UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

For the transition period from to

Commission file number 001-37968

YATRA ONLINE, INC.
(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

Cayman Islands
(Jurisdiction of incorporation or organization)

Gulf Adiba, Plot No. 272
4th Floor, Udyog Vihar, Phase-II
Sector-20, Gurugram-122008, Haryana, India
(+91 124) 4591700
(Address of principal executive offices)

Dhruv Shringi
Chief Executive Officer
Gulf Adiba, Plot No. 272
4th Floor, Udyog Vihar, Phase-II
Sector-20, Gurugram-122008, Haryana, India
(+91 124) 4591700
(Name, Telephone, E-mail and/or facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, par value $0.0001 per share	YTRA	Nasdaq Capital Market

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of March 31, 2022, 58,132,574 ordinary shares, par value $0.0001 per share, 2,392,168 Class A non-voting shares, par value $0.0001 per share, and 2,061,094 Class F shares, par value $0.0001 per share, were issued and outstanding.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Note-Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒	Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

†The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

US GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

☐ Yes ☐ No

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CONVENTIONS USED IN THIS ANNUAL REPORT

In this Annual Report, references to "U.S.," the "United States" or "USA" are to the United States of America, its territories and its possessions. References to "India" are to the Republic of India. References to "$", "US$" and "U.S. Dollars" are to the lawful currency of the United States of America, and references to "Rs." "INR" and "Rupee" each refer to the Indian Rupee, the official currency of the Republic of India.

The data provided herein expressed in Indian Rupees per U.S. dollar is based on the noon buying rate in The City of New York for cable transfers of Indian Rupees as certified for customs purposes by the Federal Reserve Bank of New York. On March 31, 2022, the exchange rate between the U.S. dollar and the Indian Rupee expressed in Indian Rupees per U.S. dollar was $1.00 = INR. 75.87. We make no representation that the Indian Rupee amounts represent U.S. dollar amounts or have been, could have been or could be converted into US dollars at such rates or any other rates.

Unless otherwise indicated, our consolidated statement of financial position as of March 31, 2022, 2021 and 2020 and the related consolidated statements of profit or loss and other comprehensive loss, changes in equity and cash flows for each of the three years in the period ended March 31, 2022, included elsewhere in this Annual Report have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. References to a particular "fiscal year" are to our fiscal year ended March 31 of that year. Our consolidated financial statements as of March 31, 2022, 2021 and 2020 reflect our April 1, 2018 adoption of the new revenue recognition standard, IFRS 15 *Revenue from Contract with Customers*, or IFRS 15, pursuant to which upfront cash incentives, loyalty programs costs for customer inducement and acquisition costs for promoting transactions across various booking platforms, some of which, when incurred, were previously recorded as marketing and sales promotion costs, are now recorded as an offset of revenue. We had adopted the new standard by using the modified retrospective approach and accordingly our financial statements for the years ended March 31, 2018 have not been retrospectively adjusted. Our fiscal quarters end on June 30, September 30, December 31, and March 31. References to a year other than a "fiscal" year are to the calendar year ended December 31. We refer in various places within this Annual Report to Adjusted Revenue, Adjusted EBITDA Profit/ (Loss), Adjusted Results from Operations, Adjusted Loss for the Period, Adjusted Basic Loss Per Share and Adjusted Diluted Loss Per Share, which are non-IFRS measures. The presentation of non-IFRS measures is not meant to be considered in isolation or as a substitute for our consolidated financial results prepared in accordance with IFRS. See "Item 5. Operating and Financial Review and Prospects."

INDUSTRY AND MARKET DATA

In this Annual Report, we rely on and refer to information and statistics regarding the travel service industry and our competitors from market research reports and other publicly available sources. We have supplemented such information where necessary with our own internal estimates and information obtained from discussions with our customers, taking into account publicly available information about other industry participants and our management's best view as to information that is not publicly available. While we believe that all such information is reliable, we have not independently verified industry and market data from third-party sources. In addition, while we believe that our internal company research is reliable and the definitions of our industry and market are appropriate, neither our research nor these definitions have been verified by any independent source. Further, while we believe the market opportunity information included in this Annual Report is generally reliable, such information is inherently imprecise. Projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors." These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us. See "Special Note Regarding Forward-Looking Statements."

TRADEMARKS

We operate under a number of trademarks and trade names, including, among others, "Yatra" and "Travelguru." This Annual Report contains references to our trademarks and trade names and to those belonging to other entities. Solely for convenience, trademarks and trade names referred to in this Annual Report may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trademarks, trade names or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements in this Annual Report constitute forward-looking statements that do not directly or exclusively relate to historical facts. You should not place undue reliance on such statements because they are subject to numerous uncertainties and factors relating to our operations and business environment all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements are often, but not always, made through the use of words or phrases such as “believe,” “anticipate,” “could,” “may,” “would,” “should,” “intend,” “plan,” “potential,” “predict,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy,” “outlook,” the negative form of such words and similar expressions. Forward-looking statements may include, but are not limited to, statements about the following:

