which has chosen to exclusively recommend our rate shopping and AI products. We believe our significant data assets and cross-product insights have helped cement this partnership and will allow customers and in particular airlines to improve their operational efficiency, receive on-the-go updates, and optimize revenue management strategies against their comp set by leveraging real-time market data.

Scaling and expanding the footprint of Adara

Our acquisition of Adara in 2023 brought in technology that complements our existing product portfolio and strengthening our DaaS and MarTech businesses by leveraging on travel intent data. With the new acquisition we have a wider DaaS business which now allows for targeted digital marketing and advertising and a broader MarTech business covering brand engagement, brand monitoring and paid digital marketing for customers within the travel and hospitality industry by assisting them in innovating their digital marketing strategy to capture visitors from their preferred channel. In the MarTech business, Adara expands our portfolio by providing performance marketing and leveraging the travel intent data for brands across travel and hospitality industry, thereby optimizing their returns on ad spends. We intend to scale the offerings provided by Adara:

- By leveraging the 'RateGain' brand and our relationships with the travel and hospitality brands for Adara, aiding in optimizing its performance.
- Optimizing the interoperability of our product offerings in the MarTech segment and thereby strengthening our existing MarTech portfolio of social media management and metasearch marketing.
- By leveraging our global presence and enabling Adara to expand in regions such as Europe, Asia-Pacific and Middle East.
- By expanding data partnerships with brands in Europe, Asia-Pacific and Middle East strengthening our Adara DaaS offering and overall platform reach and effectiveness.
- By leveraging the synergies of the existing tech ecosystem at Adara by augmenting our combined product offerings.

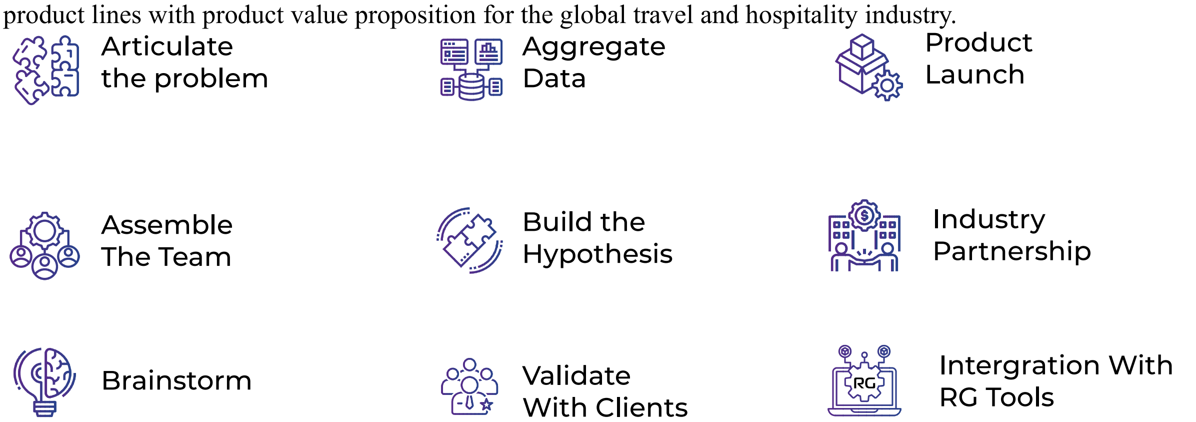
Currently, leisure travel choices are dependent on descriptions of destinations and services, ratings and reviews from others who have been there, and social media is evolving fast to become the media of choice for travel related discovery, consideration and conversion. In a digital first world, as the significance of social media increases, we envision higher adoption and with a large total addressable market for our DaaS and MarTech products and their growth prospects by capturing customer attention across different stages through social media engagement, at the planning stage and enhancing brand awareness through paid digital marketing campaigns. We have an existing pipeline of engagements and are pursuing a number of additional leads.

We intend to leverage Adara MarTech and Daas solutions, to address the growing opportunity by offering our solution to large and mid-size hotel chains, car rental companies, airlines and cruise customers by running more targeted ad campaigns and optimise returns. We also intend to extend our Adara offerings in select geographies such as the Asia Pacific, Middle East, Indian Ocean and parts of Europe which we believe are high growth markets. We intend to focus on increasing our wallet-share from our existing customer base by offering our solutions and extend such offerings to our airline customers.

Continue to leverage unique data assets to create new and scale existing AI product offerings

We are one of the largest aggregator of travel pricing data in the world for the hospitality and travel industry (*Source: 1Lattice Report*). We use our data lake for storage and modelling travel related data. We have over the years been able to leverage our large data assets to offer our customers rate intelligence, cognitive revenue management and distribution products. The scale of our operations and our strength in analytics have helped us grow our operations and monetize our offerings. We intend to continue to leverage our extensive data assets through introduction of additional product offerings based on latest technologies including artificial intelligence and commercialize these APIs for use by the travel ecosystem to solve for various use cases in making travel more seamless. We launched Demand.AI that provides our hotel and travel customers with data experience that is personalized, contextual, and relevant and allows users to apply data to daily activities and operations and addresses issues related to inventory management. Our focus will be to enhance our cross-product uses cases such as Demand.AI and Smart Distribution. Our Rev.AI product is focused on the car rental segment that intends to replace static pricing mechanisms with dynamic pricing recommendations. We have recently launched more specific offerings like Rev.AI Ferries, which is a solution specifically designed for the ferry industry which aims to optimize revenue from foot and car passenger sales by analysing multiple factors such as foot passenger demand, car passenger demand, car sales, frequency of sailings and inventory which helps optimise revenue.

To grow our product development capabilities, we have set up RateGain Labs, an in-house incubator that will leverage our existing expertise to solve current travel industry problems through data, proximity to customers and business experience. As of September 30, 2023, RateGain labs had 36 full-time employees and is led by our Promoter, Bhanu Chopra. We expect to continue to innovate for the travel and hospitality industry through this initiative. With access to enterprise customers and domain expertise we are well positioned to introduce new product lines with product value proposition for the global travel and hospitality industry.



Pursue strategic investment and acquisition opportunities

Given the scale of our operations, balance sheet position, agile and innovative product offerings and track record of successful acquisitions, inorganic opportunities present viable growth opportunities. We intend to selectively pursue strategic acquisitions and investments and other strategic alliance partnerships that are complementary to our growth strategy, particularly those that can help us enrich our offerings, enhance our technologies and products, and expand our customer base. Our extensive industry experience and insights enable us to identify suitable targets and effectively evaluate and execute potential opportunities. The fragmented nature of the hospitality and travel technology industry coupled with current evolving macro-economic environment with high interest rates presents significant inorganic growth opportunities (*Source: 1Lattice Report*). Since 2021, we have completed the acquisition of Myhotelshop and Adara. We have a dedicated team that evaluates strategic opportunities and have developed a proprietary M&A selection and integration engine. We evaluate each potential acquisition to determine how the product offering or solution will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. For our invested businesses, we will utilize our resources to help them grow and succeed, with a goal to form sustainable and mutually beneficial relationships with such companies and offer solutions to the hospitality and travel industry value chain in the long-run. As part of our inorganic growth measures, we look to strategically acquire businesses that offer products and technologies similar to ours that help us expand our product portfolio and improve performance of our existing products. We intend to utilize Net Proceeds of the Issue for strategic investments, acquisitions and inorganic growth. For further information, see "***Use of Proceeds***" on page 79.

BUSINESS OPERATIONS

We have three distinct strategic business units: (i) DaaS; (ii) MarTech; and (iii) Distribution.

The following table sets forth certain information relating to our revenue from contracts with customers across our business segments in the periods indicated:

Segment	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months ended September 30, 2023**	
	Amount	**Percentage of Revenue from Contracts with Customers**	**Amount**	**Percentage of Revenue from Contracts with Customers**	**Amount**	**Percentage of Revenue from Contracts with Customers**	**Amount**	**Percentage of Revenue from Contracts with Customers**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**
DaaS	933.77	37.23	1,048.70	28.61	1,618.43	28.64	1,431.64	31.87
Distribution	1,218.05	48.57	1,415.45	38.61	1,942.95	34.38	1,008.26	22.45
MarTech	356.11	14.20	1,201.76	32.78	2,089.90	36.98	2,052.12	45.68
Total revenue from contracts with customers	**2,507.93**	**100.00**	**3,665.91**	**100.00**	**5,651.28**	**100.00**	**4,492.02**	**100.00**

The table below sets forth certain key performance indicators for our business operations as of and for the periods indicated:

Key Performance Indicators	**As of and for the financial year ended March 31,**			**Six months ended September 30, 2023**
	2021	**2022**	**2023**	
Annual Recurring Revenues ("ARR")(1) (₹ million)	2,630.14	4,315.08	7,745.10	9,388.96
Net Revenue Retention(2)	92.21%	114.34%	110.42%	110.14%
Active Customer Count(3)				
- Hotels	1,098	2,136	2,443	2,495
- OTAs	132	137	144	154
- Airlines	31	40	53	74
- Car Rentals	58	62	68	86
- DMOs	-	-	86	134
- Others*	18	24	148	161
Total	**1,337**	**2,399**	**2,942**	**3,104**
Average Revenue Per Customer ("**ARPC**")(4) (₹ million)	1.97	1.80	2.63	3.02
Gross Margins	79.46%	76.00%	75.10%	75.34%
Gross Revenue Retention ("**GRR**")(5)	89.24%	90.14%	90.07%	90.21%
Revenue by Engagement (%)				
- Subscription	44.16%	41.00%	32.48%	23.30%

Key Performance Indicators	As of and for the financial year ended March 31, 2021	2022	2023	Six months ended September 30, 2023
- Transaction	26.34%	24.00%	25.00%	40.82%
- Hybrid	29.50%	35.00%	42.52%	35.88%
Customer Acquisition Cost ("**CAC**")(6) (₹ million)	0.93	0.96	1.10	1.25
Revenue per Employee (₹ million)	5.91	6.91	11.60	12.59
Average Booking Value (₹)	15,732.56	24,790.36	23,714.92	25,888.24
Price Points Aggregated (DaaS) (million)	5,833.52	7,521.66	8,302.78	6,336.83
LTV to CAC(7)	8.48	12.85	21.30	15.22
New Contract Wins (million)	484.85	1,044.23	1,308.40	1,248.08

Notes:

(1) *ARR is calculated based on the last quarter run-rate for the respective Fiscal.*

(2) *Denotes percentage of incremental revenue from same clients compared to previous Fiscal.*

(3) *Active Customer Count refers to the number of active customers (i.e., where the contract is live and we invoice such customers as per their respective contract) as at the end of the respective Fiscal.*

(4) *ARPC is calculated as ARR divided by the number of Active Customers.*

(5) *GRR denotes percentage of renewed revenue as compared to previous Fiscal.*

(6) *CAC is computed as new sales divided by number of customers acquired.*

(7) *LTV:CAC is computed by (i) multiplying Gross Margin from New Sales with expected life time of the contracts to arrive at LTV; (ii) CAC is calculated by dividing sales and marketing costs by number of customers added.*

* *Others includes cruise lines, vacation rentals and packages companies.*

DaaS Products

We provide customers with access to rate intelligence that provides them real-time intelligence of the market. We acquire data through various sources, including strategic partnerships, purchase, and web data acquisition. All our rate intelligence products receive data from public sources and websites accessed by travellers, as well as data received through partner APIs. Our image mapping solution assists in identifying supply gaps on competing channels, and together with our proprietary AI and machine learning demand forecasting algorithms, provides customers with differentiated pricing strategy based on historical rates, business on books, pace, demand, competitive context, events and weather information. We also provide users with historical insights that together with current pricing information allows customers to determine their pricing strategies.

We also provide customers with travel intent data which provides them with the analysis of the collected information and helps to understand a potential travellers' interest and readiness to make a travel-related purchase. This enables the travel companies, tour operators, airlines and hotels to tailor their marketing efforts to target individuals who are most likely to convert into customers.

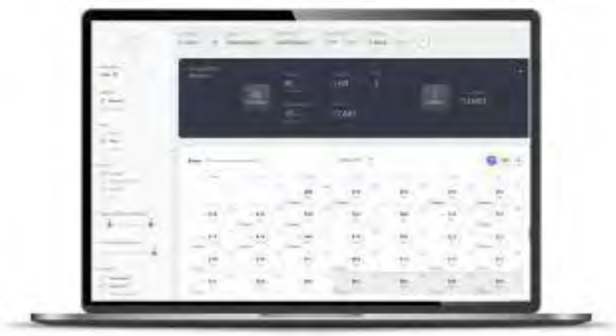
Our suite of DaaS products includes:

- **Competitive Intelligence**

AirGain

AirGain is an airfare pricing intelligence product custom created for the airlines industry. It is powered by big data and AI and offers pricing insights and competitive intelligence data enabling airlines to formulate revenue strategies with latest market data. The *Fare Evolution* tool tracks fare changes for a single departure date across a particular booking window to provide historical analysis of how fares have evolved over a particular period of time. As of September 30, 2023, we tracked over 84 airlines, 7 meta search sites, 79 OTAs and over 185 websites.

CarGain



CarGain is our car rental market intelligence and parity audit product that provides solutions to benchmark competition and distribution partners. CarGain utilizes and benchmarks, pricing of car rental products based on various rental categories and parameters like type of vehicle, origin, length of rental etc. Users are able to generate configurable alerts and scheduled reports. As of September 30, 2023, we tracked over 6,098 locations to generate pricing information for our customers.

FerryGain (Competitive Pricing Intelligence for Cruise and Ferries)

FerryGain is an AI enabled new age revenue management product designed specifically for ferries and cruises, to provide them with accurate forecasting and pricing insights using various advanced machine learning techniques. By integrating with the booking engine, it also offers price recommendation alerts and allows users to provide feedback on the price recommended. We currently track rates for a large number of cruise and ferry ship companies globally. As of September 30, 2023, we tracked over 20 ferry routes across 50 destinations to generate pricing information for our customers.

Optima

Optima is a real-time rate intelligence platform that syndicates hotel software database with smart data analytics. Optima enables users to compare competitor rates and OTAs rank in real-time along with the parity check reports. Optima is powered by *dataSURE*, an artificial intelligence and machine learning driven data quality framework. It pushes competitive and market rate intelligence notifications to revenue managers on a realtime basis to a device of their choice. It provides details of intra-day rate changes and additional insights to assist with pricing strategy.

The *Lightning Refresh* feature instantly refreshes the rates within minutes through an intuitive system, and allows on-demand report generation. It has a market compression indicator to improve yield and further a geography specific rate shopping capability that prevents variance on account of exchange rates. It also has smart shopping capabilities including identification of restrictions based on length of stay, mobile rate tracking, rate tracking for a closed user group and advanced rule-based tracking of specific promotions and inclusions. It aggregates market data continuously from a particular location and provides vacation rental Airbnb insights and from within an identified competitive-set or market. Users are able to get actionable insights through a customized excel sheet report and real-time notifications as email alerts, as well as push notifications on smartphones.

Optima is currently available in six languages viz. English, French, Japanese, German, Portuguese and Spanish. Optima was awarded the Technology Innovation of the Year 2020 by HSMAI Europe and second runners up in HotelTech Report awards in the categories for Rate Shopping and Market Intelligence provider for Optima.

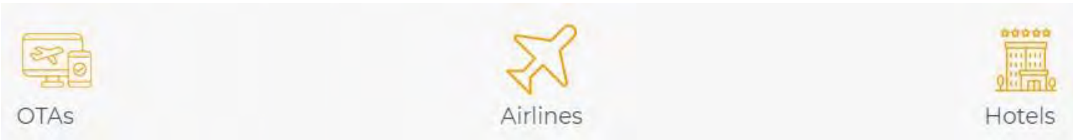
Rate Intelligence for Tour Operators and Package Providers

PriceGain Packages offers tailored intelligence according to the requirements of tour operators and package providers by giving them real-time access to various competitive insights around flight and accommodation pricing bundles.

Rate Intelligence for OTAs

We offer rate intelligence for OTAs that is customized and enables them to track member rates and corporate rates across competitors, check real-time prices and discounts on online packages and track negotiated rates and brand rates as well as across particular GDS.

- **Rate Parity**



Parity+

Rate parity is critical for driving direct booking to a brand's site. Travel industry suppliers often offer a best rate guarantee to their end-customers as an assurance mechanism to encourage direct bookings. Lack of rate parity often shows up on meta search sites where prices for the same hotel can be readily compared and the provider with the cheapest rates end up in a favourable situation in the eyes of the customer. Parity+ is a tool that helps measure effective distribution and presents data as seen by a hotel's potential guest / booker. The system presents insights across multiple parameters and helps in identifying key violators and highlights reasons for parity violations. The product offers an intuitive closed loop rate parity solution for hotels that analyzes their rate parity status quo, defines strategies to minimize revenue loss and helps enhance brand reputation. It confirms the source of parity violation and provides assistance to correct the violation instantly. It contains a single dashboard that provides updates on parity violations. If there are different rates on different websites, this is highlighted on our dashboard with screenshot evidence of such parity violation. All such violations are tabulated with filters that can be used to alert hotel and corporate owners so that they may take appropriate action relating to such violation. Users are able to receive insights into potential revenue loss due to rate and availability violations from various channels. Hotels can compare performance of direct and indirect distribution channels and run on-demand reporting against violation instances to validate and fix discrepancies. In addition, Parity+ provides additional granular information for brand visibility and benchmarking against competitors.

AirGain Parity Watchtower

This product is a parity tracking solution for airlines that enables online sales and ecommerce teams to manage revenue loss and assists in validation of rate parity through a closed-loop system. Users are able to generate customized reports that determine percentage of disparity instances, violation of availability as well as violation of rates and percentage of rate parity violations for the same itinerary. It provides an indicative value of revenue loss incurred due to all violations assuming end-user booked through a different channel. It also maps consumer confidence by tracking loss of consumer confidence in the brand site owing to all rate parity violations.

Parity Watch Tower

Parity Watch Tower is a rate parity tool for OTAs and metasearch sites. It provides market managers details of rate violations and can generate information for a particular region, city and at a hotel level. It contains an automated rule module that allows users to define priorities. Users are able to get smart alerts to action data.

- **Revenue Optimization Platform**

Rev.AI – Packages

Our travel package price management system is a combination of historical and dynamic forward looking data using ML based forecasting, we are able to not only anticipate the demand but also evaluate the right pricing to maximise revenues for the package providers. that allows tour operators and package providers to predict and optimize their pricing function through historical information and on the basis of various factors including weather, events, news or trends that impact traveller experience.

Rev.AI – Car

Our revenue management solution provides insights by analyzing historical data and indicators such as events, weather and city-level demand to create a granular revenue strategy. It provides a single dashboard that allows users to compare historical performance, track activity index and provides alerts and collates feedback to improve.

Rev.AI Ferries

Rev.AI Ferries is a solution specifically designed for the ferry industry which aims to optimize revenue from foot and car passenger sales. The product analyses multiple factors such as foot passenger demand, car passenger demand, car sales, frequency of sailings and inventory which helps revolutionize revenue management. Implementing Rev.AI Ferries empowers ferry operators with enhanced revenue management strategies and datadriven decision making and allows them to unlock untapped revenue potential, improve financial performance and offer an optimized experience for both passengers and cars.

Demand.AI

Demand.AI is a dynamic in-house demand forecasting tool that factors airline capacity, daily arrivals, COVID19 cases, vaccination, travel restrictions, hotel prices, hotel availability and travel bubbles at a date level to predict demand more accurately. This can be used by a variety of segments that are influenced by travel traffic like airlines, hotels, local transport, events, attractions, airports, retail, food and beverage outlets besides other segments.

Adara DaaS

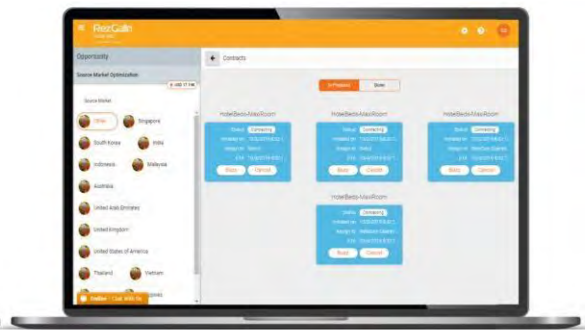
It provides unique travel-intent data to help brands across travel, finance, experience and retail segments to make informed decisions and reach their target audience through insights into such data that influences consumer behaviour in real-time. As of September 30, 2023, we have partnerships with 300+ global brands with over 190 billion data elements.

Distribution Products

Our hospitality distribution products are tailored to assist users with decision making, connectivity and monitoring results in real-time. We provide integrated distribution channel management, CRS level connectivity, business intelligence and content management.

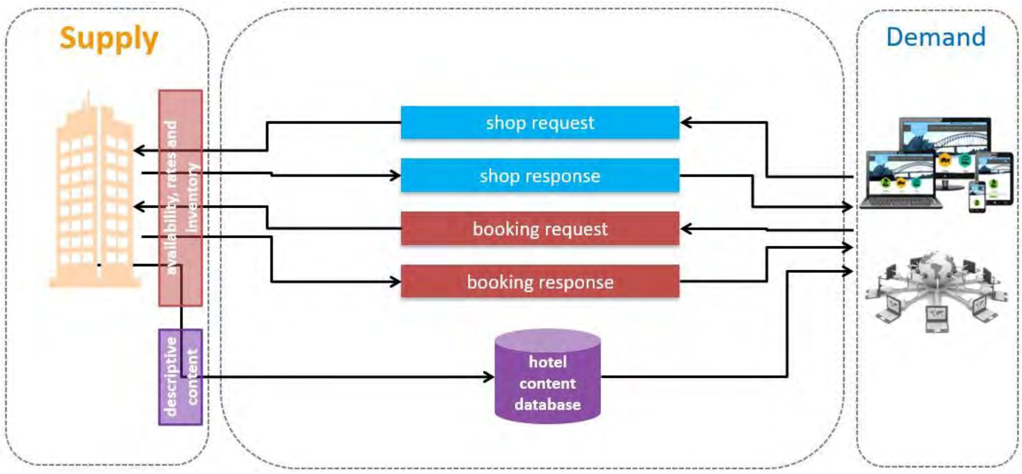
RezGain (Channel Manager)

RezGain is an AI enabled smart distribution channel manager that helps distribute, availability, rates, and inventory and generates additional revenue opportunities. It is a one-stop channel management solution for online distribution and provides end-to-end two-way integration with PMS, CRS, RMS, tour operators, GDS, bed-banks, wholesalers and OTAs. It shares inventory across channels and provides real-time updates as inventory is sold. Users are able to customize by configuring appropriate rules basis occupancy and closeouts to maximize revenue. RezGain comprises an intuitive dashboard on key productivity metrics and undertakes enterprise level analytics and provides real-time currency conversion and a number of OTAs are able to integrate with RezGain. It assists in mapping and translating content for each type of OTA and localises it in multiple languages. For RezGain, supply partners include various hotel and hospitality chains while various OTAs are our demand partners. RezGain creates a link between such supply partners and demand partners.



DHISCO Switch (Enterprise Connectivity)

DHISCO Switch provides mission critical connectivity which enables hotels to drive reservations connects the hotel and hospitality chains with demand channels using advanced switch technology. DHISCO smart cache technology ensures that CRS are able to maintain optimal performance and reduces the load on data originator, i.e., hotels CRS systems, by providing fresh rates and availability data that is used to serve respective requests by OTAs on a real time basis. It provides change hint notifications that ensures that users' channels are up-to-date with the availability, rates and inventory. Our API connectivity ensures property owners can distribute properties across channels and OTAs simultaneously and in real-time.



Smart Distribution

The Smart Distribution product provides hotels and hospitality chains the ability to discover and receive recommendation on new demand opportunities, auto contract with new channels, and set up content and automatically map product on new channels. By leveraging AI and machine learning technologies, Smart Distribution enables hotels to understand and optimize source markets and channels, benchmark with similar hotels and automate and innovate in terms of self-service and advanced room mapping. Users are able to benchmark their key performance indicators including average daily rate, room nights and length of stay and also compare with a defined peer-group. Through Smart Distribution we apply disruptive technology to help the hospitality industry get access to real-time analytics and save cost overheads by analyzing channels and finding new demand.

Distribution for Travel Sellers

We offer travel sellers, such as OTAs, travel management companies, GDSs and wholesalers access to a large inventory of accommodation providers. We provide this together with our other connectivity (DHISCO Switch) and content solutions.

MarTech Solutions

BCV has been voted as the top social media management provider for hotels in the world as per Hotel Tech report (*Source: 1Lattice Report*).

Our MarTech solutions include:

Brand Engagement

We develop customized social media strategies that ties in with users' overall corporate and marketing objectives. We capture content optimized for social media including drone photography and videography, 360 videos, customized graphics and 2.5D animation. Most recently we have experimented with virtual reality and augmented reality. We enable revenue generation through converting conversations on social channels into sales.

Brand Monitoring

Our proprietary tech-enabled solution captures relevant interactions and allows users to engage with guests in real-time. Once a user engages with a hotel or resort through social media, we send customized "alerts" for any interaction that can be escalated to the property team. This allows for mitigation of negative situations and protection of reputation of customer properties on social media.

Analytics and Reporting

Our reporting platform captures analytics for each of our hotel partners across social media channels. We provide performance summaries that highlight key performing indicators including heatmaps for top performing posts across social media platforms.

Paid Digital Marketing

Our paid digital marketing offering specializes in reporting, bid administration, and campaign management across metasearch platforms, enabling hotels and travel partners to increase reservations through their own digital platforms.

Metasearch Marketing for hotels

We enable our hotel partners to undertake digital marketing campaigns to promote their room inventory and attract potential guests across metasearch platforms to help direct traffic to their websites and enable direct bookings to be done on their website. Further, in 2022, we introduced RateHub, a platform that helps hotels distribute data to meta-search engines and drive traffic to the booking engine by increasing its visibility on such meta-search engines and thereby increasing direct bookings for our hotel partners.

Adara MarTech

We manage digital marketing campaigns for users across travel and hospitality sectors basis the travel intent data collected from partnerships with global travel partners. This includes content analysis and optimization, scaling of the brand, campaign implementation, optimizing direct bookings through direct customer acquisitions and performance marketing operation leveraging the travel intent data.

Case Studies

The following case studies provide additional information with respect to application of our products and services across various business segments:

DaaS and Distribution

Air Travel Forecast and Channel Manager Solution

Customer: One of the largest hotel companies worldwide and a leader in the Spanish market with over 370 hotels in 41 countries in more than 4 continents.

Issues Identified	What we Delivered	Benefits Realized
Increased volatility in the market due to Covid-19 made it difficult for them to plan market optimization, pricing and distribution	Air Travel Forecast services for Spanish and Mexican cities	Greater than 90% accuracy in demand forecasting
Relied on lagging indicators	Forecasts on expected airline travellers in next 90 days, grouped basis regional source markets	Better RoI assessment by comparing forecasts with actuals leading to better decision making
Despite recovery in the market, faced challenges due to shorter booking patterns, erratic length of stay and volatile demand	Channel Manager to connect with new demand partners in growing markets	Higher returns on marketing investments
	Optimized campaigns for marketing	

DaaS and Distribution

Channel Manager and Competitive Intelligence Solution

Customer: Columbian hotel chain with over 60 properties and 7,000 rooms across 10 countries in Latin America.

Issues Identified	What we Delivered	Benefits Realized
To improve revenue parity, increase growth and develop strategies to quickly adapt to the volatile Covid-19 market	Channel Manager to empower them with real-time Average Rate Index and reservation delivery data	31% YoY growth in room nights bookings to 150,000+
Needed a technology partner capable of integrating channel manager, business intelligence and demand data insights in real-time	Competitive Intelligence tool for accurate forecast, parity insights and daily competitive pricing reports	32% YoY increase in reservation volume to 51,000+
Wanted the partner to have a Spanish speaking support team and knowledge of the Latin American hospitality landscape	Dedicated support and account management team fluent in Spanish, Portuguese and other local languages	Processed over 40 million Average Rate Index a staggering growth of over 90% from the previous year

DaaS

Competitive Intelligence Solution

Customer: A Southeast Asian airline.

Issues Identified

- Lack of actionable intelligence at scale
- Challenges in obtaining competitor pricing data across multiple channels
- Encountered low quality and inaccurate data
- Challenge in tracking rates on OTA and meta sites, differentiating desktop vs. mobile rates and obtaining tailored data

What we Delivered

- AirGain to provide them with real-time airfare insights
- Up to 80% faster actionable insights
- User friendly interface and high-scale visualisations to track airfare
- Competitor benchmarking and rate tracking on mobile, desktop, OTAs and meta sites
- Flexible reporting criteria and tracking of ancillary rates

Benefits Realized

- Ability to instantly respond to market changes on profitable routes
- Enhanced efficiency and better revenue strategy using on demand reports and instant actionable insights
- Faster response to price changes on important Origin and Destination

DaaS and Martech

Adara Martech Service

Customer: An American tourism association and an American advertising and marketing firm.

Issues Identified

- Lack of awareness of their region
- Unable to drive demand for travel to their regional airport

What we Delivered

- Adara leveraged intent signals and attribution measurement platform, Impact, to help run an effective campaign
- Ran campaigns across budgets and tactics and were able to accommodate various audiences and geos
- Collaborated with destination management organization's to further drive awareness and bookings

Benefits Realized

- Campaign delivered over 4.96 million impressions
- Generated a total of 197,000 hotel bookings
- Helped the tourism association achieve a nearly 8:1 return on ad spend during campaign duration

Global Presence

The map below sets out our office locations, as of September 30, 2023:

(Map not to scale)

As of September 30, 2023, we were present in six jurisdictions; they are: India, United States of America, United Kingdom, Spain, Germany, and UAE. The following table presents the contribution by geography to revenue from contracts with customers:

Region	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months ended September 30, 2023	
	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers	Amount (₹ million)	% of Total Revenue from Contracts with Customers
North America (primarily USA)	1,623.89	64.75	2,283.84	62.30	3,167.55	56.05	2,700.74	60.12
Asia-Pacific (primarily India)	380.97	15.19	385.84	10.53	621.64	11.00	433.84	9.66
Europe (primarily UK)	375.92	14.99	867.49	23.66	1,698.21	30.05	1,285.14	28.61
Others	127.15	5.07	128.74	3.51	163.88	2.90	72.30	1.61
Total	2,507.93	**100.00**	**3,665.91**	**100.00**	**5,651.28**	**100.00**	4,492.02	100.00

In Fiscal 2021, 2022 and 2023 and the six months ended September 30, 2023, we generated 99.24%, 99.29%, 99.36%, and 99.46% of our total revenue from contracts with customers from outside India while we generated 0.76%, 0.71%, 0.64% and 0.54% of our total revenue from contracts with customers from within India.

As we continue to provide customers with our solutions in various geographies, our solutions have also increasingly become localized in recent years to better serve customers in such markets. We have experienced market teams located where our customers are based so that we are able to service such customers on a real-time basis.

Customers

Our customers include 25 out of the top 30 OTAs, several of the world's fastest-growing airlines, 23 of the top 30 hotel chains, all leading global car rental companies, leading cruise lines, destination management organisations and most of the largest travel management companies (*Source: 1Lattice Report*).

The table below sets forth details of revenues generated from our top 10 customers in the periods indicated:

(*in ₹ million*)

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months ended September 30, 2023
Customer 1	226.81	383.09	389.21	267.82
Customer 2	152.84	170.27	282.88	216.21
Customer 3	93.32	125.74	209.44	154.76
Customer 4	92.13	82.65	176.43	108.65
Customer 5	83.14	79.88	170.63	90.44
Customer 6	71.40	78.50	164.37	75.63
Customer 7	69.28	69.58	155.95	50.70
Customer 8	49.45	63.01	93.31	50.38
Customer 9	46.14	61.01	90.51	49.07
Customer 10	43.62	60.74	87.82	48.92

- **DaaS**

Customers for our DaaS products include hotels, airlines, car rental companies, cruise and ferry companies, package providers, OTAs, and tourism companies. As of September 30, 2023, over 844 customers have subscribed to our DaaS products.

- **Distribution**

Customers for our Distribution products are primarily hotels and travel sellers, such as OTAs, travel management companies, GDSs and wholesalers. As of September 30, 2023, we had over 843 customers who used our Distribution products.

- **MarTech**

We provide MarTech solutions primarily to hotel and travel partners. As of September 30, 2023, we have been engaged by over 1,417 hotel customers to manage their brand engagement, brand monitoring and digital marketing strategy.

Go To Market ("GTM")

We have a customer centric approach to sales. Our GTM teams are divided across various regions.

North America and rest of Latin America. The team works to develop and manage new accounts. Once onboarded, the 'Customer Success' team manages key relationships through dedicated account managers. The 'Customer Success' team is assisted by technical account managers who have a smaller portfolio and deal with technical nuances of the API interface between the customer and us.

Europe and UK. Our team is based in Barcelona and covers countries such as UK, Ireland, Germany, Nordic countries, Italy, Austria, Spain, France and Switzerland. We have enterprise account management for mining accounts in Europe.

Asia-Pacific. We cater to all the countries with high tourism footprint including Middle East, Indonesia, India, Malaysia, Thailand, Vietnam, Sri Lanka, Australia, New Zealand, Maldives, Philippines, China, Japan and Korea.

Sales and Marketing

We have a decentralized, and robust sales and marketing teams that specialize in the regions where they operate. We use latest sales, marketing and service cloud modules to build a single 360 degree view of the customer right from corporate to property / unit level. We use automated reports from our sales CRM for monitoring and tracking of sales metrics and monitor pipeline progress and real-time customer and opportunity visibility.

Our sales and marketing teams and initiatives are streamlined based on the target customer segment:

Enterprise customers. For our enterprise customer, i.e., customers that generated revenues of over ₹ 4.00 million in any Fiscal, we have experienced sales teams and go to market personnel that report into specific regional industry leaders. We focus on generating revenue from existing and new clients. These sales teams and go-to market specialists are ably supported by enterprise solution engineers, technical account managers and customer success leaders.

Mid-market customers. Our customer success teams focus on the expansion of business from existing customers while our new customer acquisition initiatives in this segment are led by sales leaders focused on this customer segment.

Independents hotels and SMEs. We have developed a sales team that works on leads generated by our marketing team or through customer or industry intermediary referrals, and includes working with customers sometimes through remote engagement with screen sharing tools used for pitching and demonstrating the capabilities of the product.

We have developed a dedicated customer success team that is primarily responsible for ensuring that the relevant customers derive measurable value as a result of using our products and solutions. Our existing customer accounts are segregated based on existing contract value and potential for additional sales and engagements. We follow a streamlined engagement model that includes quarterly business review and monthly interaction with customers. These customer engagement measures enable us to align our products and solutions offerings to customers' business objectives and thereby further expand the existing customer accounts with additional opportunities that can be serviced through our broader products and solutions portfolio.

We have also developed a dedicated marketing team including specialists in brand marketing, product marketing and performance marketing. We have established specific metrics to measure the performance of these marketing teams in terms of lead generation, and increasing visibility of our products and solutions through in-person or remote industry events. We also focus on contributing heavily to industry reports published by leading publications related to the travel industry. To engage with the subject matter experts, we have formed customer advisory boards in various geographies and conduct events for collective feedback on taking the industry forward. Besides this, we also participate in global travel trade shows as well as host educational webinars and sponsored events in target markets to engage with the local target fraternity.

We offer 24x7 customer support whereby customers may seek assistance through system tickets, live chat support, telephone calls and through email. All customer support requests are categorized based on the level of impact, with specific measures relating to resolution timelines. We use a common sales, service and marketing cloud for ticket tracking and CRM which provides a single view of the customer, which can be leveraged to understand their current engagement while generating new opportunities from existing client base. The service cloud has internal automation to send alerts when the response deadline is approaching so that prioritization in ticket resolution is preserved. We measure client satisfaction on ticket closures and turn-around times, re-opening of issues and ticket volume to improve our support function.

Contracting and Delivery Model

- **DaaS**

For our DaaS products, we operate on a subscription model where our customers in the hospitality sector subscribe to our DaaS products such as Optima and Parity. For our OTA customers and airlines, car rental and vacation packages customers we operate on a hybrid model where we charge a minimum subscription fee for use of our products and a pay-per-use charge for accessing additional data. The data is stored in the cloud and delivered as a feed or made available through browser accessible user interface.

- **Distribution**

We operate RezGain on a subscription basis where customers pay a subscription fee to access the product while DHISCO operates on a transaction model where we generate revenues from bookings done by OTAs and GDS operators.

- **MarTech**

We offer hospitality customers social listening and guest communication services, provide active management of their social assets and campaign management to increase awareness, engagement and sales that help in personalization of guest experience. We generate revenues from our MarTech solutions on a subscription basis and also operate on campaign-based fees for managing campaigns for our partners in the travel and hospitality sectors on a periodic basis.

Competition

The principal competitive factors in our industry include product functionality and scope, performance, scalability and reliability of services, technology capabilities, marketing and sales capabilities, user experience, pricing, brand recognition and reputation. In addition, new and enhanced technology may further increase competition in our industry. We believe that we are well-positioned to compete effectively on the basis of the foregoing factors. As per the 1Lattice Report, we are considered unique for our specific breadth of supplier coverage and functional coverage, our ability to gather and leverage vast amounts of travel data for AI models, and our ability to use data to create actionable business intelligence for our customers. Our competitors are primarily headquartered in North America, Europe, China and Australia.

- **DaaS**

We compete with OTAinsight and Fornova in the hotels segment, while we compete with InFare in the airline segment. In the car rental segment our primary competitor is RateHighway (*Source: 1Lattice Report*).

- **Distribution**

DHISCO and RezGain, our primary distribution products, compete with Siteminder, Derbysoft, Staah and TravelClick, all focused on the hotels segment (*Source: 1Lattice Report*). We also have some platforms connecting directly with demand providers that act as competition in specific cases.

- **MarTech**

There are limited scaled participants in the digital marketing industry that are focused on providing brand engagement services for the hospitality industry. For some of paid digital marketing offerings, we compete with Koddi, Triptease, Sojern and Journera in the digital marketing industry. (*Source: 1Lattice Report*)

Technology Infrastructure

We provide customers with scalable and reliable infrastructure through secure and scalable cloud platforms and industry-leading technologies. Technology is key to how we efficiently collect, curate and ultimately deliver our data, actionable analytics and business insights. Our strategy is to make investments in modernizing our infrastructure and optimizing our architecture to increase control, create efficiencies and greatly enhance the ability of our platforms to scale.

Infrastructure

Our secure technology infrastructure is built on a scalable, cloud-based architecture through arrangements with public cloud computing service providers. Furthermore, our products have future compatible cloud-native design instead of being just hosted on the cloud infrastructure. Our cloud-based auto-scalable technology infrastructure allows us to process large volumes of data on a real-time basis and ensure high-speed and stable performances on a large scale to accommodate and support the increased complexity and diversity of our business operations.

Technology Capabilities

We have continuously explored and invested in intelligent technologies such as artificial intelligence, machine learning, data science, cloud computing and data analytics. We have built our proprietary AI algorithms and applied it in connection with our SaaS products to provide our customers with next generation of product features.

Intellectual Property Rights

We regard our proprietary domain names, trademarks, patents, trade secrets and other intellectual property as critical to our business operations. We rely on a combination of trademarks, patents, trade secret laws and restrictions on disclosure to protect our intellectual property.

Our success and ability to compete depend in part upon our ability to protect our technology and to establish and adequately protect our intellectual property rights. We have obtained registrations for 28 trademarks across various jurisdictions including India, United States, Canada, UK, Germany and the European Union. We have six registered trademarks in India under class 9, class 42 and class 99 of the Trademarks Act. Additionally, we have also filed applications for grant of three additional trademarks in India and United States, all of which are currently operational and pending registration before respective authorities.

Sustainability

In response to the growing focus on sustainability, we have directed significant attention to the footprint of our IT solutions. Further to our commitment to responsible business practices, we continually explore how our IT offerings can align with our sustainability agenda while meeting clients' aspirations.

We have a board approved Environmental Policy that includes measures that we implement and is communicated and made available to all stakeholders including persons working for or on our behalf. We maintain appropriate controls, including periodic review of our Environmental Policy, to ensure its applicability and relevance to the changing scenarios and stakeholder expectations.

Human Resources

As of September 30, 2023, we had 746 full-time employees. The following table sets forth a breakdown of our employees by function as of September 30, 2023:

Function	Number of Employees
Technology	164
Customer Success	101
Operations	180
Implementation and GHD	55
Sales	62
RG Labs	36
Others	148
Total	**746**

We focus on attracting, developing and retaining a personnel with varied expertise including business, technical and sales and marketing backgrounds, across various experience levels. As of September 30, 2023, our Glassdoor Rating was 4.1. We recruit fresh talent from leading educational institutions in India through campus recruitment.

As part of employee benefits initiative, we provide term insurance and life insurance to all our employees. We also provide medical insurance to our employees including their families. We offer a zero percent interest loan facility to all tenured employees of our Company. To incentivize our employees we have also introduced ESOP programmes and a SAR policy. In line with the changing trend of remote, hybrid work practices adopted by technology companies across the globe, we provide flexibility to our employees by implementing a hybrid work model of mandating office attendance for 2 to 3 days during the week, basis the designation of the employees, and flexibility to work from home or office for the rest of the days.

Insurance

We have obtained a number of insurance policies in connection with our operations including group health insurance, group term insurance commercial general liability insurance, directors and officers liability insurance, cyber insurance, professional indemnity insurance and assets insurance.

However, our insurance policies may not be able to cover all our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See "***Risk Factors – An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***" on page 65.

Corporate Social Responsibility ("CSR")

We seek to integrate our business values with our operations so we may undertake our business activities in an ethical and transparent manner. Further, we seek to improve our fulfilment of social responsibilities and enhance our economic practices in an attempt to create a positive impact on the society. Our CSR Committee has adopted a CSR policy with a focus on eradicating hunger, poverty and malnutrition, promoting education, gender equality and environmental sustainability.

As part of our CSR initiatives, we have provided financial assistance to Aashray Society, a non-governmental organization engaged in assisting vulnerable and underprivileged children and women and Little India Foundation which is engaged in providing daily free meals to the underprivileged section of society and is also associated with the FSSAI food collection program "Share Food Save Food".

Properties

Our Registered Office is located at M-140, Greater Kailash, Part-II, New Delhi 110 048, India on premises that is owned by our Promoter(s). Our Corporate Office is located Club 124, Plot No. A- 3, 4, 5, Tower A, 4th Floor, Sector 125, Noida – 201 301, Uttar Pradesh, India which is sub-leased by us. In addition, as of September 30, 2023, we also conducted operations in six countries including India, the United States of America, United Kingdom, Spain, Germany and UAE on premises that are leased by us. Within the United States, we have offices in multiple locations and operate from premises that are leased by us.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

In accordance with our Articles of Association, our Company is authorised to have a minimum of three and a maximum of eight Directors. As on the date of this Preliminary Placement Memorandum, we have six Directors on our Board, comprising two Executive Directors, one Non-Executive Director and three Independent Directors, including one woman Independent Director. The Chairman of our Board, Bhanu Chopra, is an Executive Director.

Our Board composition is in compliance with Companies Act, 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Name, date of birth, address, occupation, term, period of directorship and DIN	Age (years)	Designation
Bhanu Chopra **Date of birth:** March 14, 1976 **Address:** M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India **Occupation:** Entrepreneur **Term:** Five years with effect from August 5, 2021 and liable to retire by rotation **Period of directorship:** Since incorporation **DIN:** 01037173	47	Chairman and Managing Director
Megha Chopra **Date of birth:** January 17, 1980 **Address:** M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India **Occupation:** Entrepreneur **Term:** Liable to retire by rotation **Period of directorship:** Since incorporation **DIN:** 02078421	43	Executive Director
Nishant Kanuru Rao **Date of birth:** June 3, 1978 **Address:** D502 Palm Springs, DLF Course Road, Sikandarpur Ghosi (68), Gurugram 122 002, Haryana, India **Occupation:** Venture Capitalist **Term:** Liable to retire by rotation **Period of directorship:** Since November 2, 2020 **DIN:** 08972606	45	Non-Executive Director
Girish Paman Vanvari **Date of birth:** April 10, 1972 **Address:** 801, Martins Nest, 9 Central Avenue, Santacruz (West), Mumbai 400 054, Maharashtra, India	51	Independent Director

Name, date of birth, address, occupation, term, period of directorship and DIN	Age (years)	Designation
Occupation: Professional **Term:** Five years with effect from June 29, 2021 **Period of directorship:** Since June 29, 2021 **DIN:** 07376482		
Aditi Gupta **Date of birth:** December 17, 1985 **Address:** 9/283, Sector-3, Rajendra Nagar, Sahibabad, Ghaziabad 201 005, Uttar Pradesh, India **Occupation:** Professional **Term:** Five years with effect from July 15, 2021 **Period of directorship:** Since July 15, 2021 **DIN:** 06413605	37	Independent Director
EC Rajakumar Konduru **Date of birth:** September 28, 1962 **Address:** 96A, 7th Cross, 2nd Main, 1st Block, RMV, 2nd Stage, Bengaluru 560 094, Karnataka, India **Occupation:** Professional **Term:** Five years with effect from July 15, 2021 **Period of directorship:** Since July 15, 2021 **DIN:** 00044539	61	Independent Director

Borrowing Powers of the Board

Pursuant to the provisions of the Companies Act, 2013 and the rules framed thereunder, our Board is authorised to borrow such monies which together with the money already borrowed does not exceed the paid-up share capital and free reserves of our Company. Our Board and Shareholders have pursuant to their resolutions, dated August 5, 2021 and August 6, 2021, respectively, have approved the borrowing powers up to ₹ 2,000 million.

Interests of our Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board and committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For details, please see "***Shareholding of our Directors***" below.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

Loans from Directors

No loans have been availed by our Directors from our Company.

Interest in land and property

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company.

Interest in promotion or formation of our Company

Except Bhanu Chopra and Megha Chopra, who are the Promoters of our Company and initial subscribers to our Memorandum of Association, none of our Directors have any interest in the promotion and formation of our Company as on the date of this Preliminary Placement Document.

Business interest

Except as stated in the "***Related Party Transactions***" on page 44, our Directors do not have any other business interest in our Company.

Relationship between Directors, Key Managerial Personnel and Senior Management

Except for Bhanu Chopra and Megha Chopra who are married to each other, none of our Directors or Key Managerial Personnel or Senior Management are related to each other.

Shareholding of Directors in our Company

As per the Articles of Association of our Company, our Directors are not required to hold any qualification shares.

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Preliminary Placement Document:

Name of the Director	No. of Equity Shares	Percentage (%)
Bhanu Chopra	44,483,450	41.03
Megha Chopra	14,242,360	13.14
Total	**58,725,810**	**54.17**

Terms of appointment and remuneration of our Executive Directors

Bhanu Chopra

Pursuant to the resolution passed by our Board and shareholders on August 5, 2021 and August 6, 2021, Bhanu Chopra was appointed as the Managing Director of our Company for a term of five years with effect from August 5, 2021. His appointment is governed by the terms of the employment agreement dated August 10, 2020 ("**Employment Agreement**"). In terms of the Employment Agreement, he is entitled to receive remuneration by way of salary and annual bonuses as detailed below:

Base annual salary: ₹ 31.03 million to be increased by inflationary standards annually

Annual bonus: Payable based on the following performance milestones:

- On achieving 100% of annual budget or more -100% of base salary payable as bonus
- On achieving 85-100% of annual budget- 70% of base salary payable as bonus
- On achieving 70-85% of annual budget - 50% of base salary payable as bonus
- On achieving 50-70% of annual budget- 30% of base salary payable as bonus
- Below 50% of annual budget - No bonus will be payable

He received a gross remuneration of ₹ 61.48 million in Fiscal 2023 from our Company. The following table sets forth the remuneration paid by our Company to Bhanu Chopra during Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023:

(in ₹ million)

Bhanu Chopra			
Fiscal/ Period	**Fixed Salary**	**Performance linked bonus**	**Total**
Fiscal 2021	30.53	19.79	50.32
Fiscal 2022	30.44	30.44	60.88
Fiscal 2023	30.44	31.04	61.48
April 1, 2023 – September 30, 2023	16.74	17.07	33.81

Megha Chopra

Megha Chopra is not entitled to receive any remuneration or compensation (including sitting fees) from our Company and accordingly no remuneration has been paid to her during Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023.

For further details of remuneration paid to our Executive Directors for Fiscals 2021, 2022 and 2023, see "***Related Party Transactions***" on page 44.

Remuneration of Non-Executive and Independent Directors

Our Non-Executive Director, Nishant Kanuru Rao, is not entitled to receive any remuneration or compensation (including sitting fees) from our Company and accordingly no remuneration has been paid to our Non-Executive Director during Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023.

Pursuant to a resolution passed by our Board at its meeting held on February 11, 2022, our Independent Directors are each entitled to a sitting fee of ₹ 40,000 for each meeting of our Board and ₹ 20,000 for each meeting of the committees of our Board. Further, it was also resolved that any remuneration payable to the Independent Directors, excluding remuneration for attending meetings, shall be subject to the ceilings as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force, as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as applicable.

The following table sets forth the sitting fees paid by our Company to our Independent Directors during Fiscals 2021, 2022 and 2023 and the six months ended September 30, 2023:

(in ₹ million)

Name of the Director	**Total sitting fees**			
	Fiscal 2021*	**Fiscal 2022**	**Fiscal 2023**	**April 1, 2023 – September 30, 2023**
Aditi Gupta	-	0.10	0.56	0.20
EC Rajakumar Konduru	-	0.08	0.36	0.10
Girish Paman Vanvari	-	0.08	0.50	0.12

* *All our Independent Directors were appointed in Fiscal 2022 and accordingly no compensation was paid to our Independent Directors in Fiscal 2021.*

Corporate Governance

As on the date of this Preliminary Placement Document, we have six Directors on our Board, comprising of two Executive Directors, one Non-Executive Director and three Independent Directors, including one woman Independent Director. The Chairman of our Board, Bhanu Chopra, is an Executive Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

Committees of our Board of Directors

Our Company has constituted the following five committees in terms of the SEBI Listing Regulations and the Companies Act, 2013 each of which functions in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as applicable:

(i) Audit Committee;

(ii) Nomination and Remuneration Committee;

(iii) Stakeholders' Relationship Committee;

(iv) Corporate Social Responsibility Committee; and

(v) Risk Management Committee.

The details of these committees are as follows:

A. Audit Committee

The members of the Audit Committee are:

1. Girish Paman Vanvari (*Chairperson – Independent Director*);
2. Aditi Gupta (*Member – Independent Director*); and
3. EC Rajakumar Konduru (*Member – Independent Director*).

B. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Girish Paman Vanvari (*Chairperson – Independent Director*);
2. Aditi Gupta (*Member – Independent Director*); and
3. Nishant Kanuru Rao (*Member – Non-Executive Director*).

C. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Aditi Gupta (*Chairperson – Independent Director*);
2. Bhanu Chopra (*Member – Managing Director*);
3. Megha Chopra (*Member – Executive Director*); and
4. EC Rajakumar Konduru (*Member – Independent Director*)

D. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

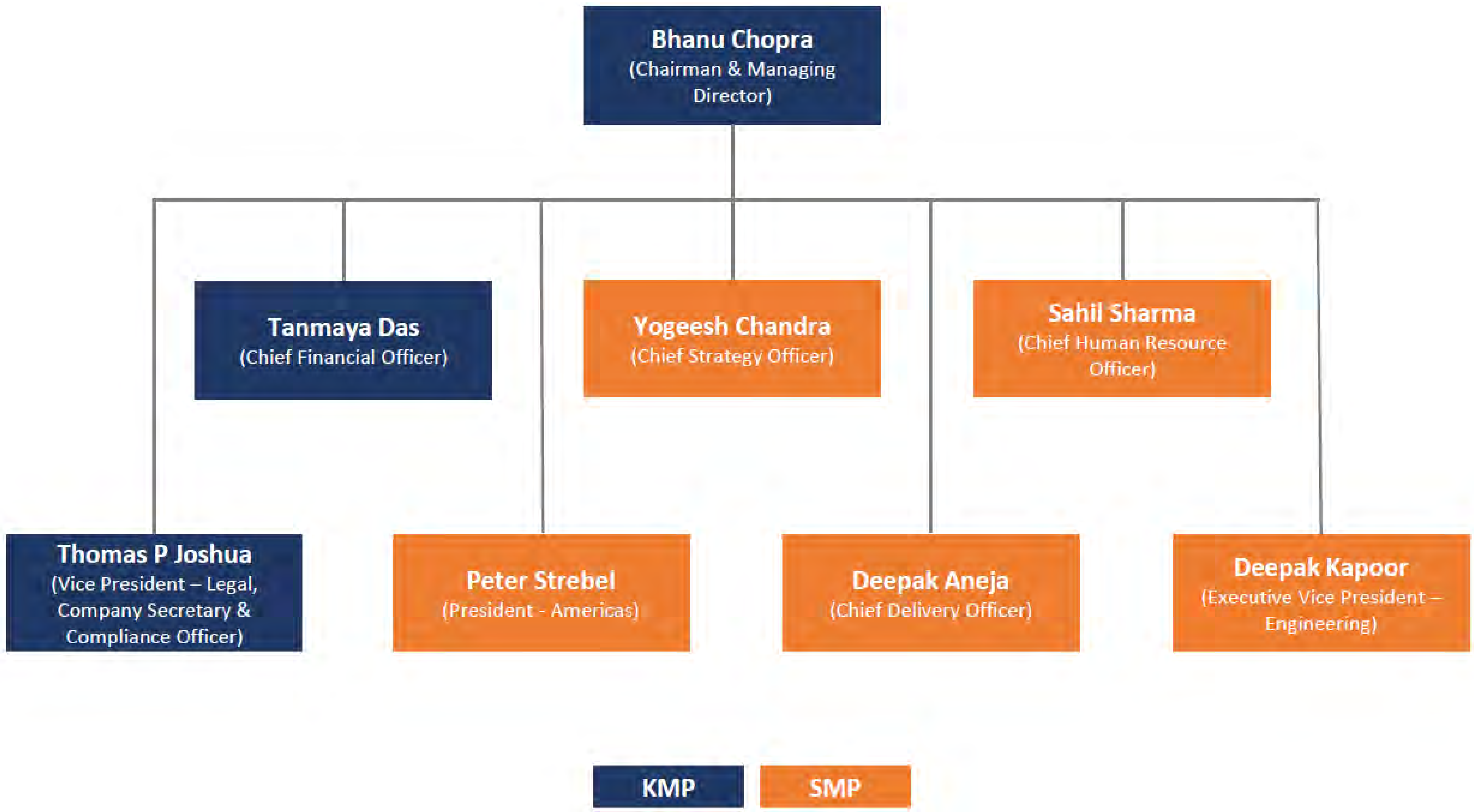
1. Bhanu Chopra (*Chairperson – Managing Director*);
2. Megha Chopra (*Member – Executive Director*);
3. Aditi Gupta (*Member – Independent Director*); and
4. Nishant Kanuru Rao (*Member – Non-Executive Director*).