- the impact of the COVID-19 pandemic on our business, the travel industry, travel trends and the economy generally;
- our ability to generate positive cash flow and the sufficiency of our operating cash flow to meet our liquidity needs;
- our ability to pursue strategic partnerships;
- our future financial performance, including our revenue, cost of revenue, operating expenses and our ability to achieve and maintain profitability;
- the impact of increasing competition in the Indian travel industry and our expectations regarding the development of our industry and the competitive environment in which we operate;
- our performance in the current or changing economic or political environment;
- Yatra Online Limited’s (“Yatra India”) ability to consummate an initial public offering (the “Indian IPO”);
- our ability to successfully negotiate our contracts with airline suppliers and global distribution system, or GDS, service providers and mitigate any negative impacts on our revenue that result from reduced commissions, incentive payments and fees we receive;
- whether we will become a passive foreign investment company (“PFIC”) in the current taxable year or in the foreseeable future;
- political and economic stability in and around India and other key travel destinations and the impacts changes may have on our performance;
- our ability to adapt services to changes in technology or the marketplace and successfully incorporate new features, improvements and strategies;
- our ability to increase the number of visits to our search platform and referrals to our advertisers;
- our ability to successfully manage any new business initiatives and to successfully implement our growth strategy;
- our ability to maintain and increase our brand awareness and value;
- the growth in the usage of mobile devices and our ability to successfully monetize this usage, including the enhanced use of mobile device by customers which may drive traffic to entities providing operating systems on such device;
- whether we will continue to be treated as a foreign corporation for U.S. federal income tax purpose;
- whether we will be considered a passive foreign investment company (“PFIC”) in the current taxable year or in the foreseeable future; and
- our ability to realize the anticipated benefits of any past or future acquisitions.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed in the statements. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following:

- the slowdown in Indian economic growth and other declines or disruptions in the Indian economy in general and travel industry in particular, including disruptions caused by safety concerns, terrorist attacks, regional conflicts, pandemics and natural calamities;
- our ability to attract, train and retain executives and other qualified employees, including suitable replacements for any members of our senior management team or other employees who may seek other employment opportunities as a result of the certain cost reduction initiatives that we have taken in response to the COVID-19 pandemic, including salary reductions and freezes;
- our ability to access capital through debt and equity markets in amounts and at rates and costs acceptable to us or at all;
- our ability to protect our intellectual property;
- fluctuations in quarterly results and the potential impact of such fluctuations on the value of our ordinary shares;
- potential difficulty in collecting payments in a timely manner on our outstanding accounts receivables from customers and suppliers;
- our reliance on search engines, which may change their algorithms;
- fluctuations in exchange rates between the Indian rupee and the U.S. dollar, Euro, British pound sterling or other major currencies;
- our ability to maintain and/or expand relationships with, and develop new relationships with, travel companies and travel research companies as well as online travel agents, or OTAs;
- our reliance on third-party systems and service providers, including our outsourcing of certain of our call center services, and the impact any disruption or adverse change in their business or deterioration in the quality of their performance may have on our business;
- proceedings or claims arising from travel-related accidents and or other legal, administrative or regulatory proceedings;
- adverse tax judgment or any matter in litigation in general;
- online commerce security, including the risks related to the processing, storage, use and disclosure of personal data leading to internal or external security breaches and other cyber/internet attacks;
- lower consumer and corporate demand for travel due to a reduction in discretionary spending as well as structural or behavioral changes by businesses and individuals driven by safety concerns and the comfort of working remotely eased by the use of technology, and non-renewal of our corporate customers contracts;
- closure of certain of our offices and remote work arrangements implemented due to the COVID-19 pandemic and related potential impact on our business continuity plans and potential

increases in operational risk;

- higher than normal cash outlays to refund our customers due to the high level of cancellations;
- compliance with rules and requirements applicable to public companies, including fulfilling our obligations as a foreign private issuer and maintaining proper and effective internal controls over financial reporting, will be expensive and time consuming;
- our business partners, including the potential bankruptcy, restructuring, consolidation or alliance of any of our partners, the credit worthiness of our business partners, the possible obligation to make payments to these partners and our dependence on a small number of such partners for a significant percentage of our revenue;
- geopolitical risk and changes in applicable laws and regulations;
- airline suppliers (including our GDS service providers) may reduce or eliminate the commission and other fees they pay to us for the sale of air tickets; and
- the risks and uncertainties included in this Report under "Item 3. Key Information – D. Risk Factors."

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected Consolidated Financial Data

The following selected consolidated statement of profit or loss and other comprehensive loss data for fiscal years 2022, 2021 and 2020 and the selected consolidated statement of financial position data as of March 31, 2022 and 2021 have been derived from our audited consolidated financial statements included elsewhere in this Annual Report. The selected consolidated statement of profit or loss and other comprehensive loss data for fiscal years 2019 and 2018 and the selected consolidated statement of financial position data as of March 31, 2020, 2019 and 2018 have been derived from our audited consolidated financial statements not included in this Annual Report.