E. Risk Management Committee

The members of the Risk Management Committee are:

1. Girish Paman Vanvari (*Chairperson – Independent Director*);
2. Bhanu Chopra (*Member – Managing Director*);
3. EC Rajakumar Konduru (*Member – Independent Director*); and
4. Tanmaya Das (*Member – Chief Financial Officer*).

Management Organisation Chart



Key Managerial Personnel and Senior Management

The following table sets forth the details of our Key Managerial Personnel and Senior Management, other than Bhanu Chopra, our Chairman and Managing Director:

Key Managerial Personnel

S. No.	Name	Designation
1.	Tanmaya Das	Chief Financial Officer
2.	Thomas P Joshua	Vice President –Legal, Company Secretary and Compliance Officer

Senior Management

S. No.	Name	Designation
1.	Yogeesh Chandra	Chief Strategy Officer
2.	Sahil Sharma	Chief Human Resource Officer
3.	Peter Strebel	President - Americas
4.	Deepak Aneja	Chief Delivery Officer
5.	Deepak Kapoor	Executive Vice President – Engineering

Shareholding of Key Managerial Personnel and Senior Management

The following table sets forth the details of shareholding of our Key Managerial Personnel and Senior Management, other than Bhanu Chopra, our Chairman and Managing Director, as of the date of this Preliminary Placement Document:

Name of the KMP/Senior Management	No. of Equity Shares (as on November 10, 2023)	Percentage (%)
Tanmaya Das	150,000	0.14
Yogeesh Chandra	66,700	0.06
Sahil Sharma	13,510	0.01
Deepak Aneja	57,147	0.05
Deepak Kapoor	60,330	0.06

Interest of Key Managerial Personnel and Senior Management

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel and Senior Management may be interested to the extent of employee stock options that may be granted to them from time to time under the ESOP Schemes, SAR Scheme, ESPS Scheme and any other employee benefit schemes formulated by the Company from time to time. For details, see "***Capital Structure – Share Based Employee Benefits Schemes***" on page 85.

None of the Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to the Key Managerial Personnel.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented a code of conduct for regulating, monitoring and reporting of trades and prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading. The abovementioned code is uploaded on the website of the Company at the link: https://investors.rategain.com/index_rg.htm.

Other confirmations

Except as otherwise stated above in "***– Interests of our Directors***" and "***– Interest of Key Managerial Personnel***

and Senior Management", none of our Promoters or Directors or Key Managerial Personnel and Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company nor our Promoters or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers.

None of our Promoters or Directors have been declared as Fugitive Economic Offenders.

Neither our Company, nor our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI.

None of the Directors, Promoters or Key Managerial Personnel and Senior Management of our Company intends to subscribe to the Issue.

ORGANIZATIONAL STRUCTURE

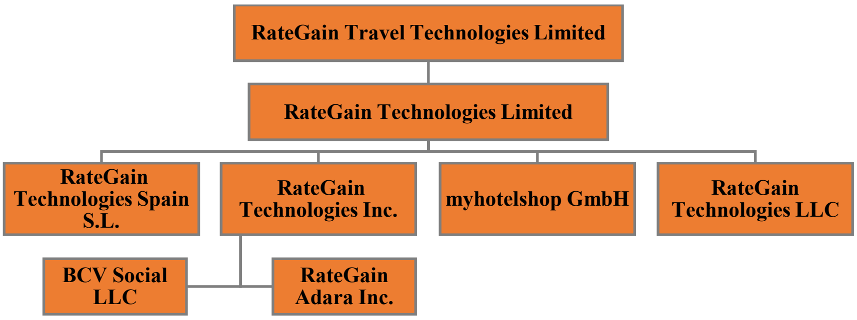
Corporate History

Our Company was originally incorporated in New Delhi as 'Ridaan Real Estate Private Limited' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 16, 2012 issued by the RoC. Pursuant to the Scheme of Arrangement and Demerger, our Company acquired the business of providing web-based solution to hospitality and travel sector of RateGain IT Solutions Private Limited. Subsequently, the name of our Company was changed to 'RateGain Travel Technologies Private Limited' and a fresh certificate of incorporation dated February 25, 2015 was issued by the RoC. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders dated July 15, 2021 and consequently the name of our Company was changed to 'RateGain Travel Technologies Limited' and a fresh certificate of incorporation dated July 27, 2021 was issued by the RoC.

Our Company's CIN is L72900DL2012PLC244966. Our Company's Registered Office is located at M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India and Corporate Office is located at Club 125, Plot No. A - 3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India.

Our Equity Shares are listed on BSE and NSE since December 17, 2021.

Organizational Structure



Subsidiaries

As on the date of this Preliminary Placement Document, our Company has seven Subsidiaries as set forth below:

1. RateGain Technologies Limited ("RateGain UK")

RateGain UK was incorporated on December 5, 2014 under the laws of England and Wales with the registration number 09343667. Its registered office is located at 6th Floor, 9 Appold Street, London, United Kingdom EC2A 2AP. It is primarily engaged in the business of development and sale of software in the travel and hospitality sectors.

2. RateGain Technologies Spain, S.L. ("RateGain Spain")

RateGain Spain was incorporated on December 4, 2015 and was registered in the Barcelona Commercial Registry on the December 30, 2015 under the laws of Spain, with registration number B66662511, within File B-477836, Volume 47062 and Sheet 23 of the mentioned Registry. Its registered office is located at 3rd Floor, 1st Gate, Avinguda Diagnol, 439 Barcelona 08036, Spain. It is permitted to carry out the business of management consultancy activities and to develop business activities in the area of information technology, offering Software as a Service (SAAS) and travel technology solutions, as per the constitutional documents and in accordance with the applicable rules and regulations.

3. RateGain Technologies Inc. ("RateGain US")

RateGain US was incorporated as a corporation on April 8, 2015 under the laws of State of Delaware. Its registered office is located at Corporation Trust Center, 1209 Orange Street, Wilmington Delaware, 19801, USA. It is engaged in the business of providing data as a service, distribution and market technologies to travel and hospitality sector on a SaaS platform.

4. myhotelshop GmbH (“Myhotelshop”)

Myhotelshop was incorporated as a limited liability Company on March 1, 2012, under the laws of Germany and is registered with the Commercial Register (*Handelsregister*) of the Local Court (*Amtsgericht*) of Leipzig under HR B 28024. Its registered office is located at Floβplatz 6, 04107 Leipzip, Germany. It is permitted to carry out the business of developing and marketing of systems and software programs as well as the operation of online marketplaces, primarily for the travel sector, as per the constitutional documents and in accordance with the applicable rules and regulations.

5. RateGain Technologies LLC (“RateGain UAE”)

RateGain UAE was incorporated on November 28, 2022, under the laws of UAE with the registration number 2221671. Its registered office is located at Office No. [B6], Level [1], Block [B], Shams Business Centre, Sharjah Media City Free Zone, UAE. It is permitted to carry out the business of data processing, hosting, and related activities, including the operation and management of web portals and websites that utilize search engines to generate and maintain extensive databases of internet addresses and content in an easily searchable format.

6. BCV Social LLC (“BCV Social”)

BCV Social was incorporated as a limited liability company on May 2, 2013 under the laws of State of Delaware. Its registered office is situated at 300 Creek View Road, Suite 209, Newark, DE 19711, USA. It is currently engaged in the business of providing data as a service, distribution and market technologies to travel and hospitality sector on a SaaS platform.

7. RateGain Adara Inc. (“RateGain Adara”)

RateGain Adara was incorporated as a corporation on December 14, 2022 under the laws of State of Delaware. Its registered office is located at C/O WG 1200 Tices Lane, East Brunswick, NJ 08816, USA. It is a travel data exchange platforms, providing access to ethically sourced travel intent data. Its charter documents permit the engagement of such business activities.

Associate Companies

As of the date of this Preliminary Placement Document, our Company does not have any associate companies.

Joint ventures

As on the date of this Preliminary Placement Document, our Company does not have any joint venture.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on September 30, 2023 is set forth below:

Table I - Summary Statement holding of specified securities

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. of shares	Shareholding as a % of total no. of shares	No. of voting rights	Total as a % of voting rights	Number of equity shares held in dematerialised form	Sub-categorization of shares Shareholding (No. of shares) under SubCategory I	SubCategory II	SubCategory II
(A) Promoter & Promoter Group	3	60,401,440	60,401,440	55.72	60,401,440	55.72	60,401,440	-	-	-
(B) Public	59,792	48,006,858	48,006,858	44.28	48,006,858	44.28	48,006,856	-	-	-
(C) Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-
(C1) Shares underlying DRs	-	-	-	-	-	-	-	-	-	-
(C2) Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-
Grand Total	**59,795**	**108,408,298**	**108,408,298**	**100**	**108,408,298**	**100**	**108,408,296**	-	-	-

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category and name of the Shareholders	Entity type	Nos. of Shareholder	No. of fully paid up equity shares held	Total nos. of shares held	Shareholding % calculated as per SCRR, 1957	Number of Voting Rights held in each class of securities Class eg: X	Total	Number of equity shares held in dematerialized form
A1) Indian								
Individuals/Hindu undivided Family		3	60,401,440	60,401,440	55.72	60,401,440	55.72	60,401,440
Usha Chopra	Promoter Group	1	1,675,630	1,675,630	1.55	1,675,630	1.55	1,675,630
Bhanu Chopra	Promoter	1	44,483,450	44,483,450	41.03	44,483,450	41.03	44,483,450
Megha Chopra	Promoter	1	14,242,360	14,242,360	13.14	14,242,360	13.14	14,242,360
Sub-Total (A)(1)		3	60,401,440	60,401,440	55.72	60,401,440	55.72	60,401,440
A2) Foreign		-	-	-	-	-	-	-
A=A1+A2		**3**	**60,401,440**	**60,401,440**	**55.72**	**60,401,440**	**55.72**	**60,401,440**

Table III - Statement showing shareholding pattern of the public shareholder

Category and name of the Shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting rights	Number of equity shares held in dematerialized form	Sub-categorization of shares Shareholding (No. of shares) under		
								Sub-Category I	Sub-Category II	Sub-Category III
B1) Institutions										
B2) Institutions (Domestic)										
Mutual Funds	9	16,918,058	16,918,058	15.61	16,918,058	15.61	16,918,058	-	-	-
NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA FLE	1	8,260,151	8,260,151	7.62	8,260,151	7.62	8,260,151	-	-	-
ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	1	4,659,690	4,659,690	4.30	4,659,690	4.30	4,659,690	-	-	-
ICICI PRUDENTIAL INNOVATION FUND	1	1,279,164	1,279,164	1.18	1,279,164	1.18	1,279,164	-	-	-
Alternate Investment Funds	7	1,153,525	1,153,525	1.06	1,153,525	1.06	1,153,525	-	-	-
Insurance Companies	3	1,233,046	1,233,046	1.14	1,233,046	1.14	1,233,046	-	-	-
Sub-Total B1	**19**	**19,304,629**	**19,304,629**	**17.81**	**19,304,629**	**17.81**	**19,304,629**	-	-	-
B3) Institutions (Foreign)										
Foreign Portfolio Investors Category I	52	5,732,416	5,732,416	5.29	5,732,416	5.29	5,732,416	-	-	-
GOLDMAN SACHS FUNDS - GOLDMAN SACHS INDIA EQUITY P	1	2,876,331	2,876,331	2.65	2,876,331	2.65	2,876,331	-	-	-
Foreign Portfolio Investors Category II	4	140,209	140,209	0.13	140,209	0.13	140,209	-	-	-
Sub-Total B2	**56**	**5,872,625**	**5,872,625**	**5.42**	**5,872,625**	**5.42**	**5,872,625**	-	-	-
B4) Central Government / State Government(s) / President of India	-	-	-	-	-	-	-	-	-	-
B5) Non-institutions										
Key Managerial Personnel	1	150,000	150,000	0.14	150,000	0.14	150,000	-	-	-
Resident Individuals holding nominal share capital up to ₹ 2 lakhs	56,697	9,096,552	9,096,552	8.39	9,096,552	8.39	9,096,550	-	-	-
Non Resident Indians (NRIs)	1,271	1,119,550	1,119,550	1.03	1,119,550	1.03	1,119,550	-	-	-
Foreign Companies	1	2,156,960	2,156,960	1.99	2,156,960	1.99	2,156,960	-	-	-
AVATAAR HOLDINGS	1	2,156,960	2,156,960	1.99	2,156,960	1.99	2,156,960	-	-	-
Bodies Corporate	310	9,930,647	9,930,647	9.16	9,930,647	9.16	9,930,647	-	-	-

Category and name of the Shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting rights	Number of equity shares held in dematerialized form	Sub-categorization of shares Shareholding (No. of shares) under		
								Sub-Category I	Sub-Category II	Sub-Category III
PLUTUS WEALTH MANAGEMENT LLP	1	7,500,000	7,500,000	6.92	7,500,000	6.92	7,500,000	-	-	-
Any Other (specify)	1,437	375,895	375,895	0.35	375,895	0.35	375,895	-	-	-
Trusts	3	92,476	92,476	0.09	92,476	0.09	92,476	-	-	-
HUF	1,432	282,921	282,921	0.26	282,921	0.26	282,921	-	-	-
Clearing Members	2	498	498	0.00	498	0.00	498	-	-	-
Sub-Total B4	**59,717**	**22,829,604**	**22,829,604**	**21.06**	**22,829,604**	**21.06**	**22,829,602**	-	-	-
Total Public Shareholding B=B1+B2+B3+B4	**59,792**	**48,006,858**	**48,006,858**	**44.28**	**48,006,858**	**44.28**	**48,006,856**	-	-	-

Table IV - Statement showing shareholding pattern of the non Promoter - non public Shareholder

Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding % Calculated as per SCRR, 1957	Number of equity shares held in dematerialized form
C1) Custodian/DR Holder	-	-	-	-	-
C2) Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	-	-	-	-	-
Total Non-Promoter- Non Public Shareholding (C)= C1+C2	-	-	-	-	-

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Lead Managers. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 230 and 237, respectively.*

Our Company, the Lead Managers and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a Qualified Institutions Placement ("**QIP**"). Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue, including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which the Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of the Issue, the contribution made by the Promoters or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to adopt the above-mentioned special resolution;

- the Issue must be made through a private placement offer cum application letter (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made;

- either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law, our Company shall have completed allotments with respect to any earlier offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- our Company shall not make any subsequent QIP until the expiry of two weeks from the date of this Issue;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application letter (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;

- In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees; and

- the individual Promoters and Directors of our Company are not Fugitive Economic Offenders.

At least 10% of the Equity Shares issued to Eligible QIBs shall be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The “Relevant Date” referred to above means the date of the meeting in which the Board or the Fund Raise Committee decides to open the Issue and “stock exchange” means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the approval of the Shareholders accorded through a special resolution passed at the AGM dated September 15, 2023 our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders’ resolution approving the QIP and within 60 days from the date of receipt of Application Amount from the Successful Bidders. For details of Allotment, see “***– Pricing and Allocation – Designated Date and Allotment of Equity Shares***” below.

The Equity Shares issued pursuant to the QIP must be issued on the basis of this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under the PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to this Issue.

This Issue was authorized and approved by our Board of Directors on August 7, 2023 and approved by our Shareholders by way of a special resolution passed at the AGM dated on September 15, 2023.

The minimum number of allottees with respect to a QIP shall be atleast:

- two, where the issue size is less than or equal to ₹ 2,500 million; and

- five, where the issue size is greater than ₹ 2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", see "***– Bid Process – Application Form***" below.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on floor of a recognised stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S .state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulations S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively. **The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S under the U.S. Securities Act. The Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 230 and 237, respectively.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has also filed a copy of this Preliminary Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on BSE and NSE, each dated November 15, 2023.

Issue Procedure

1. Our Company in consultation with the Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by the Lead Managers in consultation with our Company, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Application Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the

Lead Managers.

4. Bidders will be required to indicate the following in the Application Form:

- Full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, e-mail id, phone number and bank account details;
- number of Equity Shares Bid for;
- price at which they are agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
- details of the beneficiary account maintained with a depository participant to which the Equity Shares should be credited pursuant to this Issue; and
- a representation that it is outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and the applicable laws of the jurisdiction where those offers and sales are made, and it has agreed to certain other representations set forth in "***Representations by Investors***" on page 4, "***Transfer Restrictions***" on page 237 and in the Application Form.

Note: *Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.*

5. Each Bidder shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment and the filing of return of Allotment by our Company with the RoC or receipt of final listing and trading approval from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event, among others, a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to the Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***– Refunds***" below.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, 2013, upon Allocation, the Bank will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity

Shares are allocated to it.

8. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

9. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with the Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price, refund details in case of partial refunds and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company in consultation with the Lead Managers.**

10. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Lead Managers, shall, on our behalf, send a serially numbered Placement Document, either in electronic form or through physical delivery, to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

11. Upon dispatch of serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

12. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

13. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

14. Our Company will then apply for the final trading approvals from the Stock Exchanges.

15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;

- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules, in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules. FVCIs are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the holding of an FPI including its investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates. The existing aggregate investment limit for FPIs in the Company is 100% of the paid up capital of the Company.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as an FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, Promoter, or any person related to the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company and the Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, advisors, representatives, agents or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

Note: *Affiliates or associates of the Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under the sections "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 4, 230 and 237, respectively:

- The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
- The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter;
- The Eligible QIB confirms and consents to its name and percentage of post-Issue shareholding (assuming full subscription in the Issue) will be included as a 'proposed allottee' in the Issue in the Placement Document;
- The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement

with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;

- The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

- The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

- The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

- The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

- The Eligible QIB confirms that its Bids would not ultimately result in triggering an open offer under the SEBI Takeover Regulations;

- The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by it, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

- The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

- The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that the disclosure of such details in relation to it in the Placement Document will not guarantee Allotment to it, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Managers;

- The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

- The Eligible QIB confirms that it is outside the United States, is purchasing the Equity Shares in an ‘offshore transaction’ as defined in and in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form;

- The Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations;

- The Eligible QIB acknowledges that no Allotment shall be made to them if the price at which they have Bid for in this Issue is lower than the Issue Price; and

- The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT’S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A “QIB” AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire amounts for the Equity Shares that may be Allotted to such Bidder and shall become a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the Lead Managers) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the Escrow Account into which the Application Amount will have to be deposited. The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Lead Managers either through electronic form or through physical delivery at either of the following addresses:

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Contact Person: Mukesh Garg
E-mail: rategain.qip@iiflcap.com
Tel: +91 22 4646 4728

Axis Capital Limited
1st Floor, Axis House, C-2 Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025, Maharashtra, India
Contact Person: Ria Arora/ Parin Savla
E-mail: rategain.qip@axiscap.in
Tel: +91 22 4325 2183

The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

The Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders submitting a Bid in the Issue, shall pay the entire Application Amount along with the submission of the Application Form within the Issue Period.

Payment of Application Amount

Our Company has opened the Escrow Account in the name of "RateGain Travel Technologies Limited – QIP Escrow Account" with HDFC Bank Limited, our Escrow Bank, in terms of the Escrow Agreement. Bidders will be required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques or demand draft or cash shall be rejected.

If the payment is not made favouring the "RateGain Travel Technologies Limited – QIP Escrow Account" within the Issue Period stipulated in the Application Form, the Application Form of the QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "RateGain Travel Technologies Limited – QIP Escrow Account" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) refund of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "***– Refunds***" below.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income Tax Act in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our Shareholders pursuant to a special resolution passed at the AGM dated September 15, 2023.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with the Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allotment Notice or CAN

Based on receipt of the Application Forms and Application Amount, our Company, in consultation with the Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price, the Application Amount paid and Refund Amount, if any, shall be notified to such Successful Bidders.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. Subsequently, our Board (or a duly constituted committee thereof) will approve the Allotment of the Equity Shares to the Allottees.

Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, the Eligible QIB would have deemed to have made the representations and warranties as specified in "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by the Stock Exchanges.

Designated Date and Allotment of Equity Shares

Our Company will ensure that the Allotment of Equity Shares is completed by the Designated Date provided in the respective CANs. The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the QIBs' beneficiary accounts maintained with the Depository Participant, our Company will apply for final listing and trading approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Lead Managers and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC, whichever is later.

After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder withdraws the Application Form prior to the Issue Closing Date, or the Issue is cancelled prior to Allocation, the excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in the form and manner set out in the Refund Intimation/CAN (as applicable). The Refund Amount will be transferred to the relevant Bidders within two Working Days from the date of issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue within 60 days from the date of receipt of the Application Amount, or the Issue is cancelled post Allocation, or where our Company has Allotted the Equity Shares but final listing and trading approvals are refused by the Stock Exchanges, our Company shall repay the Application Amount within 15 days from expiry of 60 days or such other time period as applicable under applicable law, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details see – "***Bid Process***" and – "***Refund***" above.

Equity Shares in Dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a successful QIB will be credited in electronic form directly to the specified beneficiary account (with the Depository Participant) of the QIB, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the QIBs.

Release of Funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the "RateGain Travel Technologies Limited – QIP Escrow Account" to our Company until receipt of notice from the Lead Managers, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC.

PLACEMENT AND LOCK-UP

Placement Agreement

The Lead Managers and our Company have entered into the Placement Agreement dated November 15, 2023 ("**Placement Agreement**"), pursuant to which the Lead Managers have agreed, subject to certain conditions, to use its reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the Lead Managers, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary Placement Document has not been, and will not be filed as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

Eligible QIB confirms that it is outside the United States, is purchasing the Equity Shares in an 'offshore transaction' as defined in and in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 230 and 237, respectively.

Relationship with the Lead Managers

In connection with the Issue, the Lead Managers (or its affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Lead Managers may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Lead Managers may purchase Equity Shares. See "***Offshore Derivative Instruments***" and "***Representations by Investors***" on pages 10 and 4 respectively.

From time to time, the Lead Managers and their respective affiliates may engage in transactions with and perform services for our Company or its affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking, investment banking and other banking transactions with our Company, its affiliates or shareholders, for which they have received compensation and may in the future receive compensation.

Lock-up

Under the Placement Agreement, our Company has undertaken that it will not for a period of 30 days from the date of Allotment under the Issue, without the prior written consent of the Lead Managers, directly or indirectly:

a. offer, issue, pledge, contract to issue, sell, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing, or
b. enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares regardless of whether

any of the transactions described in clauses (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or

c. publicly announce any intention to enter into any transaction falling within clauses (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

However, the foregoing restriction shall not be applicable to the (i) the issuance of the Equity Shares pursuant to the Issue; (ii) issuance of non-convertible debentures; (iii) the issue of stock options or stock appreciation rights in terms of any employee stock option/ purchase scheme/stock appreciation rights scheme of the Company, and issuance of Equity Shares pursuant to the exercise of such stock options or appreciation rights issued; and (iv) any transaction required by law or an order of a court of law or a statutory authority.

Promoter's Lock-up

Under the Placement Agreement, our Promoters, during the period commencing on the date hereof and ending 60 days after the date of Allotment of the Equity Shares pursuant to the QIP (the "**Lock-up Period**"), directly or indirectly, (a) offer, sell, pledge, encumber, contract to issue, grant any option, right or warrant to purchase, or otherwise dispose of or transfer, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position with respect to, any Promoter Shares (as defined hereinafter) or securities convertible into or exchangeable or exercisable for Promoter Shares (including any warrants or other rights to subscribe for any Promoter Shares), (b) enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of any Promoter Shares, whether any such aforementioned transaction is to be settled by allotment of any Promoter Shares, in cash or otherwise or any securities convertible into or exercisable or exchangeable for Promoter Shares, or (c) deposit Promoter Shares with any other depositary in connection with a depositary receipt facility or (d) publicly disclose the intention to enter into any such transaction falling within (a) to (c) above (including swap, hedge or other arrangement). However, the foregoing restrictions shall not be applicable if any of the actions mentioned above are required to be undertaken pursuant to any inter-se transfers between the Promoters or any change in applicable law, post the date of execution of the Placement Agreement.

Provided, however, that none of the foregoing or below restrictions shall apply to:

i. any sale, transfer or disposition of any of the lock-up shares by the undersigned in consultation with and prior written notice to all the Lead Managers to the extent such sale, transfer or disposition is required by applicable law; and

ii. any bona fide pledge or non-disposal undertaking of any of the lock-up shares held by the undersigned as collateral for loans on normal commercial terms entered or to be entered into in the ordinary course of business of the Company.

As used in this lock-up undertaking, the term "**Promoter Shares**" shall mean the Equity Shares owned by the Promoters together with any and all Equity Shares that may be acquired by the Promoters during the Lock-up Period.

Notwithstanding anything provided above, the foregoing restrictions on transfer of Promoter Shares by the Promoters shall not apply to any inter-se transfers between the Promoters, subject to compliance with applicable laws.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under the section entitled *"**Transfer Restrictions**"* on page 237.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Preliminary Placement Document and the Equity Shares that shall be offered pursuant to this Preliminary Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Preliminary Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Preliminary Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Preliminary Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Preliminary Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription.

The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Member State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Lead Managers for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Lead Managers of such fact in writing and has received the consent of the Lead Managers in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Lead Managers has been obtained to each such proposed offer or resale.

Our Company, the Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This document and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Preliminary Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

Mauritius

The public of the republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. the interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. no regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius financial services commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Lead Managers are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Lead Managers are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar and Qatar Financial Centre

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("**CMA**"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Sultanate of Oman

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Preliminary Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "Promotion") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

United Kingdom

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Lead Managers for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). The Preliminary Placement Document is directed only at relevant persons. Other persons should not act on the Preliminary Placement Document or any of its contents. The Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States of America

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in '*offshore transactions*', as defined in and in reliance on Regulations S and the applicable laws of the jurisdiction where those offers and sales are made. For further information, see "***Transfer Restrictions***" on page 237.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares Allotted in the Issue, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "***Selling Restrictions***" on page 230.

Purchaser Representations and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S.

- It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S.

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable U.S. state securities laws.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Company and each of the Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

- It acknowledges that the Company and the Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the Lead Managers. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further, SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time, such company shall increase its public shareholding to at least 25%, within a period of twelve months from the date of such fall, respectively, in the manner specified by SEBI. Further, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 5%, 10% and 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI and other applicable laws. NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE on-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform (**"BOLT+"**) through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/ voting rights/ control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. These relaxations have been given on account of implementation of the System Driven Disclosures ("**SDD**").

Prohibition of SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the regulations of 1992. The SEBI Insider Trading Regulations prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**"), subject to certain limited exceptions. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

Further, the SEBI Insider Trading Regulations makes it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders.

The SEBI Insider Trading Regulations also provides for initial and continuing disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. Initial disclosures are required from promoters, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of 10 lakh rupees over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company. On July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

Set out below is certain information relating to the share capital of our Company, including a brief summary of certain provisions of our Company's Memorandum and Articles of Association and the Companies Act, 2013 and certain related legislations of India, all as currently in effect. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorized share capital of our Company as of the date of this Preliminary Placement Document is ₹ 150,000,000 divided into 147,000,000 Equity Shares of ₹ 1 each and 3,000,000 Preference Shares of ₹ 10 each. Our issued, subscribed and paid up equity share capital as of the date of this Preliminary Placement Document is ₹ 108,446,554 divided into 108,446,554 Equity Shares of ₹ 1 each.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders. The dividend on equity shares can be declared/paid only after declaration/payment of applicable dividend on preference shares. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

According to the Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board. Subject to the provisions of the Companies Act, 2013, our Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of our Company. Our Board may, before recommending any dividend, set aside out of the profits of our Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of our Board, be applicable for any purpose to which the profits of our Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of our Company or be invested in such investments (other than Equity Shares of our Company) as our Board may, from time to time, think fit. Our Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Under the Companies Act, 2013, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

Issue of Bonus Shares and Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. Further, as per the Companies Act, 2013, bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/ interest payments on fixed deposits or debt securities issued by it. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Pre-Emptive Rights and Alteration of Share Capital

Under Section 62(1)(a) of the Companies Act, 2013, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Our Articles of Association provide that our Company may, from time to time, by ordinary resolution in its general meetings, undertake any of the following:

- increase the share capital by such sum, to be divided into shares of such amounts as it thinks appropriate;
- divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with others;
- cancel shares which are the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled;
- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

Preference Shares

Subject to Section 55 of the Companies Act, 2013, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the conditions provided in the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended.

Our Articles of Association provide that our Company shall have power to issue, subject to the provisions of the Companies Act, 2013 and consent of our Board, any preference shares on the terms that they are, or at the option of our Company, liable to be redeemed on such terms and in any manner permissible under the Companies Act, 2013 and the Directors may, subject to the applicable provisions of the Companies Act, 2013, exercise such power as they deem fit and provide for redemption at a premium or otherwise as they deem fit.

General Meetings of Shareholders

There are two types of general meetings of the Shareholders:

(i) Annual General Meeting, and

(ii) Extraordinary General Meeting.

As per the provisions of our Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Company shall, in addition to any other meetings, hold a general meeting which shall be styled as an Annual General Meeting at intervals and in accordance with the following provisions: (a) our Company shall hold its Annual General Meetings within such intervals as are specified in Section 96 read with Section 129 of the Companies Act, 2013 and subject to the provisions of Section 96(2) of the Companies Act, 2013 at such times and places as may be determined by our Board.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting. Further, our Board may call an Extraordinary General Meeting on requisition in compliance with the provisions of the Companies Act, 2013.

Whenever our Company proposes to undertake any action that statutorily requires the approval of the Shareholders of our Company, our Company shall call for an Extraordinary General Meeting in accordance with the provisions of the Companies Act, 2013 by serving at least 21 days' written notice to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the Extraordinary General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof).

Our Company may also pass resolutions by means of postal ballot and/or other ways as may be prescribed under Section 110 of the Companies Act, 2013 and/or other applicable provisions, if any, and any future amendments or re-enactments, in respect of any business that can be transacted by our Company in a general meeting, instead of transacting the business therein. Further, in the case of resolutions relating to such business as the Government of India may prescribe, to be conducted only by postal ballot and/or other ways as may be prescribed, our Company shall get such resolutions passed only by postal ballot and/or other ways as may be prescribed, instead of transacting the business in a general meeting of the Company.

Voting Rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of the company.

On a show of hands, every member holding Equity Shares and present in person shall have one vote. On a poll, every member holding Equity Shares in our Company shall have voting rights in proportion to his share of the paid-up equity share capital. In the case of joint holders, any one of such holders may vote at any meeting personally or by proxy in respect of such share, as if he were solely entitled thereto, and if more than one of such members be present at any meeting, either personally or by proxy, then one of the said members so present whose name stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof. Further, upon a show of hands or upon a poll, the voting right of every member holding preference shares shall be subject to the provisions of Section 47 of the Companies Act, 2013. A member who is of unsound mind may vote whether on a show of hands or a poll by his committee or any other legal guardian and such person may give their votes by proxy.

Any business other than upon which a poll has been demanded may be proceeded with, pending the taking of the poll. No Shareholder shall be entitled to exercise any voting right, either personally or by proxy at any meeting of the Company unless all calls or other sums presently payable by him in respect of the shares in the Company have been paid, or in regard to which the Company has exercised any right of lien. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the meeting, whose determination made in good faith shall be final and conclusive.

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the Registered Office of our Company at least 48 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by our Company at the Registered Office before the vote is given. However, the chairman of that meeting shall be entitled to require such evidence as he may think fit, of the due execution of the instrument of proxy and that such instrument has not been revoked.

Transfer and Transmission of Equity Shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold). Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognised in the name of such member, and in case of the death of anyone or more of the joint holders of any registered Equity Share, the survivor shall be the only person recognised by the Company as having any title to or interest in such Equity Share. However, the above stated shall not release the estate of a deceased joint holder from any liability in respect of any Equity Share which had been jointly held by him with other persons.

If any person becoming entitled to Equity Shares in consequence of the death of a Shareholder, elects to be registered as holder of the Equity Share himself, he shall deliver or send to the Company, a notice signed by him stating that he so elects. If the said person elects to transfer the Equity Shares, he shall testify his election by executing an instrument of transfer of the Equity Shares. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic, insolvent, bankrupt shareholder had transferred the Equity Share(s) before his death, lunacy, bankruptcy or insolvency.

Any person becoming entitled to Equity Shares by reason of the death, lunacy, bankruptcy or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, 2013, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

Acquisition by our Company of its own Equity Shares

The Company is permitted to buy-back its securities including shares in accordance with the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (including any future amendments or re-enactments) and as per the rules and procedures prescribed therein and in compliance with the prevailing regulatory provisions and guidelines.

Winding up

As per the provisions of our Articles of Association, our Company may be wound up in accordance with the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016, as amended (to the extent applicable).

TAXATION

Statement on Possible Tax Benefits available to the Company, its Shareholder and Material Subsidiaries under the Applicable Laws in India

Date: November 15, 2023

To,

The Board of Directors,
RateGain Travel Technologies Limited
M-140, Greater Kailash Part II,
New Delhi 110 048,
Delhi, India

Re: Qualified Institutions Placement of equity shares of face value ₹ 1 each ("Equity Shares") (such placement, the "Issue") by RateGain Travel Technologies Limited (the "Company") under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") and Sections 42 and 62 of the Companies Act, 2013.

Dear Ladies and Gentlemen,

1. We M/s GSA & Associates LLP, (Firm Registration No: 000257N/N500339) Chartered Accountants, hereby confirm the enclosed statement in the Annexure ("**Statement**") prepared and issued by the Company, which provides the possible tax benefits under Income-tax Act, 1961 ('**Act**') presently in force in India viz. the Income-tax Act, 1961, the Income-tax Rules, 1962, ('**Rules**'), regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company, its Shareholders and its Material Subsidiaries. Several of these benefits are dependent on the Company, its Shareholders and its Material Subsidiaries, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, its Shareholders and its Material Subsidiaries to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, its Shareholders and its Material Subsidiaries face in the future, the Company, its Shareholders and its Material Subsidiaries may or may not choose to fulfil.

2. The possible tax benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this Statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Statement, have not been examined and covered by this Statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

3. We do not express any opinion or provide any assurance whether:

   - The Company, its Shareholders and its Material Subsidiaries will continue to obtain these benefits in future;

   - The conditions prescribed for availing the benefits have been/would be met;

   - The revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

5. We confirm that the information in this certificate is true, fair and accurate, and is in accordance with the requirements of the Companies Act, 2013 as amended ("**Companies Act**"), the SEBI ICDR Regulations and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

6. This certificate is for information and for inclusion (in part or full) in the preliminary placement document, placement document or any other document in relation to the Issue (collectively, "**Issue Documents**") or any other Issue-related material, and may be relied upon by the Company, the BRLMs and the legal advisors appointed by the Company in relation to the Issue. We consent to the inclusion of the above information in the preliminary placement document and placement document to be filed by the Company with BSE Limited and National Stock Exchange of India Limited (the "**Stock Exchanges**") and any other authority and such other documents as may be prepared in connection with the Issue.

7. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory or statutory authority in connection with the contents of the Issue Documents, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation in connection with the contents of the Issue Documents.

8. We confirm that we will immediately communicate any changes in writing in the above information to the BRLMs until the date when the Equity Shares proposed to be issued pursuant to the Issue commence trading on the relevant Stock Exchanges. In the absence of any such communication from us until the Equity Shares proposed to be issued pursuant to the Issue commence trading on the relevant Stock Exchanges, the BRLMs and the legal advisors, can assume that there is no change to the above information.

For GSA & Associates, LLP
Chartered Accountants
ICAI Firm Registration No: 000257N/N500339
Peer Review Certificate No: 012655

Krishan Kant Tulshan
Partner
Membership No: 085033
UDIN: 23085033BGXJHZ6549

Enclosed: Management Annexure detailing Possible Tax benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO RATEGAIN TRAVEL TECHNOLOGIES LIMITED (THE "COMPANY"), ITS SHAREHOLDERS AND MATERIAL SUBSIDIARIES

Outlined below are the possible special tax benefits available to the Company, material subsidiaries and its shareholders under the Income Tax Laws within and outside India. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant Income Tax Laws.

A. Special tax benefits available to the Company and its Material Subsidiaries in India under the Income-tax Act, 1961 (hereinafter referred to as 'the Act'), as amended by the Finance Act 2023, applicable for Financial Year 2023-24 relevant to Assessment Year 2024-25.

<u>1. Lower corporate tax rates on income of domestic companies - Section 115BAA of the Act</u>

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate is available from FY 2019-20 relevant to AY 2020-21 and the option once exercised shall apply to subsequent assessment years. The concessional rate of 22% is subject to the company not availing any of the following specified tax exemptions/incentives under the Act:

- Deduction u/s 10AA: Tax holiday available to units in a Special Economic Zone;
- Deductions available under the Chapter VI-A except under section 80JJAA and section 80M;
- Deduction u/s 32(1)(iia): Additional Depreciation;
- Deduction u/s 32AD: Investment allowance;
- Deduction u/s 35AD: Deduction for capital expenditure incurred on specified businesses;
- Deduction under certain sub-sections/clauses of Section 35: Expenditure on scientific research.

The total income of a company availing the concessional rate of 22% is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

The company has utilized all of the MAT Credit available till FY 2022-23 and has opted concessional rate of tax of 22% under section 115BAA of the Act.

<u>2. Deduction in respect of inter-corporate dividends - Section 80M of the Act</u>

The Dividend Distribution Tax ('DDT') applicable on companies on declaration of dividend has been deleted by the Finance Act 2020 with effect from 1st April 2020. Dividend income shall be taxable in the hands of shareholders with effect from AY 2021-22.

The Finance Act, 2020 has inserted section 80M effective 1st April 2020 to eliminate the cascading tax effect in case of inter-corporate dividends by providing a deduction in respect of dividends received by a domestic company, to the extent such dividend is distributed by it on or before the due date. In this case, due date means one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

3. Lower tax rate for dividend received from foreign companies

As per section 115BBD of the Act, the dividend received from a company outside India in which the Indian company holds 26% or more of the equity share capital, is taxable at the rate of 15% plus applicable surcharge and cess under the Act. However, no deduction in respect of any expenditure is allowable while computing the income from such dividend received from a company outside India.

In view of the above, considering that the Company holds more than 26% of equity share capital of the foreign companies, dividend, if any, received during FY 2023-24 shall be subject to tax at the rate of 15% plus applicable surcharge and cess under the Act in the Assessment Year 2024-25.

4. Deductions in respect of employment of new employees - Section 80JJAA of the Act.

As per section 80JJAA, where a company is subject to tax audit under section 44AB of the Act and derives income from business, shall be allowed deduction of an amount equal to 30% of additional employee cost incurred in the course of business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employee cost is incurred.

Additional employee cost means the total emoluments paid or payable to additional employees employed in the previous year through an account payee cheque or account payee bank draft or by use of electronic clearing system through a bank account or through such other electronic mode as may be prescribed. These employees should also have total salary not more than Rs. 25,000/- per month and should also be member of a recognized provident fund.

B. Special tax benefits available to Material Subsidiaries, namely RateGain Technologies Limited, UK, RateGain Technologies Inc., USA and BCV Social LLC, USA, RateGain Adara Inc. and myhotelshop GmbH

RateGain Technologies Limited was claiming Research and Development enhanced expenditure deductions in its Corporation Tax return in line with Part 13 of the Corporation Tax Act 2009 till the FY 2019-20.

Apart from the above, there are no special tax benefits available to these Companies in their respective countries.

C. Special tax benefits available to the shareholders under the Act

There are no special tax benefits available to the shareholders of the Company.

Notes:

The above statement covers only above-mentioned tax laws benefits as per the current Income Tax Laws and does not cover any benefit under any other law.

This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. The shareholders I investors in India or any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

No assurance is given that the revenue authorities/courts will concur with the views expressed by us. Our views are purely based on the existing provisions of law and its interpretation and available rulings, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For and on the Behalf of Board of Directors

Tanmaya Das
Authorized Signatory on behalf of the Board of Directors
Chief Financial Officer

Place: Noida
Date: November 15, 2023

Statement of possible special tax benefits available to RateGain Travel Technologies Limited (including its material subsidiaries RateGain Technologies Limited, UK, RateGain Technologies Inc., USA and BCV Social LLC, USA, RateGain Adara Inc. and myhotelshop GmbH) and its Shareholders

Special tax benefits available to RateGain Travel Technologies Limited under the Indirect Tax Regulations in India

1. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20)

i. Services Exports from India Scheme (SEIS)

Services Exports from India Scheme (SEIS) under Foreign Trade Policy of India (FTP 2015-20) was one of the two schemes introduced in Foreign Trade Policy of India 2015-20, as a part of Exports from India Scheme. With the aim to boost exports of notified services from India in the global markets, the scheme provides incentive in the form of duty credit scrip to the service provider exporting the notified services. The incentive is paid as percentage (~3% to 7%) of the realized FOB value (in free foreign exchange) for notified services. The Foreign Trade Policy 2015-20 was valid till 30th September 2021, and RateGain Travel Technologies benefitted from the same till the FY 2018-19, however, the services provided by the company would no longer be eligible for the SEIS benefit for exports vide Ministry of Commerce & Industry notification 29/2015-20, dated 23 September, 2023.

2. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated supplies.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

Possible special benefits for shareholders of RateGain Travel Technologies Limited

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Goods and Services Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications).

Possible special tax benefits for RateGain Technologies Limited, UK (material subsidiary of RateGain Travel Technologies Limited)

There are no special tax benefits available to Material Subsidiary situated in UK.

Possible special tax benefits for RateGain Technologies Inc., USA (material subsidiary of RateGain Travel Technologies Limited)

There are no special tax benefits available to Material Subsidiary situated in USA.

<u>Possible special tax benefits for BCV Social LLC, USA (material subsidiary of RateGain Travel Technologies Limited)</u>

There are no special tax benefits available to Material Subsidiary situated in USA.

<u>Possible special tax benefits for RateGain Adara Inc (material subsidiary of RateGain Travel Technologies Limited)</u>

There are no special tax benefits available to Material Subsidiary situated in USA.

<u>Possible special tax benefits for myhotelshop GmbH (material subsidiary of RateGain Travel Technologies Limited)</u>

There are no special tax benefits available to Material Subsidiary situated in Germany.

Notes:

1. These special tax benefits are dependent on the Company or its material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its material subsidiary to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its material subsidiaries may or may not choose to fulfil.

2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing equity shares.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

i. The Company or its material subsidiaries will continue to obtain these benefits in future;
ii. The conditions prescribed for availing the benefits have been/ would be met with; and
iii. The revenue authorities / courts will concur with the view expressed herein.

5. The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time.

6. We have relied on the certification from the UK Registered Chartered Accountants and Business Advisors on the special indirect tax benefits available to the Company's material subsidiaries i.e., RateGain Technologies Limited in UK.

For and on behalf of RateGain Travel Technologies Limited

Tanmaya Das
Authorized Signatory on behalf of the Board of Directors
Chief Financial Officer

Place: Noida
Date: November 15, 2023

LEGAL PROCEEDINGS

Our Company and Subsidiaries are involved in certain legal proceedings from time to time, which are primarily in the nature of civil suits, tax disputes and petitions pending before various authorities.

As on date of this Preliminary Placement Document, except as disclosed below, there are no outstanding litigation, suits, including any tax proceedings or any other claims, disputes, legal or show cause notices, investigations or complaints determined as material in accordance with the Company's 'Policy on disclosure of Material Events and Information' framed in accordance with Regulation 30 of the SEBI Listing Regulations

*Notwithstanding such materiality policy approved by the Board, solely for the purpose of the Issue, in accordance with the resolution passed by our Board on November 15, 2023, except as disclosed in this section, there are no (i) outstanding criminal proceedings against our Company and our Subsidiaries; (ii) outstanding actions by statutory or regulatory authorities against our Company and our Subsidiaries; (iii) outstanding civil and tax proceedings against our Company and our Subsidiaries, which involve an amount equivalent to or above ₹ 17.57 million, which is 5% of the average of absolute value of profit or loss after tax as per the audited consolidated financial statements of the Company for Fiscals 2021, 2022 and 2023 ("**Materiality Threshold**");and (iv) other civil and tax proceedings involving our Company and our Subsidiaries wherein a monetary liability is not determinable or quantifiable, or which does not exceed the Materiality Threshold as specified in (iii) above and which if results in an adverse outcome, would have a material adverse effect on the financial position, business, operations, prospects or reputation of our Company.*

Further, as on the date of this Preliminary Placement Document, except as disclosed below, (i) there is no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against our Promoters during the last three years immediately preceding the year of this Preliminary Placement Document and no directions have been issued by such ministry or department of statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and our Subsidiaries, and no prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and Subsidiaries; (iii) there are no defaults by our Company in the repayment of statutory dues, dues payable to instrument holders like holders of any debentures and interest thereon, in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon, as of the date of this Preliminary Placement document; (iv) there are no material frauds committed against our Company in the last three years; (v) there are no defaults in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; and (vii) there are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Preliminary Placement Document.

It is clarified that for the purposes of the above, pre-litigation notices received by any of the Company or its Subsidiaries, from third parties (excluding statutory/ regulatory authorities or notices threatening criminal action) shall, in no event be considered as litigation till such time that any of the Company or its Subsidiaries, are impleaded as parties in any such litigation proceedings before any judicial forum and accordingly have not been disclosed in this section.

Capitalized terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

A. LITIGATION INVOLVING OUR COMPANY

Material civil proceedings initiated by our Company

1. Our Company has initiated an arbitral proceeding against Ujjwal Suri, an ex-employee of our Company ("**Respondent**"), before an arbitral tribunal and submitted the statement of claims alleging that the Respondent had breached the non-solicitation and non-compete clause of his employment agreement dated March 11, 2015 ("**Employment Agreement**"), by engaging with a competitor of our Company within two years of his resignation. Our Company further alleged that, while being employed with us, the Respondent had grossly misrepresented certain data relating to sales and customers to the management of our Company and had dishonestly induced and stolen information of the Company for

the benefit of competitor and for soliciting Company's clients, which has resulted in a huge loss to us. Owing to such losses, our Company has claimed, inter-alia a payment of ₹ 10.2 million with an interest rate of 18% per annum towards the breach of the provisions of Employment Agreement and damages of ₹ 40.00 million towards other losses incurred by us, from the Respondent. The matter is currently pending before the arbitral tribunal. Further the Company, in December 2022 filed an application before the High Court of Delhi seeking an extension of time period for the arbitral proceedings, the application is currently pending before the High Court of Delhi.

2. Our Company filed a civil suit ("**Suit**") against Vishal Jain ("**Defendant**") on January 28, 2016, before the Additional District Judge (Shahdara), Karkardooma, New Delhi ("**District Court**"), alleging that the Defendant had breached the non-compete clause under his employment letter August 17, 2006 ("**Employment Letter**"), and has violated terms of confidentiality, non-soliciting and non-complete clauses as contained in employee manual of the Company. The Defendant was employed by the Company as a consultant and subsequently as the chief product officer until he resigned from our Company on July 31, 2014. Under the non-compete clause of the Employment Letter, the Defendant was prohibited to join any commercial organisation in the same line of business as our Company for a period of one year from his resignation. The Company has alleged that the Defendant joined a competitor of our Company in November 2014 within one year of his resignation from our Company and the competitor started targeting our customers, causing sustainable and continuous loss to our Company. Our Company has sought recovery of ₹ 19.50 million, along with an interest at the rate of 12% per annum from the Defendant. Subsequently, on January 7, 2017, the Defendant filed an application for rejection of the Suit before the District Court, which was further dismissed by District Court pursuant to its order dated July 7, 2018 ("**Order**"). Further, the Defendant has filed an appeal before the High Court of Delhi ("**High Court**") on October 3, 2018 ("**Appeal**") praying for setting aside of the Order and for rejection of the Suit. The appeal filed by the Defendant before the High Court was disposed of by the High Court on May 19, 2023.The Suit is currently pending before District Court.

Details of indirect tax proceedings involving our Company

1. RateGain IT Solutions Private Limited ("**Demerged Company**"), whose IT undertaking was acquired by our Company pursuant to the Scheme of Arrangement and Demerger, had received a demand cum show cause notice for ₹ 59.74 million dated April 21, 2016 ("**Show Cause Notice**") from Commissioner of Service Tax, Audit -1, New Delhi ("**Commissioner**") for the assessment period 2010-11 to 2014-15, alleging non-payment of service tax by the Company on reverse charge mechanism on foreign payments made by the Demerged Company on account of services received by them from foreign service providers, pursuant to an audit conducted by the Service Tax Audit Department ("**Department**") for the said period. The Demerged Company had filed a writ petition before the High Court of New Delhi ("**High Court**") challenging the jurisdiction and authority of the Department to audit and issue Show Cause Notice and alleged that the Show Cause Notice was time barred. The High Court disposed off the writ petition and directed the Demerged Company to submit reply to the Show Cause Notice which was duly filed by the Demerged Company. Our Company has received an order wherein the tax authorities have dropped the proceedings in favor of the Company and the matter stands closed. Department has filed an appeal with CESTAT against the order dated March 12, 2019. The matter is currently pending with CESTAT.

2. Our Company received a show cause notice dated March 9, 2019 for payment of Service Tax liability amounting to ₹ 624.03 million, along with penalty and interest, as applicable, ("**Show Cause Notice**") from Director General of GST Intelligence ("**Director General**") alleging wrong classification of services provided by our Company. The Director General has alleged that our Company wilfully suppressed the facts by intentionally classifying its services provided to foreign clients under 'Information Technology Software Service' ("**ITSS**") instead of 'Online Information and Database Access and/or Retrieval services' ("**OIDAR**"), and has allegedly failed to assess the Service Tax payable on OIDAR services provided by company to its foreign clients. The Director General further alleged that provision of OIDAR services by Company to its foreign clients cannot be categorised as "Export of Service, since the place of provision of service in terms of Place of Provisioning and Service Rules, 2012 is considered to be the location of service provider which in current case is India and is therefore subject to Service Tax). The Director General directed the Company to reply against the Show Cause Notice. Our Company filed a writ petition in High Court of New Delhi ("**High Court**") against the Show Cause Notice and on September 20, 2019, on the ground inter-alia, that our Company provided ITSS outside India and is not subject to payment of Service Tax; that order of Director General is in contradiction of order of Deputy Commissioner dated December 12, 2018 pursuant to which refund claim of the Company was rejected on the ground that our Company provided ITSS services outside India; and that the business

model for the provision of services of market intelligence do not follow the mode of online database access and accordingly, our services would not constitute OIDAR services. Subsequently, the High Court considering the contrary stand taken by adjudication authorities in past in categorising the services provided by the Company as ITSS, which was alleged as OIDAR under Show Cause Notice, granted stay on the show cause notice pursuant to its order dated September 20, 2019. The matter is currently pending in the High Court.

B. Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years

There are no litigation or legal actions pending or taken by any ministry or department of the government or any statutory authority and there are no directions issued by such ministry or department of the government or statutory authority upon conclusion of such litigation or legal action against our Promoters during the last three years immediately preceding the year of the issue of this Preliminary Placement Document.

C. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years

Our Company had filed a compounding application before the Regional Director (Northern Region at New Delhi), Ministry of Corporate Affairs, Government of India, on August 14, 2021 for non-compliance of section 42 of the provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, and other applicable rules and provisions of the Companies Act, 2013. Our Company had allotted 160 Equity Shares, as partly paid-up shares, to certain company executives on private placement basis on March 8, 2021. However, during the process of offer and allotment of equity shares, our Company has inadvertently contravened the afore-mentioned compliance requirements under the Companies Act, 2013 and rules made thereunder. Pursuant to the application, Ministry of Corporate Affairs appointed an adjudicating officer who passed an order on January 19, 2022 imposing fines of a total of ₹ 57,000 in relation to the default. The fine imposed has been duly paid.

D. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

There have been no material frauds committed against our Company in the last three years preceding the date of this Preliminary Placement Document.

E. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon

As on the date of this Preliminary Placement Document, our Company has no outstanding defaults in repayment of undisputed statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution.

F. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder

As on the date of this Preliminary Placement Document, our Company has not made any default in filings of our Company under the Companies Act, 2013 and the rules made thereunder.

G. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

H. Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks

There are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Preliminary Placement Document.

OUR STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013, Walker Chandiok & Co LLP, Chartered Accountants, were appointed as our Company's Statutory Auditors pursuant to a resolution adopted by our Shareholders at the AGM held on September 30, 2019 for a period of five years, from Fiscal 2020 to 2024.

Walker Chandiok & Co LLP, Chartered Accountants, have performed limited review of the Unaudited Consolidated Financial Results and have issued a review report dated October 27, 2023, thereon, which is included in this Preliminary Placement Document in "***Financial Information***" on page 259. Walker Chandiok & Co LLP, Chartered Accountants have also audited the Audited Consolidated Financial Statements and have issued their audit reports on such financial statements which are included in this Preliminary Placement Document in "***Financial Information***" on page 259.

FINANCIAL INFORMATION

Independent Auditor's Report

To the Members of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in paragraph 10 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

4. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.
   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   The Board's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

10. We did not audit the financial statements of 4 subsidiaries, whose financial statements reflects total assets of INR 6,952.51 million and net assets of INR 2,416.45 million as at 31 March 2021, total revenues of INR 2,514.17 million and net cash inflows amounting to INR 299.83 million for the year ended on that date, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Further, these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

11. The Company had prepared separate sets of statutory consolidated financial statements for the year ended 31 March 2020 and 31 March 2019 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated 18 December 2020 and 30 September 2019 respectively. These consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

12. Based on our audit and on the consideration of the report of the other auditors, referred to in paragraph 10, on separate consolidated financial statements of the subsidiaries, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Holding Company, its subsidiary companies covered under the Act, since none of such companies is a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

13. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate consolidated financial statements and other financial information of the subsidiaries we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) the consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;

    f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' dated 05 August 2021; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

   i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 33 to the consolidated financial statements;

   ii. the Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, covered under the Act, during the year ended 31 March 2021; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 21507568AAAADH8928

Place: Faridabad
Date: 05 August 2021

Annexure 1:

List of entities included in the Consolidated Financial Statements

<u>Subsidiaries:</u>

1. RateGain Technologies Limited, UK
2. RateGain Spain, S.L.
3. RateGain Technologies Inc., US
4. BCV Social LLC

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company, which are companies covered under the Act, as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Board of Directors of the Holding Company, which is the company covered under the Act, is responsible for establishing and maintaining internal financial controls based on Internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company,, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid.

Annexure A to the Independent Auditor's Report of even date to the members of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private limited) on the consolidated financial statements for the year ended 31 March 2021

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company, which is the company covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 21507568AAAADH8928

Place: Faridabad
Date: 05 August 2021

1 Company information/overview

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) (the 'Company' or 'the Holding Company') is a private limited company domiciled in India, having its registered office at –M-140, Greater Kailash Part II, New Delhi - 110048. The Company was incorporated on 16 November 2012 as a private limited company in India. Subsequently, the Company changed its legal status from a private company to a public company on 27 July 2021. These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively referred to as the 'Group').

RateGain Travel Technologies Private Limited is an Information Technology Company providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals.

Details relating to Group considered in these consolidated financial statements are as follows:

(i) Subsidiaries

Name of the company	Country of incorporation	% voting power held as at 31 March 2021	% voting power held as at 31 March 2020	% voting power held as at 1 April 2019
RateGain Technologies Limited	United Kingdom	100%	100%	100%
RateGain Technologies Spain S.L.	Spain	100%	100%	100%
RateGain Technologies Inc.	United States of America	100%	100%	100%
BCV Social LLC.	United States of America	100%	100%	-
RateGain Portugal LDA	Portugal	-	-	-*

*Shareholding in RateGain Portugal LDA was liquidated on 1 April 2018.

The financial statements of the above entities (Subsidiaries) are drawn up-to the same accounting period as that of the Group.

2.1 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of this consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements for the year ended 31 March 2017 were approved for issue by the Board of Directors on 5 August 2021.

These financial statements for the year ended 31 March 2021 are the first financial statements prepared by the Group as per Ind AS. For all periods upto and including the year ended 31 March 2020, the Group prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the comparative year ended 31 March 2020 and opening balance sheet at the beginning of the comparative year as at 1 April 2019 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 45.

(b) Basis of measurement
The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are measured at fair value or amortized cost, defined benefit obligations and share based payments.

(c) Critical accounting estimates and judgements
The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements. Information about significant areas of estimation /uncertainty and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows: -

- measurement of defined benefit obligations: key actuarial assumptions;
- judgment required to determine probability of recognition of deferred tax assets;
- impairment assessment of non-financial assets key assumptions underlying recoverable amount;
- impairment assessment of financial assets;
- measurement of share based payments; measurement of financial guarantee contracts, provisions and contingent liabilities;
- judgment required to ascertain lease classification, lease term, incremental borrowing rate, lease and non-lease component, and impairment of ROU;
- measurement of consideration and assets acquired as part of business combination;
- cash flow projections and liquidity assessment with respect to Covid-19.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in these financial statements.

(d) Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to / by the Group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Basis of consolidation
The consolidated financial statements include the financial statements of the Company and its subsidiaries.

Subsidiaries
Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The standalone financial statements of the Company and financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and any unrealised incomes and expenses arising from intra-group transactions. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated Statement of profit and loss.

2.2 Other significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the consolidated financial statements.

(a) Property, plant equipment
Recognition and measurement
Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated Statement of profit and loss when such asset is derecognised.

Subsequent cost
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other subsequent cost are charged to consolidated Statement of profit and loss at the time of incurrence.

Depreciation
Depreciation on PPE is provided on the straight-line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 (‘Schedule II’) on a pro-rata basis from the date the asset is ready to put to use.

Leasehold improvements are depreciated on a straight line basis over the period of the initial lease term or estimated useful life.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress
Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

(b) Business Combination and Intangible Assets
Business combination and goodwill
The Group accounts for the business combinations using the acquisition method when control is transferred to the respective company of the Group. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and other intangible assets) acquired and any non-controlling interest in the acquired business. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income (‘OCI’) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Any goodwill that arises is not amortised but is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognised in the consolidated Statement of profit and loss.

(c) Other intangible assets
Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible assets and are recognised in the consolidated Statement of profit and loss when the asset is derecognised.

Subsequent cost
Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on other intangible assets is recognised in consolidated Statement of profit and loss, as incurred.

Amortisation
Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year.

Amortisation has been charged based on the following useful lives:

Asset description	Useful life of asset (in years)
Computer software	3
Other Intangibles	3

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

(d) Leases

The Group as a lessee
The Group enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-

use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Group presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

(e) Impairment - non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to a CGU or groups of CGU that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the consolidated Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Provisions and contingent liabilities
Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities
Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

(g) Employee benefits
Short-term employee benefits
Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans
Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans
The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee’s salary and the tenure of employment.

The liability recognised in the consolidated Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the consolidated Statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in consolidated Statement of profit and loss as past service cost.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long-term employee benefits
Compensated absences
The Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in consolidated Statement of profit and loss in the period in which they arise.

(h) Share based payments
The grant-date fair value of equity-settled share-based payment arrangements granted to eligible employees of the Group under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the consolidated Statement of profit and loss, in relation to options granted to employees of the Group (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity. For share-based payment awards with market conditions, the grant- date fair value of the share-based payment is measured to reflect such conditions and there is no true- up for differences between expected and actual outcomes. At the end of each period, the Group revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

In case of cash-settled plan, fair value is determined on each reporting date and expense is accordingly recognised in the statement of profit and loss with a corresponding increase to the ESOP liability**.**

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(i) Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the consolidated profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.
The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Indian Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and

the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in consolidated Balance Sheet. Significant management judgment is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

(j) Foreign currency transactions and translations
Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the date of the transactions.
Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the consolidated Statement of profit and loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the consolidated Statement of profit and loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the consolidated Statement of profit and loss, within finance costs.

Foreign operations
The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into Indian rupees (INR), the functional currency of the Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.
Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

(k) Revenue recognition
Revenue from Contracts with Customers, revenue is recognised upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of services in case of hospitality sector is recognised over the specified subscription period on straight line basis or on the basis of underlying services performed, as the case may be, in accordance with the terms of the contracts with customers and in case of travel sector the same is recognised when the related services are performed as per the terms of contracts.

The Company defers unearned revenue, including payments received in advance, until the related subscription period is complete or underlying services are performed.

Service income and management fee
Revenue from marketing support services, management fee and auxiliary and business support services are in terms of agreements with the customers and are recognised on the basis of satisfaction of performance obligation over the duration of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

Interest income
Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>Financial assets</u>

Recognition and initial measurement
Trade receivables and debt instruments are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through consolidated Statement of profit and loss, transaction costs that are attributable to its acquisition or use.

Classification
For the purpose of initial recognition, the Group classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.
All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the consolidated Statement of profit and loss.

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the consolidated Statement of profit and loss.

Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the consolidated Statement of profit and loss.

Impairment of financial assets (other than at fair value)
The Group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the consolidated Statement of profit and loss.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through profit and loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement
Financial liabilities are classified as measured at amortised cost or FVTPL.
A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated Statement of profit and loss.
Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated Statement of profit and loss.

Compound financial instruments
Compound financial instruments are bifurcated into liability and equity components based on the terms of the contract.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not measured subsequently.
Interest on liability component is recognised in consolidated Statement of profit and loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Derecognition
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated Statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments
The Group holds derivative financial instruments to hedge its interest rate risk exposures. Such derivative financial instruments are initially recognised at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in consolidated Statement of profit and loss.

(m) Earnings per share
The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the consolidated Statement of profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting consolidated Statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(n) Current and non-current classification
All assets and liabilities are classified into current and non-current.

Assets
An asset is classified as current when it satisfies any of the following criteria:
it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.
Liabilities
A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

(o) Cash and cash equivalents
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(p) Segment reporting
As the Group's business activity primarily falls within a single segment which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers.

(q) Functional and presentation currency
The management has determined the currency of the primary economic environment in which the Group operates, i.e., the functional currency, to be Indian Rupees (INR). The financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

(r) Exceptional items
Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance.

(s) Cash flow statement
Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

(t) Share issue expense
Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of profit and loss.

(u) Recent accounting pronouncements
The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Group from 01 April 2021.

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)
Consolidated Balance Sheet as at 31 March 2021
All amounts are in INR million unless otherwise stated

Particulars	Notes	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
ASSETS				
Non-current assets				
Property, plant and equipment	3	79.02	131.07	170.52
Right-of-use assets	4	45.62	197.30	216.48
Goodwill	5	368.57	368.35	93.32
Other intangible assets	5	1,185.60	1,462.71	580.38
Financial assets				
Loans	6	-	-	0.40
Others	7	7.84	54.71	65.40
Income tax assets (net)	8	7.94	10.45	7.57
Deferred tax assets (net)	9	29.92	37.93	37.88
Other non-current assets	11	0.53	1.01	1.65
Total non-current assets		**1,725.04**	**2,263.53**	**1,173.60**
Current assets				
Financial assets				
Investments	10	1,290.23	449.05	406.93
Trade receivables	12	669.05	776.73	632.71
Cash and cash equivalents	13	537.56	209.61	396.21
Other bank balances	14	35.82	33.90	52.01
Loans	6	2.09	2.18	9.29
Others	7	26.22	39.29	33.78
Other current assets	11	112.03	196.79	144.49
Total current assets		**2,673.00**	**1,707.55**	**1,675.42**
Total assets		**4,398.04**	**3,971.08**	**2,849.02**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	6.55	6.55	6.55
Instrument entirely equity in nature	16	1.48	0.85	0.85
Other equity	17	2,441.18	1,369.84	1,424.89
Total equity		**2,449.21**	**1,377.24**	**1,432.29**
LIABILITES				
Non-current liabilities				
Financial liabilities				
Borrowings	18	980.74	1,007.48	244.19
Lease liabilities	19	26.22	179.84	213.33
Others	20	-	203.19	1.82
Provisions	21	32.93	30.30	31.21
Total non-current liabilities		**1,039.89**	**1,420.81**	**490.55**
Current liabilities				
Financial liabilities				
Lease liabilities	19	27.09	100.12	85.91
Trade payables	23			
i. total outstanding dues of micro enterprises and small enterprises		0.14	1.19	0.31
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		242.82	384.47	192.50
Others	20	242.52	240.72	320.34
Other current liabilities	22	369.83	426.64	299.93
Provisions	21	2.13	1.96	1.55
Income tax liabilities (net)	8	24.41	17.93	25.64
Total current liabilities		**908.94**	**1,173.03**	**926.18**
Total liabilities		**1,948.83**	**2,593.84**	**1,416.73**
Total equity and liabilities		**4,398.04**	**3,971.08**	**2,849.02**
Significant accounting policies	2			

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568

Date:
Place:

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Bhanu Chopra
Managing Director

Megha Chopra
Director

Tanmaya Das
Chief Financial Officer

Sachin Verma
Company Secretary

Date:
Place:

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)
Consolidated Statement of Profit and Loss
All amounts are in INR million unless otherwise stated

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations	24	2,507.93	3,987.14
Other income	25	132.98	588.99
Total income		**2,640.91**	**4,576.13**
Expenses			
Employee benefits expense	26	1,512.62	2,058.00
Finance costs	27	82.04	89.26
Depreciation and amortization expense	28	358.81	426.95
Impairment of goodwill	5	-	537.42
Other expenses	29	933.72	1,642.12
Total expenses		**2,887.19**	**4,753.75**
Loss before tax		**(246.28)**	**(177.62)**
		61.59	287.02
Tax expense:	30		
Current tax		31.11	25.07
Deferred tax charge/(credit)		8.36	(1.65)
Total tax expense		**39.47**	**23.42**
Loss for the year		**(285.75)**	**(201.04)**
Other comprehensive income			
(i) Item that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan		0.32	6.48
- Income tax relating to these items		(0.09)	(1.80)
(ii) Item that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		6.57	68.13
Total other comprehensive income		**6.80**	**72.81**
Total comprehensive income for the year		**(278.95)**	**(128.23)**
Loss for the year		**(285.75)**	**(201.04)**
Attributable to:			
Owners of the Holding Company		(285.75)	(201.04)
Other comprehensive income for the year		**6.80**	**72.81**
Attributable to:			
Owners of the Holding Company		6.80	72.81
Total comprehensive loss for the year		**(278.95)**	**(128.23)**
Attributable to:			
Owners of the Holding Company		(278.95)	(128.23)
Loss per equity share (LPS)			
Basic LPS	31	(3.09)	(2.27)
Diluted LPS	31	(3.09)	(2.27)

Significant accounting policies **2**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568

Date:
Place:

For **and on behalf of the Board of Directors of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)**

Bhanu Chopra
Managing Director

Megha Chopra
Director

Tanmaya Das
Chief Financial Officer

Sachin Verma
Company Secretary

Date:
Place:

All amounts are in INR million unless otherwise stated

a. Equity share capital

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid	
As at 01 April 2019	**6.55**
Changes in equity share capital during the year	-
As at 31 March 2020	**6.55**
Changes in equity share capital during the year	- #
As at 31 March 2021	**6.55**

 # Amount rounded off to zero.

b. Instrument entirely equity in nature

Particulars	Amount
Compulsorily convertible preference shares (CCPS) of INR 10 each issued, subscribed and fully paid	
As at 01 April 2019	**0.85**
Changes in CCPS capital during the year	-
As at 31 March 2020	**0.85**
Changes in CCPS capital during the year	0.63
As at 31 March 2021	**1.48**

c. Other equity

Particulars	Reserves and Surplus				Total
	Security premium account	Share options outstanding account	Foreign currency translation reserve	Retained earnings	
Balance as at 01 April 2019	**762.59**	**(10.91)**	**-**	**673.21**	**1,424.89**
Profit for the year	-	-	-	(201.04)	(201.04)
Other comprehensive income for the year, net of income tax	-	-	68.13	4.68	72.81
Transaction with owners in their capacity as owners					
Employee stock option expense	-	73.18	-	-	73.18
Amount reclassified to retained earnings	-	1.65	-	(1.65)	-
Balance as at 31 March 2020	**762.59**	**63.92**	**68.13**	**475.20**	**1,369.84**
Profit for the year	-	-	-	(285.75)	(285.75)
Other comprehensive income for the year, net of income tax	-	-	6.57	0.23	6.80
Transaction with owners in their capacity as owners					
Employee stock option expense	-	96.40	-	-	96.40
Effect of change in option scheme	-	217.80	-	-	217.80
Amount reclassified to retained earnings	-	1.29	-	(1.29)	-
Transaction costs arising on share issues	(73.81)	-	-	-	(73.81)
CCCPS issued during the year	1,109.90	-	-	-	1,109.90
Balance as at 31 March 2021	**1,798.68**	**379.41**	**74.70**	**188.39**	**2,441.18**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director

Megha Chopra
Director

Tanmaya Das
Chief Financial Officer

Sachin Verma
Company Secretary

Date:
Place:

Date:
Place:

All amounts are in INR million unless otherwise stated

	Year ended 31 March 2021	Year ended 31 March 2020
Operating activities		
Loss before tax	(246.28)	(177.62)
Adjustments for:		
Depreciation and amortisation expense	358.81	426.95
Finance cost	81.19	89.08
Employee stock option expense	96.40	73.18
Trade and other receivables written off	74.39	47.49
Allowance for expected credit loss	20.26	37.15
Net gain on current investments measured at FVTPL	(31.07)	(27.33)
Interest income	(6.88)	(9.48)
Unrealised foreign exchange loss/(profit)	(0.14)	28.21
Gain on termination of lease	(54.11)	-
Sundry balances written back	(1.72)	(3.14)
Write off of property, plant and equipment (net)	0.07	-
Impairment of goodwill	-	537.42
Gain on fair valuation of contingent consideration	-	(537.42)
Gain/loss on sale of property, plant and equipment (net)	0.05	(0.23)
Operating profit before working capital changes and other adjustments	**290.97**	**484.26**
Working capital adjustments:		
(Increase)/ Decrease in trade receivables	28.99	(97.21)
(Increase)/ Decrease in financial assets	66.88	3.23
(Increase)/ Decrease in loans	0.09	7.56
(Increase)/ Decrease in other assets	34.46	(31.23)
Increase/ (Decrease) in trade payable	(141.27)	121.29
Increase/ (Decrease) in other financial liabilities	28.06	(39.30)
Increase/ (Decrease) in other liabilities	(82.21)	(185.70)
Increase/ (Decrease) provisions	3.02	(34.93)
Cash generated from operating activities post working capital changes	**228.99**	**227.97**
Income tax paid	(22.95)	(36.61)
Net cash generated from operating activities	**206.04**	**191.36**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(7.31)	(54.78)
Proceeds from sale of property, plant and equipment	-	0.29
Investments in mutual funds (net)	(810.11)	(14.79)
Proceeds on maturity / investments in bank deposits (net)	(1.92)	18.13
Interest income	2.07	2.80
Investment in assets acquired from Dhisco Inc. and BCV Social LLC	-	(1,075.06)
Net cash used in investing activities	**(817.27)**	**(1,123.41)**
Financing activities		
Proceeds from issue of equity instruments #	-	-
Proceeds from issue of compulsorily convertible preference shares	1,110.54	-
Repayment of long-term borrowings	(22.27)	(10.85)
Repayment of lease liabilities	(16.83)	(68.09)
Proceeds from long-term borrowings	-	867.84
Share application money received	0.37	-
Share issue expenses	(73.81)	-
Finance cost paid	(69.17)	(61.08)
Net cash generated from financing activities	**928.83**	**727.82**
Net increase in cash and cash equivalents	317.60	(204.23)
Net foreign exchange difference	10.35	17.63
Cash and cash equivalents at the beginning of the year	209.61	396.21
Cash and cash equivalents at year end	**537.56**	**209.61**

For the year ended 31 March 2021, numbers are rounded off zero.
The Consolidated Statement of Cash Flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)**

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director

Megha Chopra
Director

Tanmaya Das
Chief Financial Officer

Sachin Verma
Company Secretary

Date:
Place:

Date:
Place:

1 **Company information/overview**

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) (the 'Company' or 'the Holding Company') is a private limited company domiciled in India, having its registered office at –M-140, Greater Kailash Part II, New Delhi - 110048. The Company was incorporated on 16 November 2012 as a private limited company in India. Subsequently, the Company changed its legal status from a private company to a public company on 27 July 2021. These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively referred to as the 'Group').

RateGain Travel Technologies Private Limited is an Information Technology Company providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals.

Details relating to Group considered in these consolidated financial statements are as follows:

(i) Subsidiaries

Name of the company	Country of incorporation	% voting power held as at 31 March 2021	% voting power held as at 31 March 2020	% voting power held as at 1 April 2019
RateGain Technologies Limited	United Kingdom	100%	100%	100%
RateGain Technologies Spain S.L.	Spain	100%	100%	100%
RateGain Technologies Inc.	United States of America	100%	100%	100%
BCV Social LLC.	United States of America	100%	100%	-
RateGain Portugal LDA	Portugal	-	-	-*

*Shareholding in RateGain Portugal LDA was liquidated on 1 April 2018.

The financial statements of the above entities (Subsidiaries) are drawn up-to the same accounting period as that of the Group.

2.1 **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of this consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements for the year ended 31 March 2017 were approved for issue by the Board of Directors on 5 August 2021.

These financial statements for the year ended 31 March 2021 are the first financial statements prepared by the Group as per Ind AS. For all periods upto and including the year ended 31 March 2020, the Group prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the comparative year ended 31 March 2020 and opening balance sheet at the beginning of the comparative year as at 1 April 2019 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 45.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are measured at fair value or amortized cost, defined benefit obligations and share based payments.

(c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements. Information about significant areas of estimation /uncertainty and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows: -

- measurement of defined benefit obligations: key actuarial assumptions;
- judgment required to determine probability of recognition of deferred tax assets;
- impairment assessment of non-financial assets key assumptions underlying recoverable amount;
- impairment assessment of financial assets;
- measurement of share based payments; measurement of financial guarantee contracts, provisions and contingent liabilities;
- judgment required to ascertain lease classification, lease term, incremental borrowing rate, lease and non-lease component, and impairment of ROU;
- measurement of consideration and assets acquired as part of business combination;
- cash flow projections and liquidity assessment with respect to Covid-19.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in these financial statements.

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to / by the Group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Basis of consolidation
The consolidated financial statements include the financial statements of the Company and its subsidiaries.

Subsidiaries
Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The standalone financial statements of the Company and financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and any unrealised incomes and expenses arising from intra-group transactions. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated Statement of profit and loss.

2.2 Other significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the consolidated financial statements.

(a) Property, plant equipment
Recognition and measurement
Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated Statement of profit and loss when such asset is derecognised.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other subsequent cost are charged to consolidated Statement of profit and loss at the time of incurrence.

Depreciation

Depreciation on PPE is provided on the straight-line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 ('Schedule II') on a pro-rata basis from the date the asset is ready to put to use.

Leasehold improvements are depreciated on a straight line basis over the period of the initial lease term or estimated useful life.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

(b) Business Combination and Intangible Assets

Business combination and goodwill

The Group accounts for the business combinations using the acquisition method when control is transferred to the respective company of the Group. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and other intangible assets) acquired and any non-controlling interest in the acquired business. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Any goodwill that arises is not amortised but is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognised in the consolidated Statement of profit and loss.

(c) Other intangible assets
Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible assets and are recognised in the consolidated Statement of profit and loss when the asset is derecognised.

Subsequent cost
Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on other intangible assets is recognised in consolidated Statement of profit and loss, as incurred.

Amortisation
Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year.

Amortisation has been charged based on the following useful lives:

Asset description	Useful life of asset (in years)
Computer software	3
Other Intangibles	3

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

(d) Leases

The Group as a lessee
The Group enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-

use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Group presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

(e) Impairment - non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to a CGU or groups of CGU that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the consolidated Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Provisions and contingent liabilities

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

(g) Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability recognised in the consolidated Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the consolidated Statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in consolidated Statement of profit and loss as past service cost.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long-term employee benefits

Compensated absences

The Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in consolidated Statement of profit and loss in the period in which they arise.

(h) Share based payments

The grant-date fair value of equity-settled share-based payment arrangements granted to eligible employees of the Group under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the consolidated Statement of profit and loss, in relation to options granted to employees of the Group (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity. For share-based payment awards with market conditions, the grant- date fair value of the share-based payment is measured to reflect such conditions and there is no true- up for differences between expected and actual outcomes. At the end of each period, the Group revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

In case of cash-settled plan, fair value is determined on each reporting date and expense is accordingly recognised in the statement of profit and loss with a corresponding increase to the ESOP liability.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(i) Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the consolidated profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.
The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Indian Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and

the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in consolidated Balance Sheet. Significant management judgment is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

(j) Foreign currency transactions and translations
Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the date of the transactions.
Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the consolidated Statement of profit and loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the consolidated Statement of profit and loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the consolidated Statement of profit and loss, within finance costs.

Foreign operations
The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into Indian rupees (INR), the functional currency of the Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.
Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

(k) Revenue recognition
Revenue from Contracts with Customers, revenue is recognised upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of services in case of hospitality sector is recognised over the specified subscription period on straight line basis or on the basis of underlying services performed, as the case may be, in accordance with the terms of the contracts with customers and in case of travel sector the same is recognised when the related services are performed as per the terms of contracts.

The Company defers unearned revenue, including payments received in advance, until the related subscription period is complete or underlying services are performed.

Service income and management fee
Revenue from marketing support services, management fee and auxiliary and business support services are in terms of agreements with the customers and are recognised on the basis of satisfaction of performance obligation over the duration of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

Interest income
Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>Financial assets</u>

Recognition and initial measurement
Trade receivables and debt instruments are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through consolidated Statement of profit and loss, transaction costs that are attributable to its acquisition or use.

Classification
For the purpose of initial recognition, the Group classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset being ‘debt instrument’ is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being ‘debt instrument’ is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.
All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the consolidated Statement of profit and loss.

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the consolidated Statement of profit and loss.

Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the consolidated Statement of profit and loss.

Impairment of financial assets (other than at fair value)
The Group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the consolidated Statement of profit and loss.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through profit and loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated Statement of profit and loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated Statement of profit and loss.

Compound financial instruments

Compound financial instruments are bifurcated into liability and equity components based on the terms of the contract.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not measured subsequently.

Interest on liability component is recognised in consolidated Statement of profit and loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Group holds derivative financial instruments to hedge its interest rate risk exposures. Such derivative financial instruments are initially recognised at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in consolidated Statement of profit and loss.

(m) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the consolidated Statement of profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting consolidated Statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(n) Current and non-current classification
All assets and liabilities are classified into current and non-current.

Assets
An asset is classified as current when it satisfies any of the following criteria:
it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities
A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

(o) Cash and cash equivalents
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(p) Segment reporting
As the Group's business activity primarily falls within a single segment which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers.

(q) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Group operates, i.e., the functional currency, to be Indian Rupees (INR). The financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

(r) Exceptional items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance.

(s) Cash flow statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

(t) Share issue expense

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of profit and loss.

(u) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Group from 01 April 2021.

All amounts are in INR million unless otherwise stated

3 Property, plant and equipment

	Office equipment	Furniture and fixtures	Computers	Leasehold improvements	Total
Gross carrying value:					
Balance as at 01 April 2019*	**30.84**	**2.15**	**194.87**	**43.39**	**271.25**
Additions	6.57	0.51	21.55	15.19	43.82
Acquisition of subsidiary	-	0.85	13.35	-	14.20
Disposals/ adjustments	(0.22)	-	(5.09)	-	(5.30)
Translation adjustment	0.46	0.10	14.53	0.84	15.93
Balance as at 31 March 2020	**37.66**	**3.61**	**239.22**	**59.42**	**339.90**
Additions	4.10	0.18	2.46	-	6.74
Construction expenditure capitalised	-	-	-	-	-
Disposals/ adjustments	(0.59)	-	(2.45)	(9.21)	(12.25)
Translation adjustment	(0.17)	(0.02)	(5.46)	(0.24)	(5.89)
Balance as at 31 March 2021	**41.00**	**3.77**	**233.77**	**49.97**	**328.50**
Accumulated depreciation and Impairment loss:					
Balance as at 01 April 2019*	**12.14**	**0.64**	**77.69**	**10.26**	**100.73**
Depreciation expense	5.00	0.51	89.49	10.17	105.17
Impairment	-	-	-	-	-
Disposals / adjustments	(0.15)	-	(5.09)	-	(5.24)
Translation adjustment	0.04	0.02	7.90	0.21	8.17
Balance as at 31 March 2020	**17.03**	**1.17**	**169.99**	**20.64**	**208.83**
Depreciation expense	5.56	0.58	35.87	15.23	57.24
Impairment loss	-	-	-	-	-
Disposals / adjustments	(0.32)	-	(2.45)	(9.21)	(11.97)
Translation adjustment	(0.03)	(0.01)	(4.40)	(0.18)	(4.62)
Balance as at 31 March 2021	**22.25**	**1.74**	**199.02**	**26.48**	**249.48**
Net carrying value:					
Balance as at 01 April 2019	**18.70**	**1.51**	**117.18**	**33.13**	**170.52**
Balance as at 31 March 2020	**20.63**	**2.44**	**69.23**	**38.78**	**131.07**
Balance as at 31 March 2021	**18.75**	**2.03**	**34.75**	**23.49**	**79.02**

* Represents deemed cost on the date of transition to Ind AS (i.e. 1 April 2019) for consolidated financial statements. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

(i) Property, plant and equipment of INR 0.58 million (31 March 2020: INR 0.89 million and 31 March 2019: 0.84 million) are pledged as security.

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All amounts are in INR million unless otherwise stated

4 Right-of-use assets

	Office building
Gross carrying value:	
Balance as at 01 April 2019	**266.09**
Additions	30.91
Translation adjustment	16.51
Balance as at 31 March 2020	**313.51**
Additions	-
Disposals	(198.49)
Translation adjustment	(5.97)
Balance as at 31 March 2021	**109.05**
Accumulated depreciation:	
Balance as at 01 April 2019	**49.61**
Depreciation expense	62.36
Translation adjustment	4.24
Balance as at 31 March 2020	**116.21**
Depreciation expense	62.13
Disposals	(113.83)
Translation adjustment	(1.08)
Balance as at 31 March 2021	**63.43**
Net carrying value:	
Balance as at 01 April 2019	**216.48**
Balance as at 31 March 2020	**197.30**
Balance as at 31 March 2021	**45.62**

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All amounts are in INR million unless otherwise stated

5 Goodwill and other intangible assets

	Customer relationship and trade name	Leasehold interests	Softwares	Total	Goodwill
Gross carrying value:					
Balance as at 01 April 2019	**326.94**	**10.80**	**377.24**	**714.98**	**93.32**
Additions	-	-	10.96	**10.96**	-
Acquisition of subsidiary	416.57	-	641.21	**1,057.78**	801.22
Disposals/ adjustments	-	-	-	**-**	-
Translation adjustment	41.18	0.95	46.84	**88.97**	33.84
Balance as at 31 March 2020	**784.69**	**11.75**	**1,076.25**	**1,872.69**	**928.38**
Additions	-	-	0.57	0.57	-
Disposals/ adjustments	-	-	-	-	-
Translation adjustment	(22.92)	(0.34)	(28.91)	(52.17)	0.22
Balance as at 31 March 2021	**761.77**	**11.41**	**1,047.91**	**1,821.09**	**928.60**
Accumulated amortisation/impairment:					
Balance as at 01 April 2019	**27.99**	**1.60**	**105.01**	**134.60**	**-**
Amortisation expense	62.29	2.51	194.61	259.41	-
Impairment expense	-	-	-	-	537.42
Disposals/ adjustments	-	-	-	-	-
Translation adjustment	5.69	0.25	10.03	15.97	22.61
Balance as at 31 March 2020	**95.97**	**4.36**	**309.65**	**409.98**	**560.03**
Amortisation expense	67.13	1.05	171.26	239.44	-
Disposals/ adjustments	-	-	-	-	-
Translation adjustment	(3.77)	(0.14)	(10.02)	(13.93)	-
Balance as at 31 March 2021	**159.33**	**5.27**	**470.89**	**635.49**	**560.03**
Net carrying value:					
Balance as at 01 April 2019	**298.95**	**9.20**	**272.23**	**580.38**	**93.32**
Balance as at 31 March 2020	**688.72**	**7.39**	**766.60**	**1,462.71**	**368.35**
Balance as at 31 March 2021	**602.44**	**6.14**	**577.02**	**1,185.60**	**368.57**

(i) Amortisation of other intangible assets has been presented in Note 28, Depreciation and amortization expense.
(ii) Other intangibles of INR 3.94 million (31 March 2020: INR 4.68 million and 31 March 2019: 0.97 million) are pledged as security.
(iii) Impairment tests for goodwill
The Group tests goodwill on consolidation for impairment annually. For the purposes of impairment testing, goodwill on consolidation is allocated to respective subsidiary entity "CGU" within the Group.
The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
RateGain Technologies Limited, UK	87.44	81.30	78.26
RateGain Technologies Inc., US	15.06	15.06	15.06
BCV Social LLC	266.07	271.99	-
Total	**368.57**	**368.35**	**93.32**

For CGU's containing goodwill, management conducts impairment assessment and compares the carrying amount of such CGU with its recoverable amount. Recoverable amount is value in use of the CGU computed based upon discounted cash flow projections. The key assumptions used for computation of value in use are the growth rate and discount rate as specified below. The key assumptions have been determined based on management's calculations after considering, past experiences and other available internal information and are consistent with external sources of information to the extent applicable.

Key assumptions	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Discount rate	26.97% - 26.74%	28.44% - 27.19%	28.44% - 27.19%
Terminal growth rate	2.00% - 3.00%	2.00% - 3.00%	2.00% - 3.00%

Growth rates:
The growth rates reflect the long-term average growth rates for the product lines and industries of the segments (all publicly available)

Discount rates:
The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of related to the Group.

For CGUs containing goodwill, the impairment assessment did not result in any impairment loss and the management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the said CGUs.

Recoverable amount of goodwill related to BCV Social LLC was INR 271.99 million. Consequently, the Group recognised impairment loss of INR 537.42 million on goodwill related to BCV Social LLC for the year ended 31 March 2020.

All amounts are in INR million unless otherwise stated

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
6 Loans			
Non - current			
(unsecured and considered good)			
Loans to employees	-	-	0.40
	-	**-**	**0.40**
Current			
(unsecured and considered good)			
Loan to employees	2.09	2.18	9.29
(unsecured and considered doubtful)			
Loan to employees	-	0.37	0.37
Less: Loss allowance	-	(0.37)	(0.37)
	2.09	**2.18**	**9.29**
7 Other financial assets			
Non-current			
(Unsecured and considered good)			
Financial assets carried at amortised cost			
Security deposits	7.84	17.95	17.71
Lease receivables	-	35.41	46.89
Other receivable	-	1.35	0.80
	7.84	**54.71**	**65.40**
Current			
(Unsecured and considered good)			
Financial assets carried at amortised cost			
Amount recoverable from related party	19.97	15.36	12.53
Security deposits	1.01	2.17	0.83
Interest accrued but not due	0.61	0.81	1.23
Lease receivables	-	20.95	19.19
Other receivable	4.63	-	-
(Unsecured and considered doubtful)			
Security deposits	5.39	5.39	5.39
Less: Loss allowance	(5.39)	(5.39)	(5.39)
	26.22	**39.29**	**33.78**

(i) Financial assets of INR 5.11 million (31 March 2020: INR 1.57 million and 31 March 2019: 0.53 million) are pledged as security.

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
8 Income tax assets and liabilities			
Non-current tax assets			
Income tax receivable [net of provisions of INR 120.47 million (31 March 2020: INR 122.20 million and 1 April 2019: INR 120.47 million)]	7.94	10.45	7.57
	7.94	**10.45**	**7.57**
Current tax liabilities			
Income tax payable [net of advance tax of INR 2.70 million (31 March 2020: INR 26.21 million and 1 April 2019: INR 15.56 million)]	24.41	17.93	25.64
	24.41	**17.93**	**25.64**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
11 Other assets			
Non-current			
Prepaid expenses	0.53	1.01	1.65
	0.53	**1.01**	**1.65**
Current			
Prepaid expenses	72.23	123.09	91.27
Advances to vendors	1.19	3.10	1.27
Advances to employees	1.54	7.07	0.30
Balances with government authorities	37.07	63.53	51.42
Other advances	-	-	0.23
	112.03	**196.79**	**144.49**

12 Trade receivables

Unsecured, considered good	758.03	890.71	704.02
Significant increase in credit risk	-	-	-
Credit impaired	150.81	138.71	384.48
	908.84	1,029.42	1,088.50
Less: Loss allowance	(239.79)	(252.69)	(455.79)
	669.05	**776.73**	**632.71**

(i) Trade receivables of INR 391.27 million (31 March 2020: INR 481.91 million and 31 March 2019: 330.29 million) are pledged as security.

13 Cash and cash equivalents

Balances with banks			
- In current account	534.12	208.71	395.68
Cash in hand	0.67	0.90	0.53
Cheque in hand	2.77	-	-
	537.56	**209.61**	**396.21**

(i) Cash and cash equivalents of INR 335.15 million (31 March 2020: INR 52.8 million and 31 March 2019: 145.96 million) are pledged as security.

14 Other bank balances

Bank deposits with original maturity of more than three months but less than twelve months	35.82	33.90	52.01
	35.82	**33.90**	**52.01**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
9 Deferred tax assets			
Deferred tax assets in relation to:			
Employee benefit expense	9.75	9.02	9.52
Loss allowance for doubtful debts and security deposit	14.52	12.52	11.67
Property, plant and equipment	4.16	2.18	0.88
Right-of-use assets and lease liabilities	2.59	2.40	1.92
Research and development credit	-	-	9.25
Unused tax losses	-	-	4.99
MAT credit	9.65	18.69	22.77
Deferred tax liabilities in relation to:			
Investments	10.75	6.88	4.10
Property, plant and equipment	-	-	14.67
Other intangible assets	-	-	4.35
Deferred tax assets (net)	**29.92**	**37.93**	**37.88**

(a) Movement in deferred tax liabilities for the period ended 31 March 2021 is as follows:

Description	Opening Balance	Translation difference	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to:					
Employee benefit expense	9.02	-	0.82	(0.09)	9.75
Loss allowance for doubtful debts and security deposit	12.52	0.44	1.56	-	14.52
Property, plant and equipment	2.18	-	1.98	-	4.16
Right-of-use assets and lease liabilities	2.40	-	0.19	-	2.59
MAT credit	18.69	-	(9.04)	-	9.65
	44.81	**0.44**	**(4.49)**	**(0.09)**	**40.67**
Deferred tax liabilities in relation to:					
Property, plant and equipment	6.88	-	3.87	-	10.75
	6.88	**-**	**3.87**	**-**	**10.75**
Deferred tax assets (net)	**37.93**	**0.44**	**(8.36)**	**(0.09)**	**29.92**

(b) Movement in deferred tax liabilities for the year ended 31 March 2020 is as follows:

Description	Opening Balance	Translation difference	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to:					
Employee benefit expense	9.52	-	1.30	(1.80)	9.02
Loss allowance for doubtful debts and security deposit	11.67	0.20	0.65	-	12.52
Property, plant and equipment	0.88	-	1.30	-	2.18
Right-of-use assets and lease liabilities	1.92	-	0.48	-	2.40
Research and development credit	9.25	-	(9.25)	-	-
Unused tax losses	4.99	-	(4.99)	-	-
MAT credit	22.77	-	(4.08)	-	18.69
	61.00	**0.20**	**(14.59)**	**(1.80)**	**44.81**
Deferred tax liabilities in relation to:					
Investments	4.10	-	2.78	-	6.88
Property, plant and equipment	14.67	-	(14.67)	-	-
Other intangible assets	4.35	-	(4.35)	-	-
	23.12	**-**	**(16.24)**	**-**	**6.88**
Deferred tax assets (net)	**37.88**	**0.20**	**1.65**	**(1.80)**	**37.93**

(d) Deductible temporary differences, unused tax losses and unused tax credits for which deferred tax asset is not recognised:

	Tax losses	Research and development tax credit	Other deductible temporary differences
31 March 2021	328.24	24.61	378.00
31 March 2020	202.10	22.47	166.29
1 April 2019	62.67	-	-
Potential tax benefit @ 21%	**124.53**	**47.08**	**114.30**

Research and development credit tax credit can be carried forward for a period of 20 years from the date of generation and tax losses and unabsorbed depreciation can be carried forward indefinitely.

(e) The Group has not recognised any deferred tax liability in respect to unrecognised temporary differences relating to investment in subsidiaries as the Parent Company is able to control the timing of distributions from the subsidiaries.

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All amounts are in INR million unless otherwise stated

10 Investments	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Number of units	Amount	Number of units	Amount	Number of units	Amount
Current						
Investment in mutual funds- unquoted						
Investment carried at fair value through profit or loss (FVTPL)						
HDFC Money Market Fund	1,616,819	650.60	3,729	15.56	-	-
ICICI Prudential Liquid Fund - Direct Plan - Growth	1,163,381	343.52	535,902	157.44	535,984	148.15
Kotak Liquid Direct Plan Growth	44,919	142.59	31,777	127.58	31,831	120.46
ICICI Money Market Fund	-	-	531,658	148.47	531,658	138.32
SBI Mutual Fund	2,544,577	87.01	-	-	-	-
Aditya Birla Mutual Fund	233,413	66.51	-	-	-	-
	5,603,108.53	**1,290.23**	**1,103,067**	**449.05**	**1,099,474**	**406.93**
Total current investments						
Aggregate amount of unquoted investments		1,290.23		449.05		406.93
Aggregate amount of impairment in the value of investments		-		-		-

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All amounts are in INR million unless otherwise stated

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
15 Equity share capital			
Authorised			
850,000 (31 March 2020: 850,000 and 1 April 2019: 850,000) equity shares of INR 10 each *	8.50	8.50	8.50
Issued and subscribed			
655,000 (31 March 2020: 655,000 and 1 April 2019: 655,000) equity shares of INR 10 each fully paid up and 160 (31 March 2020: Nil and 1 April 2019: Nil) equity shares of INR 10 each, partly paid up *	6.55	6.55	6.55
	6.55	**6.55**	**6.55**

*The face value of equity shares of the Holding Company has been split from INR 10/- to INR 1/- per share with effect from 30 July 2021.

Notes:

(i) Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, holder of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Equity shares outstanding at the beginning of the ye	655,000	6.55	655,000	6.55
Add : Issued during the year	160	- #	-	-
Equity shares outstanding at the end of the year	**655,160**	**6.55**	**655,000**	**6.55**

Amount rounded off to zero.

(iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Numbers	% holding	Numbers	% holding	Numbers	% holding
Bhanu Chopra	404,646	61.76%	404,646	61.78%	404,646	61.78%
Megha Chopra	129,476	19.76%	129,476	19.77%	129,476	19.77%
Wagner Limited	105,645	16.13%	105,645	16.13%	105,645	16.13%

(iv) No shares have been issued by the Group for consideration other than cash, during the period of five years immediately preceding the reporting

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
16 Instruments entirely equity in nature			
Authorised			
300,000 (31 March 2020: 150,000 and 1 April 2019: 150,000) Compulsorily convertible preference shares of INR 10 each	3.00	1.50	1.50
Issued, subscribed and fully paid up			
148,324 (31 March 2020: 84,516 and 1 April 2019: 84,516) Compulsorily convertible preference shares of INR 10 each	1.48	0.85	0.85
	1.48	**0.85**	**0.85**

(i) Terms of compulsorily convertible cumulative preference shares (CCCPS)

Compulsorily convertible cumulative preference shares (CCCPS) carry a notional cumulative dividend of 0.01% per annum. Holder of compulsorily convertible cumulative preference shares have no rights of voting. The Holding Company declares and pays dividend in Indian Rupees. On conversion event, each CCCPS shall be converted into 1 equity share as per conversion event mentioned in the subscription agreement with Wagner Limited and Avaatar Holdings.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Preference shares outstanding at the beginning of the year	84,516	0.85	84,516	0.85
Add : Issued during the year	63,808	0.64	-	-
Preference shares outstanding at the end of the year	**148,324**	**1.49**	**84,516**	**0.85**

(iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Numbers	% holding	Numbers	% holding	Numbers	% holding
Wagner Limited	84,516	56.98%	84,516	100.00%	84,516	100.00%
Avaatar Holdings	63,808	43.02%	-	0.00%	-	0.00%

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All amounts are in INR million unless otherwise stated

17 Other equity

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Security premium account	1,798.68	762.59	762.59
Share options outstanding account	379.41	63.92	(10.91)
Foreign currency translation reserve	74.70	68.13	-
Retained earnings	188.39	475.20	673.21
	2,441.18	**1,369.84**	**1,424.89**

17.1 Security premium account

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	762.59	762.59
CCCPS issued during the year	1,109.90	-
Transaction costs arising on share issues	(73.81)	-
Balance at the end of the year	**1,798.68**	**762.59**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

17.2 Share options outstanding account

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	63.92	(10.91)
Employee stock option expense	96.40	73.18
Effect of change in option scheme	217.80	-
Amount reclassified to retained earnings	1.29	1.65
Balance at the end of the year	**379.41**	**63.92**

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

17.3 Foreign currency translation reserve

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	68.13	-
Currency translation difference during the year	6.57	68.13
Balance at the end of the year	**74.70**	**68.13**

Exchange difference arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the investment is disposed-off.

17.4 Retained earnings

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	475.20	673.21
Loss for the year	(285.75)	(201.04)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	0.23	4.68
Amount reclassified from share options outstanding account	(1.29)	(1.65)
Balance at the end of the year	**188.39**	**475.20**

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

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All amounts are in INR million unless otherwise stated

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
18 Borrowings			
Non-current			
(Secured, at amortised cost)			
Term loans from banks	803.45	867.90	-
(Unsecured, at amortised cost)			
Promissory notes	177.29	139.58	244.19
	980.74	**1,007.48**	**244.19**

Notes

(a) Terms and security details of term loans from banks

On 11 June 2019, RateGain Technologies Limited, UK obtained a bank loan of USD 12,000,000 from Silicon Valley Bank, which also includes a need based working capital facility of USD 3,000,000. The loan carries an interest of 3.5% plus US LIBOR per annum and is repayable in 5 years from the borrowing date. The loan is secured by fixed and floating charges over all assets of RateGain Technologies Limited and fixed charge over RateGain Travel Technologies Limited's shares and other investments. Further, loan is guaranteed by the Holding Company, with maximum liability not exceeding USD 16,000,000.

Due to the Covid-19 pandemic, the Group was not able to meet the covenant requirements set forth in the original credit agreement with Silicon Valley Bank dated 11 June 2019 as at 31 March 2020. Hence the Group signed an amendment agreement on 2 July 2020 whereby the bank waived the breach of covenants and set aside the current covenant requirements until the quarter ended June 2021. The bank has put forth a new set of financial covenant requirements using a basis of new forecasts that take into account the impact of Covid-19 until the quarter ended June 2021. Additionally, the principals payable for the quarter ended June 2020 and September 2020 have been deferred until the term loan maturity date, June 2024.

(b) Promissory notes issued by the Group carries interest of 3.50% plus US LIBOR per annum and is repayable from 31 March 2021 to 31 December 2023, as per agreed terms.

(c) Reconciliation of financial liabilities arising from financing activities:

Particulars	**Non-current borrowings and Current maturities of long-term borrowings**	**Lease liabilities**
Balance as at 01 April 2019	**244.19**	**299.24**
Cash flows:		
Proceeds from borrowings	867.84	-
Repayment of borrowings and lease liabilities	(10.85)	(68.09)
Other non-cash changes:		
Acquisition of leases	-	29.92
Unwinding of interest	12.70	
Amortisation of incremental borrowing cost	2.26	-
Foreign exchange difference	41.94	18.89
Balance as at 31 March 2020	**1,158.08**	**279.96**
Cash flows:		
Repayment of borrowings and lease liabilities	(22.27)	(16.83)
Other non-cash changes:		
Unwinding of interest	11.00	-
Amortisation of incremental borrowing cost	4.87	-
Gain on termination of lease	-	(206.80)
Foreign exchange difference	(33.75)	(3.02)
Balance as at 31 March 2021	**1,117.93**	**53.31**

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
19 Lease liabilities			
Non-current			
Lease obligations	26.22	179.84	213.33
	26.22	**179.84**	**213.33**
Current			
Lease obligations	27.09	100.12	85.91
	27.09	**100.12**	**85.91**

All amounts are in INR million unless otherwise stated

		As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
20	**Other financial liabilities**			
	Non-current			
		-	201.21	-
	Security deposits	-	1.98	1.82
		-	**203.19**	**1.82**
	Current			
	Current maturities of long term borrowing	137.19	150.60	-
	Interest accrued on borrowings	13.67	11.93	-
	Share based payments liability	-	-	244.50
	Employee related payable	91.29	78.17	72.81
	Unpaid dividend on compulsorily convertible preference shares*	-	-	-
	Derivative liability	-	-	0.12
	Refundable share application money	0.37	-	-
	Other payables	-	0.02	2.91
		242.52	**240.72**	**320.34**

* Numbers has been rounded off to zero.

		As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
21	**Provisions**			
	Non-current			
	Provision for employee benefits (refer note 38)			
	Provision for compensated absences	7.58	7.24	6.68
	Provision for gratuity	25.35	23.06	24.53
		32.93	**30.30**	**31.21**
	Current			
	Provision for employee benefits (refer note 38)			
	Provision for compensated absences	0.74	0.67	0.50
	Provision for gratuity	1.39	1.29	1.05
		2.13	**1.96**	**1.55**
22	**Other liabilities**			
	Current			
	Advances from customers	13.72	0.23	0.66
	Statutory liabilities	52.10	28.85	20.51
	Deferred revenue	304.01	397.56	278.76
		369.83	**426.64**	**299.93**
23	**Trade payables**			
	i. total outstanding dues of micro enterprises and small enterprises	0.14	1.19	0.31
	ii. total outstanding dues of creditors other than micro enterprises and small enterprises	242.82	384.47	192.50
		242.96	**385.66**	**192.81**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
i) Principal amount due to suppliers under MSMED Act	0.14	1.19	0.31
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	-	-	-
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-	-
iv) Interest paid to suppliers under MSMED Act	-	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are	-	-	-
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-	-
vii) Interest accrued and remaining unpaid at the end of the accounting year	-	-	-

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All amounts are in INR million unless otherwise stated

		Year ended 31 March 2021	Year ended 31 March 2020
24	**Revenue from operations**		
	Sale of services	2,507.93	3,987.14
		2,507.93	**3,987.14**

Note:

(a) Disaggregated revenue information

Set out below is the disaggregation of the the Group's revenue from contracts with customers:

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Type of services		
DaaS	933.77	1,253.60
Distribution	1,218.05	1,993.66
MarTech	356.11	739.88
Total revenue from contracts with customers	**2,507.93**	**3,987.14**
Geographical region		
India	19.00	37.25
Outside India	2,378.13	3,789.52
Total revenue from contracts with customers	**2,397.13**	**3,826.77**
Revenue of timing of recognition		
Revenue recognised at point in time	-	-
Revenue recognised over time	2,507.93	3,987.14
Total revenue from contracts with customers	**2,507.93**	**3,987.14**

(b) Assets and liabilities related to contracts with customers

Trade receivables	669.05	776.73
Advances from customers	13.72	0.23
Deferred revenue	304.01	397.56

Remaining performance obligations as at the reporting date are expected to be substantially recognised over the next reporting period by the Group.

(c) Revenue recognised in relation contract liabilities

Contract liabilities related to sale of services		
Advances from customers	0.23	0.66
Deferred revenue	397.56	278.76

(d) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	2,507.93	3,987.14
Adjustments:		
Rebate	-	-
Revenue from contracts with customers	2,507.93	3,987.14

25	**Other income**		
	Interest income		
	Interest income earned on:		
	- bank deposits (at amortised cost)	1.87	2.77
	Other interest income	5.01	6.71
		6.88	**9.48**
	Other income		
	Sundry balances written back	1.72	3.14
	Sale of SEIS licenses and other benefits	39.02	11.36
	Net gain on current investments measured at FVTPL	31.07	27.33
	Gain on fair valuation of contingent consideration	-	537.42
	Gain on termination of lease	54.11	-
	Gain on salary cross charge to related parties	0.18	-
	Gain on sale of property, plant and equipment (net)	-	0.23
	Others	-	0.03
		126.10	**579.51**
		132.98	**588.99**

All amounts are in INR million unless otherwise stated

		Year ended 31 March 2021	Year ended 31 March 2020
26	**Employee benefits expense**		
	Salaries and wages	1,315.60	1,916.50
	Contribution to provident and other fund	29.95	41.10
	Staff welfare expenses	54.08	70.51
	Employee stock option expense (refer note 40)	112.99	29.89
		1,512.62	**2,058.00**
27	**Finance costs**		
	Interest expense on borrowings	58.83	59.67
	Interest on lease liabilities	22.36	29.41
	Interest on delay deposit of income tax	0.85	0.18
		82.04	**89.26**
28	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment	57.24	105.18
	Amortisation of intangible assets	239.44	259.41
	Amortisation of right-of-use assets	62.13	62.36
		358.81	**426.95**
29	**Other expenses**		
	Hosting and proxy charges	203.32	236.88
	Electricity charges	2.28	6.81
	Research and development expenses	14.63	25.33
	Rent	30.42	74.57
	Repair and maintenance		
	- Building	1.00	1.59
	- Others	1.31	3.17
	Insurance	12.95	11.98
	Rates and taxes	3.14	4.21
	Communication charges	68.89	85.02
	Postage and courier	0.35	1.28
	Travelling and conveyance	24.63	157.61
	Commission on sales	0.11	-
	Donation and contributions	0.34	0.79
	Legal and professional charges	68.72	112.61
	Training and recruitment expenses	4.28	34.11
	Advertising and sales promotion expenses	5.49	65.05
	Fees and subscription	88.24	97.67
	Bank charges	11.06	9.18
	Trade and other receivables written off	74.39	47.49
	Loss on foreign exchange fluctuation (net)	62.15	0.76
	Allowance for expected credit loss	20.26	37.15
	Software licenses	68.16	87.87
	Office maintenance	16.37	30.02
	Contractual manpower cost	54.05	308.32
	Demand partner fees	92.08	195.94
	Loss on sale of property, plant and equipment (net)	0.05	-
	Write off of property, plant and equipment (net)	0.07	-
	Miscellaneous expenses	4.98	6.71
	Total	**933.72**	**1,642.12**

Note:
Payments to the auditors (excluding input tax)

		Year ended 31 March 2021	Year ended 31 March 2020
I	To statutory auditors		
	a) Audit fees	7.77	5.02
	b) Reimbursement of expenses	-	0.06
		7.77	**5.08**

All amounts are in INR million unless otherwise stated

30 Income taxes

Income tax recognised in the Consolidated statement of profit and loss

	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
In respect of the current year	30.93	25.39
In respect of the previous year	0.18	(0.32)
	31.11	**25.07**
Deferred tax		
In respect of the current year	8.36	(1.65)
	8.36	**(1.65)**
Total income tax expense recognised in the current year	**39.47**	**23.42**

The Income tax expense for the year can be reconciled to the accounting profit as follows: `

	Year ended 31 March 2021	Year ended 31 March 2020
Profit before tax from continuing and discontinuing operations	(246.28)	(177.62)
Statutory income tax rate	27.82%	27.82%
Income tax expense at statutory income tax rate	(68.52)	(49.41)
Effect of expenses that are not deductible in determining taxable profit	(3.47)	6.37
Effect of Income that is exempt from taxation	(2.63)	9.63
Deferred tax assets not recognised on unutilised tax losses and research & development tax credit	74.41	18.13
Permanent differences	0.06	7.23
Effect of overseas tax rates	37.24	28.07
Excess foreign tax paid/ withholding tax	0.11	0.15
Adjustments recognised in the current year in relation to the previous years	0.83	-
Others	1.44	3.26
	39.47	**23.42**

31 Loss per share (LPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holder by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.
The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31 March 2021	Year ended 31 March 2020
Loss attributable to equity holder of the Holding Company	**(285.75)**	**(201.04)**
Weighted average number of equity shares used for computing :		
Basic LPS #	92,456,276	88,741,920
Effect of dilutive potential equity shares- employee stock options*	*	*
Diluted LPS #	92,456,276	88,741,920
Basic LPS	**(3.09)**	**(2.27)**
Diluted LPS	**(3.09)**	**(2.27)**

The face value of equity shares of the Holding Company has been split from INR 10/- to INR 1/- per share with effect from 30 July 2021.
Subsequent to 31 March 2021, the Holding Company has issued the bonus shares in the ratio of 1:11 to the existing equity shareholders. Further, the Holding Company has sub-divided each fully paid up equity share of the nominal value of INR 10/-(Rupees Ten Only) each into 10 (Ten) equity shares of INR 1/- (Rupee One Only) each fully paid up. Corresponding adjustment has been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. Impact of the same has been considered in the calculation of Basic and Diluted EPS/LPS.

* For the years ended 31 March 2021 and 31 March 2020, the outstanding potential equity shares had an anti-dilutive effect on LPS, hence there was no dilution of LPS, the diluted loss per share is same as basic loss per share for the year ended 31 March 2021 and 31 March 2020.

All amounts are in INR million unless otherwise stated

32 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments.

The Group's business activity falls within a single segment, which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals, in terms of Ind AS 108 on Segment Reporting. Information about relevant entity wide disclosure are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from external customers by location of the customers #		
(i) North America (primarily United States of America)	1,623.89	2,878.56
(ii) Europe (primarily United Kingdom)	375.92	454.79
(iii) Asia Pacific (primarily India)	380.97	483.64
(iv) Others	127.15	170.15
Total	**2,507.93**	**3,987.14**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non-current assets *			
(i) India	95.30	138.72	118.03
(ii) United Kingdom	91.96	86.87	80.07
(iii) United States of America	1,490.30	1,932.80	862.34
(iv) Other countries	1.78	2.05	1.91

* Non-current assets, other than financial instruments and income tax assets (net)/deferred tax asset (net).

No single external customer contributes 10% or more of the Group's revenue for the year ended 31 March 2021, during the year ended 31 March 2020, revenue of INR 556.42 was derived from a single external customer.

Revenue of INR 928.13 and INR 1,766.60 which represents 37.01% and 44.31% of total revenue for the year ended 31 March 2021 and 31 March 2020 respectively, was contributed from ten major customer groups.

Information about revenue from external customers is included in note 24.

Revenue numbers are after intergroup eliminations.

33 Contingent liabilities

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
(i) Indirect tax demand (Refer note a below)	59.74	59.74	59.74
(ii) Indirect tax demand (Refer note b below)	624.03	624.03	624.03

a. Rategain IT Solutions Private Limited (whose IT Undertaking was demerged into Rategain Travel Technologies Limited) ("Demerged Company") had received a show cause notice of INR 59.74 million dated 21 April 2016 from Commissioner of Service Tax, Audit -1, New Delhi for the period 2010-11 to 2014-15 alleging non-payment of service tax on reverse charge mechanism on foreign payments made by the demerged company in the said period, pursuant to an audit conducted by the Service Tax Audit Department for the said period. The Demerged Company, based on various judicial pronouncements has filed a petition before the Honorable High Court at New Delhi challenging the Jurisdiction and Authority of the Service Tax Audit division to audit and issue show cause notice. The Honorable High Court then directed the Holding Company to provide reply to the Commissioner of Service Tax (Audit) against the show cause notice which the Holding Company have duly filed. During financial year 2019-20, the Holding Company has received an order wherein the tax authorities have dropped the proceedings in favor of the Holding Company and the matter stands closed. Department has filed an appeal with CESTAT against the order dated 12 March 2019. There is no further update on this matter in the current year.

b. The Holding Company also received a show cause notice of INR 624.03 million from Director General of Central Excise Intelligence on account of wrong classification of services provided by the Holding Company. The Holding Company has classified its services under "Information Technology Software Service" and as per the show cause notice, department has disputed that services provided by the Holding Company would be covered "Online Information and Database Access and/or Retrieval services (OIDAR)", wherein the place of provision of service has been specified as per PoP Rules, 2012 to be the location of service provider (i.e. location of RateGain in India). Accordingly, the definition of export of services would not be satisfied and Holding Company would be liable to charge and pay service tax. The Director General of Central Excise Intelligence then directed the Holding Company to provide reply against the show cause notice. As per the management's contention, the Holding Company's business model for the provision of services of market intelligence do not follow the mode of online database access and accordingly, their services would not constitute OIDAR services. The Holding Company has filed a reply along with a writ petition in high court against the aforesaid mentioned order in earlier years and in financial year 2019-20, Honorable High Court provided stay order for any further proceedings in respect of this matter. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company.

34 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013 ("Act"), the Board of Directors of the Holding Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Holding Company was to spend a sum of INR 1.32 million (31 March 2020: INR 1.87 million and 1 April 2019: INR 2.20 million). The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2021, the Holding Company has contributed INR 0.34 million towards CSR initiatives. The Holding Company is required to deposit an unspent amount of INR 0.98 million in funds specified in Schedule VII by 30 September 2021.

35 Transfer pricing

The Holding Company has appointed independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associated enterprises were undertaken at "arm length basis". The management confirms that all international transaction with associated enterprises are undertaken at negotiated contract prices on usual commercial terms, and adjustment if any, arising from the transfer pricing study shall be accounted for as and when study is completed. The Holding Company is in the process of conducting a transfer pricing study for the current financial year. Based on the transfer pricing study for the previous year, the management is of the view that the same would not have a material impact on the tax expenses provided for in these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

36 Other explanatory information

Out of the total trade receivable balance of INR 908.84 million (31 March 2020: INR 1,029.42 million) export dues of Holding Company of INR 0.29 million (31 March 2020: INR 1.03 million) are outstanding for more than fifteen months. As per Foreign Exchange Management (Export of Goods and Services) Regulation, 2000 issued by the Reserve Bank of India (the 'RBI'), where the realisation from foreign customer is not made within nine months from the invoice date (as per notification no. RBI/2019-20/206 dated 1st April 2020, the aforesaid period has been extended to 15 months for invoices issued upto or on 31st July'20), the Holding Company is required to approach the Foreign Exchange Department of the Regional Office concerned of the Reserve Bank through their AD Category-I bank with a definite action plan for extension of realisation of export proceeds. The Holding Company is in the process of ensuring compliance with the relevant regulation of the Reserve Bank of India.

All amounts are in INR million unless otherwise stated

37 Leases

The Group has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment. The Group has recorded three office lease as right-of-use assets which has average lease term of 5 years and average remaining lease term of 2 years.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. The lease payments are discounted using incremental borrowing rate of the Group, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar environment with similar terms, security and conditions.

Amounts recognised in the consolidated statement of profit or loss:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on right-of-use assets	62.13	62.36
Interest on lease liabilities (included in interest expenses)	22.36	29.41
Expenses relating to short-term leases	30.42	74.57
Expenses relating to leases of low-value assets	-	-

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All amounts are in INR million unless otherwise stated

38 Employee benefit obligations

Particulars	31 March 2021		31 March 2020		01 April 2019	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	1.39	25.35	1.29	23.06	1.05	24.53
Compensated absences	0.74	7.58	0.67	7.24	0.50	6.68
Total	**2.12**	**32.92**	**1.95**	**30.30**	**1.54**	**31.21**

A Disclosure of gratuity

Gratuity is payable to all eligible employees of the Holding Company on separation, superannuation, death or permanent disablement, in terms of the provision of the Payment of Gratuity Act, 1972. Gratuity is an unfunded defined benefit plan.
The Holding Company is following Ind AS 19 'Employee Benefits' and using Projected Unit Credit Method. The following tables sets out the status of the defined benefit scheme and the amount recognised in the financial statements:

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2021	31 March 2020
Current service cost	4.95	5.65
Interest cost	1.54	1.87
Net impact on profit (before tax)	**6.49**	**7.52**
Actuarial loss/(gain) recognised during the year	(0.32)	(6.48)
Amount recognised in total comprehensive income	**6.17**	**1.04**

(ii) Change in the present value of obligation:

Description	31 March 2021	31 March 2020
Present value of defined benefit obligation as at the beginning of the year	**24.35**	**25.58**
Current service cost	4.95	5.65
Interest cost	1.54	1.87
Benefits paid	(3.78)	(2.27)
Actuarial loss/(gain)	(0.32)	(6.48)
Present value of defined benefit obligation as at the end of the year	**26.74**	**24.35**

(iii) Movement in the plan assets recognised in the balance sheet is as under:

Description	31 March 2021	31 March 2020
Fair value of plan assets at the beginning of the year	**-**	**-**
Expected return on plan assets	-	-
Contributions	3.78	2.27
Benefits paid	(3.78)	(2.27)
Actuarial gain/(loss)	-	-
Fair value of plan assets at the end of the year	**-**	**-**

(iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	31 March 2021	31 March 2020	01 April 2019
Present value of funded obligation as at the end of the year	26.74	24.35	25.58
Fair value of plan assets as at the end of the year funded status	-	-	-
Unfunded/funded net liability recognized in balance sheet	**26.74**	**24.35**	**25.58**

(v) Breakup of actuarial (gain)/loss:

Description	31 March 2021	31 March 2020
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	0.14	(7.92)
Actuarial (gain)/loss from experience adjustment	(0.46)	1.44
Total actuarial (gain)/loss	**(0.32)**	**(6.48)**

(vi) Actuarial assumptions

Description	31 March 2021	31 March 2020	01 April 2019
Discount rate	6.83%	6.87%	7.65%
Rate of increase in compensation levels	4.00%	4.00%	7.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%	100.00%
Disability rate (as % of above mortality rate)	0.00%	0.00%	0.00%
Withdrawal rate	2.0% to 10.0%	2.0% to 10.0%	2.0% to 10.0%
Normal retirement age	60 Years	60 Years	60 Years
Average future service	22	23	23

(vii) Sensitivity analysis for gratuity liability

Description	31 March 2021	31 March 2020	01 April 2019
Impact of change in discount rate			
Present value of obligation at the end of the			
- Impact due to increase of 1.00 %	23.62	21.51	22.29
- Impact due to decrease of 1.00 %	30.50	27.79	29.59
Impact of change in salary escalation			
Present value of obligation at the end of the			
- Impact due to increase of 1.00 %	30.31	27.75	29.19
- Impact due to decrease of 1.00 %	23.61	21.48	22.43
Impact of change in withdrawal rates			
Present value of obligation at the end of the			
- Impact due to increase of 1.00 %	27.70	25.23	25.82
- Impact due to decrease of 1.00 %	25.62	23.33	25.27

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

All amounts are in INR million unless otherwise stated

(viii) Maturity profile of defined benefit obligation

Description	31 March 2021	31 March 2020	01 April 2019
Within next 12 months	1.39	1.29	1.05
Between 1-5 years	5.76	5.84	4.95
Beyond 5 years	6.36	5.87	6.36

(ix) The best estimated expense for the next year is INR 13.37 million (31 March 2020: INR 12.18 million and 1 April 2019: INR 12.79 million).
The weighted average duration of defined benefit obligation is 18.23 years (31 March 2020: 18.64 years and 1 April 2019: 20.67 years).

B Disclosure of leave encashment

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2021	31 March 2020
Current service cost	3.49	3.37
Past service cost	-	-
Interest cost	0.48	0.51
Net impact on profit (before tax)	**3.97**	**3.88**
Actuarial loss/(gain) recognised during the year	(1.66)	(2.17)
Amount recognised in total comprehensive income	**2.31**	**1.71**

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All amounts are in INR million unless otherwise stated

39 Related party disclosures

(I) Relationship with related parties:

(a) Parent and Ultimate Controlling Party
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

(b) Key management personnel (KMP):
Mr. Bhanu Chopra (Chief Executive Officer/Director)
Mr. Tanmaya Das (Chief Financial Officer)
Mrs. Megha Chopra (Director)
Mr. Bryan Finney (Director)
Mr. Harmeet Singh (Chief Executive Officer) (with effect from 17 October 2019)

(c) Companies where significant influence is exercised by KMPs:
Ridaan and Ruhan Buildwell Private Limited
Ridaan and Ruhan UK Limited

(II) Transactions with related parties during the year ended 31 March 2021 and 31 March 2020:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i) Expenses incurred on behalf of		
Ridaan and Ruhan Buildwell Private Limited	0.13	0.76
(ii) Travelling expenses		
Mr. Bhanu Chopra	0.67	2.95
Mr. Tanmaya Das	-	3.13
Mr. Bryan Finney	0.03	0.61
Mr. Harmeet Singh	0.04	2.03
(iii) Rent paid		
Ridaan and Ruhan Buildwell Private Limited	-	3.36
(iv) Professional charges paid to		
Ridaan and Ruhan Buildwell Private Limited	73.81	-
(v) Amount written off		
Ridaan and Ruhan Buildwell Private Limited	1.48	-
(vi) Share application money received		
Mr. Bryan Finney	0.37	-
(vii) Compensation to KMPs		
Short-term employment benefits		
Mr. Bhanu Chopra	50.32	49.07
Mr. Tanmaya Das	7.69	10.36
Mr. Bryan Finney	16.25	13.22
Mr. Harmeet Singh	33.63	21.46
Post employment benefits		
Mr. Bhanu Chopra	(0.03)	0.02
Mr. Tanmaya Das	0.09	0.04
Share based payments		
Mr. Tanmaya Das	1.89	(3.67)
Mr. Bryan Finney	-	0.10
Mr. Harmeet Singh	10.65	13.33

(III) Balances as at 31 March 2021, 31 March 2020 and 1 April 2019:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
(i) Amounts recoverable for expenses incurred on behalf of and customers collection on our behalf by			
Ridaan and Ruhan Buildwell Private Limited	2.06	1.93	1.17
Ridaan and Ruhan UK Limited	17.93	13.41	11.35
(ii) Amounts payable for expenses incurred on behalf of and customers collection on our behalf by			
RateGain Limited UK	-	-	2.91
(iii) Employee related payables			
Mr. Bhanu Chopra	19.79	18.62	13.84
Mr. Tanmaya Das	0.75	0.58	0.50
Mr. Bryan Finney	1.59	-	0.53
Mr. Harmeet Singh	11.89	10.21	-
(iv) Payables toward share option granted			
Mr. Tanmaya Das	21.64	19.75	23.41
Mr. Bryan Finney	-	1.44	1.34
Mr. Harmeet Singh	23.97	13.33	-
(v) Refundable share application money			
Mr. Bryan Finney	0.37	-	-

All amounts are in INR million unless otherwise stated

40 Share based payments

a. Description of share based payment arrangements
i. Share Options Schemes (equity settled)
Employee Stock Option Scheme (ESOS) 2015

The Scheme has been adopted by the Board of Directors on 15 June 2015, read with the Special Resolution passed by the Members of the Holding Company on 15 June 2015 and shall be deemed to come into force with effect from 15 June 2015 being the date of approval by the Members. The maximum number of options that can be granted to any eligible employee during any one-year shall not equal or exceed 1% of the issued capital of the Holding Company at the time of grant of options. For grant of option to identified employees, during any one year, equal to or exceeding 1% of the issued capital a separate resolution in the shareholders meeting will be passed. For vesting, there shall be a lock in of minimum period of one year between Grant of options and its vesting. Vesting of Options will take place upon the following events:

- Change of control in the Holding Company, as defined in Companies Act 2013;
- Initial public offering (IPO)
- In case of private equity investment, not resulting in change in control, then at the discretions of the Committee
- Employee's continuity in the organization
- Any other Vesting Event as the Committee may decide and inform during the currency of the Scheme

Further, during the year ended 31 March 2019, Holding Company modified (ESOS) 2015 scheme from share based incentive to cash settled incentive. Subsequently on 15 June 2020, ESOS 2015 was converted back to equity settled, amendment in scheme has been approved by the board of Directors vide board resolution passed in board meeting dated 15 June 2020 and by the shareholders vide ordinary resolution passed in extra-ordinary general meeting dated 15 June 2020.

Set out below is a summary of options granted under the plan:

	31 March 2021		31 March 2020	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	2,105	22,577	833	20,638
Granted during the year	833	1,450	9,439	3,355
Exercised during the year	-	-	-	-
Forfeited/expired during the year	2,710	(5,190)	833	(1,416)
Closing balance	**1,817**	**18,837**	**2,105**	**22,577**
Vested and exercisable		-		-

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	Exercise price	31 March 2021		31 March 2020		01 April 2019	
		Share options	weighted average remaining contractual life	Share options	weighted average remaining contractual life	Share options	weighted average remaining contractual life
15 June 2015	833	4,967	305 days	5,073	670 days	5,073	305 days
1 September 2015	833	205	305 days	205	670 days	330	305 days
1 April 2016	833	2,495	305 days	2,495	670 days	2,535	305 days
1 June 2016	833	508	305 days	615	670 days	615	305 days
1 September 2016	833	205	305 days	205	670 days	330	305 days
1 October 2016	833	3,115	305 days	3,385	670 days	3,585	305 days
1 April 2017	833	1,575	305 days	1,575	670 days	1,775	305 days
1 June 2017	833	508	305 days	615	670 days	615	305 days
1 September 2017	833	205	305 days	205	670 days	330	305 days
1 October 2017	833	500	305 days	500	670 days	500	305 days
1 April 2018	833	-	-	1,150	670 days	1,450	305 days
1 October 2018	833	2,600	305 days	3,400	670 days	3,500	305 days
1 April 2019	833	-	-	700	670 days	-	-
1 October 2019	833	417	305 days	883	670 days	-	-
1 October 2019	19,340	1,000	305 days	1,550	670 days	-	-
1 April 2020	833	100	305 days	-	-	-	-
1 October 2020	833	417	305 days	-	-	-	-

Employee Stock Option Scheme (ESOS) 2018

The scheme has been approved by the Board of Directors of the Holding Company on 1 June 2018 and the same was approved by the members of the Holding Company vide Ordinary Resolution on 1 June 2018. The scheme is effective from 1 June 2018 being the date of shareholders' approval. The maximum number of options that may be issued pursuant to this Scheme is 15000 (Fifteen thousand) options representing of 2.03% of the paid up share capital of the Holding Company as on 1 June 2018, to be convertible into equal number of Equity shares of the Holding Company. Vesting period shall commence after 1 (One) year from the date of grant of Options and it may extend upto 4 (four) years from the date of grant in the manner prescribed by the Board. During the year ended 31 March 2021, the Holding Company has revised exercise price of few share based options, incremental fair value granted on account of such modification is INR 50.88 million.

Set out below is a summary of options granted under the plan:

	31 March 2021		31 March 2020	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	14,310	25,388	833	3,200
Granted during the year	5,239	4,200	16,254	22,188
Exercised during the year	-	-	-	-
Forfeited/expired during the year	12,641	(3,683)	-	-
Closing balance	**13,077**	**25,905**	**14,310**	**25,388**
Vested		11,614		3,200

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	Exercise price	31 March 2021		31 March 2020		01 April 2019	
		Share options	weighted average remaining contractual life	Share options	weighted average remaining contractual life	Share options	weighted average remaining contractual life
1 June 2018	833	1,333	455 days	1,333	-	1,333	455 days
1 October 2018	833	1,867	455 days	1,867	-	1,867	455 days
1 April 2019	833	500	546 days	500	911 days	-	-
1 June 2019	833	1,333	455 days	1,333	820 days	-	-
1 October 2019	833	1,867	729 days	1,867	1094 days	-	-
1 October 2019	19,340	16,138	1109 days	18,488	1474 days	-	-
1 April 2020	19,340	1,000	545 days	-	-	-	-
1 October 2020	833	1,867	455 days	-	-	-	-

All amounts are in INR million unless otherwise stated

b. Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date and measurement date fair values of the equity -settled and cash settled share based payments are as follows:

Options granted on	Fair value per Option at grant date (in INR)	Share price at grant date (in INR)	Exercise price (in INR)	Expected volatility	Expected life (in years)	Expected dividend yield	Risk-free interest rate
15 June 2015	8,134	9,121	833	19.59%	1.63	0.00%	7.59%
1 September 2015	8,121	9,121	833	19.20%	1.42	0.00%	7.50%
1 April 2016	8,557	9,450	833	18.52%	3.83	0.00%	7.38%
1 October 2016	8,520	9,450	833	17.72%	3.33	0.00%	6.71%
1 April 2017	8,186	9,133	833	17.22%	2.83	0.00%	6.45%
1 October 2017	8,161	9,133	833	15.71%	2.33	0.00%	6.31%
1 April 2018	13,277	14,425	833	15.24%	1.83	0.00%	6.69%
1 June 2018	13,266	14,425	833	15.70%	1.49	0.00%	7.20%
1 October 2018	13,593	14,767	833	15.53%	1.33	0.00%	7.58%
1 October 2018	13,602	14,767	833	15.53%	1.49	0.00%	7.58%
1 April 2019	17,724	18,998	833	16.64%	2.08	0.00%	6.59%
1 April 2019	17,695	18,998	833	16.64%	1.49	0.00%	6.51%
1 June 2019	17,694	18,998	833	16.62%	1.49	0.00%	6.38%
1 October 2019	18,151	19,440	833	17.05%	2.33	0.00%	5.82%
1 October 2019	3,323	19,440	19,340	17.05%	2.33	0.00%	5.82%
1 October 2019	3,664	19,440	19,340	17.05%	2.70	0.00%	5.82%
1 April 2020	2,202	17,716	19,340	23.41%	1.83	0.00%	5.06%
1 April 2020	16,448	17,716	833	23.41%	1.83	0.00%	5.06%
1 April 2020	2,587	17,716	19,340	23.41%	2.24	0.00%	5.06%
1 April 2020	16,463	17,716	833	23.41%	2.24	0.00%	5.06%
15 June 2020	2,089	17,716	19,340	25.92%	1.63	0.00%	3.98%
15 June 2020	16,427	17,716	833	25.92%	1.63	0.00%	3.98%
15 June 2020	1,956	17,716	19,340	25.92%	1.49	0.00%	3.98%
15 June 2020	16,423	17,716	833	25.92%	1.49	0.00%	3.98%
10 August 2020*	1,953	17,716	19,340	25.92%	1.49	0.00%	3.95%
10 August 2020*	5,244	17,716	13,428	25.92%	1.49	0.00%	3.95%
10 August 2020*	7,949	17,716	10,142	25.92%	1.49	0.00%	3.95%

* Represents valuation on the modification date.

Holding Company is unlisted and it doesn't have a listed peers as of the valuation date, therefore for the purpose of calculating the volatility the Holding Company has taken Volatility of the Nifty IT Index.

c. Effect of employee stock option schemes on the consolidated statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Employee stock option scheme (reversal)/expense	112.99	29.89
	112.99	**29.89**

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41 Business combinations

(i) Acquisition of Dhisco Inc.

a. Summary of acquisition

During the year ended 31 March 2019, one of the group subsidiary i.e. RateGain Technologies Inc., US has entered into an asset purchase agreement dated 14 July 2018, to acquire selected assets and liabilities of Dhisco Inc (DHISCO). DHISCO was the single largest processor of electronic hotel transactions, delivering advanced and affordable connectivity and distribution solutions to over 100,000 hotels in 200 countries. DHISCO connected hotels to multiple disparate channels through a single direct connection which allowed hotels to drive bookings through OTAs, metasearch sites, and travel agencies through the global distribution system.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	**Amount in INR million**
Cash paid	737.91
Unsecured Promissory Note (First Seller Note)	122.62
Unsecured Promissory Note (Second Seller Note)	116.15
Contractual Working Capital Adjustment	(2.34)
Purchase consideration (A)	**974.33**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Property, plant and equipment	568.32
Intangible assets	611.42
Short-term borrowings	(13.87)
Other current liabilities	(206.60)
Identifiable net assets acquired (B)	**959.27**
Non-controlling interest in the acquired entity (C)	-
Goodwill (A-B-C)	**15.06**

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 1,118.48 million and incurred loss of INR 4.15 million to the group for the period 31 March 2019.
If the acquisitions had occurred on 1 April 2018, consolidated pro-forma revenue and loss for the year ended 31 March 2019 would have been INR 3,210.36 million and INR 392.77 million respectively.

(ii) Acquisition of BCV Social LLC

a. Summary of acquisition

During the year ended 31 March 2020, one of the group subsidiary i.e. RateGain Technologies Inc., US has entered into an agreement dated 11 June 2019, to acquire BCV Social LLC.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	**Amount in INR million**
Cash paid	1,063.17
Contingent consideration	537.42
Contractual Working Capital Adjustment	(0.65)
Purchase consideration (A)	**1,599.94**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Property, plant and equipment	14.04
Intangible assets	1,045.44
Cash and cash equivalents	24.16
Trade receivables	92.22
Other current assets	13.43
Trade payables	(110.01)
Other current liabilities	(280.56)
Identifiable net assets acquired (B)	**798.72**
Non-controlling interest in the acquired entity (C)	-
Goodwill (A-B-C)	**801.22**

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

Under the term of the agreement dated 11 June 2019 entered between BCV Social LLC, RateGain Merger LLC and RateGain Technologies, Inc. for the acquisition of BCV Social LLC, RateGain Technologies, Inc. might have to pay an earn-out to the former shareholders as part of sales consideration. The payment of earn out is contingent on certain performance obligation as at the date of acquisition, the earn-out is valued at INR 560.04 million ($ 7,430,481), though as on reporting date contingent consideration in respect to these earnout valued at Nil. Consequently, gain on fair valuation of contingent consideration has been recognised in other income. The Group has considered average discount rate of 1.93% and revenue growth rate of 28% for valuation of contingent consideration.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 679.38 million and loss of INR 288.28 million to the group for the period 31 March 2020.
If the acquisitions had occurred on 1 April 2019, consolidated pro-forma revenue and loss for the year ended 31 March 2020 would have been INR 4,351.02 million and INR 221.56 million respectively.

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All amounts are in INR million unless otherwise stated

42 Fair value measurements

i) Financial instruments by category

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
Investments	1,290.23	-	449.05	-	406.93	-
Trade receivables	-	669.05	-	776.73	-	632.71
Cash and cash equivalents	-	537.56	-	209.61	-	396.21
Other bank balances	-	35.82	-	33.90	-	52.01
Loans	-	2.09	-	2.18	-	9.69
Other financial assets	-	34.06	-	94.00	-	99.18
Total	**1,290.23**	**1,278.58**	**449.05**	**1,116.42**	**406.93**	**1,189.80**
Financial liabilities						
Borrowings	-	1,117.93	-	1,158.08	-	244.19
Lease liabilities	-	53.31	-	279.96	-	299.24
Trade payables	-	242.96	-	385.66	-	192.81
Other financial liabilities	-	105.33	-	293.31	0.12	322.04
Total	**-**	**1,519.53**	**-**	**2,117.01**	**0.12**	**1,058.28**

ii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the consolidated balance sheet are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a. Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- unquoted	1,290.23	-	-	**1,290.23**
Contingent consideration*	-	-	-	**-**

As at 31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- unquoted	449.05	-	-	**449.05**
Contingent consideration*	-	-	-	**-**

As at 01 April 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- unquoted	406.93	-	-	**406.93**
Derivative liability	-	0.12	-	**0.12**

* Refer note 41

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

b. Fair value of financial assets and liabilities measured at amortised cost:

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financials assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The Group has major of its borrowings at variable rate which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

iii) Financial risk management

The Group’s activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - price risk	Investment in mutual funds	Sensitivity analysis	Portfolio diversification
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

All amounts are in INR million unless otherwise stated

a. **Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the consolidated balance sheet:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Loans (current and non current)	2.09	2.18	9.69
Trade receivables	669.05	776.73	632.71
Cash and cash equivalents	537.56	209.61	396.21
Other bank balances	35.82	33.90	52.01
Other financial assets (current and non-current)	34.06	94.00	99.18

Credit risk on cash and cash equivalents and bank deposits (shown under other bank balances) and other financial assets is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents loan given to related parties and employees. Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

The exposure to the credit risk at the reporting date is primarily from security deposit receivables and trade receivables.
Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India, United Kingdom, United States of America and Spain. The Group does monitor the economic environment in which it operates. The Group manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses expected credit loss model to assess the impairment loss. Credit risk in security deposits considered to be low as they form part of other commercial arrangements such as leases, therefore security deposit are impaired only when there is objective evidence of impairment. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Group's historical experience for customers. Based on the business environment in which the Group operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days and 365 days for past due as applicable to respective group entity however the Group based upon past trends determine an impairment allowance for loss on receivables (other than receivables from related parties).
Refer note 12 for bifurcation of trade receivables into credit impaired and others.

Changes in the loss allowance in respect of trade receivables	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	252.69	455.79
Change in impairment allowances for receivables	(12.90)	(203.10)
Balance at the end of the year	**239.79**	**252.69**

b. **Liquidity risk**

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group's manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2021	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings	180.85	1,154.22	-	1,335.07
Lease liabilities	28.45	31.35	-	59.80
Trade payables	242.96	-	-	242.96
Other financial liabilities	91.66	-	-	91.66
Total	**543.92**	**1,185.57**	**-**	**1,729.49**

31 March 2020	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings	192.11	1,209.19	-	1,401.30
Lease liabilities	104.91	219.02	-	323.93
Trade payables	385.66	-	-	385.66
Other financial liabilities	78.19	203.19	-	281.38
Total	**760.87**	**1,631.40**	**-**	**2,392.27**

01 April 2019	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings	-	267	-	266.61
Lease liabilities	94.35	302.62	2.16	399.13
Trade payables	192.81	-	-	192.81
Other financial liabilities	320.34	1.82	-	322.16
Total	**607.50**	**571.05**	**2.16**	**1,180.71**

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All amounts are in INR million unless otherwise stated

c. Market risk - Interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is exposed to changes in market interest rates through borrowings at variable interest rates. The Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group's to interest rate risk on long term borrowings:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 01 April 2019**
Variable rate:			
Borrowings	1,117.93	1,158.08	244.19
Total variable rate exposure	**1,117.93**	**1,158.08**	**244.19**

Sensitivity

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group's by the amounts indicated in the table below. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period. Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 01 April 2019**
Interest sensitivity			
Interest rates – increase by 100 basis points	11.18	11.58	2.44
Interest rates – decrease by 100 basis points	(11.18)	(11.58)	(2.44)

d. Market risk - Price risk

The Group's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

The table below summarises the impact of increase/decrease of the index on the Group's profit for the period :

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 01 April 2019**
Mutual funds			
Net assets value – increase by 100 bps	129.02	44.91	40.69
Net assets value – decrease by 100 bps	(129.02)	(44.91)	(40.69)

e. Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 01 April 2019**
Floating rate			
Expiring within one year (bank overdraft and other facilities)	219.50	226.10	-
Expiring after one year (bank loans)	-	-	-

43 Capital management policies and procedures

The Group's objective for capital management is to maximize shareholder's value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plan and other strategic investment plans. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to all its shareholders. The Group's funding requirements are met through equity infusions, internal accruals an long-term borrowings. The Group raises long term loans mostly for its expansion requirements and based on the working capital requirement utilise the working capital facilities. The Group monitors capital on the basis of consolidated total debt to consolidated total equity on a periodic basis.

The amounts managed as capital by the Group's for the reporting periods under review are summarised as follows:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 01 April 2019**
Long-term borrowings	1,006.96	1,187.32	457.52
Current maturities of long-term borrowings including finance lease obligations	164.28	250.72	85.91
Interest accrued on borrowings	13.67	11.93	-
Total borrowings	**1,184.91**	**1,449.97**	**543.43**
Less:			
Cash and cash equivalents	537.56	209.61	396.21
Other bank balances	35.82	33.90	52.01
Net debts	**611.53**	**1,206.46**	**95.21**
Total equity*	**2,449.21**	**1,377.24**	**1,432.29**
Net debt to equity ratio	**0.25**	**0.88**	**0.07**

*Equity includes equity share capital and other equity of the Group that are managed as capital.

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All amounts are in INR million unless otherwise stated

44 Additional information required by Schedule III to the Act:

As at 31 March 2021

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	111.53%	2,731.68	(14.36%)	41.02	3.38%	0.23	(14.79%)	41.25
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	49.42%	1,210.51	(21.76%)	62.17	0.00%	-	(22.29%)	62.17
RateGain Technologies Inc., US	30.24%	740.54	21.85%	(62.44)	0.00%	-	22.38%	(62.44)
RateGain Spain S.L.	0.49%	11.90	(0.59%)	1.68	0.00%	-	(0.60%)	1.68
BCV Social LLC	21.21%	519.48	91.86%	(262.50)	0.00%	-	94.10%	(262.50)
Inter group eliminations and adjustments	(112.89%)	(2,764.90)	22.99%	(65.68)	96.62%	6.57	21.19%	(59.11)
As at 31 March 2021	**100.00%**	**2,449.21**	**100.00%**	**(285.75)**	**100.00%**	**6.80**	**100.00%**	**(278.95)**

As at 31 March 2020

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	97.26%	1,339.54	(31.56%)	63.44	6.43%	4.68	(53.12%)	68.12
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	24.16%	332.79	(30.23%)	60.77	0.00%	-	(47.39%)	60.77
RateGain Technologies Inc., US	(6.81%)	(93.81)	27.90%	(56.09)	0.00%	-	43.74%	(56.09)
RateGain Spain S.L.	0.70%	9.59	(1.22%)	2.45	0.00%	-	(1.91%)	2.45
BCV Social LLC	(59.25%)	(816.06)	143.43%	(288.36)	0.00%	-	224.88%	(288.36)
Inter group eliminations and adjustments	43.94%	605.19	(8.33%)	16.75	93.57%	68.13	(66.19%)	84.88
As at 31 March 2020	**100.00%**	**1,377.24**	**100.00%**	**(201.04)**	**100.00%**	**72.81**	**100.00%**	**(128.23)**

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All amounts are in INR million unless otherwise stated

45 First time adoption of Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Group prepared its financial statements in accordance with accounting standards referred to in paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) notified under section 133 of the Companies Act, 2013. Accordingly, the Group prepared first Ind AS financial statements which comply with Ind AS applicable for periods ending on 31 March 2021, together with the comparative period data as at and for the year ended 31 March 2020, with a Ind AS transition date of 1 April 2019. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS optional exemptions

1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Assets.* Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their Previous GAAP carrying value.

2 Impairment of financial assets

At the date of transition to Ind AS, determining whether there has been a significant increase in credit risk since the initial recognition of a financial instrument would require undue cost or effort, the Group has recognised a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised.

3 Leases

The Group has elected to measure the right of use assets at the date of transition an amount using modified retrospective approach, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS. Further, the following expedients were used on transition to Ind AS:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as on the transition date as short-term leases
- the exclusion of initial direct costs for the measurement of the right of use asset at the date of initial application.
- use of hindsight, such as in determining the lease term as the contract contains the options to extend and terminate the lease.

4 Cumulative translation differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary was formed or acquired.
The Group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

B Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
Ind AS estimates as at 1 April 2018 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Group made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under Previous GAAP.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.
Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

C Reconciliations between Previous GAAP and Ind AS

1 Reconciliation of total equity as at 31 March 2020 and 01 April 2019

	Notes	31 March 2020	01 April 2019
Total equity (shareholder's funds) as per Previous GAAP		**1,287.20**	**1,403.78**
Adjustments:			
Adjustment for employee stock option expense	i	41.41	(31.14)
Adjustment for recognition of right-of-use assets and lease liabilities	ii	(19.60)	(12.14)
Adjustment for fair valuation of investment in mutual funds	iii	24.74	14.73
Adjustment for expected credit loss allowance on financial assets	iv	(41.03)	(21.81)
Adjustment for reversal of amortisation of goodwill	v	136.99	84.22
Measurement of financial assets and financial liabilities at amortised cost	vi	(20.54)	(7.96)
Prior period adjustment	vii	(40.94)	-
Other adjustments	viii	(1.92)	0.95
Tax effect of adjustments	ix	10.93	1.66
Total adjustments		**90.04**	**28.51**
Total equity as per Ind AS		**1,377.24**	**1,432.29**

2 Reconciliation of total comprehensive income for the year ended 31 March 2020

	Notes	31 March 2020
Loss after tax as per Previous GAAP		**(216.94)**
Adjustments:		
Adjustment for employee stock option expense	i	34.60
Adjustment for recognition of right-of-use assets and lease liabilities	ii	(6.68)
Adjustment for fair valuation of investment in mutual funds	iii	10.01
Adjustment for expected credit loss allowance on financial assets	iv	(18.20)
Adjustment for reversal of amortisation of goodwill	v	49.73
Measurement of financial assets and financial liabilities at amortised cost	vi	(12.51)
Prior period items	vii	(40.94)
Other adjustments	viii	(5.86)
Tax effect of adjustments	ix	5.75
Total adjustments		**15.90**
Loss for the year ended 31 March 2020		**(201.04)**
Other comprehensive income		
Remeasurement of defined benefit obligations (net of tax)	viii, ix	4.68
Exchange differences on translation of foreign operations		68.13
Total comprehensive loss for the year ended 31 March 2020		**(128.23)**

All amounts are in INR million unless otherwise stated

3 Impact of Ind AS adoption on the cash flows statement for the year ended 31 March 2020

The transition from previous GAAP to Ind AS has not made a material impact on the statement of cash flows.

4 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS is as follows:

Description	Notes	Previous GAAP as at 31 March 2020*	Adjustments	as at 31 March 2020	Previous GAAP as at 1 April 2019*	Adjustments	as at 1 April 2019
ASSETS							
Non-current assets							
Property, plant and equipment		131.07	-	131.07	170.52	-	170.52
Right-of-use assets	ii	0.01	197.29	197.30	0.01	216.47	216.48
Goodwill	v	260.99	107.36	368.35	38.73	54.59	93.32
Other intangible assets		1,462.71	-	1,462.71	579.43	0.95	580.38
Financial assets							
Loans		-	-	-	0.40	-	0.40
Others	ii	21.56	33.15	54.71	20.35	45.05	65.40
Income tax assets (net)		10.45	-	10.45	7.57	-	7.57
Deferred tax assets (net)	ix	34.21	3.72	37.93	36.22	1.66	37.88
Other non-current assets	ii	14.91	(13.90)	1.01	1.65	-	1.65
Total non-current assets		**1,935.91**	**327.62**	**2,263.53**	**854.88**	**318.72**	**1,173.60**
Current assets							
Financial assets							
Investments	iii	424.32	24.73	449.05	392.20	14.73	406.93
Trade receivables	iv	817.76	(41.03)	776.73	654.52	(21.81)	632.71
Cash and cash equivalents		209.61	-	209.61	396.21	-	396.21
Other bank balances		33.90	-	33.90	52.01	-	52.01
Loans		2.18	-	2.18	9.29	-	9.29
Others	ii	18.34	20.95	39.29	14.59	19.19	33.78
Other current assets		196.79	-	196.79	144.49	-	144.49
Total current assets		**1,702.90**	**4.65**	**1,707.55**	**1,663.31**	**12.11**	**1,675.42**
Total assets		**3,638.81**	**332.27**	**3,971.08**	**2,518.19**	**330.83**	**2,849.02**
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital		6.55	-	6.55	6.55	-	6.55
Instrument entirely equity in nature		0.85	-	0.85	0.85	-	0.85
Other equity		1,279.80	90.04	1,369.84	1,396.38	28.51	1,424.89
Total equity		**1,287.20**	**90.04**	**1,377.24**	**1,403.78**	**28.51**	**1,432.29**
LIABILITIES							
Non-current liabilities							
Financial liabilities							
Borrowings	vi	1,032.54	(25.06)	1,007.48	265.94	(21.75)	244.19
Lease liabilities	ii	-	179.84	179.84	(0.03)	213.36	213.33
Others	i	244.64	(41.45)	203.19	1.82	-	1.82
Provisions		30.30	-	30.30	31.21	-	31.21
Other non-current liabilities	ii	5.32	(5.32)		3.02	(3.02)	
Total non-current liabilities		**1,312.80**	**108.01**	**1,420.81**	**301.96**	**188.59**	**490.55**
Current liabilities							
Financial liabilities							
Lease liabilities	ii	0.02	100.10	100.12	0.01	85.90	85.91
Trade payables		385.66	-	385.66	192.81	-	192.81
Others	i	240.72	-	240.72	289.14	31.20	320.34
Other current liabilities	ii, vii	388.56	38.08	426.64	303.30	(3.37)	299.93
Provisions		1.96	-	1.96	1.55	-	1.55
Income tax liabilities (net)	ix	21.89	(3.96)	17.93	25.64	-	25.64
Total current liabilities		**1,038.81**	**134.22**	**1,173.03**	**812.45**	**113.73**	**926.18**
Total liabilities		**2,351.61**	**242.23**	**2,593.84**	**1,114.41**	**302.32**	**1,416.73**
Total equity and liabilities		**3,638.81**	**332.27**	**3,971.08**	**2,518.19**	**330.83**	**2,849.02**

** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.*

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All amounts are in INR million unless otherwise stated

5 Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at 31 March 2020 is as follows:

Description	Notes	Previous GAAP For the year 31 March 2020*	Adjustments	Ind AS 31 March 2020
Income				
Revenue from operations	vii	4,028.08	(40.94)	3,987.14
Other income	ii, iii, vi	572.34	16.65	588.99
Total income		**4,600.42**	**(24.29)**	**4,576.13**
Expenses				
Employee benefits expense	i, viii	2,086.11	(28.11)	2,058.00
Finance costs	ii, vi	47.15	42.11	89.26
Depreciation and amortisation expense	ii, v	414.32	12.63	426.95
Impairment of goodwill		537.42	-	537.42
Other expenses	ii, iv	1,701.38	(59.26)	1,642.12
Total expenses		**4,786.38**	**(32.63)**	**4,753.75**
Loss before tax		**(185.96)**	**8.34**	**(177.62)**
Tax expense				
Current tax	ix	28.96	(3.89)	25.07
Deferred tax	ix	2.02	(3.67)	(1.65)
Loss for the year		**(216.94)**	**15.90**	**(201.04)**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Re-measurement gains/ (losses) on defined benefit obligations	viii	-	6.48	6.48
Income tax relating to these items	ix	-	(1.80)	(1.80)
Item that may be reclassified to profit or loss				
Exchange differences on translation of foreign operations		-	68.13	68.13
Income tax relating to these items		-	-	-
Other comprehensive income for the year		**-**	**72.81**	**72.81**
Total comprehensive loss for the year		**(216.94)**	**88.71**	**(128.23)**

** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.*

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Note – i
Adjustment for employee stock option expense

Under Previous GAAP, the cost of equity-settled and liability settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of share-based plan is recognised on the fair value of the options as at the grant date and reporting date as applicable.

Note – ii
Adjustment for recognisition of right-of-use assets and lease liabilities

The Group has leases for office buildings. Under the Previous GAAP, all the of the payments in regard to these leases were expensed off in the statement of profit and loss. However, under Ind AS 116, leases are recongnised on the balance sheet as a right of use asset and a lease liability with the exception of short-term leases and leases of low-value underlying assets which is expensed off in the statement of profit and loss. The Group classifies its right of use assets in a consistent manner to its property, plant and equipment.

Note – iii
Adjustment for fair valuation of investment in mutual funds

Under Previous GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss.

Note – iv
Adjustment for expected credit loss allowance on financial assets

Under Previous GAAP, provision for doubtful debts was recognised based on the estimates of the outcome and of the financial effect of contingencies determined by the management of the Group. This judgement was based on consideration of information available up to the date on which the financial statements were approved and included a review of events occurring after the balance sheet date. Under Ind AS, a loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables is assessed when they are past due and based on Group's historical counterparty default rates. The expected credit loss estimate is then based on recent historical counterparty default rates.

Note – v
Adjustment for reversal of amortisation of goodwill recognised in business combination prior to transition date

Under Previous GAAP, goodwill recognised in financial statements of the Group were amortised. Under Ind AS, goodwill is not amortised but required to be tested for impairment.

Note – vi
Measurement of financial assets and financial liabilities at amortised cost

Under Previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability.
For certain financial liabilities, the fair value of the financial liability at the date of transition to Ind AS has been considered as the new amortised cost of that financial liability at the date of transition to Ind AS.

Note – vii
Prior period items

During the financial year 2019-20, there were certain number of invoices of the RateGain Technologies Limited, UK, where a portion of revenue should have been deferred in the prior year ended 31 March 2020 according to the point in time of satisfaction of performance obligations under the contract with customers, but was incorrectly booked as revenue in the said financial year. Considering the fact that the revenue for the previous year has been overstated for the subsidiary, the revenue earned at the consolidated level for the year ending 31 March 2020 is also overstated. Accordingly, the Group has restated the financial statements for the year ended 31 March 2020 included as comparative financial information in the accompanying consolidated financial statement for the year ended 31 March 2021 in accordance with the requirement of Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Note – viii
Other adjustments

Other comprehensive income
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans The concept of other comprehensive income did not exist under Previous GAAP.

Note – ix
Tax effect of adjustments

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also led to recognition of deferred taxes on new temporary differences.

46 Initial Public Offering (IPO)

The Board of Directors (Board) of the Holding Company in their board meeting dated 5 August 2021 has approved raising of capital for the Holding Company through an Initial Public Offering (IPO). As part of its proposed IPO, the Company plans to file Draft Red Hearing Prospectus (DRHP) with the Securities Exchange Board of India (SEBI) in coming period.

47 Events after reporting date

a. Issue of bonus shares

The Holding Company has issued the bonus shares in the ratio of 1:11 to the existing equity shareholders. Corresponding adjustment has been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. Bonus shares are retrospectively considered for the computation of EPS.

b. Sub-division of equity shares

The Holding Company has sub-divided each fully paid up equity share of the nominal value of INR 10/-(Rupees Ten Only) each into 10 (Ten) equity shares of INR 1/- (Rupee One Only) each fully paid up. Corresponding adjustment has been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. The effect of sub-division is retrospectively considered for the computation of EPS.

c. Change in status and name of the Holding Company

Subsequent to 31 March 2021, status of the Holding Company was changed from private to public company. Consequently, the name of RateGain Travel Technologies Private Limited was changed to RateGain Travel Technologies Limited and a fresh certificate of incorporation pursuant to change of name was issued by the RoC on 27 July 2021.

48 The outbreak of coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations were impacted due to restriction on travel and hotel accommodation during the nationwide lockdown. As a result of lockdown the volumes for the year has been impacted. Further, the Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, receivables and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic condition because of the pandemic, the Group, as at the date of the approval of these consolidated financial statements has used internal and external sources on the expected future performance of the Group. Based on current indicators of future conditions, the Group expects the carrying amount of these will be recovered and sufficient liquidity is available to fund the business operations. Given the uncertainty because of COVID-19, the final impact on the Group's assets in future may differ from the estimated as at the date of approval of the consolidated financials statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568

Date:
Place:

For **and on behalf of the Board of Directors of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)**

Bhanu Chopra
Managing Director

Megha Chopra
Director

Tanmaya Das
Chief Financial Officer

Sachin Verma
Company Secretary

Date:
Place:

Independent Auditor's Report

To the Members of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive loss), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit (including other comprehensive loss), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their report referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Sale of services The Group recognised an amount of INR 3,665.91 million as revenue for the year ended 31 March 2022 from sale of services, as disclosed in Note 24 to the financial statements. Further, refer Note 2.2 (k) in the summary of significant accounting policies and other explanatory information. Revenue of the Group majorly comprises of Distribution as a service (DaaS), Distribution and Marketing technology (MarTech) services provided to a large number of customers across geographies which is recognized by the Company in accordance with the principles of Ind AS 115, 'Revenue from contracts with customers' ('Ind AS') that requires identification of performance obligations, determination of transaction price including variable consideration and satisfaction of performance obligations. Revenue is also a key performance indicator of the Group and is identified as a significant audit risk in accordance with the standards on auditing primarily as there is a risk that revenue is recognised on sale of services before the control is transferred. Accordingly, occurrence of revenue is a key focus area on account of various categories of customers, varying terms of contracts and high volume of sales transactions. We determined this to be a key audit matter due to significant time and effort involved in assessing the appropriateness of revenue recognition.	Our audit procedures included, but were not limited to the following: • Obtained an understanding of the process of identification and recording of revenue transactions services of Daas, Distribution and MarTech; • Evaluated the design, implementation and tested the operating effectiveness of key controls over revenue recognition including around services, pricing and accounting of revenue transactions; • Evaluated the appropriateness of revenue recognition accounting policy adopted by the Company is in accordance with Ind AS 115; • Performed substantive analytical procedures on revenue which included ratio analysis, sales-mix analysis, region -wise analysis, etc; • On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end, with supporting documents such as invoices, agreements with customers, proof of performance of services; • Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis for balances outstanding as at year end and reconciling revenue recorded during the year with statutory returns filed by the Company in this respect under various regulations; • Tested manual journal entries impacting revenue including credit notes etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; • Evaluated disclosures made in the financial statement for revenue recognition from sale of services for appropriateness in accordance with the accounting standards.

Information other than the Consolidated Financial Statements and Auditor’s Report thereon

6. The Holding Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company’s Board of Directors. The Holding Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of 2 subsidiaries, whose financial statements reflects total assets of INR 403.36 million and net assets of INR 193.98 million as at 31 March 2022, total revenues of INR 440.98 million and net cash outflows amounting to INR 84.15 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company has paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 34 to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2022;

iv.

a. The management of the Holding Company has represented to us that, to the best of their knowledge and belief as disclosed in Note 47 (h) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in Note 47 (h) to the accompanying consolidated financial statements, no funds have been received by the Holding Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company or its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 22507568AJANGW2380

Place: Faridabad
Date: 16 May 2022

Annexure 1

List of entities included in the consolidated financial statements

Name of Holding Company

1. RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Name of Subsidiaries

1. RateGain Technologies Limited, UK
2. RateGain Spain, S.L.
3. RateGain Technologies Inc., US
4. BCV Social LLC
5. Myhotelshop Gmbh
6. Myhotelshop S.L.

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Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company which is company covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Board of Directors of the Holding Company, which is company covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, which is company covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 22507568AJANGW2380

Place: Faridabad
Date: 16 May 2022

1 Company information/overview

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) is a public limited company domiciled in India, having its registered office at –M-140, Greater Kailash Part II, New Delhi - 110048. The Holding Company was incorporated on 16 November 2012 as a private limited company in India. Subsequently, the Holding Company changed its legal status from a private company to a public company on 27 July 2021. These consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries (collectively referred to as the 'Group').

The group is in the business of Information Technology services providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals.

Details relating to Group considered in these consolidated financial statements are as follows:

(i) Subsidiaries

Name of the company	Country of incorporation	% voting power held as at 31 March 2022	% voting power held as at 31 March 2021
RateGain Technologies Limited	United Kingdom	100%	100%
RateGain Technologies Spain S.L.	Spain	100%	100%
RateGain Technologies Inc.	United States of America	100%	100%
BCV Social LLC.	United States of America	100%	100%
Myhotelshop GmbH	Germany	100%	-
Myhotelshop S.l	Spain	100%	-

The financial statements of the above entities (Subsidiaries) are drawn up-to the same accounting period as that of the Group.

2.1 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of this consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These consolidated financial statements for the year ended 31 March 2022 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements for the year ended 31 March 2022 were approved for issue by the Board of Directors on 16 May 2022.

(b) Basis of measurement

The consolidated financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial assets and financial liabilities that are measured at fair value or amortized cost, defined benefit obligations and share based payments.

(c) Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make

judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements.
Information about significant areas of estimation /uncertainty and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows: -

- measurement of defined benefit obligations: key actuarial assumptions;
- judgment required to determine probability of recognition of deferred tax assets;
- impairment assessment of non-financial assets key assumptions underlying recoverable amount;
- impairment assessment of financial assets;
- measurement of share based payments; measurement of financial guarantee contracts, provisions and contingent liabilities;
- judgment required to ascertain lease classification, lease term, incremental borrowing rate, lease and non-lease component, and impairment of ROU;
- measurement of consideration and assets acquired as part of business combination;
- cash flow projections and liquidity assessment with respect to Covid-19.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in these consolidated financial statements.

(d) Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to / by the Group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Basis of consolidation

The consolidated financial statements include the financial statements of the Holding Company and its subsidiaries.

Subsidiaries
Subsidiaries are entities controlled by the Holding Company. The Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The standalone financial statements of the Holding Company and financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and any unrealised incomes and expenses arising from intra-group transactions. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated Statement of profit and loss.

2.2 Other significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the consolidated financial statements.

(a) Property, plant equipment
Recognition and measurement
Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when such asset is derecognised.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other subsequent cost are charged to consolidated statement of profit and loss at the time of incurrence.

Depreciation
Depreciation on PPE is provided on the straight-line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 (‘Schedule II’) on a pro-rata basis from the date the asset is ready to put to use.

Block of asset	**Useful life as per Companies Act, 2013 (in years)**
Computer	3
Furniture and fixture	10
Office equipment	5

Leasehold improvements are depreciated on a straight-line basis over the period of the initial lease term or estimated useful life whichever is shorter.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress
Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

(b) Business Combination and Intangible Assets
Business combination and goodwill
The Group accounts for the business combinations using the acquisition method when control is transferred to the respective company of the Group. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and other intangible assets) acquired and any non-controlling interest in the acquired business. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income (‘OCI’) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Any goodwill that arises is not amortised but is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognised in the consolidated statement of profit and loss.

(c) Other intangible assets
Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible assets and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

Subsequent cost
Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on other intangible assets is recognised in consolidated statement of profit and loss, as incurred.

Amortisation
Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year.

Amortisation has been charged based on the following useful lives:

Asset description	Useful life of asset (in years)
Computer software	3
Other Intangibles	1-3

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

(d) Leases

The Group as a lessee
The Group enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration’.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group assesses whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Group presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

(e) Impairment - non-financial assets
At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to a CGU or groups of CGU that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the consolidated statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Provisions and contingent liabilities

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

(g) Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee’s salary and the tenure of employment.

The liability recognised in the consolidated Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the consolidated statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in consolidated statement of profit and loss as past service cost.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long-term employee benefits

Compensated absences

The Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in consolidated statement of profit and loss in the period in which they arise.

(h) Share based payments

The fair value on grant date of equity-settled share-based payment arrangements granted to eligible employees of the Group under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the consolidated statement of profit and loss, in relation to options granted to employees of the Group (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity. For share-based payment awards with market conditions, the grant- date fair value of the share-based payment is measured to reflect such conditions and there is no true- up for differences between expected and actual outcomes. At the end of each period, the Grouprevises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

In case of cash-settled plan, fair value is determined on each reporting date and expense is accordingly recognised in the statement of profit and loss with a corresponding increase to the ESOP liability.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(i) Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the consolidated statement of profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax (‘MAT’) credit entitlement under the provisions of the Indian Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in consolidated Balance Sheet. Significant management judgment is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

(j) Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the date of the transactions.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the consolidated statement of profit and loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the consolidated statement of profit and loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs.

Foreign operations
The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into Indian rupees (INR), the functional currency of the Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.
Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

(k) Revenue recognition

Revenue arises mainly from the sale of services. To determine when to recognise revenue, the Group follows the following 5-step process:
1) Identifying the contract with a customer
2) Identifying the underlying performance obligations
3) Determining the transaction price
4) Allocating the transaction price to the performance obligations
5) Recognising revenue when/as performance obligation(s) are satisfied.

The group applies the revenue recognition criteria to each separately identifiable component of the revenue transaction as set out below.

Revenue from sale of services
Revenue from sale of services in case of hospitality sector is recognised over the specified subscription period on straight line basis or on the basis of underlying services performed, as the case may be, in accordance with the terms of the contracts with customers and in case of travel sector the same is recognised when the related services are performed as per the terms of contracts.

The Group defers unearned revenue, including payments received in advance, until the related subscription period is complete or underlying services are performed.

Revenue from sale of service being marketing support services, management fee and auxiliary and business support services are recognised on the basis of satisfaction of performance obligation over the duration of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

The Group recognised revenue from sale of services upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Interest income
Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Recognition and initial measurement
Trade receivables and debt instruments are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through consolidated statement of profit and loss, transaction costs that are attributable to its acquisition or use.

Classification
For the purpose of initial recognition, the Group classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.
A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.
All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the consolidated statement of profit and loss.

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the consolidated statement of profit and loss.

Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the consolidated statement of profit and loss.

Impairment of financial assets (other than at fair value)
The Group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected

credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the consolidated statement of profit and loss.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement
All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through profit and loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement
Financial liabilities are classified as measured at amortised cost or FVTPL.
A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated statement of profit and loss.
Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit and loss.

Compound financial instruments
Compound financial instruments are bifurcated into liability and equity components based on the terms of the contract.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not measured subsequently.
Interest on liability component is recognised in consolidated statement of profit and loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Derecognition
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments
The Group holds derivative financial instruments to hedge its interest rate risk exposures. Such derivative financial instruments are initially recognised at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in consolidated statement of profit and loss.

(m) Investments
The Group has measured its investment in bonds at amortised cost in its consolidated financial statements.

The Group has measured its investment in mutual fund at FVTPL in its consolidated financial statements. Profit or loss on fair value of mutual fund is recognised in consolidated statement of profit and loss.

(n) Earnings per share
The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the consolidated statement of profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting consolidated statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

(o) Current and non-current classification
All assets and liabilities are classified into current and non-current.

Assets
An asset is classified as current when it satisfies any of the following criteria:
it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.
Liabilities
A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or

- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

(p) Cash and cash equivalents
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(q) Segment reporting
The Group's business activity primarily falls within a single segment which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers.

(r) Functional and presentation currency
The management has determined the currency of the primary economic environment in which the Group operates, i.e., the functional currency, to be Indian Rupees (INR). The consolidated financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

(s) Exceptional items
Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance.

(t) Cash flow statement
Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

(u) Share issue expense

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the statement of profit and loss.

(v) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

- **Ind AS 103 – Reference to Conceptual Framework**
  The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Holding Company does not expect the amendment to have any significant impact in its consolidated financial statements.

- **Ind AS 16 – Proceeds before intended use**
  The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The group does not expect the amendment to have any significant impact in its consolidated financial statements.

- **Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract**
  The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The group does not expect the amendment to have any significant impact in its consolidated financial statements.
- **Ind AS 109 – Annual Improvements to Ind AS (2021)**
  The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The group does not expect the amendment to have any significant impact in its consolidated financial statements.

- **Ind AS 116 – Annual Improvements to Ind AS (2021)**
  The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The group does not expect the amendment to have any significant impact in its consolidated financial statements.

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Consolidated Balance Sheet as at 31 March 2022

All amounts are in INR million unless otherwise stated

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	65.50	79.02
Right-of-use assets	4	179.21	45.62
Goodwill	5	687.56	368.57
Other intangible assets	5	1,292.65	1,185.60
Financial assets			
Investments	10	228.86	-
Others	7	17.86	7.84
Income tax assets (net)	8	6.06	7.94
Deferred tax assets (net)	9	42.28	29.92
Other non-current assets	11	8.58	0.53
Total non-current assets		**2,528.56**	**1,725.04**
Current assets			
Financial assets			
Investments	10	1,417.79	1,290.23
Trade receivables	12	941.20	669.05
Cash and cash equivalents	13	340.98	537.56
Other bank balances	14	2,110.03	35.82
Loans	6	4.67	2.09
Others	7	322.83	26.22
Other current assets	11	144.85	112.03
Total current assets		**5,282.35**	**2,673.00**
Total assets		**7,810.91**	**4,398.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	107.31	6.55
Instrument entirely equity in nature	16	-	1.48
Other equity	17	6,084.22	2,441.18
Total equity		**6,191.53**	**2,449.21**
LIABILITES			
Non-current liabilities			
Financial liabilities			
Borrowings	18	-	980.74
Lease liabilities	19	147.24	26.22
Others	20	51.90	-
Provisions	21	37.59	32.93
Deferred tax liabilities (net)	9	86.56	-
Other non-current liabilities	22	0.15	-
Total non-current liabilities		**323.44**	**1,039.89**
Current liabilities			
Financial liabilities			
Borrowings	18	-	137.19
Lease liabilities	19	33.14	27.09
Trade payables	23		
i. total outstanding dues of micro enterprises and small enterprises		2.69	0.14
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		415.44	242.82
Others	20	255.77	105.33
Other current liabilities	22	520.16	369.83
Provisions	21	2.54	2.13
Income tax liabilities (net)	8	66.20	24.41
Total current liabilities		**1,295.94**	**908.94**
Total liabilities		**1,619.38**	**1,948.83**
Total equity and liabilities		**7,810.91**	**4,398.04**
Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)**

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date:16 May 2022
Place:Faridabad

Date:16 May 2022
Place:Noida

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)
Consolidated Statement of Profit and Loss
All amounts are in INR million unless otherwise stated

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	24	3,665.91	2,507.93
Other income	25	165.22	132.98
Total income		**3,831.13**	**2,640.91**
Expenses			
Employee benefits expense	26	1,913.74	1,512.62
Finance costs	27	52.33	82.04
Depreciation and amortization expense	28	300.64	358.81
Other expenses	29	1,446.62	933.72
Total expenses		**3,713.33**	**2,887.19**
Profit / (loss) before exceptional items and tax		**117.80**	**(246.28)**
Exceptional items	30	9.43	-
Profit/ (Loss) before tax		**108.37**	**(246.28)**
Tax expense:	31		
Current tax		45.33	31.11
Deferred tax charge/(credit)		(21.15)	8.36
Total tax expense		**24.18**	**39.47**
Profit/(Loss) for the year		**84.19**	**(285.75)**
Other comprehensive income			
(i) Item that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan		(0.59)	0.32
- Income tax relating to these items		0.16	(0.09)
(ii) Item that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		(17.08)	6.57
Total other comprehensive income/(loss)		**(17.51)**	**6.80**
Total comprehensive income/(loss) for the year		**66.68**	**(278.95)**
Profit/(Loss) for the year		**84.19**	**(285.75)**
Attributable to owners of the Holding Company		84.19	(285.75)
Other comprehensive income/(loss) for the year		**(17.51)**	**6.80**
Attributable to owners of the Holding Company		(17.51)	6.80
Total comprehensive income/(loss) for the year		**66.68**	**(278.95)**
Attributable to owners of the Holding Company		66.68	(278.95)
Earning/(Loss) per equity share			
Basic EPS/(LPS)	32	0.84	(3.09)
Diluted EPS/(LPS)	32	0.83	(3.09)
Significant accounting policies	**2**		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Nitin Toshniwal
Partner

Bhanu Chopra
Managing Director

Megha Chopra
Director

Membership No.: 507568	Din: 01037173	Din: 02078421
	Tanmaya Das Chief Financial Officer	**Mr. Thomas P Joshua** Company Secretary
Date:16 May 2022 **Place:Faridabad**	**Date:16 May 2022** **Place:Noida**	

All amounts are in INR million unless otherwise stated

a. Equity share capital

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid	
As at 01 April 2020	**6.55**
Changes in equity share capital during the year	- #
As at 31 March 2021	**6.55**
Changes in equity share capital during the year	**100.76**
As at 31 March 2022	**107.31**

 # Amount rounded off to zero.

b. Instrument entirely equity in nature

Particulars	Amount
Compulsorily convertible preference shares (CCPS) of INR 10 each issued, subscribed and fully paid	
As at 01 April 2020	**0.85**
Changes in CCPS capital during the year	0.63
As at 31 March 2021	**1.48**
Changes in CCPS capital during the year (refer note 16)	**(1.48)**
As at 31 March 2022	**-**

c. Other equity

Particulars	Reserves and Surplus					Total
	Security premium account	Share application money pending allotment	Share options outstanding account	Foreign currency translation reserve	Retained earnings	
Balance as at 01 April 2020	**762.59**	**-**	**63.92**	**68.13**	**475.20**	**1,369.84**
Profit for the year	-	-	-	-	(285.75)	(285.75)
Other comprehensive income for the year, net of income tax	-	-	-	6.57	0.23	6.80
Transaction with owners in their capacity as owners						
Employee stock option expense	-	-	96.40	-	-	96.40
Effect of change in option scheme	-	-	217.80	-	-	217.80
Amount reclassified to retained earnings	-		1.29	-	(1.29)	-
Transaction costs arising on CCPS issues	(73.81)	-	-	-	-	(73.81)
CCPS issued during the year	1,109.90	-	-	-	-	1,109.90
Balance as at 31 March 2021	**1,798.68**	**-**	**379.41**	**74.70**	**188.39**	**2,441.18**
Profit for the year	-	-	-	-	84.19	84.19
Other comprehensive income for the year, net of income tax	-	-	-	(17.08)	(0.43)	(17.51)
Transaction with owners in their capacity as owners						
Employee stock option expense	-	-	71.28	-	-	71.28
Addition during the year	-	1.43	-	-	-	1.43
Amount reclassified to retained earnings due to ESOP lapsed	-	-	(19.93)	-	19.93	-
Transaction costs arising on share issues	(175.31)	-	-	-	-	(175.31)
Amount reclassified to securities premium due to ESOP exercised	-	-	(234.53)	-	-	(234.53)
Adjustment of bonus issue on conversion of CCPS during the year	(16.32)	-	-	-	-	(16.32)
Share capital issued during the year	3,741.24	-	-	-	-	3,741.24
ESOP exercised during the year	260.27	-	-	-	-	260.27
Bonus shares issued during the year	(72.06)	-	-	-	-	(72.06)
Forfeiture of share application money	0.36	-	-	-	-	0.36
Balance as at 31 March 2022	**5,536.86**	**1.43**	**196.23**	**57.62**	**292.08**	**6,084.22**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date:16 May 2022

Date:16 May 2022

Place:Faridabad Place:Noida

All amounts are in INR million unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
Operating activities		
Profit/(loss) before tax	108.37	(246.28)
Adjustments for:		
Depreciation and amortisation expense	300.64	358.81
Finance cost	50.38	81.19
Employee stock option expense	71.28	96.40
Trade and other receivables written off	57.06	74.39
Allowance for expected credit loss	22.26	20.26
Net gain on current investments measured at FVTPL	(36.43)	(31.07)
Interest income	(49.44)	(6.88)
Unrealised foreign exchange loss/(profit)	(0.02)	(0.14)
Gain on termination of lease	(2.86)	(54.11)
Sundry balances written back	-	(1.72)
Exceptional items (share issue expenses)	9.43	-
Write off of property, plant and equipment (net)	12.90	0.07
Gain/loss on sale of property, plant and equipment (net)	0.02	0.05
Operating profit before working capital changes and other adjustments	**543.59**	**290.97**
Working capital adjustments:		
(Increase)/ Decrease in trade receivables	(276.60)	28.99
(Increase)/ Decrease in financial assets	(4.99)	66.88
(Increase)/ Decrease in other assets	(37.48)	34.46
Increase/ (Decrease) in trade payable	(58.52)	(141.27)
Increase/ (Decrease) in other financial liabilities	(12.45)	28.06
Increase/ (Decrease) in other liabilities	43.39	(82.21)
Increase/ (Decrease) provisions	4.48	3.02
Cash generated from operating activities post working capital changes	**201.43**	**228.90**
Income tax paid	(33.38)	(22.95)
Net cash generated from operating activities	**168.05**	**205.95**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(35.96)	(7.31)
Proceeds from sale of property, plant and equipment	1.28	-
Investments in mutual funds (net)	928.98	(810.11)
Investments in bonds (net)	(1,248.97)	-
Investments in bank deposits	(2,074.21)	(1.92)
Security deposit given	(30.00)	-
Payment for acquisition of subsidiaries	(565.35)	-
Repayment of loans from subsidiaries	44.82	0.09
Interest income	28.00	2.07
Net cash used in investing activities	**(2,951.40)**	**(817.18)**
Financing activities		
Proceeds from issue of equity instruments #	3,777.89	-
Conversion of compulsorily convertible preference shares	-	1,110.54
Repayment of long-term borrowings	(1,125.82)	(22.27)
Repayment of lease liabilities	(15.39)	(16.83)
Share application money received/refunded	3.81	0.37
Share issue expenses	(177.34)	(73.81)
Finance cost paid on lease liabilities	(8.39)	(22.36)
Finance cost paid	(55.69)	(46.81)
Net cash generated from financing activities	**2,399.07**	**928.83**
Net increase in cash and cash equivalents	(384.28)	317.60
Net foreign exchange difference	(1.08)	10.35
Cash and cash equivalents at the beginning of the year	537.56	209.61
Cash and cash equivalents of acquired subsidiary	188.78	-
Cash and cash equivalents at year end	**340.98**	**537.56**

For the year ended 31 March 2021, numbers are rounded off zero.
The Consolidated Statement of Cash Flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)**

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date:16 May 2022
Place:Faridabad

Date:16 May 2022
Place:Noida

All amounts are in INR million unless otherwise stated

3 Property, plant and equipment

	Office equipment	Furniture and fixtures	Computers	Leasehold improvements	Total
Gross carrying value:					
Balance as at 01 April 2020	**37.66**	**3.61**	**239.22**	**59.42**	**339.90**
Additions	4.10	0.18	2.46	-	6.74
Disposals/ adjustments	(0.59)	-	(2.45)	(9.21)	(12.25)
Translation adjustment	(0.17)	(0.02)	(5.46)	(0.24)	(5.89)
Balance as at 31 March 2021	**41.00**	**3.77**	**233.77**	**49.97**	**328.50**
Additions	0.22	4.79	30.18	0.77	35.96
Acquisition of subsidiary	-	9.45	-	-	9.45
Disposals/ adjustments	(7.66)	(0.90)	(14.59)	(15.96)	(39.11)
Translation adjustment	0.35	(0.11)	7.21	(0.02)	7.43
Balance as at 31 March 2022	**33.91**	**17.00**	**256.57**	**34.76**	**342.23**
Accumulated depreciation and Impairment loss:					
Balance as at 01 April 2020	**17.03**	**1.17**	**169.99**	**20.64**	**208.83**
Depreciation expense	5.56	0.58	35.87	15.23	57.24
Impairment loss	-	-	-	-	-
Disposals / adjustments	(0.32)	-	(2.45)	(9.21)	(11.97)
Translation adjustment	(0.03)	(0.01)	(4.40)	(0.18)	(4.62)
Balance as at 31 March 2021	**22.25**	**1.74**	**199.02**	**26.48**	**249.48**
Depreciation expense	5.85	1.59	22.33	7.73	37.50
Acquisition of subsidiary	-	8.43	-	-	8.43
Disposals / adjustments	(6.57)	(0.62)	(11.97)	(5.75)	(24.91)
Translation adjustment	0.08	(0.16)	6.32	(0.01)	6.23
Balance as at 31 March 2022	**21.61**	**10.98**	**215.70**	**28.45**	**276.73**
Net carrying value:					
Balance as at 31 March 2021	**18.75**	**2.03**	**34.75**	**23.49**	**79.02**
Balance as at 31 March 2022	**12.30**	**6.02**	**40.87**	**6.31**	**65.50**

(i) Refer note 18(a) for details of assets pledged as security.

(ii) Depreciation of property,plant and equipment has been presented in Note 28 i.e. Depreciation and amortization expense.

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All amounts are in INR million unless otherwise stated

4 Right-of-use assets

	Office building
Gross carrying value:	
Balance as at 01 April 2020	**313.51**
Additions	-
Disposals	(198.49)
Translation adjustment	(5.97)
Balance as at 31 March 2021	**109.05**
Additions	143.80
Acquisition of subsidiary	19.85
Translation adjustment	0.21
Balance as at 31 March 2022	**272.91**
Accumulated depreciation:	
Balance as at 01 April 2020	**116.21**
Depreciation expense	62.13
Disposals	(113.83)
Translation adjustment	(1.08)
Balance as at 31 March 2021	**63.43**
Depreciation expense	22.15
Acquisition of subsidiary	8.28
Translation adjustment	(0.16)
Balance as at 31 March 2022	**93.70**
Net carrying value:	
Balance as at 31 March 2021	**45.62**
Balance as at 31 March 2022	**179.21**

(i) Depreciation of right of use assets has been presented in Note 28 i.e. Depreciation and amortization expense.

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All amounts are in INR million unless otherwise stated

5 Goodwill and other intangible assets

	Customer relationship and trade name	Leasehold interests	Softwares	Non compete	Total	Goodwill
Gross carrying value:						
Balance as at 01 April 2020	**784.69**	**11.75**	**1,076.25**	**-**	**1,872.69**	**928.38**
Additions	-	-	0.57	-	0.57	-
Disposals/ adjustments	-	-	-	-	-	-
Translation adjustment	(22.92)	(0.34)	(28.91)	-	(52.17)	0.22
Balance as at 31 March 2021	**761.77**	**11.41**	**1,047.91**	**-**	**1,821.09**	**928.60**
Additions	-	-	-	-	-	-
Acquisition of subsidiary	147.11	-	166.38	1.50	314.99	319.59
Disposals/ adjustments	-	-	-	-	-	-
Translation adjustment	25.26	0.43	32.68	(0.03)	58.34	(0.60)
Balance as at 31 March 2022	**934.14**	**11.84**	**1,246.97**	**1.47**	**2,194.42**	**1,247.59**
Accumulated amortisation/impairment:						
Balance as at 01 April 2020	**95.97**	**4.36**	**309.65**	**-**	**409.98**	**560.03**
Amortisation expense	67.13	1.05	171.26	-	239.44	-
Disposals/ adjustments	-	-	-	-	-	-
Translation adjustment	(3.77)	(0.14)	(10.02)	-	(13.93)	-
Balance as at 31 March 2021	**159.33**	**5.27**	**470.89**	**-**	**635.49**	**560.03**
Amortisation expense	72.51	2.58	165.63	0.27	240.99	-
Disposals/ adjustments	-	-	-	-	-	-
Translation adjustment	7.06	0.24	17.99	-	25.29	-
Balance as at 31 March 2022	**238.90**	**8.09**	**654.51**	**0.27**	**901.77**	**560.03**
Net carrying value:						
Balance as at 31 March 2021	**602.44**	**6.14**	**577.02**	**-**	**1,185.60**	**368.57**
Balance as at 31 March 2022	**695.24**	**3.75**	**592.46**	**1.20**	**1,292.65**	**687.56**

(i) Amortisation of other intangible assets has been presented in Note 28, Depreciation and amortization expense.
(ii) Refer note 18(a) for details of assets pledged as security.
(iii) Impairment tests for goodwill

The Group tests goodwill on consolidation for impairment annually. For the purposes of impairment testing, goodwill on consolidation is allocated to respective subsidiary entity "CGU" within the Group.

The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

Particulars	As at 31 March 2022	As at 31 March 2021
Myhotelshop GmbH	312.61	-
RateGain Technologies Limited, UK	86.46	87.44
RateGain Technologies Inc., US	15.06	15.06
BCV Social LLC	273.43	266.07
Total	**687.56**	**368.57**

For CGU's containing goodwill, management conducts impairment assessment and compares the carrying amount of such CGU with its recoverable amount. Recoverable amount is value in use of the CGU computed based upon discounted cash flow projections. The key assumptions used for computation of value in use are the growth rate and discount rate as specified below. The key assumptions have been determined based on management's calculations after considering, past experiences and other available internal information and are consistent with external sources of information to the extent applicable.

Key assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate	23.22% - 27.11%	26.97% - 26.74%
Terminal growth rate	2.00% - 3.00%	2.00% - 3.00%

Growth rates:
The growth rates reflect the long-term average growth rates for the product lines and industries of the segments (all publicly available)

Discount rates:
The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of related to the Group.

For CGUs containing goodwill, the impairment assessment did not result in any impairment loss and the management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the said CGUs.

(This space has been intentionally left blank)

All amounts are in INR million unless otherwise stated

	As at 31 March 2022	As at 31 March 2021
6 Loans		
Current		
(unsecured and considered good)		
Loan to employees*	4.67	2.09
	4.67	**2.09**
***Break up of security details**		
Loans considered good- unsecured	4.67	2.09
	4.67	**2.09**
7 Other financial assets		
Non-current		
(Unsecured and considered good)		
Financial assets carried at amortised cost		
Security deposits	17.86	7.84
	17.86	**7.84**
Current		
(Unsecured and considered good)		
Financial assets carried at amortised cost		
Amount recoverable from related party	0.52	19.97
Security deposits	31.52	1.01
Interest accrued but not due	22.03	0.61
Unbilled revenue*	64.38	-
Other receivable	204.38	4.63
(Unsecured and considered doubtful)		
Security deposits	5.39	5.39
Less: Loss allowance	(5.39)	(5.39)
	322.83	**26.22**

*Unbilled revenue pertains to outstanding invoices which are raised and approved in the subsequent financial year

	As at 31 March 2022	As at 31 March 2021
8 Income tax assets and liabilities		
Income tax assets		
Income tax receivable [net of provisions] of INR 215.10 million (31 March 2021: INR 215.10 million)]	6.06	7.94
	6.06	**7.94**
Income tax liabilities		
Income tax payable [net of advance tax] of INR 29.63 million (31 March 2021: INR 2.70 million)]	66.20	24.41
	66.20	**24.41**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2022	As at 31 March 2021
9 Deferred tax assets		
Deferred tax assets in relation to:		
Employee benefit expense	11.16	9.75
Loss allowance for doubtful debts and security deposit	25.21	14.52
Property, plant and equipment	8.91	4.16
Right-of-use assets and lease liabilities	2.89	2.59
Preliminary expenses	2.10	-
Intangible assets acquired from Myhotelshop	4.89	-
MAT credit	-	9.65
Total deferred tax assets	55.16	40.67
Set-off of deferred tax liabilities pursuant to set-off provisions	(12.88)	(10.75)
Net deferred tax assets	**42.28**	**29.92**
Deferred tax liabilities in relation to:		
Investments	2.14	10.75
Other intangible assets	97.34	-
Total deferred tax liabilities	**99.48**	**10.75**
Set-off of deferred tax assets pursuant to set-off provisions	(12.88)	(10.75)
Net deferred tax liabilities	**86.56**	**-**

(a) Movement in deferred tax liabilities for the period ended 31 March 2022 is as follows:

Description	Opening Balance	Translation difference	Acquisition of subsidiary	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to:						
Employee benefit expense	9.75	-	-	1.25	0.16	11.16
Loss allowance for doubtful debts and security deposit	14.52	(0.11)	1.86	8.94	-	25.21
Property, plant and equipment	4.16	-	-	4.75	-	8.91
Right-of-use assets and lease liabilities	2.59	-	0.09	0.21	-	2.89
Preliminary expenses	-	-	-	2.10	-	2.10
Intangible assets acquired from Myhotelshop	-	(0.05)	-	4.94	-	4.89
MAT credit	9.65	-	-	(9.65)	-	-
Total deferred tax assets	**40.67**	**(0.16)**	**1.95**	**12.54**	**0.16**	**55.16**
Deferred tax liabilities in relation to:						
Investments	10.75	-	-	(8.61)	-	2.14
Residual goodwill arising from MHS acquisition	-	(2.18)	99.52	-	-	97.34
Total deferred tax liabilities	**10.75**	**(2.18)**	**99.52**	**(8.61)**	**-**	**99.48**

Movement in deferred tax liabilities for the period ended 31 March 2021 is as follows:

Description	Opening Balance	Translation difference	Acquisition of subsidiary	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to:						
Employee benefit expense	9.02	-	-	0.82	(0.09)	9.75
Loss allowance for doubtful debts and security deposit	12.52	0.44	-	1.56	-	14.52
Property, plant and equipment	2.18	-	-	1.98	-	4.16
Right-of-use assets and lease liabilities	2.40	-	-	0.19	-	2.59
MAT credit	18.69	-	-	(9.04)	-	9.65
Total deferred tax assets	**44.81**	**0.44**	**-**	**(4.49)**	**(0.09)**	**40.67**
Deferred tax liabilities in relation to:						
Investments	6.88	-		3.87	-	10.75
Total deferred tax liabilities	**6.88**	**-**	**-**	**3.87**	**-**	**10.75**

. **(c) Deductible temporary differences, unused tax losses and unused tax credits for which deferred tax asset is not recognised:**

	Tax losses	Research and development tax credit	Other deductible temporary differences
31 March 2022	237.80	25.12	463.89
31 March 2021	328.24	24.61	378.00
Potential tax benefit @ 21%	**49.94**	**25.12**	**97.42**

Research and development credit tax credit can be carried forward for a period of 20 years from the date of generation and tax losses and unabsorbed depreciation can be carried forward indefinitely.

(d) The Group has not recognised any deferred tax liability in respect to unrecognised temporary differences relating to investment in subsidiaries as the Parent Company is able to control the timing of distributions from the subsidiaries.

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All amounts are in INR million unless otherwise stated

10 Investments

	As at 31 March 2022		As at 31 March 2021	
	Number of units	Amount	Number of units	Amount
Non-current				
Investment in bonds/commercial papers carried at amortised cost-Unquoted				
9.25 Muthoot Fincorp Ltd.	100.00	101.30	-	-
10.15% UPPCL Bonds	70.00	127.56	-	-
Total		**228.86**		**-**
Total non-current investments				
Aggregate amount of unquoted investments		228.86		-

	Number of units	Amount	Number of units	Amount
Current				
Investment in bonds/commercial papers carried at amortised cost-Unquoted				
8.55% ICICI Bank Perpetual Bond	100	101.76	-	-
8.98% PNB Bank Perpetual Bond	100	104.68	-	-
9.50 Shriram Transport Fin.Co.Ltd. Bond	105	110.56	-	-
Piramal Capital & Housing Fin.Ltd.Bond	62	50.22	-	-
Incred Finance Services Commercial Paper	200	97.57	-	-
Tata Capital Financial Services Limited Bond	100	100.39	-	-
L&T Finance Ltd. Bond	50	62.64	-	-
9.50% Shriram Transport Finance Company Limited	108	123.29	-	-
Estee Advisors Private Limited	1	70.00	-	-
7.73% State Bank Of India Perpetual Bonds	70	17.86	-	-
Shriram City Union Finance Limited	80	82.90	-	-
Vivriti Capital Private Ltd Commercial Paper	200	98.24	-	-
Investment in mutual funds- quoted				
Investment carried at fair value through profit or loss (FVTPL)				
HDFC Money Market Fund	-	-	1,616,819	650.60
ICICI Prudential Liquid Fund - Direct Plan - Growth	-	-	1,163,381	343.52
Kotak Liquid Direct Plan Growth	-	-	44,919	142.59
SBI Mutual Fund	-	-	2,544,577	87.01
Aditya Birla Mutual Fund	-	-	233,413	66.51
Edelweiss Arbitrage Fund	6,811,859	112.28	-	-
L&T Arbitrage Opportunities Fund	6,263,389	101.77	-	-
Kotak Equity Arbitrage Fund	5,798,324	183.63	-	-
Total		**1,417.79**		**1,290.23**
Total current investments				
Aggregate amount of quoted investments and market value thereof		397.68		1,290.23
Aggregate amount of unquoted investments		1,020.11		-
Aggregate amount of impairment in the value of investments		-		-

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All amounts are in INR million unless otherwise stated

	As at 31 March 2022	As at 31 March 2021
11 Other assets		
Non-current		
Prepaid expenses	8.58	0.53
	8.58	**0.53**
Current		
Prepaid expenses	83.38	72.23
Advances to vendors	2.62	1.19
Advances to employees	13.27	1.54
Balances with government authorities	44.65	37.07
Other advances	0.93	-
	144.85	**112.03**
12 Trade receivables		
Unsecured, considered good	991.94	758.03
Less: Loss allowance	(50.74)	(88.98)
	941.20	669.05
Credit impaired	131.43	150.81
Less: Loss allowance	(131.43)	(150.81)
	-	-
	941.20	**669.05**

(i) Trade receivables ageing schedule is as follows:

Particulars	As at 31 March 2022 Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	877.47	98.89	15.58	-	-	991.94
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	91.66	35	5.16	131.43
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Particulars	As at 31 March 2021 Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	633.05	105.83	19.15	-	-	758.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	14.81	103.23	28.61	4.16	150.81
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

	As at 31 March 2022	As at 31 March 2021
13 Cash and cash equivalents		
Balances with banks		
- In current accounts	339.94	534.12
- in deposit accounts	0.84	-
Cheque on hand	-	2.77
Cash on hand	0.20	0.67
	340.98	**537.56**
14 Other bank balances		
Bank deposits with original maturity of more than three months but less than twelve months	2,110.03	35.82
	2,110.03	**35.82**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2022	As at 31 March 2021
15 Equity share capital		
Authorised		
147,000,000** equity shares of INR 1 each (31 March 2021: 850,000 equity shares of INR 10 each) *	147.00	8.50
Issued and subscribed		
107,310,252 equity shares of INR 1 each fully paid up (31 March 2021: 655,000 equity shares of INR 10 each fully paid up) and Nil (31 March 2021: 160) equity shares of INR 10 each, partly paid up *	107.31	6.55
	107.31	**6.55**

*The face value of equity shares of the Holding Company has been split from INR 10/- to INR 1/- per share with effect from 30 July 2021.

** During the year, Holding Company has increased its authorised share capital from INR 8.5 million (divided into 850,000 equity shares of INR 10 each) to INR 147.00 million (divided into 147,000,000 equity shares of INR 1 each).

Notes:

(i) Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, holder of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Equity shares outstanding at the beginning of the year	655,160	6.55	655,000	6.55
Add : Issued during the year	106,655,092	100.76	160	- #
Equity shares outstanding at the end of the year	**107,310,252**	**107.31**	**655,160**	**6.55**

Amount rounded off to zero.

(iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Numbers	% holding	Numbers	% holding
Bhanu Chopra	44,483,450	41.45%	404,646	61.76%
Megha Chopra	14,242,360	13.27%	129,476	19.76%
Wagner Limited	5,704,830	5.32%	105,645	16.13%
Avaatar Holdings	7,656,960	7.14%		
	72,087,600	**67.18%**	**639,767**	**97.65%**

(iv) Aggregate numbers of bonus shares issued by the Holding Company, during the period of five years immediately preceding the reporting periods including current year.

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Aggregate number and class of shares allotted as fully paid up by way of bonus shares (refer note 49)	72,058,800	-

(v) Shareholding of promoters are as follows:

Promoter Name	As at 31 March 2022 No. of shares	% of total shares	% change during the period
Bhanu Chopra	44,483,450	41.45%	(20.31%)
Megha Chopra	14,242,360	13.27%	(6.49%)

Promoter Name	As at 31 March 2021 No. of shares	% of total shares	% change during the year
Bhanu Chopra	404,646	61.76%	0.00%
Megha Chopra	129,476	19.76%	0.00%

(vi) Share reserved for issue under options:

Information relating to RateGain Travel Technologies Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 41.

	As at 31 March 2022	As at 31 March 2021
16 Instruments entirely equity in nature		
Authorised		
300,000 (31 March 2021: 300,000) Compulsorily convertible preference shares of INR 10 each	3.00	3.00
Issued, subscribed and fully paid up		
Nil (31 March 2021: 148,324) Compulsorily convertible preference shares of INR 10 each	-	1.48
	-	**1.48**

(i) Terms of compulsorily convertible cumulative preference shares (CCCPS), refer Note 48

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Preference shares outstanding at the beginning of the year	148,324	1.48	84,516	0.85
Add : Issued/(Converted) during the year	(148,324)	(1.48)	63,808	0.63
Preference shares outstanding at the end of the year	-	-	148,324	1.48

(iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Numbers	% holding	Numbers	% holding
Wagner Limited	-	-	84,516	56.98%
Avaatar Holdings	-	-	63,808	43.02%

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All amounts are in INR million unless otherwise stated

17 Other equity

	As at 31 March 2022	As at 31 March 2021
Security premium account	5,536.86	1,798.68
Share options outstanding account	196.23	379.41
Foreign currency translation reserve	57.62	74.70
Retained earnings	292.08	188.39
Share application money pending allotment	1.43	-
	6,084.22	**2,441.18**

17.1 Security premium account

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,798.68	762.59
CCPS issued during the year	-	1,109.90
Adjustment of bonus issue on conversion of CCPS during the year	(16.32)	-
Share capital issued during the year	3,741.24	-
ESOP exercised during the year	260.27	-
Bonus shares issued during the year	(72.06)	-
Forfeiture of share application money	0.36	-
Transaction costs arising on share issues (refer note 51)	(175.31)	(73.81)
Balance at the end of the year	**5,536.86**	**1,798.68**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

17.2 Share options outstanding account

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	379.41	63.92
Employee stock option expense	71.28	96.40
Effect of change in option scheme	-	217.80
Amount reclassified to securities premium due to ESOP exercised	(234.53)	-
Amount reclassified to retained earnings due to ESOP lapsed	(19.93)	1.29
Balance at the end of the year	**196.23**	**379.41**

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

17.3 Foreign currency translation reserve

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	74.70	68.13
Currency translation difference during the year	(17.08)	6.57
Balance at the end of the year	**57.62**	**74.70**

Exchange difference arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the investment is disposed-off.

17.4 Retained earnings

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	188.39	475.20
Profit/(Loss) for the year	84.19	(285.75)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	(0.43)	0.23
Amount reclassified from share options outstanding account	19.93	(1.29)
Balance at the end of the year	**292.08**	**188.39**

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

17.5 Share application money pending allotment

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	-	-
Addition during the year	1.43	-
Balance at the end of the year	**1.43**	**-**

This is the amount received on the application on which allotment is not yet made (pending allotment).

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All amounts are in INR million unless otherwise stated

		As at 31 March 2022	As at 31 March 2021
18	**Borrowings**		
	Non-current		
	(Secured, at amortised cost)		
	Term loans from banks	-	803.45
	(Unsecured, at amortised cost)		
	Promissory notes	-	177.29
		-	**980.74**
	Current		
	Current maturities of long term borrowing	-	137.19
		-	**137.19**

Notes

(a) Terms and security details of term loans from banks

On 11 June 2019, RateGain Technologies Limited, UK obtained a bank loan of USD 12,000,000 from Silicon Valley Bank, which also includes a need based working capital facility of USD 3,000,000. The loan carries an interest of 3.5% plus US LIBOR per annum and is repayable in 5 years from the borrowing date. The loan is secured by fixed and floating charges over all assets of RateGain Technologies Limited and its subsidiary companies (excluding RateGain Technologies Spain S.L.) and fixed charge over RateGain Travel Technologies Limited's shares and other investments. Further, loan is guaranteed by the Holding Company, with maximum liability not exceeding USD 16,000,000.

Due to the Covid-19 pandemic, the Group was not able to meet the covenant requirements set forth in the original credit agreement with Silicon Valley Bank dated 11 June 2019 as at 31 March 2020. Hence the Group signed an amendment agreement on 2 July 2020 whereby the bank waived the breach of covenants and set aside the current covenant requirements until the quarter ended June 2021. The bank has put forth a new set of financial covenant requirements using a basis of new forecasts that take into account the impact of Covid-19 until the quarter ended June 2021. Additionally, the principal payable for the quarter ended June 2020 and September 2020 have been deferred until the term loan maturity date, June 2024. On 30 September 2021, the bank has further extended covenants requirment as per above amendment agreement till 30 September 2022.However, loan have been fully repaid during the year on 7 January'2022.

(b) Promissory notes issued by the Group carries interest of 3.50% plus US LIBOR per annum and is repayable from 31 March 2021 to 31 December 2023, as per agreed terms.These promissory notes are paid on 3 March'2022.

(c) Reconciliation of financial liabilities arising from financing activities:

Particulars	**Non-current borrowings and Current maturities of long-term borrowings**	**Lease liabilities**
Balance as at 31 March 2020	**1,158.08**	**279.96**
Cash flows:		
Repayment of borrowings and lease liabilities	(22.27)	(16.83)
Other non-cash changes:		
Unwinding of interest	11.00	-
Amortisation of incremental borrowing cost	4.87	-
Gain on termination of lease	-	(206.80)
Foreign exchange difference	(33.75)	(3.02)
Balance as at 31 March 2021	**1,117.93**	**53.31**
Cash flows:		
Proceeds from borrowings		
Repayment of borrowings and lease liabilities	(1,125.82)	(15.39)
Other non-cash changes:		
Termination of lease	-	(22.59)
Modification of lease	-	130.85
Acquisition of subsidiary	-	12.09
Addition of lease liabilities	-	21.95
Amortisation of incremental borrowing cost	8.85	-
Foreign exchange difference	(0.96)	0.16
Balance as at 31 March 2022	**-**	**180.38**

19	**Lease liabilities**		
	Non-current		
	Lease obligations	147.24	26.22
		147.24	**26.22**
	Current		
	Lease obligations	33.14	27.09
		33.14	**27.09**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2022	As at 31 March 2021
20 Other financial liabilities		
Non-current		
Contingent consideration (Refer note 42(i)(a))	51.90	
	51.90	**-**
Current		
Interest accrued on borrowings	-	13.67
Deferred consideration (Refer note 42(i)(a))	44.98	-
Contingent consideration (Refer note 42(i)(a))	71.97	-
Employee related payable	125.59	91.29
Refundable share application money	2.75	0.37
Other payables	10.48	-
	255.77	**105.33**
21 Provisions		
Non-current		
Provision for employee benefits (refer note 39)		
Provision for compensated absences	8.49	7.58
Provision for gratuity	29.10	25.35
	37.59	**32.93**
Current		
Provision for employee benefits (refer note 39)		
Provision for compensated absences	0.85	0.74
Provision for gratuity	1.69	1.39
	2.54	**2.13**
22 Other liabilities		
Non-current		
Others	0.15	-
	0.15	**-**
Current		
Advances from customers	21.81	13.72
Statutory liabilities	105.88	52.10
Deferred revenue	392.37	304.01
Others	0.10	-
	520.16	**369.83**
23 Trade payables		
i. total outstanding dues of micro enterprises and small enterprises	2.69	0.14
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	415.44	242.82
	418.13	**242.96**

(a) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

i) Principal amount due to suppliers under MSMED Act	2.69	0.14
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
iv) Interest paid to suppliers under MSMED Act	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are	-	-
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
vii) Interest accrued and remaining unpaid at the end of the accounting year	-	-

(b) Trade payables ageing is as follows:

Particulars	As at 31 March 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	2.69	-	-	-	2.69
(ii) Others	410.14	2.65	2.62	0.03	415.44
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

Particulars	As at 31 March 2021				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	0.14	-	-	-	0.14
(ii) Others	187.27	23.57	1.10	-	211.94
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	30.88	-	-	-	30.88

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All amounts are in INR million unless otherwise stated

		Year ended 31 March 2022	Year ended 31 March 2021
24	**Revenue from operations**		
	Sale of services	3,665.91	2,507.93
		3,665.91	**2,507.93**

Note:

(a) Disaggregated revenue information

Set out below is the disaggregation of the the Group's revenue from contracts with customers:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Type of services		
DaaS	1,048.70	933.77
Distribution	1,415.45	1,218.05
MarTech	1,201.76	356.11
Total revenue from contracts with customers	**3,665.91**	**2,507.93**
Geographical region		
India	25.87	19.00
Outside India	3,640.04	2,378.13
Total revenue from contracts with customers	**3,665.91**	**2,397.13**
Revenue of timing of recognition		
Revenue recognised at point in time	-	-
Revenue recognised over time	3,665.91	2,507.93
Total revenue from contracts with customers	**3,665.91**	**2,507.93**

(b) Assets and liabilities related to contracts with customers

Trade receivables	941.20	669.05
Unbilled revenue	64.38	-
Advances from customers	21.81	13.72
Deferred revenue	392.37	304.01

Remaining performance obligations as at the reporting date are expected to be substantially recognised over the next reporting period by the Group.

(c) Revenue recognised in relation contract liabilities

Contract liabilities related to sale of services		
Advances from customers	13.72	0.23
Deferred revenue	304.01	397.56

(d) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	3,665.91	2,507.93
Adjustments:		
Rebate	-	-
Revenue from contracts with customers	3,665.91	2,507.93

25	**Other income**		
	Interest income		
	Interest income earned on:		
	- bank deposits (at amortised cost)	25.73	1.87
	Other interest income	23.71	5.01
		49.44	**6.88**
	Other income		
	Sundry balances written back	-	1.72
	Sale of SEIS licenses and other benefits	23.63	39.02
	Gain on foreign currency transactions and translation (net)	34.04	-
	Allowance for expected credit loss	0.76	
	Net gain on current investments measured at FVTPL	36.43	31.07
	Deferred government grant income	0.85	-
	Gain on termination of lease	2.86	54.11
	Gain on salary cross charge to related parties	0.07	0.18
	Others	17.14	-
		115.78	**126.10**
		165.22	**132.98**

All amounts are in INR million unless otherwise stated

		Year ended 31 March 2022	Year ended 31 March 2021
26	**Employee benefits expense**		
	Salaries and wages	1,704.93	1,315.60
	Contribution to provident and other fund	61.75	29.95
	Staff welfare expenses	75.80	54.08
	Employee stock option expense (refer note 41)	71.26	112.99
		1,913.74	**1,512.62**
27	**Finance costs**		
	Interest expense on borrowings	41.86	58.83
	Interest on lease liabilities	8.39	22.36
	Interest expense on financial liabilities at amortised cost	0.13	-
	Interest on delay in deposit of income tax	1.95	0.85
		52.33	**82.04**
28	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3)	37.50	57.24
	Amortisation of intangible assets (refer note 5)	240.99	239.44
	Depreciation of right-of-use assets (refer note 4)	22.15	62.13
		300.64	**358.81**
29	**Other expenses**		
	Hosting and proxy charges	254.13	203.32
	Electricity charges	2.98	2.28
	Rate parity expenses	18.13	14.63
	Rent	35.59	30.42
	Repair and maintenance		
	- Building	1.07	1.00
	- Others	1.76	1.31
	Insurance	17.45	12.95
	Rates and taxes	1.28	3.14
	Communication charges	75.82	68.89
	Postage and courier	0.63	0.35
	Travelling and conveyance	32.75	24.63
	Commission on sales	-	0.11
	Donation and contributions	5.12	0.34
	Legal and professional charges (including payment to auditors)*	66.07	68.72
	Training and recruitment expenses	24.44	4.28
	Advertising and sales promotion expenses	173.80	5.49
	Fees and subscription	108.40	88.24
	Bank charges	15.34	11.06
	Trade and other receivables written off	57.06	74.39
	Vehicle running and maintenance	1.66	-
	External services	232.86	-
	Loss on foreign exchange fluctuation (net)	-	62.15
	Allowance for expected credit loss	23.02	20.26
	Software licenses	74.54	68.16
	Office maintenance	13.35	16.37
	Contractual manpower cost	130.06	54.05
	Demand partner fees	63.85	92.08
	Loss on sale of property, plant and equipment (net)	0.02	0.05
	Write off of property, plant and equipment (net)	12.90	0.07
	Miscellaneous expenses	2.54	4.98
	Total	**1,446.62**	**933.72**

Note:
* Payments to the auditors (excluding input tax)

a) Audit fees	5.95	7.77
b) Other services	0.20	-
	5.95	**7.77**

30	**Exceptional items**		
	IPO expenses(refer note 51)	9.43	
		9.43	**-**

All amounts are in INR million unless otherwise stated

31 Income taxes

Income tax recognised in the Consolidated statement of profit and loss

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
In respect of the current year	45.33	30.93
In respect of the previous year	-	0.18
	45.33	**31.11**
Deferred tax		
In respect of the current year	(21.15)	8.36
	(21.15)	**8.36**
Total income tax expense recognised in the current year	**24.18**	**39.47**

The Income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before tax from continuing and discontinuing operations	108.37	(246.28)
Statutory income tax rate	27.82%	27.82%
Income tax expense at statutory income tax rate	30.15	(68.52)
Effect of expenses that are not deductible in determining taxable profit	7.51	(3.47)
State income tax	0.68	-
Effect of Income that is exempt from taxation	-	(2.63)
Deferred tax assets/(liabilities) not recognised on unutilised tax losses and research & development tax credit	(2.95)	74.41
Permanent differences	0.81	0.06
Effect of overseas tax rates	(5.14)	37.24
Excess foreign tax paid/ withholding tax	-	0.11
Temporary difference on which deferred tax is not recognised	(6.94)	-
Adjustments recognised in the current year in relation to the previous years	-	0.83
Others	0.07	1.44
	24.18	**39.47**

32 Earning/(Loss) per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holder by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.
The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(Loss) attributable to equity holder of the Holding Company	**84.19**	**(285.75)**
Weighted average number of equity shares used for computing :		
Basic EPS/(LPS) #	99,704,395	92,456,276
Effect of dilutive potential equity shares- employee stock options*	1,239,416	*
Diluted EPS/(LPS) #	100,943,811	92,456,276
Basic EPS/(LPS)	**0.84**	**(3.09)**
Diluted EPS/(LPS)	**0.83**	**(3.09)**

The face value of equity shares of the Holding Company has been split from INR 10/- to INR 1/- per share with effect from 30 July 2021. During the year, the Holding Company has issued the bonus shares in the ratio of 1:11 to the existing equity shareholders and impact of the same has also been considered in calculation of EPS for previous year. Further, the Holding Company has sub-divided each fully paid up equity share of the nominal value of INR 10/-(Rupees Ten Only) each into 10 (Ten) equity shares of INR 1/- (Rupee One Only) each fully paid up. Corresponding adjustment has been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. Impact of the same has been considered in the calculation of Basic and Diluted EPS/LPS.

* For the years ended 31 March 2021, the outstanding potential equity shares had an anti-dilutive effect on LPS, hence there was no dilution of LPS, the diluted loss per share is same as basic loss per share for the year ended 31 March 2021.

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All amounts are in INR million unless otherwise stated

33 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments.

The Group's business activity falls within a single segment, which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals, in terms of Ind AS 108 on Segment Reporting. Information about relevant entity wide disclosure are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from external customers by location of the customers #		
(i) North America (primarily United States of America)	2,283.84	1,623.89
(ii) Europe (primarily United Kingdom)	867.49	375.92
(iii) Asia Pacific (primarily India)	385.84	380.97
(iv) Others	128.74	127.15
Total	**3,665.91**	**2,507.93**

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets *		
(i) India	184.95	95.30
(ii) United Kingdom	90.02	91.96
(iii) United States of America	1,341.63	1,490.30
(iv) Other countries	616.90	1.78

* Non-current assets, other than financial instruments and income tax assets (net)/deferred tax asset (net).

No single external customer contributed 10% or more of the Group's revenue for the year ended 31 March 2022 except one customer which contributed 10.4% of the Group revenue for the year ended 31 March 2022.

Revenue of INR 1,174.93 million and INR 928.13 million which represents 32.05 % and 37.01% of total revenue for the year ended 31 March 2022 and 31 March 2021 respectively, was contributed from ten major customer groups.

Information about revenue from external customers is included in note 24.

Revenue numbers are after intergroup eliminations.

34 Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Indirect tax demand (Refer note a below)	59.74	59.74
(ii) Indirect tax demand (Refer note b below)	624.03	624.03

a. Rategain IT Solutions Private Limited (whose IT Undertaking was demerged into Rategain Travel Technologies Limited) ("Demerged Company") had received a show cause notice of INR 59.74 million dated 21 April 2016 from Commissioner of Service Tax, Audit -1, New Delhi for the period 2010-11 to 2014-15 alleging non-payment of service tax on reverse charge mechanism on foreign payments made by the demerged company in the said period, pursuant to an audit conducted by the Service Tax Audit Department for the said period. The Demerged Company, based on various judicial pronouncements had filed a petition before the Honorable High Court at New Delhi challenging the Jurisdiction and Authority of the Service Tax Audit division to audit and issue show cause notice. The Honorable High Court then directed the Company to provide reply to the Commissioner of Service Tax (Audit) against the show cause notice which the Demerged Company had duly filed. During financial year 2019-20, the Demerged Company received an order wherein the tax authorities had dropped the proceedings in favor of the Demerged Company and the matter stands closed. Department had filed an appeal with CESTAT against the order dated 12 March 2019. There is no further update on this matter in the current year and management believes no demand will be raised on the Demerged Company.

b. The Holding Company received a show cause notice of INR 624.03 million from Director General of Central Excise Intelligence on account of wrong classification of services provided by the Holding Company. The Holding Company classified its services under "Information Technology Software Service" and as per the show cause notice, department disputed that services provided by the Holding Company would be covered "Online Information and Database Access and/or Retrieval services (OIDAR)", wherein the place of provision of service has been specified as per PoP Rules, 2012 to be the location of service provider (i.e. location of RateGain in India). Accordingly, the definition of export of services would not be satisfied and Holding Company would be liable to charge and pay service tax. The Director General of Central Excise Intelligence then directed the Holding Company to provide reply against the show cause notice. As per the management's contention, the Holding Company's business model for the provision of services of market intelligence do not follow the mode of online database access and accordingly, their services would not constitute OIDAR services. The Holding Company filed a reply along with a writ petition in high court against the aforesaid mentioned order in earlier years and in financial year 2019-20, Honorable High Court provided stay order for any further proceedings in respect of this matter. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company.

35 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013 ("Act"), the Board of Directors of the Holding Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Holding Company was not required to make any mandatory spending on CSR during the year ended 31 March 2022. The CSR Committee has been examining and evaluating suitable proposals for deployment of unspent CSR funds of previous years amounting to INR 5.17 million, deposited in a separate Unspent CSR Account, towards CSR initiatives and the committee expects finalization of such proposals in due course. During the year ended 31 March 2022, the Holding Company has voluntarily contributed INR 0.636 million towards CSR initiatives. Except as provided above, there being no unspent CSR funds for the year ended 31 March 2022, the Holding Company is not required to deposit any unspent amount in funds specified in Schedule VII by 30 September, 2022.

	As at 31 March 2022	As at 31 March 2021
Amount required to be spent by the group during the year	-	-
Amount of expenditure incurred	0.64	1.32
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	5.17	5.17

36 Transfer pricing

The Holding Company has appointed independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associated enterprises were undertaken at "arm length basis". The management confirms that all international transaction with associated enterprises are undertaken at negotiated contract prices on usual commercial terms, and adjustment if any, arising from the transfer pricing study shall be accounted for as and when study is completed. The Holding Company is in the process of conducting a transfer pricing study for the current financial year. Based on the transfer pricing study for the previous year, the management is of the view that the same would not have a material impact on the tax expenses provided for in these consolidated financial statements. Accordingly, these consolidated financial statements do not include any adjustments for the transfer pricing implications, if any.

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All amounts are in INR million unless otherwise stated

37 Other explanatory information

Out of the total trade receivable balance of INR 1097.54 million (31 March 2021: INR 908.84 million) export dues of Holding Company of INR 0.30 million (31 March 2021: INR 0.29 million) are outstanding for more than nine months. As per Foreign Exchange Management (Export of Goods and Services) Regulation, 2000 issued by the Reserve Bank of India (the 'RBI'), where the realisation from foreign customer is not made within nine months from the invoice date (as per notification no. RBI/2019-20/206 dated 1st April 2020, the aforesaid period has been extended to 15 months for invoices issued upto or on 31st July'20), the Holding Company is required to approach the Foreign Exchange Department of the Regional Office concerned of the Reserve Bank through their AD Category-I bank with a definite action plan for extension of realisation of export proceeds. The Holding Company is in the process of ensuring compliance with the relevant regulation of the Reserve Bank of India.

38 Leases

The Group has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the restated consolidated statement of assets and liabilities as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment. The Group had recorded right-of-use assets on three office lease which has average lease term of 6 years. Out of these, one lease have been terminated and one lease has remaining term of 8.5 year and other lease has remaining term of 3 years as of 31 March 2022.
Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. The lease payments are discounted using incremental borrowing rate of the Group, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar environment with similar terms, security and conditions.

Amounts recognised in the consolidated statement of profit or loss:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on right-of-use assets	22.15	62.13
Interest on lease liabilities (included in interest expenses)	8.39	22.36
Expenses relating to short-term leases	35.59	30.42
Expenses relating to leases of low-value assets	-	-

The total cash outflow for leases for the year was INR 59.37 million (31 March 2021 was INR 69.61 million).

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All amounts are in INR million unless otherwise stated

39 Employee benefit obligations

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Gratuity	1.69	29.10	1.39	25.35
Compensated absences	0.85	8.49	0.74	7.58
Total	**2.54**	**37.59**	**2.13**	**32.93**

A Disclosure of gratuity

Gratuity is payable to all eligible employees of the Holding Company on separation, superannuation, death or permanent disablement, in terms of the provision of the Payment of Gratuity Act, 1972. Gratuity is an unfunded defined benefit plan.
The Holding Company is following Ind AS 19 'Employee Benefits' and using Projected Unit Credit Method. The following tables sets out the status of the defined benefit scheme and the amount recognised in the consolidated financial statements:

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2022	31 March 2021
Current service cost	5.29	4.95
Interest cost	1.71	1.54
Net impact on profit (before tax)	**7.00**	**6.49**
Actuarial loss/(gain) recognised during the period/year	0.59	(0.32)
Amount recognised in total comprehensive income	**7.59**	**6.17**

(ii) Change in the present value of obligation:

Description	31 March 2022	31 March 2021
Present value of defined benefit obligation as at the beginning of the year	**26.74**	**24.35**
Current service cost	5.29	4.95
Interest cost	1.71	1.54
Benefits paid	(3.54)	(3.78)
Actuarial loss/(gain)	0.59	(0.32)
Present value of defined benefit obligation as at the end of the year	**30.79**	**26.74**

(iii) Movement in the plan assets recognised in the restated consolidated statement of assets and liabilities is as under:

Description	31 March 2022	31 March 2021
Fair value of plan assets at the beginning of the year	**-**	**-**
Expected return on plan assets	-	-
Contributions	3.54	3.78
Benefits paid	(3.54)	(3.78)
Actuarial gain/(loss)	-	-
Fair value of plan assets at the end of the year	**-**	**-**

(iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	31 March 2022	31 March 2021
Present value of funded obligation as at the end of the year	30.79	26.74
Fair value of plan assets as at the end of the year funded status	-	-
Unfunded/funded net liability recognized in restated consolidated statement of assets and liabilities	**30.79**	**26.74**

(v) Breakup of actuarial (gain)/loss:

Description	31 March 2022	31 March 2021
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	(1.50)	0.14
Actuarial (gain)/loss from experience adjustment	2.09	(0.46)
Total actuarial (gain)/loss	**0.59**	**(0.32)**

(vi) Actuarial assumptions

Description	31 March 2022	31 March 2021
Discount rate	7.21%	6.83%
Rate of increase in compensation levels	4.00%	4.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate (as % of above mortality rate)	0.00%	0.00%
Withdrawal rate	2.0% to 10.0%	2.0% to 10.0%
Normal retirement age	60 Years	60 Years
Average future service	22	22

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All amounts are in INR million unless otherwise stated

(vii) Sensitivity analysis for gratuity liability

Description	31 March 2022	31 March 2021
Impact of change in discount rate		
Present value of obligation at		
- Impact due to increase of	27.29	23.62
- Impact due to decrease of	34.99	30.50
Impact of change in salary escalation		
Present value of obligation at		
- Impact due to increase of	34.60	30.31
- Impact due to decrease of	27.41	23.61
Impact of change in withdrawal rates		
Present value of obligation at		
- Impact due to increase of	32.15	27.70
- Impact due to decrease of	29.20	25.62

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied which was applied while calculating the defined benefit obligation liability recognised in the restated consolidated statement of assets and liabilities.

(viii) Maturity profile of defined benefit obligation

Description	31 March 2022	31 March 2021
Within next 12 months	1.69	1.39
Between 1-5 years	7.29	5.76
Beyond 5 years	7.93	6.36

(ix) The best estimated expense for the next year is INR 15.40 million (31 March 2021: INR 13.37 million).
The weighted average duration of defined benefit obligation is 18.36 years (31 March 2021: 18.23 years).

B Disclosure of leave encashment

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2022	31 March 2021
Current service cost	3.01	3.49
Past service cost	-	-
Interest cost	0.51	0.48
Net impact on profit (before tax)	**3.52**	**3.97**
Actuarial loss/(gain) recognised during the year	(0.84)	(1.66)
Amount recognised in total comprehensive income	**2.68**	**2.31**

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All amounts are in INR million unless otherwise stated

40 Related party disclosures

(I) Relationship with related parties:

(a) Parent and Ultimate Controlling Party
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

(b) Wholly owned subsidiaries*
RateGain Technologies Limited, UK
RateGain Technologies Inc., US
RateGain Technologies Spain S.L.
BCV Social LLC
My hotel shop GMBH (w.e.f. 10 September 2021)
My Hotel Shop S.I.(w.e.f. 10 September 2021)

(c) Key management personnel (KMP):
Mr. Bhanu Chopra (Chairman & Managing Director)
Mr. Tanmaya Das (Chief Financial Officer)
Mrs. Megha Chopra (Executive Director)
Mr. Harmeet Singh (Chief Executive Officer) (resigned w.e.f 22 March 2022)
Ms. Usha Chopra (Non-executive Director) (resigned w.e.f. 29 June, 2021)
Mr. Naveen Wadhera [Non-Executive Nominee Director (nominee of Wagner Limited)] (resigned w.e.f. 29 June , 2021)
Ms. EC Rajakumar Konduru (Independent Director) (appointed w.e.f. 15 July , 2021)
Mr. Girish Paman Vanvari (Independent Director) (appointed w.e.f. 29 June 2021)
Mrs. Aditi Gupta (Independent Director) (appointed w.e.f. 15 July 2021)
Mr. Nishant Kanuru Rao (Non Eecutive Nomine Director) (appointed w.e.f. 02 November 2020)
Mr. Sachin Verma (Company Secretary) (resigned w.e.f. 11 February 2022)
Mr. Thomas P Joshua (Company Secretary) (appointed w.e.f. 12 February 2022)
Mr. Bryan Finney (Director) (till 31 March 2021)

(d) Companies where significant influence is exercised by KMPs:
Ridaan and Ruhan Buildwell Private Limited
Ridaan and Ruhan UK Limited

(II) Transactions with related parties during the period/year ended 31 March 2022 and 31 March 2021.

Particulars	For the period ended 31 March 2022	For the year ended 31 March 2021
(i) Expenses incurred on behalf of		
Ridaan and Ruhan Buildwell Private Limited	-	0.13
(ii) Travelling expenses		
Mr. Bhanu Chopra	0.74	0.67
Mr. Tanmaya Das	0.29	-
Mr. Bryan Finney	-	0.03
Mr. Harmeet Singh	0.68	0.04
(iii) Professional charges paid to		
Ridaan and Ruhan Buildwell Private Limited	-	73.81
(iv) Amount written off		
Ridaan and Ruhan Buildwell Private Limited	-	1.48
(v) Share application money received		
Mr. Bryan Finney	-	0.37
(vi) Compensation to KMPs		
Short-term employment benefits		
Mr. Bhanu Chopra	60.88	50.32
Mr. Tanmaya Das	9.90	7.69
Mr. Bryan Finney	-	16.25
Mr. Harmeet Singh	17.52	33.63
Mr. Sachin Verma	0.51	-
Mr. Thomas Joshua	0.50	-
Post employment benefits		
Mr. Bhanu Chopra	-	(0.03)
Mr. Tanmaya Das	-	0.09
Mr. Sachin Verma	0.01	-
Mr. Thomas Joshua	0.01	-
Share based payments		
Mr. Tanmaya Das	104.72	1.89
Mr. Harmeet Singh	-	10.65
(xiv) Sitting fees to KMPs		
Mrs. Aditi Gupta	0.10	-
Mr. Ec Rajakumar Konduru	0.08	-
Mr. Girish Paman Vanvari	0.08	-

(III) Balances as at 31 March 2022 and 31 March 2021:

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Amounts recoverable for expenses incurred on behalf of and customers collection on our behalf by		
Ridaan and Ruhan Buildwell Private Limited		2.06
Ridaan and Ruhan UK Limited	0.50	17.93
(ii) Employee related payables		
Mr. Bhanu Chopra	30.44	19.79
Mr. Tanmaya Das	1.29	0.75
Mr. Bryan Finney	-	1.59
Mr. Harmeet Singh	3.80	11.89
Mr. Sachin Verma	0.04	-
Mr. Thomas Joshua	0.04	-
(iii) Payables toward share option granted		
Mr. Tanmaya Das	-	21.64
Mr. Harmeet Singh	23.31	23.97
(iv) Refundable share application money		
Mr. Bryan Finney	-	0.37

All amounts are in INR million unless otherwise stated

41 Share based payment

a. Description of share based payment arrangements
i. Share Options Schemes (equity settled)
Employee Stock Option Scheme (ESOS) 2015
The Scheme has been adopted by the Board of Directors on 15 June 2015, read with the Special Resolution passed by the Members of the Holding Company on 15 June 2015 and shall be deemed to come into force with effect from 15 June 2015 being the date of approval by the Members. The maximum number of options that can be granted to any eligible employee during any one-year shall not equal or exceed 1% of the issued capital of the holding Company at the time of grant of options. For grant of option to identified employees, during any one year, equal to or exceeding 1% of the issued capital a separate resolution in the shareholders meeting will be passed. For vesting, there shall be a lock in of minimum period of one year between Grant of options and its vesting. Vesting of Options will take place upon the following events:
- Change of control in the holding Company, as defined in Companies Act 2013;
- Initial public offering (IPO)
- In case of private equity investment, not resulting in change in control, then at the discretions of the Committee
- Employee's continuity in the organization
- Any other Vesting Event as the Committee may decide and inform during the currency of the Scheme

Further, during the year ended 31 March 2019, the Group modified (ESOS) 2015 scheme from share based incentive to cash settled incentive. Subsequently on 15 June 2020, ESOS 2015 was converted back to equity settled, amendment in scheme has been approved by the board of Directors vide board resolution passed in board meeting dated 15 June 2020 and by the shareholders vide ordinary resolution passed in extra-ordinary general meeting dated 15 June 2020.

Set out below is a summary of options granted under the plan:

	31 March 2022		31 March 2021	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	1,817.00	18,837	2,105.00	22,577
Granted during the year	15,145.58	3,011	833.00	1,450
Exercised during the year	1,395.86	(14,796)	-	-
Forfeited/expired during the year	7,687.01	(1,402)	2,710.00	(5,190)
Adjustment for issue of bonus shares and sub-division of equity shares (refer note 49)		672,350		-
Closing balance	**74.07**	**678,000**	**1,817.00**	**18,837**
Vested and exercisable		444,840		-

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2022			31 March 2021		
	Exercise price	Share options	weighted average remaining contractual life	Exercise price	Share options	weighted average remaining contractual life
15 June 2015	6.94	114,120	456 days	833	4,967	305 days
1 September 2015	6.94	-	-	833	205	305 days
1 April 2016	6.94	36,000	456 days	833	2,495	305 days
1 June 2016	6.94	32,400	456 days	833	508	305 days
1 September 2016	6.94	-	-	833	205	305 days
1 October 2016	6.94	24,000	456 days	833	3,115	305 days
1 April 2017	6.94	36,000	456 days	833	1,575	305 days
1 June 2017	6.94	32,160	456 days	833	508	305 days
1 September 2017	6.94	-	-	833	205	305 days
1 October 2017	6.94	-	-	833	500	305 days
1 April 2018	6.94	-	-	833	-	-
1 October 2018	6.94	24,000	456 days	833	2,600	305 days
1 April 2019	6.94	-	-	833	-	-
1 October 2019	6.94	-	-	833	417	305 days
1 October 2019	161.17	48,000	456 days	19,340	1,000	305 days
1 April 2020	6.94	-	-	833	100	305 days
1 October 2020	6.94	6,000	549 days	833	417	305 days
1 April 2021	145.33	92,160	731 days	17,440	-	-
1 April 2021	145.33	92,160	1096 days	17,440	-	-
1 April 2021	145.33	91,080	1461 days	17,440	-	-
1 October 2021	6.94	49,920	640 days	833	-	-

Employee Stock Option Scheme (ESOS) 2018
The scheme has been approved by the Board of Directors of the Holding Company on 1 June 2018 and the same was approved by the members of the holding Company vide Ordinary Resolution on 1 June 2018. The scheme is effective from 1 June 2018 being the date of shareholders' approval. The maximum number of options that may be issued pursuant to this Scheme is 15000 (Fifteen thousand) options representing of 2.03% of the paid up share capital of the holding Company as on 1 June 2018, to be convertible into equal number of Equity shares of the holding Company. Vesting period shall commence after 1 (One) year from the date of grant of Options and it may extend upto 4 (four) years from the date of grant in the manner prescribed by the Board. During the year ended 31 March 2021, the Holding Company has revised exercise price of few share based options, incremental fair value granted on account of such modification is INR 50.88 million.

Set out below is a summary of options granted under the plan:

	31 March 2022		0	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	13,077.00	25,905	14,310.00	25,388
Granted during the year	14,915.54	1,086	5,239.43	4,200
Exercised during the year	3,539.10	(2,421)	-	-
Forfeited/expired during the year	11,996.58	(9,998)	12,641.00	(3,683)
Adjustment for issue of bonus shares and sub-division of equity shares (refer note 49)		1,734,068		-
Closing balance	**78.75**	**1,748,640**	**13,077.00**	**25,905**
Vested		1,724,640		11,614

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All amounts are in INR million unless otherwise stated

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2022			31 March 2021		
	Exercise price	Share options	weighted average remaining contractual life	Exercise price	Share options	weighted average remaining contractual life
1 June 2018	6.94	-	-	833	1,333	455 days
1 October 2018	6.94	200,040	184 days	833	1,867	455 days
1 April 2019	6.94	19,920	366 days	833	500	546 days
1 April 2019	6.94	19,920	732 days	833	-	-
1 June 2019	6.94	-	-	833	1,333	455 days
1 October 2019	6.94	200,040	549 days	833	1,867	729 days
1 October 2019	161.17	521,160	549 days	19,340	16,138	1109 days
1 October 2019	161.17	443,640	915 days	19,340	-	-
1 April 2020	161.17	60,000	822 days	19,340	1,000	545 days
1 April 2020	161.17	60,000	1096 days	19,340	-	-
1 October 2020	6.94	200,040	915 days	833	1,867	455 days
1 April 2021	145.33	12,000	1461 days	17,440	-	-
1 April 2021	145.33	12,000	1826 days	17,440	-	-

b. Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date and measurement date fair values of the equity -settled and cash settled share based payments are as follows:

Options granted on	Fair value per Option at grant date (in INR)	Share price at grant date (in INR)	Exercise price (in INR)	Expected volatility	Expected life (in years)	Expected dividend yield	Risk-free interest rate
15 June 2015	67.78	76.01	6.94	19.59%	1.63	0.00%	7.59%
1 September 2015	67.68	76.01	6.94	19.20%	1.42	0.00%	7.50%
1 April 2016	71.31	78.75	6.94	18.52%	3.83	0.00%	7.38%
1 October 2016	71.00	78.75	6.94	17.72%	3.33	0.00%	6.71%
1 April 2017	68.22	76.11	6.94	17.22%	2.83	0.00%	6.45%
1 October 2017	68.01	76.11	6.94	15.71%	2.33	0.00%	6.31%
1 April 2018	110.64	120.21	6.94	15.24%	1.83	0.00%	6.69%
1 June 2018	110.55	120.21	6.94	15.70%	1.49	0.00%	7.20%
1 October 2018	113.28	123.05	6.94	15.53%	1.33	0.00%	7.58%
1 October 2018	113.35	123.05	6.94	15.53%	1.49	0.00%	7.58%
1 April 2019	147.70	158.32	6.94	16.64%	2.08	0.00%	6.59%
1 April 2019	147.46	158.32	6.94	16.64%	1.49	0.00%	6.51%
1 June 2019	147.45	158.32	6.94	16.62%	1.49	0.00%	6.38%
1 October 2019	151.26	162.00	6.94	17.05%	2.33	0.00%	5.82%
1 October 2019	27.69	162.00	161.17	17.05%	2.33	0.00%	5.82%
1 October 2019	30.54	162.00	161.17	17.05%	2.70	0.00%	5.82%
1 April 2020	18.35	147.63	161.17	23.41%	1.83	0.00%	5.06%
1 April 2020	137.07	147.63	6.94	23.41%	1.83	0.00%	5.06%
1 April 2020	21.55	147.63	161.17	23.41%	2.24	0.00%	5.06%
1 April 2020	137.19	147.63	6.94	23.41%	2.24	0.00%	5.06%
15 June 2020	17.41	147.63	161.17	25.92%	1.63	0.00%	3.98%
15 June 2020	136.89	147.63	6.94	25.92%	1.63	0.00%	3.98%
15 June 2020	16.30	147.63	161.17	25.92%	1.49	0.00%	3.98%
15 June 2020	136.86	147.63	6.94	25.92%	1.49	0.00%	3.98%
10 August 2020*	16.27	147.63	161.17	25.92%	1.49	0.00%	3.95%
10 August 2020*	43.70	147.63	111.90	25.92%	1.49	0.00%	3.95%
10 August 2020*	66.25	147.63	84.52	25.92%	1.49	0.00%	3.95%
1 April 2021	27.21	144.68	145.33	26.80%	1.99	0.00%	4.51%
1 April 2021	33.67	144.68	145.33	24.43%	2.99	0.00%	5.03%
1 April 2021	39.44	144.68	145.33	22.29%	3.99	0.00%	5.46%
1 April 2021	36.53	144.68	145.33	23.30%	3.48	0.00%	5.25%
1 April 2021	42.57	144.68	145.33	21.76%	4.48	0.00%	5.63%
1 October 2021	297.83	356.00	6.94	22.52%	4.00	0.00%	5.33%

* Represents valuation on the modification date.

During the previous year and in current year upto 16 December 2021, the Holding Company was unlisted and it doesn't have a listed peers as of the valuation date, therefore for the purpose of calculating the volatility the holding Company has taken Volatility of the Nifty IT Index.

c. Effect of employee stock option schemes on the statement of profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employee stock option scheme expense	71.26	112.99
	71.26	**112.99**

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42 Business combinations

(i) Acquisition of Myhotelshop GmbH

a. Summary of acquisition

During the year ended 31 March 2022, one of the group subsidiary i.e. RateGain Technologies UK has entered into an agreement dated 10 September 2021, to acquire Myhotelshop GmbH.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	**Amount in INR million**
Cash paid	406.82
Contingent consideration	124.48
Deferred consideration	175.67
Purchase consideration (A)	**706.97**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Property, plant and equipment	1.02
Intangible assets	314.98
Right of use assets	11.81
Cash and cash equivalents	188.78
Trade receivables	66.83
Loans	49.28
Other financials assets	61.09
Other current assets	2.04
Income tax assets	0.17
Deferred tax assets	(97.49)
Borrowings	(8.61)
Lease liabilites	(12.09)
Trade payables	(39.54)
Other financials liabilities	(10.49)
Current tax liabilities	(32.83)
Other current liabilities	(107.57)
Identifiable net assets acquired (B)	**387.38**
Non-controlling interest in the acquired entity (C)	-
Goodwill (A-B-C)	**319.59**

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

Under the term of the agreement dated 10 September entered between MyhotelshopGmbH and RateGain Technologies UK for the acquisition of MyhotelshopGmbH, RateGain Technologies UK might have to pay an earn-out to the former shareholders as part of sales consideration. The payment of earn out is contingent on certain performance obligation as at the date of acquisition, the earn-out is valued at INR 124.48 million (Euro 1.44 million). The Group has considered discount rate of 27.59% and expected EBITDA growth rate of 8.20% for valuation of contingent consideration.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 436.97 million and profit of INR 12.27 million to the Group for the year ended 31 March 2022.

If the acquisitions had occurred on 1 April 2021, consolidated pro-forma revenue and profit for the year ended 31 March 2022 would have been INR 3,895.04 million and INR 66.98 million respectively.

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All amounts are in INR million unless otherwise stated

43 Fair value measurements

i) Financial instruments by category

Particulars	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- Bonds	-	1,248.97	-	-
- Mutual funds	397.68	-	1,290.23	-
Trade receivables	-	941.20	-	669.05
Cash and cash equivalents	-	340.98	-	537.56
Other bank balances	-	2,110.03	-	35.82
Loans	-	4.67	-	2.09
Other financial assets	-	340.69	-	34.06
Total	**397.68**	**4,986.54**	**1,290.23**	**1,278.58**
Financial liabilities				
Borrowings	-	-	-	1,117.93
Lease liabilities	-	180.38	-	53.31
Trade payables	-	418.13	-	242.96
Other financial liabilities	123.87	183.80	-	105.33
Total	**123.87**	**782.31**	**-**	**1,519.53**

ii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the consolidated balance sheet are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a. Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- quoted	397.68	-	-	**397.68**
Financial liabilities				
Contingent consideration*	-	-	123.87	**123.87**

As at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- quoted	1,290.23	-	-	**1,290.23**

* Refer note 42(i)(a)

b. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2022 and 31 March 2021:

	Contingent consideration
As at 01 April 2020	-
Acquisitions	-
(Gain)/loss recognised in profit or loss	-
As at 31 March 2021	-
Acquisitions	123.87
(Gain)/loss recognised in profit or loss	-
As at 31 March 2022	**123.87**

c. *Valuation process and technique used to determine fair value*

The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Fair value of contingent consideration have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

d. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Particulars	Fair value as at		Significant unobservable inputs*	Probability-weighted range	
	31 March 2022	31 March 2021		31 March 2022	31 March 2021
Contingent consideration	123.87	-	Risk-adjusted discount rate	24.38%	-

			Expected EBITDA growth rate	14.00%	-

e. Valuation process

The main level 3 inputs for contingent considerations used by the group are derived and evaluated as follows:

Contingent consideration – estimated based on expected cash outflows arising from the forecasted revenue and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 3 fair values are analysed at the end of each reporting period.

All amounts are in INR million unless otherwise stated

f. Fair value of financial assets and liabilities measured at amortised cost:

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, investment in bonds, other current financials assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The Group has major of its borrowings at variable rate which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

iii) Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the consolidated financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, investment in bonds, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - price risk	Investment in mutual funds	Sensitivity analysis	Portfolio diversification
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

a. Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks
- investment in bonds

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the consolidated balance sheet:

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in bonds	1,248.97	-
Loans (current and non current)	4.67	2.09
Trade receivables	941.20	669.05
Cash and cash equivalents	340.98	537.56
Other bank balances	2,110.03	35.82
Other financial assets (current and non-current)	340.69	34.06

Credit risk on cash and cash equivalents and bank deposits (shown under other bank balances) and other financial assets is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents loan given to related parties and employees. Other financial assets measured at amortized cost includes security deposits and others.Group has invested in bonds which are measured a amortised cost. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

The exposure to the credit risk at the reporting date is primarily from security deposit receivables and trade receivables.
Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India, United Kingdom, United States of America and Spain. The Group does monitor the economic environment in which it operates. The Group manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses expected credit loss model to assess the impairment loss. Credit risk in security deposits considered to be low as they form part of other commercial arrangements such as leases, therefore security deposit are impaired only when there is objective evidence of impairment. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Group's historical experience for customers. Based on the business environment in which the Group operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days and 365 days for past due as applicable to respective group entity however the Group based upon past trends determine an impairment allowance for loss on receivables (other than receivables from related parties).

Refer note 12 for bifurcation of trade receivables into credit impaired and others.

Changes in the loss allowance in respect of trade receivables	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	239.79	252.69
Change in impairment allowances for receivables	(57.62)	(12.90)
Balance at the end of the year	**182.17**	**239.79**

b. Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group's manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

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All amounts are in INR million unless otherwise stated

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Lease liabilities	29.17	111.75	100.95	241.87
Trade payables	418.13	-	-	418.13
Other financial liabilities	255.77	51.90	-	307.67
Total	**703.07**	**163.65**	**100.95**	**967.67**

31 March 2021	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Borrowings	180.85	1,154.22	-	1,335.07
Lease liabilities	28.45	31.35	-	59.80
Trade payables	242.96	-	-	242.96
Other financial liabilities	91.66	-	-	91.66
Total	**543.92**	**1,185.57**	**-**	**1,729.49**

c. Market risk - Interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is exposed to changes in market interest rates through borrowings at variable interest rates. The Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group's to interest rate risk on long term borrowings:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate:		
Borrowings	-	1,117.93
Total variable rate exposure	**-**	**1,117.93**

Sensitivity

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group's by the amounts indicated in the table below. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period. Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

Particulars	As at 31 March 2022	As at 31 March 2021
Interest sensitivity		
Interest rates – increase by 100 basis points	-	11.18
Interest rates – decrease by 100 basis points	-	(11.18)

d. Market risk - Price risk

The Group's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

The table below summarises the impact of increase/decrease of the index on the Group's profit for the period :

Particulars	As at 31 March 2022	As at 31 March 2021
Mutual funds		
Net assets value – increase by 100 bps	3.98	12.90
Net assets value – decrease by 100 bps	(3.98)	(12.90)

e. Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2022	As at 31 March 2021
Floating rate		
Expiring within one year (bank overdraft and other facilities)	-	219.50
Expiring after one year (bank loans)	-	-

44 Capital management policies and procedures

The Group's objective for capital management is to maximize shareholder's value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plan and other strategic investment plans. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to all its shareholders. The Group's funding requirements are met through equity infusions, internal accruals an long-term borrowings. The Group raises long term loans mostly for its expansion requirements and based on the working capital requirement utilise the working capital facilities. The Group monitors capital on the basis of consolidated total debt to consolidated total equity on a periodic basis.

The amounts managed as capital by the Group's for the reporting periods under review are summarised as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Long-term borrowings	147.24	1,006.96
Current maturities of long-term borrowings including finance lease obligations	33.14	164.28
Interest accrued on borrowings	-	13.67
Total borrowings	**180.38**	**1,184.91**

All amounts are in INR million unless otherwise stated

Less:		
Cash and cash equivalents	340.98	537.56
Other bank balances	2,110.03	35.82
Net debts	**(2,270.63)**	**611.53**
Total equity*	**6,191.53**	**2,449.21**
Net debt to equity ratio	**(0.37)**	**0.25**

*Equity includes equity share capital and other equity of the Group that are managed as capital.

All amounts are in INR million unless otherwise stated

45 Additional information required by Schedule III to the Act:

As at 31 March 2022

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	103.77%	6,424.96	21.50%	18.10	2.46%	(0.43)	26.50%	17.67
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	37.19%	2,302.36	29.43%	24.78	0.00%	-	37.16%	24.78
RateGain Technologies Inc., US	33.56%	2,077.68	313.65%	264.06	0.00%	-	396.02%	264.06
RateGain Technologies Spain S.L.	0.22%	13.53	2.26%	1.90	0.00%	-	2.85%	1.90
BCV Social LLC	5.10%	315.71	(260.33%)	(219.17)	0.00%	-	(328.70%)	(219.17)
My hotel shop	2.96%	183.51	14.57%	12.27	0.00%	-	18.40%	12.27
Inter group eliminations and adjustments	(82.79%)	(5,126.22)	(21.09%)	(17.75)	97.54%	(17.08)	(52.24%)	(34.83)
As at 31 March 2022	**100.00%**	**6,191.53**	**100.00%**	**84.19**	**100.00%**	**(17.51)**	**100.00%**	**66.68**

As at 31 March 2021

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	111.53%	2,731.68	(14.36%)	41.02	3.38%	0.23	(14.79%)	41.25
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	49.42%	1,210.51	(21.76%)	62.17	0.00%	-	(22.29%)	62.17
RateGain Technologies Inc., US	30.24%	740.54	21.85%	(62.44)	0.00%	-	22.38%	(62.44)
RateGain Technologies Spain S.L.	0.49%	11.90	(0.59%)	1.68	0.00%	-	(0.60%)	1.68
BCV Social LLC	21.21%	519.48	91.86%	(262.50)	0.00%	-	94.10%	(262.50)
Inter group eliminations and adjustments	(112.89%)	(2,764.90)	22.99%	(65.68)	96.62%	6.57	21.19%	(59.11)
As at 31 March 2021	**100.00%**	**2,449.21**	**100.00%**	**(285.75)**	**100.00%**	**6.80**	**100.00%**	**(278.95)**

46 Ratios to disclosed as per requirement of Schedule III to the Act

	As at 31 March 2022	As at 31 March 2021
a. Current ratio		
Current assets (Numerator)	5,282.35	2,673.00
Current liabilities (Denominator)	1,295.94	908.94
Current ratio	**4.08**	**2.94**
% Change as compared to the preceding year	38.60%	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is due increase in currents assets which is on account of short term investments made in fixed deposits of funds received fresh issue of equity share under IPO.

	As at 31 March 2022	As at 31 March 2021
b. Debt-equity ratio		
Total debt (Numerator)	180.38	1,171.24
Shareholder's equity (Denominator)	6,191.53	2,449.21
Debt-equity ratio	**0.03**	**0.48**
% Change as compared to the preceding year	(93.91%)	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is due decrease in borrowings which was paid of from the funds received from fresh issue of equity share under IPO.

	As at 31 March 2022	As at 31 March 2021
c. Debt service coverage ratio		
Earnings available for debt service (Numerator) *	461.34	194.57
Debt service (Denominator) #	(1,205.29)	(108.27)
Debt service coverage ratio	**(0.38)**	**(0.38)**
% Change as compared to the preceding year	0.00%	-

* Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
# Debt service = Interest and Lease payments + Principal repayments

All amounts are in INR million unless otherwise stated

45 Additional information required by Schedule III to the Act:

As at 31 March 2022

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	103.77%	6,424.96	21.50%	18.10	2.46%	(0.43)	26.50%	17.67
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	37.19%	2,302.36	29.43%	24.78	0.00%	-	37.16%	24.78
RateGain Technologies Inc., US	33.56%	2,077.68	313.65%	264.06	0.00%	-	396.02%	264.06
RateGain Technologies Spain S.L.	0.22%	13.53	2.26%	1.90	0.00%	-	2.85%	1.90
BCV Social LLC	5.10%	315.71	(260.33%)	(219.17)	0.00%	-	(328.70%)	(219.17)
My hotel shop	2.96%	183.51	14.57%	12.27	0.00%	-	18.40%	12.27
Inter group eliminations and adjustments	(82.79%)	(5,126.22)	(21.09%)	(17.75)	97.54%	(17.08)	(52.24%)	(34.83)
As at 31 March 2022	**100.00%**	**6,191.53**	**100.00%**	**84.19**	**100.00%**	**(17.51)**	**100.00%**	**66.68**

As at 31 March 2021

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	111.53%	2,731.68	(14.36%)	41.02	3.38%	0.23	(14.79%)	41.25
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	49.42%	1,210.51	(21.76%)	62.17	0.00%	-	(22.29%)	62.17
RateGain Technologies Inc., US	30.24%	740.54	21.85%	(62.44)	0.00%	-	22.38%	(62.44)
RateGain Technologies Spain S.L.	0.49%	11.90	(0.59%)	1.68	0.00%	-	(0.60%)	1.68
BCV Social LLC	21.21%	519.48	91.86%	(262.50)	0.00%	-	94.10%	(262.50)
Inter group eliminations and adjustments	(112.89%)	(2,764.90)	22.99%	(65.68)	96.62%	6.57	21.19%	(59.11)
As at 31 March 2021	**100.00%**	**2,449.21**	**100.00%**	**(285.75)**	**100.00%**	**6.80**	**100.00%**	**(278.95)**

46 Ratios to disclosed as per requirement of Schedule III to the Act

	As at 31 March 2022	As at 31 March 2021
a. Current ratio		
Current assets (Numerator)	5,282.35	2,673.00
Current liabilities (Denominator)	1,295.94	908.94
Current ratio	**4.08**	**2.94**
% Change as compared to the preceding year	38.60%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
This is due increase in currents assets which is on account of short term investments made in fixed deposits of funds received fresh issue of equity share under IPO.		
b. Debt-equity ratio		
Total debt (Numerator)	180.38	1,171.24
Shareholder's equity (Denominator)	6,191.53	2,449.21
Debt-equity ratio	**0.03**	**0.48**
% Change as compared to the preceding year	(93.91%)	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
This is due decrease in borrowings which was paid of from the funds received from fresh issue of equity share under IPO.		
c. Debt service coverage ratio		
Earnings available for debt service (Numerator) *	461.34	194.57
Debt service (Denominator) #	(1,205.29)	(108.27)
Debt service coverage ratio	**(0.38)**	**(0.38)**
% Change as compared to the preceding year	0.00%	-

* Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
# Debt service = Interest and Lease payments + Principal repayments

All amounts are in INR million unless otherwise stated

d. Return on equity ratio

Profit / (loss) after taxes (Numerator)	84.19	(285.75)
Shareholder's equity (Denominator)	6,191.53	2,449.21
Return on equity	**1.36%**	**(11.67%)**
% Change as compared to the preceding year	(111.65%)	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is majorily due to increase in Share holders equity on account of issue of 31,441,282 Equity shares (includes Equity shares of 129,870 reserve for Employees at discounted rate) of Face value of INR 1/- each ("equity shares") for cash at a price of INR 425/-per Equity Share (including a share premium of INR 424/- per Equity Share) aggregating to INR13,357.35 million. This comprises of fresh issue of 8,835,752 equity shares aggregating up to INR 3,750 million (the "fresh issue") and an Offer for Sale of 22,605,530 equity shares aggregating to INR 9,607.35 million. The equity shares of the Holding Company got listed with BSE Limited and National Stock Exchange of India Limited on 17 December 2021.

e. Trade receivables turnover ratio

Net sales (Numerator)	3,665.91	2,507.93
Average trade receivable (Denominator) *	805.13	722.89
Trade receivables turnover ratio	**4.55**	**3.47**
% Change as compared to the preceding year	31.24%	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
Collection process was slow during last year due to Covid. The payment by customers have improved with business of the clients picking post covid market growth.

* Average trade receivables = (Opening balance + Closing balance)/ 2

f. Trade payables turnover ratio

Net sales (Numerator)	3,665.91	2,507.93
Average trade payable (Denominator) *	330.55	314.31
Trade payables turnover ratio	**11.09**	**7.98**
% Change as compared to the preceding year	38.99%	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is majorily due to increase in payable for IPO related services availed by the Holding Company.

* Average trade payables = (Opening balance + Closing balance)/ 2

g. Net capital turnover ratio

Net sales (Numerator)	3,665.91	2,507.93
Working capital (Denominator) *	3,986.41	1,764.06
Net capital turnover ratio	**0.92**	**1.42**
% Change as compared to the preceding year	(35.32%)	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is due increase in currents assets which is on account of short term investments made in fixed deposits of funds received fresh issue of equity share under IPO.

* Working capital is calculated as current assets minus current liabilities.

h. Net profit ratio

Profit / (loss) after taxes (Numerator)	84.19	(285.75)
Net sales (Denominator)	3,665.91	2,507.93
Net profit ratio	**2.30%**	**(11.39%)**
% Change as compared to the preceding year	(120.16%)	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is due to increase in revenue because of reopening of international travel and increased vaccinations, in the year ending 31 March 2022.

i. Return on capital employed

Earning before interest and taxes (Numerator)	158.75	(165.09)
Capital employed (Denominator)*	6,371.91	3,620.45
Return on capital employed	**2.49%**	**(4.56%)**
% Change as compared to the preceding year	(154.64%)	-

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is due to increase in revenue because of reopening of international travel and increased vaccinations and also the group have received funds as IPO proceeds resulting in increase of capital employed.
* Capital Employed = Total equity + Total debt

j. Return on investment

Earning before interest and taxes (Numerator)	158.75	(165.09)
Closing total assets	7,810.91	4,398.04
Return on investment	**2.03%**	**-3.75%**
% Change as compared to the preceding year	(154.14%)	

Explanation for change in the ratio by more than 25% as compared to the preceding year:
This is due to increase in revenue because of reopening of international travel and increased vaccinations and also the group have received funds as IPO proceeds resulting in increase of capital employed.

*Investments= Investment in mutual funds/bonds/commercial papers + Investment in fixed deposits

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47 Additional regulatory information not disclosed elsewhere in the consolidated financials statements

(a) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) The Group has no borrowings from banks and financial institutions on the basis of security of current assets.

(c) The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(d) The Group does not have any transactions with companies struck off.

(e) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(f) The Group has entered into any scheme of arrangement for the acquisition of Myhotelshop GmbH by RateGain Technologies,Uk which has an accounting impact on current financial year.

(g) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(h) **Utilisation of Borrowed funds and share premium**
The Group has not advanced or loaned or invested funds to any other persons or entityies, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group has not received any fund from any persons or entityies, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(i) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(j) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(k) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

48 Conversion of cumulative compulsory convertible preference shares (CCCPS)

The Holding Company has converted 148,324 Cumulative Compulsorily Convertible Preference shares (“CCCPS”) of INR 10/- each into 1,77,98,880 Equity Shares of INR 1/- each, ranking pari passu with the existing equity shares of the Holding Company, on November 22, 2021 after taking the effect of issuance of bonus of 11 fully paid-up Equity Shares on 1 Equity Share and sub-division of Nominal Value of Equity Shares from INR 10/- to INR 1/- each, in favor of CCCPS holders as per conversion event mentioned in the subscription agreement with Wagner Limited and Avaatar Holdings.

49 Issue of bonus shares
The Holding Company has issued the bonus shares in the ratio of 1:11 to the existing equity shareholders. Corresponding adjustment has been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. Bonus shares are retrospectively considered for the computation of EPS.

(This space has been intentionally left blank)

50 During the year, the Holding Company has completed its Initial Public Offer ("IPO") of 31,441,282 Equity shares (includes Equity shares of 129,870 reserve for Employees at discounted rate) of Face value of INR 1/- each ("equity shares") for cash at a price of INR 425/-per Equity Share (including a share premium of INR 424/- per Equity Share) aggregating to INR 13,357.35 million. This comprises of fresh issue of 8,835,752 equity shares aggregating up to INR 3,750.08 million (the "fresh issue") and an Offer for Sale of 22,605,530 equity shares aggregating to INR 9,607.35 million. The equity shares of the holding Company got listed with BSE Limited and National Stock Exchange of India Limited on 17 December 2021.

The utilisation of the initial public offer proceeds is summarised below: (in INR million)

Object of the issue as per prospectus	**Utilisation planned as per prospectus**	**Total utilised upto 31 March 2022**	**Amount pending for utilisation as at 31 March 2022***
Repayment/prepayment of indebtedness availed by RateGain UK, one of our Subsidiaries, from Silicon Valley Bank	852.61	846.79	5.82
Payment of deferred consideration for DHISCO acquisition	252.00	250.28	1.72
Strategic investments, acquisitions and inorganic growth	800.00	Nil	800.00
Investment in technology innovation, artificial intelligence and other organic growth initiatives	500.00	Nil	500.00
Purchase of certain capital equipment for our Data Centre	407.73	Nil	407.73
General corporate purposes	732.71	Nil	732.71

*The unutilised proceeds has been temporarily invested/parked in bank accounts,deposits,bonds and commercial paper.

51 The total IPO expenses are INR 728.44 (inclusive of taxes) which are proportionately allocated between the selling shareholders and the Holding Company as per respective offer size. The Holding Company’s share of these expenses is INR 205.03 (inclusive of taxes), of which INR 175.31 (excluding taxes) has been adjusted against securities premium and INR 9.43 (excluding taxes) under exceptional item on account of share listing expenses.

52 The Global COVID19 outbreak had an adverse impact on the travel and hospitality industry. Over the last 18 months, the pandemic has entered an endemic stage across the world with most countries removing travel restrictions and international travel resuming, the industry is on its way to recovery. The group operations and financial performance were impacted due to these restrictions, however, with the gradual reopening of international travel and increased vaccinations, the group volumes have recovered to pre-pandemic levels in the year ending 31 March 2022. The group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, intangible assets, goodwill, investments and trade receivables. In developing the assumptions relating to the possible future uncertainties in the global economic condition because of the pandemic, the group, as at the date of the approval of the financial results has used internal and external sources on the expected future performance of the group. Based on current indicators of future conditions, the group expects the carrying amount of these will be recovered and sufficient liquidity is available to fund the business operations. Given the uncertainty because of COVID-19, the final impact on the group assets in future may differ from the estimated as at the date of approval of these consolidated financial results.

53 No subsequent event occurred post balance sheet date which requires adjustment in the consolidated financial statements for the year ended 31 March 2022.

54 The Schedule III to the Companies Act, 2013 has been amended in respect of certain regrouping / disclosures vide notification dated 24 March 2021 which are applicable w.e.f. 1 April 2021. The figures have been presented in these consolidated financial statments after considering the said amendments. The figures of the corresponding previous year have been regrouped wherever considered necessary to correspond to current year disclosures.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date:16 May 2022
Place:Faridabad

Date:16 May 2022
Place:Noida

Independent Auditor's Report

To the Members of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Sale of services The Group recognised an amount of INR 5,651.28 million as revenue for the year ended 31 March 2023 from sale of services, as disclosed in Note 23 to the financial statements. Further, refer Note 2.2 (k) in the summary of significant accounting policies and other explanatory information. Revenue of the Group majorly comprises of Distribution as a service (DaaS), Distribution and Marketing technology (MarTech) services provided to a large number of customers across geographies which is recognized by the Company in accordance with the principles of Ind AS 115, 'Revenue from contracts with customers' ('Ind AS') that requires identification of performance obligations, determination of transaction price including variable consideration and satisfaction of performance obligations. Revenue is also a key performance indicator of the Group and is identified as a significant audit risk in accordance with the standards on auditing primarily as there is a risk that revenue is recognised on sale of services before the control is transferred. Accordingly, occurrence of revenue is a key focus area on account of various categories of customers, varying terms of contracts and high volume of sales transactions. We determined this to be a key audit matter due to significant time and effort involved in assessing the appropriateness of revenue recognition.	Our audit procedures included, but were not limited to the following: • Obtained an understanding of the process of identification and recording of revenue transactions services of Daas, Distribution and MarTech; • Evaluated the design, implementation and tested the operating effectiveness of key controls over revenue recognition including around services, pricing and accounting of revenue transactions; • Evaluated the appropriateness of revenue recognition accounting policy adopted by the Company is in accordance with Ind AS 115; • Performed substantive analytical procedures on revenue which included ratio analysis, sales-mix analysis, region -wise analysis, etc; • On a sample basis, tested revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end, with supporting documents such as invoices, agreements with customers, proof of performance of services; • Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis for balances outstanding as at year end and reconciling revenue recorded during the year with statutory returns filed by the Company in this respect under various regulations; • Tested manual journal entries impacting revenue including credit notes etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; • Evaluated disclosures made in the financial statement for revenue recognition from sale of services for appropriateness in accordance with the accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of INR 3,053.33 million and net assets of INR 1,590.48 million as at 31 March 2023, total revenues of INR 1,613.26 million and cash flows (net) amounting to INR 250.97 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management and

our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company has paid remuneration to their directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 33 to the consolidated financial statements;

        ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023;

iv.

a. The management of the Holding Company has represented to us that, to the best of their knowledge and belief other than disclosed in Note 46 (d) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 46 (e) to the accompanying consolidated financial statements, no funds have been received by the Holding Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company or its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 23507568BGYWBS8678

Place: Delhi
Date: 19 May 2023

Annexure 1

List of entities included in the Statement

Name of Holding Company

1.RateGain Travel Technologies Limited (Formerly known as RateGain Travel Technologies Private Limited)

Name of Subsidiaries

1. RateGain Technologies Limited, UK
2. RateGain Spain, S.L.
3. RateGain Technologies Inc., USA
4. BCV Social LLC
5. Myhotelshop Gmbh
6. Myhotelshop S.L.
7. RateGain Adara Inc., USA
8. RateGain Technologies LLC, Sharjah, UAE

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, which is company covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Board of Directors of the Holding Company, which is company covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company, which is company covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 23507568BGYWBS8678

Place: Delhi
Date: 19 May 2023

1 Company information/overview

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited) is a public limited company domiciled in India, having its registered office at –M-140, Greater Kailash Part II, New Delhi - 110048. The Holding Company was incorporated on 16 November 2012 as a private limited company in India. Subsequently, the Holding Company changed its legal status from a private company to a public company on 27 July 2021. These consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries (collectively referred to as the 'Group'). The Holding Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The group is in the business of Information Technology services providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals.

Details relating to Group considered in these consolidated financial statements are as follows:

(i) Subsidiaries

Name of the company	Country of incorporation	% voting power held as at 31 March 2023	% voting power held as at 31 March 2022
RateGain Technologies Limited	United Kingdom	100%	100%
RateGain Technologies Spain S.L.	Spain	100%	100%
RateGain Technologies Inc.	United States of America	100%	100%
BCV Social LLC.	United States of America	100%	100%
Myhotelshop GmbH	Germany	100%	100%
Myhotelshop S.I	Spain	100%	100%
RateGain Technologies LLC	Dubai	100%	-
RateGain Adara INC	United States of America	100%	-

The financial statements of the above entities (Subsidiaries) are drawn up-to the same accounting period as that of the Group.

2.1 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of this consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These consolidated financial statements for the year ended 31 March 2023 has been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 as amended from time to time and guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable.

The consolidated financial statements for the year ended 31 March 2023 were approved for issue by the Board of Directors on 19 May 2023.

(b) Basis of measurement

The consolidated financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial assets and financial liabilities that are measured at fair value or amortized cost, defined benefit obligations and share based payments.

(c) Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements.

Information about significant areas of estimation /uncertainty and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows: -

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Leases- Judgment required to ascertain lease classification, lease term, incremental borrowing rate, lease and non-lease component, and impairment of ROU.

Significant estimates

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Allowance for expected credit losses – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Business combinations – Measurement of consideration and assets acquired as part of business combination.

Share based payments – Measurement of share based payments; measurement of financial guarantee contracts, provisions and contingent liabilities.

Projections – cash flow projections and liquidity assessment.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in these consolidated financial statements.

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to / by the Group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Basis of consolidation

The consolidated financial statements include the financial statements of the Holding Company and its subsidiaries.

Subsidiaries

Subsidiaries are entities controlled by the Holding Company. The Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The standalone financial statements of the Holding Company and financial statements of the subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and any unrealised incomes and expenses arising from intra-group transactions. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated Statement of profit and loss.

2.2 Other significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the consolidated financial statements.

(a) Property, plant equipment
Recognition and measurement
Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated Statement of profit and loss when such asset is derecognised.
Subsequent cost
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other subsequent cost are charged to consolidated Statement of profit and loss at the time of incurrence.

Depreciation
Depreciation on PPE is provided on the straight-line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 (‘Schedule II’) on a pro-rata basis from the date the asset is ready to put to use.

Block of asset	Useful life as per Companies Act, 2013 (in years)
Computer	3
Furniture and fixture	10
Office equipment	5

Leasehold improvements are depreciated on a straight-line basis over the period of the initial lease term or estimated useful life whichever is shorter.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress
Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-

progress.

(b) Business Combination and Intangible Assets

Business combination and goodwill

The Group accounts for the business combinations using the acquisition method when control is transferred to the respective company of the Group. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and other intangible assets) acquired and any non-controlling interest in the acquired business. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Any goodwill that arises is not amortised but is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognised in the consolidated Statement of profit and loss.

(c) Other intangible assets

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible assets and are recognised in the consolidated Statement of profit and loss when the asset is derecognised.

Subsequent cost

Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on other intangible assets is recognised in consolidated Statement of profit and loss, as incurred.

Amortisation

Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year.

The amortisation expense on intangible assets with finite life is recognised in the statement of profit and loss under the head Depreciation and amortization expense.

Amortisation has been charged based on the following useful lives:

Asset description	Useful life of asset (in years)
Softwares	3-10
Customer relationship and trade name	12
Non-compete	3-6
Leasehold improvements	5

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Derecognition of intangible asset
An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

(d) Leases

The Group as a lessee
The Group enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Group presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

(e) Impairment - non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to a CGU or groups of CGU that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the consolidated Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Provisions and contingent liabilities

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

(g) Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee’s salary and the tenure of employment.

The liability recognised in the consolidated Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the consolidated Statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in consolidated Statement of profit and loss as past service cost.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long-term employee benefits

Compensated absences

The Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in consolidated Statement of profit and loss in the period in which they arise.

(h) Share based payments

The fair value on grant date of equity-settled share-based payment arrangements granted to eligible employees of the Group under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the consolidated Statement of profit and loss, in relation to options granted to employees of the Group (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity. For share-based payment awards with market conditions, the grant- date fair value of the share-based payment is measured to reflect such conditions and there is no true- up for differences between expected and actual outcomes. At the end of each period, the Group revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

In case of cash-settled plan, fair value is determined on each reporting date and expense is accordingly recognised in the statement of profit and loss with a corresponding increase to the ESOP liability**.**

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(i) Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the consolidated statement of profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.
Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

(j) Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the date of the transactions.
Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the consolidated Statement of profit and loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the consolidated Statement of profit and loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the consolidated Statement of profit and loss, within finance costs.

Foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into Indian rupees (INR), the functional currency of the Group at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.
Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

(k) Revenue recognition

Revenue from Contracts with Customers is recognised upon transfer of control of promised services to customers. Revenue is measured at the transaction price (net of variable consideration) which is the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from operations is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

The Group derived its revenue from service which is categorized in below 3 categories:

1. **DAAS:** It is a AI led Products to gauge Demand and optimise pricing which help in providing data and information to players across the travel & hospitality industry and delivering insights including competitive and rate parity intelligence.
2. **Distribution**: It is a AI led product to standardise content distribution which provide Seamless connectivity between Hotels and their demand partners including OTAs, GDS and others and communicate availability, rates, inventory and content to its customers.
3. **Martech:** It is a end to end Digital Marketing Suite to manage Brand presence for Hotels across Social Media and Metasearch platforms and optimize direct bookings. It helps their customers in monitoring the guest engagement 24*7.

Revenue from sale of services

(1) Revenue from sale of services in case of hospitality sector is recognised when the services are performed through an indefinite number of repetitive acts over the specified subscription period on straight line basis or on the basis of underlying services performed, as the case may be, in accordance with the terms of the contracts with customers and in case of travel sector the same is recognised when the related services are performed as per the terms of contracts.

Revenue from sale of transaction based services are recognised on point in time.

The group defers unearned revenue, including payments received in advance, until the related subscription period is complete or underlying services are performed.

(2) Revenue from sale of service being marketing support services, management fee and auxiliary and business support services are recognised on the basis of satisfaction of performance obligation over the duration of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

No significant element of financing is deemed present as the sale of services are made with a credit term of 30 to 60 days, which is consistent with market practice.

Interest income
Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

(I) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Recognition and initial measurement
Trade receivables and debt instruments are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through consolidated Statement of profit and loss, transaction costs that are attributable to its acquisition or use.

Classification
For the purpose of initial recognition, the Group classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.
A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.
All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the consolidated Statement of profit and loss.

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the consolidated Statement of profit and loss.

Derecognition
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the consolidated Statement of profit and loss.

Impairment of financial assets (other than at fair value)
The Group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the consolidated Statement of profit and loss.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement
All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through profit and loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement
Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated Statement of profit and loss.
Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated Statement of profit and loss.

Compound financial instruments
Compound financial instruments are bifurcated into liability and equity components based on the terms of the contract.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not measured subsequently.
Interest on liability component is recognised in consolidated Statement of profit and loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Derecognition
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated Statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(m) Investments
The Group has measured its investment in bonds at amortised cost in its consolidated financial statements.

The Group has measured its investment in mutual fund at FVTPL in its consolidated financial statements. Profit or loss on fair value of mutual fund is recognised in consolidated statement of profit and loss.

(n) Earnings per share
The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the consolidated Statement of profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting consolidated Statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

(o) Current and non-current classification
All assets and liabilities are classified into current and non-current.

Assets
An asset is classified as current when it satisfies any of the following criteria:
it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities
A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

(p) Cash and cash equivalents
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(q) Segment reporting
The Group's business activity primarily falls within a single segment which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers.

(r) Functional and presentation currency
The management has determined the currency of the primary economic environment in which the Group operates, i.e., the functional currency, to be Indian Rupees (INR). The consolidated financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers

presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

(s) Exceptional items
Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance.

(t) Cash flow statement
Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

(u) Share issue expense
Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of profit and loss.

(v) Recent accounting pronouncements
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the (Indian Accounting Standards) Amendment Rules, 2023, applicable from 01 April 2023, as below:

- **Ind AS 1 - Presentation of Financial Statements**
  This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company does not expect the amendment to have any significant impact in its financial statements

- **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors**
  This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company does not expect the amendment to have any significant impact in its financial statements

- **Ind AS 12 - Income Taxes**
  This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company does not expect the amendment to have any significant impact in its financial statements.

All amounts are in INR million unless otherwise stated

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	63.08	65.50
Right-of-use assets	4	166.50	179.21
Goodwill	5	1,737.28	687.56
Other intangible assets	5	1,991.18	1,292.65
Intangible assets under development	5A	14.26	-
Financial assets			
Investments	10	238.61	228.86
Others	7	19.75	17.86
Income tax assets (net)	8	8.53	6.06
Deferred tax assets (net)	9	157.49	42.28
Other non-current assets	11	9.44	8.58
Total non-current assets		**4,406.12**	**2,528.56**
Current assets			
Financial assets			
Investments	10	1,160.13	1,417.79
Trade receivables	12	1,607.83	1,005.58
Cash and cash equivalents	13	999.30	340.98
Other bank balances	14	1,015.28	2,110.03
Loans	6	3.93	4.67
Others	7	37.78	258.45
Other current assets	11	222.45	144.85
Total current assets		**5,046.70**	**5,282.35**
Total assets		**9,452.82**	**7,810.91**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	108.32	107.31
Other equity	17	6,989.12	6,084.22
Total equity		**7,097.44**	**6,191.53**
LIABILITES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	18	140.33	147.24
Others	19	152.78	51.90
Provisions	20	44.48	37.59
Deferred tax liabilities (net)	9	93.57	86.56
Other non-current liabilities	21	1.21	0.15
Total non-current liabilities		**432.37**	**323.44**
Current liabilities			
Financial liabilities			
Lease liabilities	18	36.58	33.14
Trade payables	22		
i. total outstanding dues of micro enterprises and small enterprises		7.00	2.69
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		815.65	415.44
Others	19	333.91	255.77
Other current liabilities	21	677.24	520.16
Provisions	20	3.11	2.54
Income tax liabilities (net)	8	49.52	66.20
Total current liabilities		**1,923.01**	**1,295.94**
Total liabilities		**2,355.38**	**1,619.38**
Total equity and liabilities		**9,452.82**	**7,810.91**
Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568

Date: 19 May 2023
Place: Delhi

For **and on behalf of the Board of Directors of RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)**

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date: 19 May 2023
Place: Noida

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
All amounts are in INR million unless otherwise stated

Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	23	5,651.28	3,665.91
Other income	24	199.32	165.22
Total income		**5,850.60**	**3,831.13**
Expenses			
Employee benefits expense	25	2,527.56	1,913.74
Finance costs	26	15.11	52.33
Depreciation and amortization expense	27	358.14	300.64
Other expenses	28	2,277.21	1,446.62
Total expenses		**5,178.02**	**3,713.33**
Profit before exceptional items and tax		**672.58**	**117.80**
Exceptional items	29	-	9.43
Profit before tax		**672.58**	**108.37**
Tax expense:	30		
Current tax		97.13	45.33
Deferred tax credit		(108.56)	(21.15)
Total tax (credit)/expense		**(11.43)**	**24.18**
Profit for the year		**684.01**	**84.19**
Other comprehensive income			
(i) Item that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan (Refer note 38)		(2.58)	(0.59)
- Income tax relating to these items		0.70	0.16
(ii) Item that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		125.64	(17.08)
Total other comprehensive income/(loss)		**123.76**	**(17.51)**
Total comprehensive income for the year		**807.77**	**66.68**
Profit for the year		**684.01**	**84.19**
Attributable to owners of the Holding Company		684.01	84.19
Other comprehensive income/(loss) for the year		**123.76**	**(17.51)**
Attributable to owners of the Holding Company		123.76	(17.51)
Total comprehensive income for the year		**807.77**	**66.68**
Attributable to owners of the Holding Company		807.77	66.68
Earning per equity share			
Basic EPS	31	6.33	0.84
Diluted EPS	31	6.29	0.83

Significant accounting policies **2**
The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date: 19 May 2023
Place: Delhi

Date: 19 May 2023
Place: Noida

RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)
Consolidated Cash Flow Statement for the year ended 31 March 2023
All amounts are in INR million unless otherwise stated

Particulars	As at 31 March 2023	As at 31 March 2022
Operating activities		
Profit before tax	672.58	108.37
Adjustments for:		
Depreciation and amortisation expense	358.14	300.64
Finance cost	14.34	50.38
Employee stock option expense	46.94	71.28
Trade and other receivables written off	81.65	57.06
Allowance for expected credit loss	28.59	22.26
Net gain on current investments measured at FVTPL	(10.38)	(36.43)
Interest income	(165.77)	(49.44)
Unrealised foreign exchange loss/(profit)	(56.01)	(0.02)
Gain on termination of lease	-	(2.86)
Exceptional items (share issue expenses)	-	9.43
Write off of property, plant and equipment (net)	-	12.90
(Gain)/loss on sale of property, plant and equipment (net)	(0.98)	0.02
Operating profit before working capital changes and other adjustments	**969.10**	**543.59**
Working capital adjustments:		
Increase in trade receivables	(265.49)	(276.60)
(Increase)/ Decrease in financial assets	203.94	(4.98)
Decrease in loans	0.74	-
Increase in other assets	(47.47)	(37.48)
Decrease in trade payable	(106.90)	(58.52)
Increase/ (Decrease) in other financial liabilities	44.59	(12.45)
Increase/ (Decrease) in other liabilities	(166.68)	43.39
Increase in provisions	4.88	4.48
Cash generated from operating activities post working capital changes	**636.71**	**201.43**
Income tax paid (net)	(117.53)	(33.38)
Net cash generated from operating activities	**519.18**	**168.05**
Investing activities		
Purchase of property, plant and equipment, intangible assets and Right of use assets	(44.22)	(35.96)
Proceeds from sale of property, plant and equipment	2.33	1.28
Investments in mutual funds	(1,924.25)	(646.65)
Proceeds from sale of investments in mutual funds	2,326.28	1,575.63
Investments in bonds	(3,119.22)	(1,248.97)
Proceeds from sale of investments in bonds	2,975.47	-
Investments in bank deposits	(6,614.93)	(5,710.14)
Proceeds from maturity of bank deposits	7,709.68	3,635.93
Security deposit given	(1.61)	(30.00)
Payment for acquisition of subsidiaries	-	(565.35)
Receipt of loans given	-	44.82
Interest income	182.82	28.00
Consideration paid related to earlier acquisition	(141.55)	-
Consideration paid for acquisition of business	(1,224.99)	-
Net cash generated from/(used in) investing activities	**125.81**	**(2,951.40)**
Financing activities		
Proceeds from issue of equity instruments	21.73	3,777.89
Repayment of long-term borrowings	-	(1,125.82)
Repayment of lease liabilities	(24.40)	(15.39)
Share application money received/refunded (net)	-	3.81
Share issue expenses	-	(177.34)
Finance cost paid on lease liabilities	(14.15)	(8.39)
Finance cost paid	(0.19)	(55.69)
Net cash generated from/(used in) financing activities	**(17.01)**	**2,399.07**
Net increase/(decrease) in cash and cash equivalents	627.98	(384.28)
Net foreign exchange difference	30.34	(1.08)
Cash and cash equivalents at the beginning of the year	340.98	537.56
Cash and cash equivalents of acquired subsidiary	-	188.78
Cash and cash equivalents at year end (refer note 13)	**999.30**	**340.98**

Significant accounting policies **2**

The Consolidated Statement of Cash Flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568

Date: 19 May 2023
Place: Delhi

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date: 19 May 2023
Place: Noida

All amounts are in INR million unless otherwise stated

a. Equity share capital

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid	
As at 01 April 2021	**6.55**
Changes in equity share capital during the year (refer note 15)	100.76
As at 31 March 2022	**107.31**
Changes in equity share capital during the year (refer note 15)	1.01
As at 31 March 2023	**108.32**

b. Instrument entirely equity in nature

Particulars	Amount
Compulsorily convertible preference shares (CCPS) of INR 10 each issued, subscribed and fully paid	
As at 01 April 2021	**1.48**
Changes in CCPS capital during the year (refer note 16)	(1.48)
As at 31 March 2022	-
Changes in CCPS capital during the year (refer note 16)	-
As at 31 March 2023	-

c. Other equity

Particulars	Reserves and Surplus					Total
	Security premium account	Share application money pending allotment	Share options outstanding account	Foreign currency translation reserve	Retained earnings	
Balance as at 01 April 2021	**1,798.68**	**-**	**379.41**	**74.70**	**188.39**	**2,441.18**
Profit for the year	-	-	-	-	84.19	84.19
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	(17.08)	(0.43)	(17.51)
Transaction with owners in their capacity as owners						
Employee stock option expense	-	-	71.28	-	-	71.28
Addition during the year	-	1.43	-	-	-	1.43
Amount reclassified to retained earnings due to ESOP lapsed	-	-	(19.93)	-	19.93	-
Transaction costs arising on share issues	(175.31)	-	-	-	-	(175.31)
Amount reclassified to securities premium due to ESOP exercised	-	-	(234.53)	-	-	(234.53)
Adjustment of bonus issue on conversion of CCPS during the year	(16.32)	-	-	-	-	(16.32)
Share capital issued during the year	3,741.24	-	-	-	-	3,741.24
ESOP exercised during the year	260.27	-	-	-	-	260.27
Bonus shares issued during the year	(72.06)	-	-	-	-	(72.06)
Forfeiture of share application money	0.36	-	-	-	-	0.36
Balance as at 31 March 2022	**5,536.86**	**1.43**	**196.23**	**57.62**	**292.08**	**6,084.22**
Profit for the year	-	-	-	-	684.01	684.01
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	125.64	(1.88)	123.76
Transaction with owners in their capacity as owners						
Employee stock option expense	-	-	46.94	-	-	46.94
Amount reclassified to retained earnings due to ESOP lapsed	-	-	(1.37)	-	1.37	-
Amount reclassified to securities premium due to ESOP exercised	-	-	(123.71)	-	-	(123.71)
ESOP exercised during the year	145.87	-	-	-	-	145.87
Reversal of excess transaction costs on share issues	29.46	-	-	-	-	29.46
Share application money adjusted	-	(1.43)	-	-	-	(1.43)
Balance as at 31 March 2023	**5,712.19**	**-**	**118.09**	**183.26**	**975.58**	**6,989.12**

Significant accounting policies **2**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Nitin Toshniwal
Partner
Membership No.: 507568

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date: 19 May 2023
Place: Delhi

Date: 19 May 2023
Place: Noida

All amounts are in INR million unless otherwise stated

3 Property, plant and equipment

	Office equipment	Furniture and fixtures	Computers	Leasehold improvements	Total
Gross carrying value:					
Balance as at 01 April 2021	**41.00**	**3.77**	**233.77**	**49.97**	**328.50**
Additions	0.22	4.79	30.18	0.77	35.96
Acquisition of subsidiary	-	9.45	-	-	9.45
Disposals/ adjustments	(7.66)	(0.90)	(14.59)	(15.96)	(39.11)
Translation adjustment	0.35	(0.11)	7.21	(0.02)	7.43
Balance as at 31 March 2022	**33.91**	**17.00**	**256.57**	**34.76**	**342.23**
Additions	0.59	3.84	24.07	-	28.50
Disposals/ adjustments	(0.16)	-	(7.27)	-	(7.43)
Translation adjustment	0.82	1.20	17.51	0.07	19.60
Balance as at 31 March 2023	**35.16**	**22.04**	**290.88**	**34.83**	**382.90**
Accumulated depreciation and Impairment loss:					
Balance as at 01 April 2021	**22.25**	**1.74**	**199.02**	**26.48**	**249.48**
Depreciation expense	5.85	1.59	22.33	7.73	37.50
Acquisition of subsidiary	-	8.43	-	-	8.43
Disposals / adjustments	(6.57)	(0.62)	(11.97)	(5.75)	(24.91)
Translation adjustment	0.08	(0.16)	6.32	(0.01)	6.23
Balance as at 31 March 2022	**21.61**	**10.98**	**215.70**	**28.45**	**276.73**
Depreciation expense	4.25	5.11	19.27	3.91	32.54
Disposals / adjustments	(0.14)	-	(5.94)	-	(6.08)
Translation adjustment	0.32	0.83	15.45	0.03	16.63
Balance as at 31 March 2023	**26.04**	**16.92**	**244.48**	**32.39**	**319.82**
Net carrying value:					
Balance as at 31 March 2022	**12.30**	**6.02**	**40.87**	**6.31**	**65.50**
Balance as at 31 March 2023	**9.12**	**5.12**	**46.40**	**2.44**	**63.08**

(i) The Group does not have assets pledged as security.
(ii) Depreciation of property,plant and equipment has been presented in Note 27 i.e. Depreciation and amortization expense.
(iii) The title deeds of the immovable properties are held in the name of entities included in Group, covered under the Act.

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All amounts are in INR million unless otherwise stated

4 Right-of-use assets

	Office building
Gross carrying value:	
Balance as at 01 April 2021	**109.05**
Additions	143.80
Acquisition of subsidiary	19.85
Translation adjustment	0.21
Balance as at 31 March 2022	**272.91**
Additions	18.71
Translation adjustment	3.60
Balance as at 31 March 2023	**295.22**
Accumulated depreciation:	
Balance as at 01 April 2021	**63.43**
Depreciation expense	22.15
Acquisition of subsidiary	8.28
Translation adjustment	(0.16)
Balance as at 31 March 2022	**93.70**
Depreciation expense	33.60
Translation adjustment	1.42
Balance as at 31 March 2023	**128.72**
Net carrying value:	
Balance as at 31 March 2022	**179.21**
Balance as at 31 March 2023	**166.50**

(i) Depreciation of right of use assets has been presented in Note 27 i.e. Depreciation and amortization expense.

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All amounts are in INR million unless otherwise stated

5 Goodwill and other intangible assets

	Customer relationship and trade name	Leasehold improvements	Softwares	Non compete	Total	Goodwill
Gross carrying value:						
Balance as at 01 April 2021	**761.77**	**11.41**	**1,047.91**	**-**	**1,821.09**	**928.60**
Acquisition of subsidiary	147.11	-	166.38	1.50	314.99	319.59
Translation adjustment	25.26	0.43	32.68	(0.03)	58.34	(0.60)
Balance as at 31 March 2022	**934.14**	**11.84**	**1,246.97**	**1.47**	**2,194.42**	**1,247.59**
Additions	-	-	1.50	-	1.50	1,012.72
Acquisition of subsidiary	282.08	-	617.87	-	899.95	-
Translation adjustment	73.34	0.97	92.55	0.09	166.95	37.00
Balance as at 31 March 2023	**1,289.56**	**12.81**	**1,958.89**	**1.56**	**3,262.82**	**2,297.31**
Accumulated amortisation/impairment:						
Balance as at 01 April 2021	**159.33**	**5.27**	**470.89**	**-**	**635.49**	**560.03**
Amortisation expense	72.51	2.58	165.63	0.27	240.99	-
Translation adjustment	7.06	0.24	17.99	-	25.29	-
Balance as at 31 March 2022	**238.90**	**8.09**	**654.51**	**0.27**	**901.77**	**560.03**
Amortisation expense	87.24	2.28	201.98	0.50	292.00	-
Disposals/ adjustments	-	-	-	-	-	-
Translation adjustment	22.43	0.75	54.66	0.03	77.87	-
Balance as at 31 March 2023	**348.57**	**11.12**	**911.15**	**0.80**	**1,271.64**	**560.03**
Net carrying value:						
Balance as at 31 March 2022	**695.24**	**3.75**	**592.46**	**1.20**	**1,292.65**	**687.56**
Balance as at 31 March 2023	**940.99**	**1.69**	**1,047.74**	**0.76**	**1,991.18**	**1,737.28**

(i) Amortisation of other intangible assets has been presented in Note 27, Depreciation and amortization expense.
(ii) The Company does not have assets pledged as security.
(iii) Impairment tests for goodwill
The Group tests goodwill on consolidation for impairment annually. For the purposes of impairment testing, goodwill on consolidation is allocated to respective subsidiary entity "CGU" within the Group.

The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

Particulars	As at 31 March 2023	As at 31 March 2022
Myhotelshop GmbH	331.40	312.61
RateGain Technologies Limited, UK	87.96	86.46
RateGain Technologies Inc., US	15.06	15.06
BCV Social LLC	290.14	273.43
Rategain Adara Inc.	1,012.72	-
Total	**1,737.28**	**687.56**

For CGU's containing goodwill, management conducts impairment assessment and compares the carrying amount of such CGU with its recoverable amount. Recoverable amount is value in use of the CGU computed based upon discounted cash flow projections. The key assumptions used for computation of value in use are the growth rate and discount rate as specified below. The key assumptions have been determined based on management's calculations after considering, past experiences and other available internal information and are consistent with external sources of information to the extent applicable.

Key assumptions	As at 31 March 2023	As at 31 March 2022
Discount rate	8.91% -27.36%	23.22% - 27.11%
Terminal growth rate	2.00% - 3.00%	2.00% - 3.00%

Growth rates:
The growth rates reflect the long-term average growth rates for the product lines and industries of the segments (all publicly available)

Discount rates:
The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of related to the Group.

For CGUs containing goodwill, the impairment assessment did not result in any impairment loss and the management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the said CGUs.

5A Intangible assets under development

	As at 31 March 2023	As at 31 March 2022
Intangible assets under development*	14.26	-
	14.26	**-**

Intangible assets under development	As at 31 March 2023				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	14.26	-	-	-	14.26

*There are no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

All amounts are in INR million unless otherwise stated

		As at 31 March 2023	As at 31 March 2022
6	**Loans**		
	Current		
	(unsecured and considered good)		
	Loan to employees*	3.93	4.67
		3.93	**4.67**
	***Break up of security details**		
	Loans considered good- unsecured	3.93	4.67
		3.93	**4.67**

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment.

		As at 31 March 2023	As at 31 March 2022
7	**Other financial assets**		
	Non-current		
	(Unsecured and considered good)		
	Financial assets carried at amortised cost		
	Security deposits	19.75	17.86
		19.75	**17.86**
	Current		
	(Unsecured and considered good)		
	Financial assets carried at amortised cost		
	Amount recoverable from related party	0.03	0.52
	Security deposits	32.95	31.52
	Interest accrued but not due	4.80	22.03
	Other receivable	-	204.38
	(Unsecured and considered doubtful)		
	Security deposits	5.39	5.39
	Less: Loss allowance	(5.39)	(5.39)
		37.78	**258.45**
8	**Income tax assets and liabilities**		
	Income tax assets		
	Income tax receivable	8.53	6.06
		8.53	**6.06**
	Income tax liabilities		
	Income tax payable	49.52	66.20
		49.52	**66.20**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
9 Deferred tax assets		
Deferred tax assets in relation to:		
Employee benefit expense	13.01	11.16
Loss allowance for doubtful debts and security deposit	13.24	25.21
Property, plant and equipment	49.42	8.91
Intangible assets	75.07	-
Right-of-use assets and lease liabilities	4.89	2.89
Preliminary expenses	1.42	2.10
Deferred payroll taxes	0.68	-
Total deferred tax assets	157.73	50.27
Set-off of deferred tax liabilities pursuant to set-off provisions	(0.24)	(7.99)
Net deferred tax assets	**157.49**	**42.28**
Deferred tax liabilities in relation to:		
Investments	-	2.14
Intangible assets acquired from Myhotelshop	93.81	92.45
Total deferred tax liabilities	**93.81**	**94.59**
Set-off of deferred tax assets pursuant to set-off provisions	(0.24)	(7.99)
Net deferred tax liabilities	**93.57**	**86.56**

(a) Movement in deferred tax liabilities for the period ended 31 March 2023 is as follows:

Description	Opening Balance	Translation difference	Acquisition of subsidiary	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to:						
Employee benefit expense	11.16	0.04	-	1.11	0.70	13.01
Loss allowance for doubtful debts and security deposit	25.21	0.33	-	(12.30)	-	13.24
Property, plant and equipment	8.91	1.58	-	38.93	-	49.42
Intangible assets	-	2.72	-	72.35	-	75.07
Right-of-use assets and lease liabilities	2.89	0.01	-	1.99	-	4.89
Preliminary expenses	2.10	-	-	(0.68)	-	1.42
Deferred payroll taxes	-	0.03	-	0.65	-	0.68
Total deferred tax assets	**50.27**	**4.71**	**-**	**102.05**	**0.70**	**157.73**
Deferred tax liabilities in relation to:						
Investments	2.14	-	-	(2.14)	-	-
Intangible assets acquired from Myhotelshop	92.45	5.73	-	(4.37)	-	93.81
Total deferred tax liabilities	**94.59**	**5.73**	**-**	**(6.51)**	**-**	**93.81**

(b) Movement in deferred tax liabilities for the period ended 31 March 2022 is as follows:

Description	Opening Balance	Translation difference	Acquisition of subsidiary	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets in relation to:						
Employee benefit expense	9.75	-	-	1.25	0.16	11.16
Loss allowance for doubtful debts and security deposit	14.52	(0.11)	1.86	8.94	-	25.21
Property, plant and equipment	4.16	-	-	4.75	-	8.91
Right-of-use assets and lease liabilities	2.59	-	0.09	0.21	-	2.89
Preliminary expenses	-	-	-	2.10	-	2.10
MAT credit	9.65	-	-	(9.65)	-	-
Total deferred tax assets	**40.67**	**(0.11)**	**1.95**	**7.60**	**0.16**	**50.27**
	71.59	**(0.27)**	**3.90**	**18.89**	**0.16**	**94.27**
Deferred tax liabilities in relation to:						
Investments	10.75	-	-	(8.61)	-	2.14
Intangible assets acquired from Myhotelshop	-	(2.13)	99.52	(4.94)	-	92.45
Total deferred tax liabilities	**10.75**	**(2.13)**	**99.52**	**(13.55)**	**-**	**94.59**
	10.75	**(2.18)**	**99.52**	**(8.61)**	**-**	**99.48**

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(c) Deductible temporary differences, unused tax losses and unused tax credits for which deferred tax asset is not recognised:

	Tax losses	Research and development tax credit	Other deductible temporary differences
31 March 2023	-	-	605.70
31 March 2022	237.80	25.12	463.89
Potential tax benefit @ 21%	**49.94**	**25.12**	**97.42**

Research and development credit tax credit can be carried forward for a period of 20 years from the date of generation and tax losses and unabsorbed depreciation can be carried forward indefinitely.

(d) The Group has not recognised any deferred tax liability in respect to unrecognised temporary differences relating to investment in subsidiaries as the Parent Company is able to control the timing of distributions from the subsidiaries.

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All amounts are in INR million unless otherwise stated

10 Investments

	As at 31 March 2023		As at 31 March 2022	
	Number of units	Amount	Number of units	Amount
Non-current				
Investment in bonds/commercial papers carried at amortised cost-Unquoted				
10.15% UPPCL Bonds	-	-	70	73.61
7.73% State Bank Of India Perpetual Bonds	70	72.35	70	72.35
9.75% UPPCL Bonds	80	82.45	-	-
Shriram City Union Finance Limited	80	83.81	80	82.90
Total		**238.61**		**228.86**
Total non-current investments				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		238.61		228.86
Aggregate amount of impairment in the value of investments		-		-

	Number of units	Amount	Number of units	Amount
Current				
Investment in bonds/commercial papers carried at amortised cost-Unquoted				
8.55% ICICI Bank Perpetual Bond	-	-	100	107.17
8.98% PNB Bank Perpetual Bond	-	-	100	108.50
Piramal Capital & Housing Fin.Ltd.Bond	-	-	62	50.26
Incred Finance Services Commercial Paper	-	-	200	99.73
Tata Capital Financial Services Limited Bond	-	-	100	101.73
L&T Finance Ltd. Bond	-	-	50	62.64
9.50% Shriram Transport Finance Company Limited	100	109.78	108	111.93
Estee Advisors Private Limited	1	70.18	1	70.73
Vivriti Capital Private Ltd Commercial Paper	400	197.85	200	98.58
10.15% UPPCL Bonds	70	73.62	-	-
9.25 Muthoot Fincorp Ltd.	100	102.52	100	101.48
8.72% Shriram Transport Finance Co Ltd	-	-	105	107.36
Angel One Commercial Paper	260	129.52	-	-
Navi Finserv Limited Commercial Paper	400	199.72	-	-
Northern Arc Commercial Paper	200	98.06	-	-
Chaitanya Fin Credit Commercial Paper	300	147.54	-	-
Andhra Pradesh State Beverages Corporation Limited	25	25.31	-	-
			-	-
Investment in mutual funds- quoted				
Investment carried at fair value through profit or loss (FVTPL)				
Edelweiss Arbitrage Fund	-	-	6,811,859	112.28
L&T Arbitrage Opportunities Fund	-	-	6,263,389	101.77
Kotak Equity Arbitrage Fund	-	-	5,798,324	183.63
UTI	1,966	6.03	-	-
Total		**1,160.13**		**1,417.79**
Total current investments				
Aggregate amount of quoted investments and market value thereof		6.03		397.68
Aggregate amount of unquoted investments		1,154.10		1,020.11
Aggregate amount of impairment in the value of investments		-		-

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All amounts are in INR million unless otherwise stated

		As at 31 March 2023	As at 31 March 2022
11	**Other assets**		
	Non-current		
	Prepaid expenses	9.44	8.58
		9.44	**8.58**
	Current		
	Prepaid expenses	112.99	83.38
	Advances to vendors	3.27	2.62
	Advances to employees	6.28	13.27
	Balances with government authorities	99.91	44.65
	Other advances	-	0.93
		222.45	**144.85**
12	**Trade receivables**		
	Unsecured, considered good	1,523.12	991.94
	Unbilled revenue*	130.72	64.38
	Credit impaired	164.73	131.43
		1,818.57	1,187.75
	Less: Loss allowance	(210.74)	(182.17)
		1,607.83	**1,005.58**

*Unbilled revenue pertains to outstanding invoices which are raised and approved in the subsequent financial year.

(i) Trade receivables ageing schedule is as follows:

Particulars	As at 31 March 2023						
	Outstanding for following periods from due date of payment						
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	130.72	1,460.41	62.71	-	-	-	1,653.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	3.45	102.38	41.35	17.55	164.73
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Particulars	As at 31 March 2022						
	Outstanding for following periods from due date of payment						
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	64.38	877.47	98.89	15.58	-	-	1,056.32
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	91.66	34.61	5.16	131.43
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired		-	-	-	-	-	-

		As at 31 March 2023	As at 31 March 2022
13	**Cash and cash equivalents**		
	Balances with banks		
	- In current accounts	985.12	339.94
	- in deposit accounts	0.89	0.84
	Bank deposits with original maturity of less than three months	13.10	-
	Cash on hand	0.19	0.20
		999.30	**340.98**
14	**Other bank balances**		
	Bank deposits with original maturity of more than three months but less than twelve months	1,015.28	2,110.03
		1,015.28	**2,110.03**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
15 Equity share capital		
Authorised		
147,000,000 equity shares of INR 1 each (31 March 2022: 147,000,000 equity shares of INR 1 each) *	147.00	147.00
Issued and subscribed		
108,317,192 equity shares of INR 1 each fully paid up (31 March 2022: 107,310,252 equity shares of INR 1 each fully paid up)	108.32	107.31
	108.32	**107.31**

*The face value of equity shares of the Holding Company has been split from INR 10/- to INR 1/- per share with effect from 30 July 2021.

Notes:

(i) Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, holder of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Equity shares outstanding at the beginning of the year	107,310,252	107.31	655,160	6.55
Add : Issued during the year	1,006,940	1.01	106,655,092	100.76
Equity shares outstanding at the end of the year	**108,317,192**	**108.32**	**107,310,252**	**107.31**

(iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Numbers	% holding	Numbers	% holding
Bhanu Chopra	44,483,450	41.07%	44,483,450	41.45%
Megha Chopra	14,242,360	13.15%	14,242,360	13.27%
Nippon Life India Trustee Ltd- A/C Nippon India FLE	10,056,038	9.28%	-	-
Plutus Wealth Management LLP	7,500,000	6.92%	-	-
Wagner Limited	-	-	5,704,830	5.32%
Avaatar Holdings	7,656,960	7.07%	7,656,960	7.14%
	83,938,808	**77.49%**	**72,087,600**	**67.18%**

(iv) Aggregate numbers of bonus shares issued by the Holding Company, during the period ended 31 March 2022 only out of five years immediately preceding the reporting periods details in respect of which is given below:

Particulars	**As at 31 March 2022**
Aggregate number and class of shares allotted as fully paid up by way of bonus shares (refer note 48)	72,058,800

(v) Shareholding of promoters are as follows:

Promoter Name	As at 31 March 2023 No. of shares	% of total shares	% change during the period
Bhanu Chopra	44,483,450	41.07%	(0.38%)
Megha Chopra	14,242,360	13.15%	(0.12%)

Promoter Name	As at 31 March 2022 No. of shares	% of total shares	% change during the period
Bhanu Chopra	44,483,450	41.45%	(20.31%)
Megha Chopra	14,242,360	13.27%	(6.49%)

(vi) Share reserved for issue under options:
Information relating to RateGain Travel Technologies Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 40.

(vii) The Group has not bought back any shares and neither issued any shares for consideration other than cash.

	As at 31 March 2023	As at 31 March 2022
16 Instruments entirely equity in nature		
Authorised		
300,000 (31 March 2022: 300,000) Compulsorily convertible preference shares of INR 10 each	3.00	3.00
Issued, subscribed and fully paid up		
Nil (31 March 2022: Nil) Compulsorily convertible preference shares of INR 10 each	-	-
	-	-

(i) Terms of compulsorily convertible cumulative preference shares (CCCPS), refer Note 47

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Preference shares outstanding at the beginning of the year	-	-	148,324	1.48
Add : Issued/(Converted) during the year	- -		(148,324)	(1.48)
Preference shares outstanding at the end of the year	-	-	-	-

(iii) Shares held by each shareholder holding more than 5 percent shares:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Numbers	% holding	Numbers	% holding
Wagner Limited	-	-	-	-
Avaatar Holdings	-	-	-	-

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All amounts are in INR million unless otherwise stated

17 Other equity

	As at 31 March 2023	As at 31 March 2022
Security premium account	5,712.19	5,536.86
Share options outstanding account	118.09	196.23
Foreign currency translation reserve	183.26	57.62
Retained earnings	975.58	292.08
Share application money pending allotment	-	1.43
	6,989.12	**6,084.22**

17.1 Security premium account

Balance at the beginning of the year	5,536.86	1,798.68
Adjustment of bonus issue on conversion of CCPS during the year	-	(16.32)
Share capital issued during the year	-	3,741.24
ESOP exercised during the year	145.87	260.27
Bonus shares issued during the year	-	(72.06)
Reversal of excess transaction costs (refer note 50)	29.46	-
Forfeiture of share application money	-	0.36
Transaction costs arising on share issues (refer note 50)	-	(175.31)
Balance at the end of the year	**5,712.19**	**5,536.86**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

17.2 Share options outstanding account

Balance at the beginning of the year	196.23	379.41
Employee stock option expense	46.94	71.28
Amount reclassified to securities premium due to ESOP exercised	(123.71)	(234.53)
Amount reclassified to retained earnings due to ESOP lapsed	(1.37)	(19.93)
Balance at the end of the year	**118.09**	**196.23**

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

17.3 Foreign currency translation reserve

Balance at the beginning of the year	57.62	74.70
Currency translation difference during the year	125.64	(17.08)
Balance at the end of the year	**183.26**	**57.62**

Exchange difference arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the investment is disposed-off.

17.4 Retained earnings

Balance at the beginning of the year	292.08	188.39
Profit for the year	684.01	84.19
Other comprehensive loss arising from remeasurement of defined benefit obligation, net of income tax	(1.88)	(0.43)
Amount reclassified from share options outstanding account	1.37	19.93
Balance at the end of the year	**975.58**	**292.08**

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

17.5 Share application money pending allotment

Balance at the beginning of the year	1.43	-
Addition/(adjusted) during the year	(1.43)	1.43
Balance at the end of the year	**-**	**1.43**

This is the amount received on the application on which allotment is not yet made (pending allotment).

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All amounts are in INR million unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
18 Lease liabilities		
Non-current		
Lease obligations	140.33	147.24
	140.33	**147.24**
Current		
Lease obligations	36.58	33.14
	36.58	**33.14**

(a) Reconciliation of financial liabilities arising from financing activities:

Particulars	**Non-current borrowings and Current maturities of long-term borrowings**	**Lease liabilities**
Balance as at 01 April 2021	**1,117.93**	**53.31**
Cash flows:		
Repayment of borrowings and lease liabilities	(1,125.82)	(23.78)
Other non-cash changes:		
Interest on lease liabilities	-	8.39
Termination of lease	-	(22.59)
Modification of lease	-	130.85
Acquisition of subsidiary	-	12.09
Addition of lease liabilities	-	21.95
Amortisation of incremental borrowing cost	8.85	-
Foreign exchange difference	(0.96)	0.16
Balance as at 31 March 2022	**-**	**180.38**
Cash flows:		
Repayment of lease liabilities	-	(38.55)
Other non-cash changes:		
Interest on lease liabilities	-	14.15
Addition of lease liabilities	-	18.59
Foreign exchange difference	-	2.34
Balance as at 31 March 2023	**-**	**176.91**

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All amounts are in INR million unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
19 Other financial liabilities		
Non-current		
Contingent consideration	-	51.90
Other payables	1.82	-
Employee related payable	150.96	-
	152.78	**51.90**
Current		
Deferred consideration	148.14	44.98
Contingent consideration	-	71.97
Employee related payable	176.94	125.59
Refundable share application money	-	2.75
Other payables	8.83	10.48
	333.91	**255.77**
20 Provisions		
Non-current		
Provision for employee benefits (refer note 38)		
Provision for compensated absences	10.10	8.49
Provision for gratuity	34.38	29.10
	44.48	**37.59**
Current		
Provision for employee benefits (refer note 38)		
Provision for compensated absences	1.04	0.85
Provision for gratuity	2.07	1.69
	3.11	**2.54**
21 Other liabilities		
Non-current		
Deferred revenue	1.16	-
Others	0.05	0.15
	1.21	**0.15**
Current		
Advances from customers (refer note 23)	17.54	21.81
Statutory liabilities	75.98	105.88
Deferred revenue (refer note 23)	583.72	392.37
Others	-	0.10
	677.24	**520.16**
22 Trade payables		
i. total outstanding dues of micro enterprises and small enterprises	7.00	2.69
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	815.65	415.44
	822.65	**418.13**

(a) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act, 2006”) is as under:

	As at 31 March 2023	As at 31 March 2022
i) Principal amount due to suppliers under MSMED Act	7.00	2.69
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
iv) Interest paid to suppliers under MSMED Act	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
vii) Interest accrued and remaining unpaid at the end of the accounting year	-	-

(b) Trade payables ageing is as follows:

Particulars	As at 31 March 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	7.00	-	-	-	7.00
(ii) Others	618.65	91.92	24.17	80.91	815.65
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

Particulars	As at 31 March 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	2.69	-	-	-	2.69
(ii) Others	410.14	2.65	2.62	0.03	415.44
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

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All amounts are in INR million unless otherwise stated

		Year ended 31 March 2023	Year ended 31 March 2022
23	**Revenue from operations**		
	Sale of services	5,651.28	3,665.91
		5,651.28	**3,665.91**

Note:

(a) Disaggregated revenue information

Set out below is the disaggregation of the the Group's revenue from contracts with customers:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Type of services		
DaaS	1,618.43	1,048.70
Distribution	1,942.95	1,415.45
MarTech	2,089.90	1,201.76
Total revenue from contracts with customers	**5,651.28**	**3,665.91**
Geographical region		
India	35.97	25.87
Outside India	5,615.31	3,640.04
Total revenue from contracts with customers	**5,651.28**	**3,665.91**
Revenue of timing of recognition		
Revenue recognised at point in time	3,813.54	2,152.62
Revenue recognised over time	1,837.73	1,513.29
Total revenue from contracts with customers	**5,651.27**	**3,665.91**

(b) Assets and liabilities related to contracts with customers

Trade receivables	1,607.83	1,005.58
Advances from customers	17.54	21.81
Deferred revenue	583.72	392.37

Remaining performance obligations as at the reporting date are expected to be substantially recognised over the next reporting period by the Group.

(c) Revenue recognised in relation contract liabilities

Contract liabilities related to sale of services		
Advances from customers	21.81	13.72
Deferred revenue	392.37	304.01

(d) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	5,651.28	3,665.91
Adjustments:		
Rebate	-	-
Revenue from contracts with customers	5,651.28	3,665.91

24	**Other income**		
	Interest income		
	Interest income earned on:		
	- bank deposits (at amortised cost)	65.70	25.73
	Interest income on loans and financials asset (at amortised cost)	100.07	23.71
		165.77	**49.44**
	Other income		
	Insurance claim received	0.08	-
	Sale of SEIS licenses and other benefits	-	23.63
	Gain on foreign currency transactions and translation (net)	18.88	34.04
	Allowance for expected credit loss	-	0.76
	Net gain on current investments measured at FVTPL	10.38	36.43
	Deferred government grant income	-	0.85
	Gain on termination of lease	-	2.86
	Gain on sale of property, plant and equipment (net)	0.98	-
	Others	3.23	17.21
		33.55	**115.78**
		199.32	**165.22**

All amounts are in INR million unless otherwise stated

		Year ended 31 March 2023	Year ended 31 March 2022
25	**Employee benefits expense**		
	Salaries and wages	2,343.21	1,704.93
	Contribution to provident and other fund	81.38	61.75
	Staff welfare expenses	56.03	75.80
	Employee stock option expense (refer note 40)	46.94	71.26
		2,527.56	**1,913.74**
26	**Finance costs**		
	Interest expense on borrowings	-	41.86
	Interest on lease liabilities	14.15	8.39
	Interest expense on financial liabilities at amortised cost	0.19	0.13
	Interest on delay in deposit of income tax	0.77	1.95
		15.11	**52.33**
27	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3)	32.54	37.50
	Amortisation of intangible assets (refer note 5)	292.00	240.99
	Depreciation of right-of-use assets (refer note 4)	33.60	22.15
		358.14	**300.64**
28	**Other expenses**		
	Hosting and proxy charges	401.49	254.13
	Electricity charges	3.59	2.98
	Rate parity expenses	20.92	18.13
	Rent	36.79	35.59
	Repair and maintenance		
	- Building	1.51	1.07
	- Others	1.95	1.76
	Insurance	19.47	17.45
	Rates and taxes	2.40	1.28
	Communication charges	79.02	75.82
	Postage and courier	1.86	0.63
	Travelling and conveyance	93.36	32.75
	Donation and contributions	1.48	5.12
	Legal and professional charges (including payment to auditors)	102.04	66.07
	Training and recruitment expenses	20.47	24.44
	Advertising and sales promotion expenses	266.00	173.80
	Fees and subscription	103.57	108.40
	Bank charges	19.68	15.34
	Trade and other receivables written off	81.65	57.06
	Vehicle running and maintenance	2.58	1.66
	External services	607.90	232.86
	Allowance for expected credit loss	28.59	23.02
	Software licenses	103.94	74.54
	Office maintenance	17.24	13.35
	Contractual manpower cost	130.07	130.06
	Lodging expenses	4.64	-
	Demand partner fees	106.89	63.85
	Loss on sale of property, plant and equipment (net)	-	0.02
	Write off of property, plant and equipment (net)	-	12.90
	Miscellaneous expenses	18.11	2.54
	Total	**2,277.21**	**1,446.62**
29	**Exceptional items**		
	IPO expenses(refer note 50)	-	9.43
		-	**9.43**

All amounts are in INR million unless otherwise stated

		Year ended 31 March 2023	Year ended 31 March 2022
30	**Income taxes**		
	Income tax recognised in the Consolidated statement of profit and loss		
	Current tax		
	In respect of the current year	97.13	45.33
		97.13	**45.33**
	Deferred tax		
	In respect of the current year	(108.56)	(21.15)
		(108.56)	**(21.15)**
	Total income tax (credit)/expense recognised in the current year	**(11.43)**	**24.18**
	The Income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	**672.58**	**108.37**
	Statutory income tax rate	25.17%	27.82%
	Income tax expense at statutory income tax rate	169.27	30.15
	Effect of expenses that are not deductible in determining taxable profit	4.88	7.51
	State income tax	4.16	0.68
	Deferred tax assets not recognised on unutilised tax losses and research and development tax credit	-	(2.95)
	Deferred tax assets not recognised on tax credit	(2.97)	-
	Permanent differences	0.21	0.81
	Effect of overseas tax rates	(14.81)	(5.14)
	Temporary difference on which deferred tax is not recognised	(181.42)	(6.94)
	Others	9.25	0.07
		(11.43)	**24.18**

31 Earning/(Loss) per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holder by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31 March 2023	Year ended 31 March 2022
Profit/(Loss) attributable to equity holder of the Holding Company	**684.01**	**84.19**
Weighted average number of equity shares used for computing :		
Basic EPS/(LPS) #	108,078,612	99,704,395
Effect of dilutive potential equity shares- employee stock options	703,205	1,239,416
Diluted EPS/(LPS) #	108,781,818	100,943,811
Basic EPS/(LPS)	**6.33**	**0.84**
Diluted EPS/(LPS)	**6.29**	**0.83**

The face value of equity shares of the Holding Company had been split from INR 10/- to INR 1/- per share with effect from 30 July 2021.
During the previous year, the Holding Company had issued the bonus shares in the ratio of 1:11 to the existing equity shareholders and impact of the same had also been considered in calculation of EPS for previous year. Further, the Holding Company had sub-divided each fully paid up equity share of the nominal value of INR 10/-(Rupees Ten Only) each into 10 (Ten) equity shares of INR 1/- (Rupee One Only) each fully paid up. Corresponding adjustment had been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. Impact of the same had been considered in the calculation of Basic and Diluted EPS/LPS.

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All amounts are in INR million unless otherwise stated

32 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments.

The Group's business activity falls within a single segment, which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals, in terms of Ind AS 108 on Segment Reporting. Information about relevant entity wide disclosure are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from external customers by location of the customers #		
(i) North America (primarily United States of America)	3,167.55	2,283.84
(ii) Europe (primarily United Kingdom)	1,698.21	867.49
(iii) Asia Pacific (primarily India)	621.64	385.84
(iv) Others	163.88	128.74
Total	**5,651.28**	**3,665.91**

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current assets *		
(i) India	179.57	184.95
(ii) United Kingdom	90.23	90.02
(iii) United States of America	3,077.67	1,341.63
(iv) Other countries	634.27	616.90

* Non-current assets, other than financial instruments and income tax assets (net)/deferred tax asset (net).

No single external customer contributed 10% or more of the Group's revenue for the year ended 31 March 2023 and 31 March 2022 except one customer which contributed 10.4% of the Group revenue for the year ended 31 March 2022.
Revenue of INR 1,817.17 million and INR 1,174.93 million which represents 32.16% and 32.05% of total revenue for the year ended 31 March 2023 and 31 March 2022 respectively, was contributed from ten major customer groups.

Information about revenue from customers located outside India is included in note 23.

Revenue numbers are after intergroup eliminations.

33 Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Indirect tax demand (Refer note a below)	59.74	59.74
(ii) Indirect tax demand (Refer note b below)	624.03	624.03

a. Rategain IT Solutions Private Limited (whose IT Undertaking was demerged into Rategain Travel Technologies Limited) ("Demerged Company") had received a show cause notice of INR 59.74 million dated 21 April 2016 from Commissioner of Service Tax, Audit -1, New Delhi for the period 2010-11 to 2014-15 alleging non-payment of service tax on reverse charge mechanism on foreign payments made by the demerged company in the said period, pursuant to an audit conducted by the Service Tax Audit Department for the said period. The Demerged Company, based on various judicial pronouncements had filed a petition before the Honourable High Court at New Delhi challenging the Jurisdiction and Authority of the Service Tax Audit division to audit and issue show cause notice. The Honourable High Court then directed the Holding Company to provide reply to the Commissioner of Service Tax (Audit) against the show cause notice which the Holding Company had duly filed. During financial year 2019-20, the Holding Company received an order wherein the tax authorities had dropped the proceedings in favor of the Holding Company and the matter stands closed. Department had filed an appeal with CESTAT against the order dated 12 March 2019. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company.

b. The Holding Company received a show cause notice of INR 624.03 million from Director General of Central Excise Intelligence on account of wrong classification of services provided by the Holding Company. The Holding Company classified its services under "Information Technology Software Service" and as per the show cause notice, department disputed that services provided by the Holding Company would be covered "Online Information and Database Access and/or Retrieval services (OIDAR)", wherein the place of provision of service has been specified as per PoP Rules, 2012 to be the location of service provider (i.e. location of RateGain in India). Accordingly, the definition of export of services would not be satisfied and Holding Company would be liable to charge and pay service tax. The Director General of Central Excise Intelligence then directed the Holding Company to provide reply against the show cause notice. As per the management's contention, the Holding Company's business model for the provision of services of market intelligence do not follow the mode of online database access and accordingly, their services would not constitute OIDAR services. The Holding Company filed a reply along with a writ petition in high court against the aforesaid mentioned order in earlier years and in financial year 2019-20, Honourable High Court provided stay order for any further proceedings in respect of this matter. There is no further update on this matter in the current year and management believes no demand will be raised on the Holding Company.

34 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013 ("Act"), the Board of Directors of the Holding Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Holding Company was not required to make any mandatory spending on CSR during the year ended 31 March 2023. Out of balance outstanding as at 31 March 2022 amounting to INR 5.17 million under unspent CSR funds, Holding Company spent INR 0.59 million to suitable projects for deployment of unspent CSR funds in current year. In addition, Holding Company spent INR 0.65 million towards CSR initiatives in the current year. Except as provided above, there being no unspent CSR funds for the year ended 31 March 2023, the Holding Company is not required to deposit any unspent amount in funds specified in Schedule VII by 30 September, 2023.

	As at 31 March 2023	As at 31 March 2022
Amount required to be spent by the group during the year	-	-
Amount of expenditure incurred	1.24	0.64
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	4.58	5.17

All amounts are in INR million unless otherwise stated

35 Transfer pricing

The Holding Company has appointed independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associated enterprises were undertaken at "arm length basis". The management confirms that all international transaction with associated enterprises are undertaken at negotiated contract prices on usual commercial terms, and adjustment if any, arising from the transfer pricing study shall be accounted for as and when study is completed. The Holding Company is in the process of conducting a transfer pricing study for the current financial year. Based on the transfer pricing study for the previous year, the management is of the view that the same would not have a material impact on the tax expenses provided for in these consolidated financial statements. Accordingly, these consolidated financial statements do not include any adjustments for the transfer pricing implications, if any.

36 Other explanatory information

Out of the total trade receivable balance of INR 220.57 million (31 March 2022: INR 123.34 million) export dues of Holding Company of INR Nil (31 March 2022: INR 0.30 million) are outstanding for more than nine months. As per Foreign Exchange Management (Export of Goods and Services) Regulation, 2000 issued by the Reserve Bank of India (the 'RBI'), where the realisation from foreign customer is not made within nine months from the invoice date (as per notification no. RBI/2019-20/206 dated 01 April 2020, the aforesaid period has been extended to 15 months for invoices issued upto or on 31 July 2020), the Holding Company is required to approach the Foreign Exchange Department of the Regional Office concerned of the Reserve Bank through their AD Category-I bank with a definite action plan for extension of realisation of export proceeds. The Holding Company is in the process of ensuring compliance with the relevant regulation of the Reserve Bank of India.

37 Leases

The Group has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the restated consolidated statement of assets and liabilities as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.
The remaining terms for the leases as on 31 March 2023 under the group are as under:-
(a) Rategain Travel Technologies Limited- 7.5 years
(b) Rategain USA - 1.11 years
(c) Rategain Spain- 4 years
(d) Myhotelshop GMBH- 2 years

Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. The lease payments are discounted using incremental borrowing rate of the Group, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar environment with similar terms, security and conditions.

Amounts recognised in the consolidated statement of profit or loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on right-of-use assets	33.60	22.15
Interest on lease liabilities (included in interest expenses)	14.15	8.39
Expenses relating to short-term leases	36.79	35.59

The total cash outflow for leases for the year was INR 75.34 million (31 March 2022 was INR 59.37 million).

Refer Note 42(iii)(b) for maturity of lease liabilities

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All amounts are in INR million unless otherwise stated

38 Employee benefit obligations

Particulars	31 March 2023		31 March 2022	
	Current	Non-current	Current	Non-current
Gratuity	2.07	34.38	1.69	29.10
Compensated absences	1.04	10.10	0.85	8.49
Total	**3.11**	**44.48**	**2.54**	**37.59**

A Disclosure of gratuity

Gratuity is payable to all eligible employees of the Holding Company on separation, superannuation, death or permanent disablement, in terms of the provision of the Payment of Gratuity Act, 1972. Gratuity is an unfunded defined benefit plan. The Holding Company is following Ind AS 19 'Employee Benefits' and using Projected Unit Credit Method. The following tables sets out the status of the defined benefit scheme and the amount recognised in the consolidated financial statements:

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2023	31 March 2022
Current service cost	6.28	5.29
Interest cost	2.03	1.71
Net impact on profit (before tax)	**8.31**	**7.00**
Actuarial loss/(gain) recognised during the period/year	2.58	0.59
Amount recognised in total comprehensive income	**10.89**	**7.59**

(ii) Change in the present value of obligation:

Description	31 March 2023	31 March 2022
Present value of defined benefit obligation as at the beginning of the year	**30.79**	**26.74**
Current service cost	6.28	5.29
Interest cost	2.03	1.71
Benefits paid	(5.23)	(3.54)
Actuarial loss/(gain)	2.58	0.59
Present value of defined benefit obligation as at the end of the year	**36.45**	**30.79**

(iii) a. 'Movement in the plan assets recognised in the consolidated balance sheet is as under:

Description	31 March 2023	31 March 2022
Fair value of plan assets at the beginning of the year	**-**	**-**
Expected return on plan assets	-	-
Contributions	5.23	3.54
Benefits paid	(5.23)	(3.54)
Actuarial gain/(loss)	-	-
Fair value of plan assets at the end of the year	**-**	**-**

b. 'Weighted Average Asset Allocations at end of current period

Particulars	31 March 2023 (In %)	31 March 2022 (In %)
Banks	-	-
Bonds	-	-
Gifts	-	-
Insurance policies	-	-

(iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	31 March 2023	31 March 2022
Present value of funded obligation as at the end of the year	36.45	30.79
Fair value of plan assets as at the end of the year funded status	-	-
Unfunded/funded net liability recognized in restated consolidated statement of assets and liabilities	**36.45**	**30.79**

(v) Breakup of actuarial (gain)/loss:

Description	31 March 2023	31 March 2022
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	(0.75)	(1.50)
Actuarial (gain)/loss from experience adjustment	3.33	2.09
Total actuarial (gain)/loss	**2.58**	**0.59**

(vi) Actuarial assumptions

Description	31 March 2023	31 March 2022
Discount rate	7.38%	7.21%
Rate of increase in compensation levels	4.00%	4.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate (as % of above mortality rate)	0.00%	0.00%
Withdrawal rate	2.0% to 10.0%	2.0% to 10.0%
Normal retirement age	60 Years	60 Years
Average future service	23	22

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All amounts are in INR million unless otherwise stated

(vii) Sensitivity analysis for gratuity liability

Description	31 March 2023	31 March 2022
Impact of change in discount rate		
Present value of obligation at the end		
- Impact due to increase of 1.00 %	32.42	27.29
- Impact due to decrease of 1.00 %	41.29	34.99
Impact of change in salary escalation		
Present value of obligation at the end		
- Impact due to increase of 1.00 %	40.79	34.60
- Impact due to decrease of 1.00 %	32.70	27.41
Impact of change in withdrawal rates		
Present value of obligation at the end		
- Impact due to increase of 1.00 %	38.18	32.15
- Impact due to decrease of 1.00 %	34.45	29.20

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied which was applied while calculating the defined benefit obligation liability recognised in the restated consolidated statement of assets and liabilities.

(viii) Maturity profile of defined benefit obligation

Description	31 March 2023	31 March 2022
Within next 12 months	2.07	1.69
Between 1-5 years	8.68	7.29
Beyond 5 years	9.71	7.93

(ix) The best estimated expense for the next year is INR 18.23 million (31 March 2022: INR 15.40 million).
The weighted average duration of defined benefit obligation is 18.01 years (31 March 2022: 18.36 years).

B Disclosure of leave encashment

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2023	31 March 2022
Current service cost	3.34	3.01
Past service cost	-	-
Interest cost	0.61	0.51
Net impact on profit (before tax)	**3.95**	**3.52**
Actuarial loss/(gain) recognised during the year	(0.28)	(0.84)
Amount recognised in total comprehensive income	**3.67**	**2.68**

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All amounts are in INR million unless otherwise stated

39 Related party disclosures

(I) Relationship with related parties:

(a) Parent and Ultimate Controlling Party
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

(b) Wholly owned subsidiaries
RateGain Technologies Limited, UK
RateGain Technologies Inc., US
RateGain Technologies Spain S.L.
BCV Social LLC
My hotel shop GMBH (w.e.f. 10 September 2021)
My Hotel Shop S.I.(w.e.f. 10 September 2021)
RateGain Adara INC (with effect from.14 December 2022)
RateGain Technologies LLC (with effect from 28 November 2022)

(c) Key management personnel (KMP):
Mr. Bhanu Chopra (Chairman & Managing Director)
Mr. Tanmaya Das (Chief Financial Officer)
Mrs. Megha Chopra (Executive Director)
Mr. Harmeet Singh (Chief Executive Officer) (resigned w.e.f 22 March 2022)
Mr. EC Rajakumar Konduru (Independent Director) (appointed w.e.f. 15 July 2021)
Mr. Girish Paman Vanvari (Independent Director) (appointed w.e.f. 29 June 2021)
Mrs. Aditi Gupta (Independent Director) (appointed w.e.f. 15 July 2021)
Mr. Nishant Kanuru Rao (Non Executive Nominee Director)
Mr. Sachin Verma (Company Secretary) (resigned w.e.f. 11 February 2022)
Mr. Thomas P Joshua (Company Secretary) (appointed w.e.f. 12 February 2022)

(d) Companies where significant influence is exercised by KMPs:
Ridaan and Ruhan Buildwell Private Limited
Ridaan and Ruhan UK Limited

(II) Transactions with related parties during the period/year ended 31 March 2023 and 31 March 2022.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Travelling expenses		
Mr. Bhanu Chopra	5.95	0.74
Mr. Tanmaya Das	2.77	0.29
Mr. Harmeet Singh	-	0.68
Mr. Thomas Joshua	0.01	-
(ii) Compensation to KMPs		
Short-term employment benefits		
Mr. Bhanu Chopra	61.44	60.88
Mr. Tanmaya Das	12.73	9.90
Mr. Harmeet Singh	-	17.52
Mr. Sachin Verma	-	0.51
Mr. Thomas Joshua	4.17	0.50
Post employment benefits		
Mr. Bhanu Chopra	0.01	-
Mr. Tanmaya Das	0.21	-
Mr. Sachin Verma	-	0.01
Mr. Thomas Joshua	0.08	0.01
Share based payments		
Mr. Tanmaya Das	-	104.72
(iii) Sitting fees to KMPs		
Mrs. Aditi Gupta	0.56	0.10
Mr. Ec Rajakumar Konduru	0.36	0.08
Mr. Girish Paman Vanvari	0.50	0.08

(III) Balances as at 31 March 2023 and 31 March 2022:

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Amounts recoverable for expenses incurred on behalf of and customers collection on our behalf by		
Ridaan and Ruhan UK Limited	0.08	0.50
(ii) Employee related payables		
Mr. Bhanu Chopra	31.04	30.44
Mr. Tanmaya Das	1.80	1.29
Mr. Harmeet Singh	-	3.80
Mr. Sachin Verma	-	0.04
Mr. Thomas Joshua	0.30	0.04
(iii) Payables toward share option granted		
Mr. Harmeet Singh	-	23.31

The Group related party transactions during the years ended 31 March 2023 and 31 March 2022 and outstanding balances as at 31 March 2023 and 31 March 2022 are at arms length and in the ordinary course of business.

All amounts are in INR million unless otherwise stated

40 Share based payment

a. Description of share based payment arrangements
i. Share Options Schemes (equity settled)
Employee Stock Option Scheme (ESOS) 2015
The Scheme has been adopted by the Board of Directors on 15 June 2015, read with the Special Resolution passed by the Members of the Group on 15 June 2015 and shall be deemed to come into force with effect from 15 June 2015 being the date of approval by the Members. The maximum number of options that can be granted to any eligible employee during any one-year shall not equal or exceed 1% of the issued capital of the Group at the time of grant of options. For grant of option to identified employees, during any one year, equal to or exceeding 1% of the issued capital a separate resolution in the shareholders meeting will be passed. For vesting, there shall be a lock in of minimum period of one year between Grant of options and its vesting. Vesting of Options will take place upon the following events:
- Change of control in the company, as defined in Companies Act 2013;
- Initial public offering (IPO)
- In case of private equity investment, not resulting in change in control, then at the discretions of the Committee
- Employee's continuity in the organization
- Any other Vesting Event as the Committee may decide and inform during the currency of the Scheme

Further, during the year ended 31 March 2019, the Group modified (ESOS) 2015 scheme from share based incentive to cash settled incentive. Subsequently on 15 June 2020, ESOS 2015 was converted back to equity settled, amendment in scheme has been approved by the board of Directors vide board resolution passed in board meeting dated 15 June 2020 and by the shareholders vide ordinary resolution passed in extra-ordinary general meeting dated 15 June 2020.

Set out below is a summary of options granted under the plan:

	31 March 2023		31 March 2022	
	Weighted average exercise price per share option (INR)	**Number of options**	**Weighted average exercise price per share option (INR)**	**Number of options**
Opening balance	74.07	678,000	1,817.00	18,837
Granted during the year	-	-	15,145.58	3,011
Exercised during the year	46.80	(341,600)	1,395.86	(14,796)
Forfeited/expired during the year	145.33	(38,040)	7,687.01	(1,402)
Adjustment for issue of bonus shares and sub-division of equity shares (refer note 46)	-	-		672,350
Closing balance	96.23	**298,360**	**74.07**	**678,000**
Vested and exercisable		223,080		444,840

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2023			31 March 2022		
	Exercise price	**Share options**	**weighted average remaining contractual life**	**Exercise price**	**Share options**	**weighted average remaining contractual life**
15 June 2015	-	-	-	6.94	114,120	456 days
1 April 2016	-	-	-	6.94	36,000	456 days
1 October 2016	6.94	21,840	91 days	6.94	24,000	456 days
1 April 2017	6.94	12,000	91 days	6.94	36,000	456 days
1 June 2017	6.94	19,320	91 days	6.94	32,160	456 days
1 October 2018	6.94	24,000	91 days	6.94	24,000	456 days
1 October 2019	161.17	18,000	91 days	161.17	48,000	456 days
1 April 2020	6.94	26,800	91 days	6.94	32,400	456 days
1 October 2020	-	-	-	6.94	6,000	549 days
1 April 2021	145.33	21,120	366 days	145.33	92,160	731 days
1 April 2021	145.33	76,080	731 days	145.33	92,160	1096 days
1 April 2021	145.33	75,240	1096 days	145.33	91,080	1461 days
1 October 2021	6.94	3,960	275 days	6.94	49,920	640 days

Employee Stock Option Scheme (ESOS) 2018
The scheme has been approved by the Board of Directors of the Group on 1 June 2018 and the same was approved by the members of the Group vide Ordinary Resolution on 1 June 2018. The scheme is effective from 1 June 2018 being the date of shareholders' approval. The maximum number of options that may be issued pursuant to this Scheme is 15000 (Fifteen thousand) options representing of 2.03% of the paid up share capital of the Group as on 1 June 2018, to be convertible into equal number of Equity shares of the Group. Vesting period shall commence after 1 (One) year from the date of grant of Options and it may extend upto 4 (four) years from the date of grant in the manner prescribed by the Board. During the year ended 31 March 2021, the Group has revised exercise price of few share based options, incremental fair value granted on account of such modification is INR 50.88 million.C125

Set out below is a summary of options granted under the plan:

	31 March 2023		31 March 2022	
	Weighted average exercise price per share option (INR)	**Number of options**	**Weighted average exercise price per share option (INR)**	**Number of options**
Opening balance	78.75	1,748,640	13,077.00	25,905
Granted during the year	-	-	14,915.54	1,086
Exercised during the year	12.87	(665,340)	3,539.10	(2,421)
Forfeited/expired during the year	157.37	(76,020)	11,996.58	(9,998)
Adjustment for issue of bonus shares and sub-division of equity shares (refer note 56a&b)	-	-	-	1,734,068
Closing balance	**161.17**	**1,007,280**	**78.75**	**1,748,640**
Vested		1,007,280		1,724,640

All amounts are in INR million unless otherwise stated

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2023			31 March 2022		
	Exercise price	Share options	weighted average remaining contractual life	Exercise price	Share options	weighted average remaining contractual life
1 October 2018	-	-	-	6.94	200,040	184 days
1 April 2019	-	-	-	6.94	19,920	366 days
1 April 2019	-	-	-	6.94	19,920	732 days
1 June 2019	-	-	-	6.94	-	-
1 October 2019	-	-	-	6.94	200,040	549 days
1 October 2019	161.17	443,640	184 days	161.17	521,160	549 days
1 October 2019	161.17	443,640	550 days	161.17	443,640	915 days
1 April 2020	161.17	60,000	457 days	161.17	60,000	822 days
1 April 2020	161.17	60,000	731 days	161.17	60,000	1096 days
1 October 2020	-	-	-	6.94	200,040	915 days
1 April 2021	-	-	-	145.33	12,000	1461 days
1 April 2021	-	-	-	145.33	12,000	1826 days

Employee Stock Appreciation Rights (ESARs) 2022

The Scheme has been adopted by the Board of Directors on 11 February 2022, read with the Special Resolution passed by the Members of the Group on 19 March 2022 and shall be deemed to come into force with effect from 19 March 2022 being the date of approval by the Members. The maximum number of SAR Units that can be granted to any eligible Employee during any one year shall not be equal to or exceeding 1% of the issued capital of the Group at the time of grant. The Committee may decide to grant such number of SAR Units equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the applicable laws. Vesting period shall commence from the date of grant subject to a minimum of 1 (One) year from the grant date and a maximum period 4 (Four) years or such other period from the grant date, at the discretion of and in the manner prescribed by the Committee, provided further that, in the event of death or permanent incapacity of a Grantee, the minimum vesting period of one year shall not be applicable.

The Actual vesting would be subject to the continued employment of the Grantee

Set out below is a summary of options granted under the plan:

	31 March 2023		31 March 2022	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	-	-	-	-
Granted during the year	-	1,996,600	-	-
Exercised during the year	-	-	-	-
Forfeited/expired during the year	-	(202,056)	-	-
Closing balance		**1,794,544**	**-**	**-**
Vested		-		-

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2023			31 March 2022		
	Exercise price	Share options	weighted average remaining contractual life	Exercise price	Share options	weighted average remaining contractual life
09 June 2022	-	176,328	1165 days	-	-	-
09 June 2022	-	352,638	1530 days	-	-	-
09 June 2022	-	528,960	1896 days	-	-	-
09 June 2022	-	705,284	2261 days	-	-	-
07 November 2022	-	1,334	1316 days	-	-	-
07 November 2022	-	2,666	1681 days	-	-	-
07 November 2022	-	4,000	2047 days	-	-	-
07 November 2022	-	5,334	2412 days	-	-	-
10 February 2023	-	1,800	1411 days	-	-	-
10 February 2023	-	3,600	1776 days	-	-	-
10 February 2023	-	5,400	2142 days	-	-	-
10 February 2023	-	7,200	2507 days	-	-	-

All amounts are in INR million unless otherwise stated

b. Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date and measurement date fair values of the equity -settled and cash settled share based payments are as follows:

Options granted on	Fair value per Option at grant date (in INR)	Share price at grant date (in INR)	Exercise price (in INR)	Expected volatility	Expected life (in years)	Expected dividend yield	Risk-free interest rate
15 June 2015	67.78	76.01	6.94	19.59%	1.63	0.00%	7.59%
1 September 2015	67.68	76.01	6.94	19.20%	1.42	0.00%	7.50%
1 April 2016	71.31	78.75	6.94	18.52%	3.83	0.00%	7.38%
1 October 2016	71.00	78.75	6.94	17.72%	3.33	0.00%	6.71%
1 April 2017	68.22	76.11	6.94	17.22%	2.83	0.00%	6.45%
1 October 2017	68.01	76.11	6.94	15.71%	2.33	0.00%	6.31%
1 April 2018	110.64	120.21	6.94	15.24%	1.83	0.00%	6.69%
1 June 2018	110.55	120.21	6.94	15.70%	1.49	0.00%	7.20%
1 October 2018	113.28	123.05	6.94	15.53%	1.33	0.00%	7.58%
1 October 2018	113.35	123.05	6.94	15.53%	1.49	0.00%	7.58%
1 April 2019	147.70	158.32	6.94	16.64%	2.08	0.00%	6.59%
1 April 2019	147.46	158.32	6.94	16.64%	1.49	0.00%	6.51%
1 June 2019	147.45	158.32	6.94	16.62%	1.49	0.00%	6.38%
1 October 2019	151.26	162.00	6.94	17.05%	2.33	0.00%	5.82%
1 October 2019	27.69	162.00	161.17	17.05%	2.33	0.00%	5.82%
1 October 2019	30.54	162.00	161.17	17.05%	2.70	0.00%	5.82%
1 April 2020	18.35	147.63	161.17	23.41%	1.83	0.00%	5.06%
1 April 2020	137.07	147.63	6.94	23.41%	1.83	0.00%	5.06%
1 April 2020	21.55	147.63	161.17	23.41%	2.24	0.00%	5.06%
1 April 2020	137.19	147.63	6.94	23.41%	2.24	0.00%	5.06%
15 June 2020	17.41	147.63	161.17	25.92%	1.63	0.00%	3.98%
15 June 2020	136.89	147.63	6.94	25.92%	1.63	0.00%	3.98%
15 June 2020	16.30	147.63	161.17	25.92%	1.49	0.00%	3.98%
15 June 2020	136.86	147.63	6.94	25.92%	1.49	0.00%	3.98%
10 August 2020*	16.27	147.63	161.17	25.92%	1.49	0.00%	3.95%
10 August 2020*	43.70	147.63	111.90	25.92%	1.49	0.00%	3.95%
10 August 2020*	66.25	147.63	84.52	25.92%	1.49	0.00%	3.95%
1 April 2021	27.21	144.68	145.33	26.80%	1.99	0.00%	4.51%
1 April 2021	33.67	144.68	145.33	24.43%	2.99	0.00%	5.03%
1 April 2021	39.44	144.68	145.33	22.29%	3.99	0.00%	5.46%
1 April 2021	36.53	144.68	145.33	23.30%	3.48	0.00%	5.25%
1 April 2021	42.57	144.68	145.33	21.76%	4.48	0.00%	5.63%
1 October 2021	297.83	356.00	6.94	22.52%	4.00	0.00%	5.33%
09 June 2022	45.84	288.90	-	22.81%	1.00	0.00%	6.48%
09 June 2022	74.13	288.90	-	27.10%	2.00	0.00%	7.59%
09 June 2022	92.49	288.90	-	24.36%	3.00	0.00%	8.64%
09 June 2022	113.92	288.90	-	23.38%	4.00	0.00%	9.68%
07 November 2022	48.65	294.00	-	22.66%	1.00	0.00%	7.42%
07 November 2022	71.93	294.00	-	22.81%	2.00	0.00%	8.35%
07 November 2022	98.25	294.00	-	25.19%	3.00	0.00%	9.25%
07 November 2022	119.22	294.00	-	23.77%	4.00	0.00%	10.14%
10 February 2023	63.57	374.90	-	23.23%	1.00	0.00%	7.64%
10 February 2023	91.31	374.90	-	22.28%	2.00	0.00%	8.46%
10 February 2023	125.70	374.90	-	25.42%	3.00	0.00%	9.25%
10 February 2023	151.65	374.90	-	24.01%	4.00	0.00%	10.04%

* Represents valuation on the modification date.

The Holding Company doesn't have listed peers as of the valuation date, therefore for the purpose of calculating the volatility the Holding Company has taken Volatility of the Nifty IT Index.

c. Effect of employee stock option schemes on the statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employee stock option scheme expense	46.94	71.26
	46.94	**71.26**

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41 Business combinations

(i) Acquisition of Myhotelshop GmbH

a. Summary of acquisition

During the previous year ended 31 March 2022, one of the group subsidiary i.e. RateGain Technologies UK had entered into an agreement dated 10 September 2021, to acquire Myhotelshop GmbH.The acquisition was made for the development and marketing of systems and software programs, operation of the online marketplaces, primarily for the tourism industry.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	**Amount in INR million**
Cash paid	406.82
Contingent consideration	124.48
Deferred consideration	175.67
Purchase consideration (A)	**706.97**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Property, plant and equipment	1.02
Intangible assets	314.98
Right of use assets	11.81
Cash and cash equivalents	188.78
Trade receivables	66.83
Loans	49.28
Other financials assets	61.09
Other current assets	2.04
Income tax assets	0.17
Deferred tax assets	(97.49)
Borrowings	(8.61)
Lease liabilities	(12.09)
Trade payables	(39.54)
Other financials liabilities	(10.49)
Current tax liabilities	(32.83)
Other current liabilities	(107.57)
Identifiable net assets acquired (B)	**387.38**
Non-controlling interest in the acquired entity (C)	-
Goodwill (A-B-C)	**319.59**

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

Under the term of the agreement dated 10 September entered between MyhotelshopGmbH and RateGain Technologies UK for the acquisition of MyhotelshopGmbH, RateGain Technologies UK might have to pay an earn-out to the former shareholders as part of sales consideration. The payment of earn out is contingent on certain performance obligation as at the date of acquisition, the earn-out is valued at INR 124.48 million (Euro 1.44 million). The Group has considered discount rate of 27.59% and expected EBITDA growth rate of 8.20% for valuation of contingent consideration.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 436.97 million and profit of INR 12.27 million to the group for the year ended 31 March 2022.

If the acquisitions had occurred on 1 April 2021, consolidated pro-forma revenue and profit for the year ended 31 March 2022 would have been INR 3895.04 million and INR 66.88 million respectively.

(i) Assets acquisition of Adara Inc.

a. Summary of acquisition

During the year, one of the group subsidiary i.e. RateGain Technologies Inc. has entered into an Asset Purchase Agreement (APA) on 02 January 2023 to acquire substantially all the assets of Adara Inc. ,USA. The acquired company is one of the world's largest data exchange platforms, providing access to ethically sourced customer data. As per the terms of the APA, the company through its holding company needs to pay a sum of INR 1494.96 million as purchase consideration. The acquisition was made to enhance its AI-powered DaaS (Data as a Service) and Martech.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	**Amount in INR million**
Cash paid*	1,224.99
Deferred consideration**	119.03
Purchase consideration (A)	**1,344.02**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Intangible assets	899.94
Trade receivables	392.20
Other assets	26.53
Trade payables	(336.97)
Other financials liabilities	(347.65)
Other current liabilities	(302.67)
Identifiable net assets acquired (B)	**331.38**
Goodwill (A-B)	**1,012.64**

For acquired receivables, the fair value of receivables, gross contractual amounts receivables is not materiality different from acquired values indicated above and basis management estimate there are no cash flows which are not expected to be collected.

The goodwill is attributable to the high profitability of the acquired business.

* The consideration of INR 1,224.99 million is paid by RateGain Technologies Inc.(one of the group subsidiary) which is accounted as equity under the head equity share capital in accordance with the APA.

** INR 119.03 million of the purchase price (the "deferred payment') will be paid to Adara Inc., without interest, on or prior to 31 December 2023.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 535.27 million and profit of INR 105.99 million to the group for the year ended 31 March 2023.

All amounts are in INR million unless otherwise stated

42 Fair value measurements

i) Financial instruments by category

Particulars	As at 31 March 2023		As at 31 March 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- Bonds/commercial paper	-	1,392.71	-	1,248.97
- Mutual funds	6.03	-	397.68	-
Trade receivables		1,607.83	-	1,005.58
Cash and cash equivalents		999.30	-	340.98
Other bank balances		1,015.28	-	2,110.03
Loans		3.93	-	4.67
Other financial assets		57.53	-	276.31
Total	**6.03**	**5,076.58**	**397.68**	**4,986.54**
Financial liabilities				
Lease liabilities	-	176.91	-	180.38
Trade payables	-	822.65	-	418.13
Other financial liabilities	-	486.69	123.87	183.80
Total	**-**	**1,486.25**	**123.87**	**782.31**

ii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the consolidated balance sheet are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a. Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- quoted	6.03	-	-	**6.03**

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Investments measured at fair value through profit and loss				
Investment in mutual funds- quoted	397.68	-	-	**397.68**
Financial liabilities				
Contingent consideration*	-	-	123.87	**123.87**

* Refer note 41(i)(a)

b. Fair value measurements using significant unobservable inputs (level 3)
The following table presents the changes in level 3 items for the periods ended 31 March 2023 and 31 March 2022:

	Contingent consideration
As at 01 April 2021	-
Acquisitions	123.87
(Gain)/loss recognised in profit or loss	-
As at 31 March 2022	**123.87**
Consideration paid during the year	(123.87)
(Gain)/loss recognised in profit or loss	-
As at 31 March 2023	**-**

c. *Valuation process and technique used to determine fair value*
The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Fair value of contingent consideration have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

d. Valuation inputs and relationships to fair value
The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Particulars	Fair value as at		Significant unobservable inputs*	Probability-weighted range	
	31 March 2023	31 March 2022		31 March 2023	31 March 2022
Contingent consideration	-	123.87	Risk-adjusted discount rate	-	24.38%
			Expected EBITDA growth rate	-	14.00%

e. Valuation process
The main level 3 inputs for contingent considerations used by the group are derived and evaluated as follows:
Contingent consideration – estimated based on expected cash outflows arising from the forecasted revenue and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 3 fair values are analysed at the end of each reporting period.

f. Fair value of financial assets and liabilities measured at amortised cost:

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, investment in bonds, other current financials assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The Group has major of its borrowings at variable rate which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

All amounts are in INR million unless otherwise stated

iii) Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the consolidated financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, investment in bonds, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - price risk	Investment in mutual funds	Sensitivity analysis	Portfolio diversification
Market risk - foreign currency risk	Recognised financial assets and financial liabilities not denominated in Indian rupees (INR)	Sensitivity analysis	Foreign currency forwards Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

a. Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks
- investment in bonds

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the consolidated balance sheet:

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in bonds/commercial paper	1,392.71	1,248.97
Loans (current and non current)	3.93	4.67
Trade receivables	1,607.83	1,005.58
Cash and cash equivalents	999.30	340.98
Other bank balances	1,015.28	2,110.03
Other financial assets (current and non-current)	57.53	276.31

Credit risk on cash and cash equivalents and bank deposits (shown under other bank balances) and other financial assets is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents loan given to related parties and employees. Other financial assets measured at amortized cost includes security deposits and others. Group has invested in bonds which are measured a amortised cost. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

The exposure to the credit risk at the reporting date is primarily from security deposit receivables and trade receivables.
Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India, United Kingdom, United States of America and Spain. The Group does monitor the economic environment in which it operates. The Group manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses expected credit loss model to assess the impairment loss. Credit risk in security deposits considered to be low as they form part of other commercial arrangements such as leases, therefore security deposit are impaired only when there is objective evidence of impairment. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Group's historical experience for customers. Based on the business environment in which the Group operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days and 365 days for past due as applicable to respective group entity however the Group based upon past trends determine an impairment allowance for loss on receivables (other than receivables from related parties).

Refer note 12 for bifurcation of trade receivables into credit impaired and others.

Changes in the loss allowance in respect of trade receivables	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	182.17	239.79
Change in impairment allowances for receivables	28.57	(57.62)
Balance at the end of the year	**210.74**	**182.17**

Expected credit loss for trade receivables under simplified approach

Particulars	As at 31st March 2023						
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount- trade receivables (considered good)	130.72	1,460.41	62.71	-	-	-	1,653.84
Gross carrying amount- trade receivables (credit impaired)	-	-	3.45	102.38	41.35	17.55	164.73
Expected loss rate	-	0.34%	67.20%	100.00%	100.00%	100.00%	127.93%
Expected credit losses (loss allowance provision)- trade receivables	-	5.00	44.46	102.38	41.35	17.55	210.74
Carrying amount of trade receivables (net of impairment)	**130.72**	**1,455.41**	**62.71**	**99.36**	**40.85**	**17.09**	**1,607.83**

Particulars	As at 31st March 2023						
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount- trade receivables (considered good)	64.38	877.47	98.89	15.58	-	-	1,056.32
Gross carrying amount- trade receivables (credit impaired)	-	-	-	91.66	34.61	5.16	131.43
Expected loss rate	-	0.59%	30.28%	100.00%	100.00%	100.00%	138.61%
Expected credit losses (loss allowance provision)- trade receivables	-	5.22	29.94	107.24	34.61	5.16	182.17
Carrying amount of trade receivables (net of impairment)	**64.38**	**872.25**	**92.50**	**90.64**	**33.89**	**5.02**	**1,005.58**

All amounts are in INR million unless otherwise stated

b. Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group's manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Group’s financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2023	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Lease liabilities	37.76	122.74	73.84	234.34
Trade payables	822.65	-	-	822.65
Other financial liabilities	486.69	-	-	486.69
Total	**1,347.10**	**122.74**	**73.84**	**1,543.68**

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
Non-derivatives				
Lease liabilities	29.17	111.75	100.95	241.87
Trade payables	418.13	-	-	418.13
Other financial liabilities	255.77	51.90	-	307.67
Total	**703.07**	**163.65**	**100.95**	**967.67**

c. Market risk - Price risk

The Group’s exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

The table below summarises the impact of increase/decrease of the index on the Group's profit for the period :

Particulars	As at 31 March 2023	As at 31 March 2022
Mutual funds		
Net assets value – increase by 100 bps	0.06	3.98
Net assets value – decrease by 100 bps	(0.06)	(3.98)

e. Market risk - Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the below currencies. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company’s functional currency.

Foreign currency risk exposure

Below is the overall exposure of the Company to foreign currency risk expressed in INR:

Particulars	Currency	Amount	
		31 March 2023	31 March 2022
(i) RateGain Technologies Limited, UK			
Financial assets			
Trade receivable	**AED**	-	-
	AUD	0.71	0.69
	BRL	0.46	0.46
	CAD	0.02	0.05
	EUR	77.79	86.13
	MXN	1.23	1.52
	USD	508.85	323.27
	ZAR	0.27	0.30
Financial liabilities			
Deferred consideration	**Euro**	(29.01)	(116.95)
Contingent consideration	**Euro**	-	(51.90)
(ii) RateGain Adara Inc.			
Financial assets			
Trade receivable	**AED**	0.19	-
	AUD	15.01	-
	CAD	7.74	-
	EUR	9.61	-
	GBP	17.46	-
	HKD	3.18	-
	JPY	15.45	-
(iii) RateGain Travel Technologies Limited			
Financial assets			
Trade receivable	**GBP**	2.37	11.52
	USD	31.52	26.71
	Others	4.42	-

(This space has been intentionally left blank)

All amounts are in INR million unless otherwise stated

Sensitivity

Below is the sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, assuming no change in other variables:

Particulars	As at 31 March 2023	As at 31 March 2022
USD sensitivity		
INR/USD- increase by 5.00% (31 March 2022: 5.00%)	27.02	17.50
INR/USD- decrease by 5.00% (31 March 2022: 5.00%)	(27.02)	(17.50)
GBP sensitivity		
INR/GBP- increase by 5.00% (31 March 2022: 5.00%)	0.99	0.58
INR/GBP- decrease by 5.00% (31 March 2022: 5.00%)	(0.99)	(0.58)
EURO sensitivity		
INR/EUR- increase by 5.00% (31 March 2022: 5.00%)	2.92	(4.14)
INR/EUR- decrease by 5.00% (31 March 2022: 5.00%)	(2.92)	4.14
AUD sensitivity		
INR/AUD- increase by 5.00% (31 March 2022: 5.00%)	0.79	0.03
INR/AUD- decrease by 5.00% (31 March 2022: 5.00%)	(0.79)	(0.03)
AED sensitivity		
INR/AED- increase by 5.00% (31 March 2022: 5.00%)	0.01	-
INR/AED- decrease by 5.00% (31 March 2022: 5.00%)	(0.01)	-
CAD sensitivity		
INR/CAD- increase by 5.00% (31 March 2022: 5.00%)	0.39	0.00
INR/CAD- decrease by 5.00% (31 March 2022: 5.00%)	(0.39)	(0.00)
BRL sensitivity		
INR/BRL- increase by 5.00% (31 March 2022: 5.00%)	0.02	0.02
INR/BRL- decrease by 5.00% (31 March 2022: 5.00%)	(0.02)	(0.02)
MXN sensitivity		
INR/MXN- increase by 5.00% (31 March 2022: 5.00%)	0.06	0.08
INR/MXN- decrease by 5.00% (31 March 2022: 5.00%)	(0.06)	(0.08)
ZAR sensitivity		
INR/ZAR- increase by 5.00% (31 March 2022: 5.00%)	0.01	0.02
INR/ZAR- decrease by 5.00% (31 March 2022: 5.00%)	(0.01)	(0.02)
HKD sensitivity		
INR/JPY- increase by 5.00% (31 March 2022: 5.00%)	0.16	-
INR/JPY- decrease by 5.00% (31 March 2022: 5.00%)	(0.16)	-
JPY sensitivity		
INR/JPY- increase by 5.00% (31 March 2022: 5.00%)	0.77	-
INR/JPY- decrease by 5.00% (31 March 2022: 5.00%)	(0.77)	-
Others sensitivity		
INR/Others- increase by 5.00% (31 March 2022: 5.00%)	0.22	-
INR/Others- decrease by 5.00% (31 March 2022: 5.00%)	(0.22)	-

Market risk - Interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is not exposed to changes in market interest as it does not have any variable interest rate borrowings. The Group's investments in fixed deposits pay fixed interest rates.

43 Capital management policies and procedures

The Group's objective for capital management is to maximize shareholder's value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plan and other strategic investment plans. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to all its shareholders. The Group's funding requirements are met through equity infusions, internal accruals an long-term borrowings. The Group raises long term loans mostly for its expansion requirements and based on the working capital requirement utilise the working capital facilities. The Group monitors capital on the basis of consolidated total debt to consolidated total equity on a periodic basis.

The amounts managed as capital by the Group's for the reporting periods under review are summarised as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Long-term borrowings including lease liabilities	140.33	147.24
Current maturities of long-term borrowings including lease liabilities	36.58	33.14
Total borrowings	**176.91**	**180.38**
Less:		
Cash and cash equivalents	999.30	340.98
Other bank balances	1,015.28	2,110.03
Net debts	**(1,837.67)**	**(2,270.63)**
Total equity*	**7,097.44**	**6,191.53**
Net debt to equity ratio	**(0.26)**	**(0.37)**

*Equity includes equity share capital and other equity of the Group that are managed as capital.

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All amounts are in INR million unless otherwise stated

44 Additional information required by Schedule III to the Act:

As at 31 March 2023

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive income/(loss)	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	92.69%	6,578.60	8.39%	57.37	(1.52%)	(1.88)	6.87%	55.49
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	34.19%	2,426.55	12.19%	83.40	-	-	10.32%	83.40
RateGain Technologies Inc., US	57.83%	4,104.14	76.01%	519.90	-	-	64.36%	519.90
RateGain Technologies Spain S.L.	0.29%	20.24	0.74%	5.06	-	-	0.63%	5.06
BCV Social LLC	5.73%	407.00	(21.96%)	(150.22)	-	-	(18.60%)	(150.22)
My hotel shop	3.66%	259.50	9.13%	62.47	-	-	7.73%	62.47
RateGain Adara INC	18.75%	1,330.95	15.50%	105.99	-	-	13.12%	105.99
RateGain Technologies LLC	0.03%	2.24	-	-	-	-	-	-
Inter group eliminations and adjustments	(113.16%)	(8,031.78)	0.01%	0.04	101.52%	125.64	15.56%	125.68
As at 31 March 2023	**100.00%**	**7,097.44**	**100.00%**	**684.01**	**100.00%**	**123.76**	**100.00%**	**807.77**

As at 31 March 2022

Name of the entity in the group	Net assets		Share in profit/(loss)		Share in other comprehensive		Share in total comprehensive income/(loss)	
	As % of consolidated Net assets	Amount	As % of consolidated loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive loss	Amount
Parent								
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)	103.77%	6,424.96	21.50%	18.10	2.46%	(0.43)	26.50%	17.67
Subsidiaries								
(Parent's share)								
Subsidiaries Incorporated outside India								
RateGain Technologies Limited, UK	37.19%	2,302.36	29.43%	24.78	-	-	37.16%	24.78
RateGain Technologies Inc., US	33.56%	2,077.68	313.65%	264.06	-	-	396.02%	264.06
RateGain Technologies Spain S.L.	0.22%	13.53	2.26%	1.90	-	-	2.85%	1.90
BCV Social LLC	5.10%	315.71	(260.33%)	(219.17)	-	-	(328.70%)	(219.17)
My hotel shop	2.96%	183.51	14.57%	12.27	-	-	18.40%	12.27
Inter group eliminations and adjustments	(82.79%)	(5,126.22)	(21.09%)	(17.75)	97.54%	(17.08)	(52.24%)	(34.83)
As at 31 March 2022	**100.00%**	**6,191.53**	**100.00%**	**84.19**	**100.00%**	**(17.51)**	**100.00%**	**66.68**

45 Ratios to disclosed as per requirement of Schedule III to the Act

	As at 31 March 2023	As at 31 March 2022
a. Current ratio		
Current assets (Numerator)	5,046.70	5,282.35
Current liabilities (Denominator)	1,923.01	1,295.94
Current ratio	**2.62**	**4.08**
% Change as compared to the preceding year	(35.62%)	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of increase in liabilities due to Adara Inc. acquired during the year.		
b. Debt-equity ratio		
Total debt (Numerator)	176.91	180.38
Shareholder's equity (Denominator)	7,097.44	6,191.53
Debt-equity ratio	**0.02**	**0.03**
% Change as compared to the preceding year	(14.44%)	-
c. Debt service coverage ratio		
Earnings available for debt service (Numerator) *	1,057.26	437.18
Debt service (Denominator) #	(38.74)	(1,205.29)
Debt service coverage ratio	**(27.29)**	**(0.36)**
% Change as compared to the preceding year	7424.08%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of Increase in revenue and decrease in debt repayments.		

* Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
\# Debt service = Interest and Lease payments + Principal repayments

All amounts are in INR million unless otherwise stated

d. Return on equity ratio		
Profit / (loss) after taxes (Numerator)	684.01	84.19
Shareholder's equity (Denominator)	7,097.44	6,191.53
Return on equity	**9.64%**	**1.36%**
% Change as compared to the preceding year	608.76%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of Increase in revenue.		
e. Trade receivables turnover ratio		
Net sales (Numerator)	5,651.28	3,665.91
Average trade receivable (Denominator) *	1,306.71	837.32
Trade receivables turnover ratio	**4.32**	**4.38**
% Change as compared to the preceding year	(1.22%)	-
* Average trade receivables = (Opening balance + Closing balance)/ 2		
f. Trade payables turnover ratio		
Net sales (Numerator)	5,651.28	3,665.91
Average trade payable (Denominator) *	620.39	330.55
Trade payables turnover ratio	**9.11**	**11.09**
% Change as compared to the preceding year	(17.86%)	-
* Average trade payables = (Opening balance + Closing balance)/ 2		
g. Net capital turnover ratio		
Net sales (Numerator)	5,651.28	3,665.91
Working capital (Denominator) *	3,123.69	3,986.41
Net capital turnover ratio	**1.81**	**0.92**
% Change as compared to the preceding year	96.73%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of Increase in revenue and decrease in working capital due to liabilities of Adara Inc acquired during the year.		
* Working capital is calculated as current assets minus current liabilities.		
h. Net profit ratio		
Profit / (loss) after taxes (Numerator)	684.01	84.19
Net sales (Denominator)	5,651.28	3,665.91
Net profit ratio	**12.10%**	**2.30%**
% Change as compared to the preceding year	427.03%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of Increase in revenue.		
i. Return on capital employed		
Earning before interest and taxes (Numerator)	686.92	158.75
Capital employed (Denominator)*	7,274.35	6,371.91
Return on capital employed	**9.44%**	**2.49%**
% Change as compared to the preceding year	279.03%	-
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of Increase in revenue.		
* Capital Employed = Total equity + Total debt		
j. Return on investment		
Earning before interest and taxes (Numerator)	686.92	158.75
Closing total assets	9,452.82	7,810.91
Return on investment	**7.27%**	**2.03%**
% Change as compared to the preceding year	257.55%	
Explanation for change in the ratio by more than 25% as compared to the preceding year:		
The variance is majorly on account of Increase in revenue at a higher rate as compared to increase in total assets.		
*Investments= Investment in mutual funds/bonds/commercial papers + Investment in fixed deposits		

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All amounts are in INR million unless otherwise stated

46 Additional regulatory information not disclosed elsewhere in the consolidated financials statements

(a) The Group has no borrowings from banks and financial institutions on the basis of security of current assets.

(b) The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Group has entered into any scheme of arrangement for the acquisition of Adara Inc. by RateGain Adara Inc. which has an accounting impact on current financial year.

(d) During the year, RateGain Adara Inc., USA (a subsidiary company) entered into an Assets Purchase Agreement on 02 January 2023 to acquire substantially all the assets and liabilities of Adara Inc., USA. The amount for payment of purchase consideration to Adara Inc,USA was loaned/advanced by the Company to its subsidiary RateGain Technologies Limited, UK which is incorporated in UK and such sum was further loaned/advanced by RateGain Technologies Limited, UK to RateGain Technologies Inc., US which is also a subsidiary of RateGain Travel Technologies Limited and RateGain Technologies Inc., US paid the purchase consideration for the asset purchase agreement entered into by RateGain Adara Inc and Adara Inc.

Date of transaction by the Company	Amount of fund advanced/ loaned to Intermediaries (Amount in USD)	Details of each Intermediary	Date of funds further loaned/advanced by Intermediaries	Amount of fund advanced/ loaned in Intermediaries (Amount in USD)	Details of each Intermediary	Date of funds further loaned/advanced by Intermediaries	Amount of fund further invested by Intermediaries to Ultimate Beneficiaries (Amount in USD)	Details of Ultimate Beneficiaries
28 December 2022	16,000,000.00	RateGain Technologies Limited, UK	06 January 2023	16,000,000.00	RateGain Technologies Inc.	09 January 2023	16,000,000.00	RateGain Adara Inc

(e) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(f) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(g) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

47 Conversion of cumulative compulsory convertible preference shares (CCCPS)

During the previous year, the Holding Company had converted 148,324 Cumulative Compulsorily Convertible Preference shares (“CCCPS”) of INR 10/- each into 1,77,98,880 Equity Shares of INR 1/- each, ranking pari passu with the existing equity shares of the Holding Company, on November 22, 2021 after taking the effect of issuance of bonus of 11 fully paid-up Equity Shares on 1 Equity Share and sub-division of Nominal Value of Equity Shares from INR 10/- to INR 1/- each, in favor of CCCPS holders as per conversion event mentioned in the subscription agreement with Wagner Limited and Avaatar Holdings.

48 Issue of bonus shares

During the previous year, the Holding Company had issued the bonus shares in the ratio of 1:11 to the existing equity shareholders. Corresponding adjustment had been made to conversion ratio of CCCPS and number of share options granted under the ESOP schemes. Bonus shares were retrospectively considered for the computation of EPS.

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49 During the previous year, the Holding Company had completed its Initial Public Offer ("IPO") of 31,441,282 Equity shares (includes Equity shares of 129,870 reserve for Employees at discounted rate) of Face value of INR 1/- each ("equity shares") for cash at a price of INR 425/-per Equity Share (including a share premium of INR 424/- per Equity Share) aggregating to INR 13,357.35 million. This comprises of fresh issue of 8,835,752 equity shares aggregating up to INR 3,750.08 million (the "fresh issue") and an Offer for Sale of 22,605,530 equity shares aggregating to INR 9,607.35 million. The equity shares of the holding Company got listed with BSE Limited and National Stock Exchange of India Limited on 17 December 2021.

The utilisation of the initial public offer proceeds is summarised below: (in INR million)

Object of the issue as per prospectus	Utilisation planned as per prospectus	Total utilised upto 31 March 2023	Amount pending for utilisation as at 31 March 2023*
Repayment/prepayment of indebtedness availed by RateGain UK, one of our Subsidiaries, from Silicon Valley Bank	852.61	852.61	-
Payment of deferred consideration for DHISCO acquisition	252.00	252.00	-
Strategic investments, acquisitions and inorganic growth	800.00	800.00	-
Investment in technology innovation, artificial intelligence and other organic growth initiatives	500.00	278.22	221.78
Migration and usage of our services from self-managed Data Center to Amazon Web Services Cloud#	407.73	-	407.73
General corporate purposes	754.84^	754.66	0.18

*The unutilised proceeds has been temporarily invested/parked in bank accounts,deposits,bonds and commercial paper.
The original object was 'Purchase of certain capital equipment for our Data Center'. During the quarter ended 31 December 2022, the Company has changed the object through special resolution and postal ballot results dated 19 November 2022, as per which the new object is utilisation of funds towards 'Migration and usage of our services from self-managed Data Center to Amazon Web Services Cloud'.

^ Originally estimated issue expenses were amounting to INR 205.03 million which are now been actualized to INR 182.90 million as per the actual invoices received against original estimated issue expenses. Accordingly, net proceeds have increased from INR 3,545.05 million to INR 3,567.18 million and funds utilisation under object "General corporate purposes" have increased to INR 754.84 million from previously reported amount of INR 732.71 million.

50 During the previous year, the total IPO expenses incurred were INR 728.44 million (inclusive of taxes) which were proportionately allocated between the selling shareholders and the Holding Company as per respective offer size. The Holding Company's share of these expenses was INR 205.03 million (inclusive of taxes), of which INR 175.31 million (excluding taxes) had been adjusted against securities premium and INR 9.43 million (excluding taxes) under exceptional item on account of share listing expenses which were been actualized during the year as per the actual invoices received against original estimated issue expenses due to which there was a reversal of excess transaction costs of INR. 29.46 million which was adjusted in securities premium.

51 During the year, RateGain Technologies LLC, Sharjah, UAE, has been incorporated as a wholly owned subsidiary of RateGain Technologies Limited, UK, which is a wholly owned subsidiary of RateGain Travel Technologies Limited, India as on 08 December 2022. The object of the RateGain Technologies LLC, Sharjah, UAE is Data processing services, Software as a service, Marketing Technology services and Distribution as a service.

52 No subsequent event occurred post balance sheet date which requires adjustment in the consolidated financial statements for the year ended 31 March 2023.

53 The figures of the corresponding previous year have been regrouped wherever considered necessary to correspond to current year disclosures.The impact of such reclassification/regrouping is not material to the consolidated financial statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nitin Toshniwal
Partner
Membership No.: 507568

Date: 19 May 2023
Place: Delhi

For **and on behalf of the Board of Directors of**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

Bhanu Chopra
Managing Director
Din: 01037173

Megha Chopra
Director
Din: 02078421

Tanmaya Das
Chief Financial Officer

Mr. Thomas P Joshua
Company Secretary

Date: 19 May 2023
Place: Noida

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of RateGain Travel Technologies Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of RateGain Travel Technologies Limited ('the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2023 and the unaudited consolidated year to date financial results for the period 01 April 2023 to 30 September 2023, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial results of 3 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 3,774.75 million as at 30 September 2023, and total revenues of ₹ 1,260.40 million and ₹ 2,321.45 million, total net profit after tax of ₹ 193.76 million and ₹ 300.61 million, total comprehensive income of ₹193.76 million and ₹ 300.61 million, for the quarter and six months period ended on 30 September 2023, respectively, and cash flows (net) of ₹ 185.18 million for the period ended 30 September 2023, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership No. 504662
UDIN

Place: Noida
Date: 27 October 2023

Annexure 1

List of entities included in the Statement

Name of Holding Company

1. RateGain Travel Technologies Limited

Name of Subsidiaries

1. RateGain Technologies Limited, UK
2. RateGain Spain, S.L.
3. RateGain Technologies Inc, USA
4. BCV Social LLC
5. Myhotelshop Gmbh
6. Myhotelshop S.L.
7. RateGain Adara Inc., USA
8. RateGain Technologies LLC, Sharjah, UAE

RateGain Travel Technologies Limited
CIN : L72900DL2012PLC244966
Regd. Office: M-140, Greater Kailash Part-II New Delhi DL 110048
Website: www.rategain.com; Email: compliance@rategain.com; Telephone: 0120 505 7000

Statement of consolidated assets and liabilities

(in ₹ million, except for share data and if otherwise stated)

Particulars	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	65.43	63.08
Right-of-use assets	165.06	166.50
Goodwill	1,746.90	1,737.28
Other intangible assets	1,823.27	1,991.18
Intangible assets under development	14.33	14.26
Financial assets		
Investments	159.71	238.61
Loans	2.00	-
Others	20.91	19.75
Income tax assets (net)	10.48	8.53
Deferred tax assets (net)	176.82	157.49
Other non-current assets	11.08	9.44
Total non-current assets (A)	**4,195.99**	**4,406.12**
Current assets		
Financial assets		
Investments	1,120.35	1,160.13
Trade receivables	1,998.81	1,607.83
Cash and cash equivalents	1,865.88	999.30
Other bank balances	1,089.20	1,015.28
Loans	11.44	3.93
Others	24.68	37.78
Other current assets	214.50	222.45
Total current assets (B)	**6,324.86**	**5,046.70**
Total assets (A+B)	**10,520.85**	**9,452.82**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	108.43	108.32
Other equity	7,599.85	6,989.12
Total equity (C)	**7,708.28**	**7,097.44**
LIABILITES		
Non-current liabilities		
Financial liabilities		
Lease liabilities	141.52	140.33
Others	154.89	152.78
Provisions	53.05	44.48
Deferred tax liabilities (net)	82.41	93.57
Other non-current liabilities	109.18	1.21
Total non-current liabilities (D)	**541.05**	**432.37**
Current liabilities		
Financial liabilities		
Lease liabilities	39.99	36.58
Trade payables		
i. total outstanding dues of micro enterprises and small enterprises	1.38	7.00
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	905.68	815.65
Others	401.26	333.91
Other current liabilities	758.06	677.24
Provisions	3.79	3.11
Income tax liabilities (net)	161.36	49.52
Total current liabilities (E)	**2,271.52**	**1,923.01**
Total liabilities (F= D+E)	**2,812.57**	**2,355.38**
Total equity and liabilities (C+F)	**10,520.85**	**9,452.82**

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Statement of consolidated financial results

(in ₹ million, except for share data and if otherwise stated)

Particulars	Quarter ended			Six months ended		Year ended
	30 September 2023	30 June 2023	30 September 2022	30 September 2023	30 September 2022	31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Unaudited	(Audited)
1 Income						
Revenue from operations	2,347.24	2,144.78	1,246.08	4,492.02	2,439.09	5,651.28
Other income	36.53	59.85	68.28	96.38	145.75	199.32
Total income	**2,383.77**	**2,204.63**	**1,314.36**	**4,588.40**	**2,584.84**	**5,850.60**
2 Expenses						
Employee benefits expense	943.32	879.58	579.67	1,822.90	1,155.38	2,527.56
Finance costs	3.61	3.37	3.79	6.98	8.09	15.11
Depreciation and amortisation expense	104.27	113.25	83.76	217.52	165.83	358.14
Other expenses	939.74	887.29	490.55	1,827.03	988.59	2,277.21
Total expenses	**1,990.94**	**1,883.49**	**1,157.77**	**3,874.43**	**2,317.89**	**5,178.02**
3 Profit before tax (1 - 2)	**392.83**	**321.14**	**156.59**	**713.97**	**266.95**	**672.58**
4 Tax expense						
Current tax	100.30	91.43	24.66	191.73	52.74	97.13
Deferred tax charge/(credit)	(7.83)	(19.38)	2.32	(27.21)	0.41	(108.56)
Total tax expense	**92.47**	**72.05**	**26.98**	**164.52**	**53.15**	**(11.43)**
5 Profit for the period/year (3 - 4)	**300.36**	**249.09**	**129.61**	**549.45**	**213.80**	**684.01**
6 Other comprehensive income/(loss)						
(i) Item that will not be reclassified to profit or loss						
- Remeasurement of the defined benefit plan	(0.65)	(0.64)	(0.15)	(1.29)	(0.30)	(2.58)
- Income tax relating to these items	0.16	0.16	0.08	0.32	0.12	0.70
(ii) Item that may be reclassified to profit or loss						
- Exchange differences on translation of foreign operations	73.32	(42.34)	32.58	30.98	86.42	125.64
Total other comprehensive income/(loss) (i) + (ii)	**72.83**	**(42.82)**	**32.51**	**30.01**	**86.24**	**123.76**
7 Total comprehensive income for the period/year (5 + 6)	**373.19**	**206.27**	**162.12**	**579.46**	**300.04**	**807.77**
8 Profit for the period/year (5)	**300.36**	**249.09**	**129.61**	**549.45**	**213.80**	**684.01**
Attributable to:						
Owners of the Holding Company	300.36	249.09	129.61	549.45	213.80	684.01
9 Other comprehensive income/(loss) for the period/year (6)	**72.83**	**(42.82)**	**32.51**	**30.01**	**86.24**	**123.76**
Attributable to:						
Owners of the Holding Company	72.83	(42.82)	32.51	30.01	86.24	123.76
10 Total comprehensive income/(loss) for the period/year (7)	**373.19**	**206.27**	**162.12**	**579.46**	**300.04**	**807.77**
Attributable to:						
Owners of the Holding Company	373.19	206.27	162.12	579.46	300.04	807.77
11 Paid-up share capital (par value of ₹1/- each fully paid)	108.43	108.32	108.20	108.43	108.20	108.32
12 Other equity						6,989.12
13 Earnings/(loss) per equity share (EPS/LPS)	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	
Basic	2.77	2.30	1.20	5.07	1.98	6.33
Diluted	2.76	2.28	1.20	5.01	1.97	6.29

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Statement of consolidated cash flow

(in ₹ million, except for share data and if otherwise stated)

Particulars	**As at 30 September 2023 (Unaudited)**	**As at 31 March 2023 (Audited)**
Cash flow from operating activities		
Profit before tax	713.97	672.58
Adjustments for:		
Depreciation and amortisation expense	217.52	358.14
Finance cost	6.79	14.34
Employee stock option expense	22.57	46.94
Trade and other receivables written off	6.49	81.65
Allowance for expected credit loss	8.62	28.59
Net gain on current investments measured at FVTPL	(2.21)	(10.38)
Interest income	(88.57)	(165.77)
Unrealised foreign exchange loss/(profit)	(1.64)	(56.01)
(Gain)/loss on sale of property, plant and equipment (net)	-	(0.98)
Operating profit before working capital changes and other adjustments	**883.54**	**969.10**
Working capital adjustments:		
Increase in trade receivables	(397.30)	(265.49)
Decrease in financial assets	29.95	203.94
(Increase)/ Decrease in loans	(9.51)	0.74
(Increase)/ Decrease in other assets	6.89	(47.47)
Increase/ (Decrease) in trade payable	78.87	(106.90)
Increase in other financial liabilities	66.00	44.59
Increase/ (Decrease) in other liabilities	185.54	(166.68)
Increase in provisions	7.96	4.88
Cash generated from operating activities post working capital changes	**851.94**	**636.71**
Income tax paid	(82.76)	(117.53)
Net cash generated from operating activities	**769.18**	**519.18**
Investing activities		
Purchase of property, plant and equipment, intangible assets and Right-of-use assets	(16.64)	(44.22)
Proceeds from sale of property, plant and equipment	-	2.33
Investments in mutual funds	(490.02)	(1,924.25)
Proceeds from sale of investments in mutual funds	498.26	2,326.28
Investments in bonds	(830.13)	(3,119.22)
Proceeds from sale of investments in bonds	960.81	2,975.47
Investments in bank deposits	(712.29)	(6,614.93)
Proceeds from maturity of bank deposits	638.37	7,709.68
Security deposit given	-	(1.61)
Interest income	52.61	182.82
Consideration paid related to earlier acquisition	-	(141.55)
Consideration paid for acquisition of business	-	(1,224.99)
Net cash generated from investing activities	**100.97**	**125.81**
Financing activities		
Proceeds from issue of equity instruments	8.55	21.73
Repayment of lease liabilities	(13.74)	(24.40)
Share application money received	0.29	-
Finance cost paid on lease liabilities	(6.64)	(14.15)
Finance cost paid	(0.15)	(0.19)
Net cash generated used in financing activities	**(11.69)**	**(17.01)**
Net increase in cash and cash equivalents	858.46	627.98
Net foreign exchange difference	8.12	30.34
Cash and cash equivalents at the beginning of the year	999.30	340.98
Cash and cash equivalents at year end	**1,865.88**	**999.30**

Notes to Standalone and Consolidated Financial Results for the quarter and six months period ended 30 September 2023

1 In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended, these standalone and consolidated financial results ("financial results") for the quarter and six months period ended 30 September 2023 have been reviewed and recommended for approval by the Audit Committee and accordingly have been approved by the Board of Directors of RateGain Travel Technologies Limited ("the Company") at their respective meetings held on 27 October 2023. The statutory auditors have carried out limited review of the financial results of the Company or the quarter and six months period ended 30 September 2023.

2 These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standard ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013 (read with SEBI Circular CIR/CFD/FAC/62/2016 dated 05 July 2016 and other recognised accounting practices and policies).

3 During the quarter ended 31 December 2021, the Company has completed its Initial Public Offer ("IPO") of 31,441,282 Equity shares (includes Equity shares of 129,870 reserve for Employees at discounted rate) of Face value of ₹ 1/- each ("equity shares") for cash at a price of ₹ 425/-per Equity Share (including a share premium of ₹ 424/- per Equity Share) aggregating to ₹13,357.35 million. This comprises of fresh issue of 8,835,752 equity shares aggregating up to ₹ 3,750 million (the "fresh issue") and an Offer for Sale of 22,605,530 equity shares aggregating to ₹9,607.35 million. The equity shares of the Company got listed with BSE Limited and National Stock Exchange of India Limited on 17 December 2021.

The utilisation of the initial public offer proceeds is summarised below: (in ₹ million)

Object of the issue as per prospectus	Utilisation planned as per prospectus	Total utilised upto 30 September 2023	Amount pending for utilisation as at 30 September 2023*
Repayment/prepayment of indebtedness availed by RateGain UK, one of our Subsidiaries, from Silicon Valley Bank	852.61	852.61	-
Payment of deferred consideration for DHISCO acquisition	252.00	252.00	-
Strategic investments, acquisitions and inorganic growth	800.00	800.00	-
Investment in technology innovation, artificial intelligence and other organic growth initiatives	500.00	500.00	-
Migration and usage of our services from self-managed Data Center to Amazon Web Services Cloud	407.73	82.51	325.22
General corporate purposes	754.84	754.66	0.18

*The unutilised proceeds has been temporarily invested/parked in bank accounts and deposits.

4 The Company's/Group's business activity falls within a single segment, which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals, in terms of Ind AS 108-Segment Reporting.

5 During the quarter ended 30 September 2023, 55,283 (for the six months period ended 30 September 2023, 156,733) Employee Stock Options ("options") have been exercised by the employees under the Employee Stock Option Scheme (ESOS) 2015 and Employee Stock Appreciation Rights (ESARs) 2022.

6 On 07 August 2023, Company in its Board meeting announced to raise the funds for an aggregate amount not exceeding ₹600 crores through issuing equity shares in the form of Qualified Institutions Placement (QIP), in accordance with the relevant provisions of the applicable law. The same has been approved by the Company's shareholders in the Annual General Meeting held on 15 September 2023.

For and on behalf of Board of Directors of **RateGain Travel Technologies Limited**

Date: 27 October 2023
Place: Noida

Bhanu Chopra
Managing Director

GENERAL INFORMATION

1. Our Company was originally incorporated in New Delhi as 'Ridaan Real Estate Private Limited' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 16, 2012 issued by the RoC. Pursuant to the Scheme of Arrangement and Demerger, our Company acquired the business of providing web-based solution to hospitality and travel sector of RateGain IT Solutions Private Limited. Subsequently, the name of our Company was changed to 'RateGain Travel Technologies Private Limited' and a fresh certificate of incorporation dated February 25, 2015 was issued by the RoC. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders dated July 15, 2021 and consequently the name of our Company was changed to 'RateGain Travel Technologies Limited' and a fresh certificate of incorporation dated July 27, 2021 was issued by the RoC.

2. Our Company's Registered Office is located at M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India and Corporate Office is located at Club 125, Plot No. A - 3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India.

3. The CIN of our Company is L72900DL2012PLC244966.

4. Our Company Secretary and Compliance Officer is Thomas P. Joshua. His contact details are as follows:

   Thomas P. Joshua
   Club 125, Plot No. A - 3,4,5
   Tower A, 4th Floor, Sector 125
   Noida 201 301
   Uttar Pradesh, India
   Tel: +91 120 5057 000
   E-mail: companysecretary@rategain.com

5. The Equity Shares are listed on BSE and NSE since December 17, 2021.

6. The authorized share capital of our Company as of the date of this Preliminary Placement Document is ₹ 147,000,000.00 divided into 147,000,000 Equity Shares of face value of ₹ 1 each and ₹ 3,000,000.00 divided into 300,000 Preference Shares of face value of ₹ 10 each.

7. This Issue was authorized and approved by our Board of Directors on August 7, 2023 and approved by our Shareholders through a special resolution passed at the AGM dated September 15, 2023.

8. Our Company has received in-principle approvals under Regulation 28(1)(a) of the SEBI Listing Regulations to list the Equity Shares, issued pursuant to the Issue, on NSE and BSE each dated November 15, 2023. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.

9. Copies of the Memorandum and Articles of Association will be available for inspection during usual business hours on all working days between 10.00 A.M. to 5.00 P.M. at our Registered Office.

10. Except as disclosed in this Preliminary Placement Document, our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

11. No change in the control of the Company will occur consequent to the Issue.

12. Except as disclosed in this Preliminary Placement Document, there has been no material change in our consolidated financial condition or trading position of our Company since September 30, 2023, the date of the latest financial statements prepared and included herein.

13. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

14. The Floor Price for the Issue is ₹ 676.66 per Equity Share, calculated in accordance with Regulation 176 of the SEBI ICDR Regulations, as certified by GSA & Associates LLP, Chartered Accountants,

independent chartered accountant. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations in accordance with the approval of the Shareholders accorded through a special resolution passed at the AGM dated September 15, 2023.

15. Our Company and the Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing so at his or her own risk.

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of Equity Shares pursuant to this Issue shall be made by our Company, in consultation with the Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the Allottees and the percentage of post-Issue capital (assuming that the Equity Shares are Allotted to them pursuant to this Issue) that may be held by them, is set forth below:

S. No.	Name of the proposed Allottee#	Percentage of the post-Issue share capital (%)*
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]

* *Based on the beneficiary position as on [●] (adjusted for Equity Shares Allocated in the Issue).*
\# *The details of the proposed Allottees have been intentionally left blank and will be filled in before filing the Placement Document with the Stock Exchanges and issuing the Placement Document to such proposed Allottees.*

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

Bhanu Chopra

(Chairman and Managing Director)

Date: November 15, 2023
Place: Noida, Uttar Pradesh, India

DECLARATION

We, the Board of Directors of the Company certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under this Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

Bhanu Chopra
(Chairman and Managing Director)

I am authorized by the Fund Raise Committee, a committee constituted by the Board of Directors of the Company, vide resolution dated August 7, 2023, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter(s) subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Bhanu Chopra
(Chairman and Managing Director)

Date: November 15, 2023
Place: Noida, Uttar Pradesh, India

RATEGAIN TRAVEL TECHNOLOGIES LIMITED

Registered Office
M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India

Corporate Office
Club 125, Plot No. A – 3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India

Website: www.rategain.com

Contact Person: Thomas P. Joshua, Vice President – Legal, Company Secretary and Compliance Officer
Address: Club 125, Plot No. A - 3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India
Email: companysecretary@rategain.com | **Tel:** +91 120 5057 000

LEAD MANAGERS

IIFL Securities Limited
24th Floor, One Lodha Place, Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India

Axis Capital Limited
1st Floor, Axis House, C-2 Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025, Maharashtra, India

DOMESTIC LEGAL COUNSEL TO THE COMPANY

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase III
New Delhi 110 020, India

DOMESTIC LEGAL COUNSEL TO THE LEAD MANAGERS

J. Sagar Associates
Vakils House
18 Sprott Road, Ballard Estate
Mumbai 400 001, India

STATUTORY AUDITORS

Walker Chandiok & Co LLP, Chartered Accountants
21st floor, DLF Square,
Jacaranda Marg, DLF Phase II,
Gurugram 122 002, Haryana, India

INTERNATIONAL LEGAL COUNSEL TO THE LEAD MANAGERS WITH RESPECT TO SELLING AND TRANSFER RESTRICTIONS

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore - 049321

SAMPLE APPLICATION FORM

RateGain®

RATEGAIN TRAVEL TECHNOLOGIES LIMITED

(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)

CIN: L72900DL2012PLC244966; **Registered Office**: M-140, Greater Kailash Part II, New Delhi 110 048, Delhi, India; **Corporate Office:** Club 125, Plot No. A-3,4,5, Tower A, 4th Floor, Sector 125, Noida 201 301, Uttar Pradesh, India
Telephone: +91 120 5057 000; **Email**: companysecretary@rategain.com;
Website: www.rategain.com
LEI Code: 335800SLVPD79CRGF875; **ISIN:** INE0CLI01024

Name of Bidder: ________________

Form No: ______________________

Date: __________________________

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH BY RATEGAIN TRAVEL TECHNOLOGIES LIMITED (THE "COMPANY") (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] MILLION UNDER SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT") READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") (HEREINAFTER REFERRED TO AS THE "ISSUE").

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 676.66 PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions*" in the accompanying preliminary placement document dated November 15, 2023 (the "PPD").

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES") IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
RateGain Travel Technologies Limited
M-140, Greater Kailash Part II,
New Delhi 110 048, Delhi, India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We

STATUS (Please ✓)			
FI	Scheduled Commercial Banks	**AIF**	Alternative Investment Funds**

confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

	and Financial Institutions		
MF	Mutual Funds	**NIF**	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds**	**SI-NBFC**	Systemically Important NBFC
IC	Insurance Companies	**IF**	Insurance Funds
OTH	Others (Please Specify)		

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

*** Sponsor and Manager should be Indian owned and controlled.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with IIFL Securities Limited and Axis Capital Limited (the "**Lead Managers**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("**CAN**"), and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The Bid Amount payable by us for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Lead Managers; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if we withdraw the Bid before Issue Closing Date, or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Delhi and Haryana at New Delhi (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Lead Managers, each of whom is entitled to rely on, and is relying on, these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section titled "***Risk Factors***" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Lead Managers or from any other source, including publicly available information; (2) we will abide by the

PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Lead Managers, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. **By signing this Application Form and checking the applicable box above, we hereby represent, warrant, acknowledge and agree that we are located outside the United States and purchasing the Equity Shares in an "offshore transaction" (as defined in, and in reliance on, Regulation S) complying with Rule 903 or Rule 904 of Regulation S and the applicable laws of the jurisdictions where such offers and sales are made.**

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
MOBILE NO.			
TELEPHONE NO.		**FAX.**	
EMAIL			
FOR ELIGIBLE FPIs**	**Registration Number:**	**For AIFs***/ MFs/ VCFs***/ SI-NBFCs/ ICs**	**Registration Number:**

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the Lead Managers.*
***In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*
****Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS			
Depository Name (Please ✓)	National Security Depository Limited		Central Depository Services (India) Limited
Depository Participant Name			
DP – ID	I N		
Beneficiary Account Number			(16 digit beneficiary account. No. to be mentioned above)

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER BY 2.00 P.M. (IST), November [●], 2023, [●]	
Name of the Account	RateGain Travel Technologies Limited – QIP Escrow Account
Name of the Bank	HDFC Bank Limited
Address of the Branch of the Bank	Ground Floor, Stellar IT Park C-25, Sector 62, Noida 201 301, Uttar Pradesh, India
Account Type	Escrow Account
Account Number	57500001373905
IFSC	HDFC0002649

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "*RateGain Travel Technologies Limited – QIP Escrow Account*". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

You are responsible for the accuracy of the bank account details mentioned below. You are aware that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank details provided by you. The Company and the Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICEPER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In figures)	(In words)		

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
LEI	
Signature of Authorised Signatory (may be signed either physically or digitally) **	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following:
☐ Copy of PAN Card or PAN allotment letter
☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
☐ Copy of notification as a public financial institution
☐ FIRC
☐ Copy of IRDAI registration certificate
☐ Intimation of being part of the same group
☐ Certified true copy of Power of Attorney
☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and the Placement Document.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the Lead Managers.

(3) The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

This Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.