The financial data set forth below should be read in conjunction with, and is qualified by reference to, "Item 5. Operating and Financial Review and Prospects" and the consolidated financial statements and notes thereto included elsewhere in this Annual Report. Our consolidated financial statements are prepared and presented in accordance with IFRS as issued by the IASB. Effective April 1, 2018, we adopted the new revenue recognition standard, IFRS 15, pursuant to which upfront cash incentives, loyalty programs costs for customer inducement and acquisition costs for promoting transactions across various booking platforms, some of which, when incurred, were previously recorded as marketing and sales promotion costs, are now recorded as an offset of revenue. We have adopted the new standard by using the cumulative effect method and, accordingly, the comparative information has not been restated. Our historical results do not necessarily indicate results expected for any future period.

The translations of Indian Rupee amounts to US dollars amounts set forth below are solely for the convenience of the reader and are based on the noon buying rate of in The City of New York for cable transfers of INR 75.87 per $1.00 as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2022. We make no representation that the Indian Rupee amounts represent US dollar amounts or have been, could have been or could be converted into US dollars at such rates or any other rates.

The following information should be read in conjunction with, and is qualified in its entirety by reference to, "Item 5. Operating and Financial Review and Prospects" and the audited consolidated financial statements and the notes thereto included elsewhere in this Annual Report.

Consolidated statement of profit or loss and other comprehensive loss (amounts in thousands, except per share data and number of shares)	**2018 INR**	**2019 INR**	**2020 INR**	**2021 INR**	**2022 INR**	**2022 USD**
Revenue:						
Air Ticketing	5,012,931	3,449,265	2,609,518	893,039	1,150,474	15,164
Hotels and Packages	6,628,236	4,914,420	3,601,798	173,397	520,740	6,863
Other services	105,249	56,419	53,958	31,426	146,178	1,927
Other revenue	502,097	938,476	994,081	173,406	171,984	2,267
Total revenue	**12,248,513**	**9,358,580**	**7,259,355**	**1,271,268**	**1,989,376**	**26,221**
Other income	90,001	263,785	159,631	132,045	158,648	2,091
Service cost	4,930,757	4,282,803	2,922,929	22,276	159,284	2,099
Personnel expenses	2,902,840	2,550,214	1,777,273	778,915	1,021,881	13,469
Marketing and sales promotion expenses	4,153,920	809,996	196,209	79,584	124,147	1,636
Other operating expenses	3,285,530	3,975,805	2,259,261	978,315	893,313	11,774
Depreciation and amortisation	425,600	581,746	666,369	749,480	308,153	4,062
Impairment of goodwill	-	-	221,999	264,909	-	-
Impairment of loan to Joint venture	-	-	-	-	72,719	958
Results from operations	**(3,360,133)**	**(2,578,199)**	**(625,054)**	**(1,470,166)**	**(431,473)**	**(5,686)**
Share of loss of Joint venture	(10,559)	(12,772)	(10,784)	(3,962)	41,616	549
Finance income	91,912	41,310	58,641	81,604	47,816	630
Finance costs	(153,056)	(263,290)	(193,287)	(117,252)	(100,453)	(1,324)
Listing and related expense	-	-	-	-	(55,818)	(736)
Change in fair value of warrants gain/(loss)	(563,253)	1,667,193	94	378,994	32,756	432
Loss before taxes	**(3,995,089)**	**(1,145,758)**	**(770,390)**	**(1,130,782)**	**(465,556)**	**(6,135)**
Tax expense	(56,887)	(47,837)	(69,805)	(64,096)	(16,906)	(223)
Loss for the period	**(4,051,976)**	**(1,193,595)**	**(840,195)**	**(1,194,878)**	**(482,462)**	**(6,358)**
Loss attributable to:						
Owners of the Parent Company	(3,993,140)	(1,148,203)	(833,808)	(1,177,343)	(477,850)	(6,297)
Non-controlling interest	(58,836)	(45,392)	(6,387)	(17,535)	(4,612)	(61)
Loss for the period	**(4,051,976)**	**(1,193,595)**	**(840,195)**	**(1,194,878)**	**(482,462)**	**(6,358)**
Loss per share						
Basic	(116.41)	(26.37)	(17.94)	(20.38)	(7.66)	(0.10)
Diluted	(116.41)	(26.95)	(17.94)	(20.42)	(7.66)	(0.10)
Weighted average number of ordinary shares outstanding used in computing earnings per share						
Basic	34,301,152	43,543,991	46,477,249	57,771,701	62,352,494	62,352,494
Diluted	34,301,152	44,286,393	46,477,249	58,514,103	62,352,494	62,352,494

The following table sets forth a summary of our consolidated statement of financial position as of March 31, 2022, 2021, 2020, 2019 and 2018:

Consolidated Statement of financial position data (amounts in thousands)	**31-Mar 2018 INR**	**2019 INR**	**2020 INR**	**2021 INR**	**2022 INR**	**2022 USD**
Trade and other receivables	3,976,751	4,921,270	2,368,395	870,452	1,934,713	25,500
Term deposits	1,012,144	1,029,533	755,324	552,129	568,264	7,490
Cash and cash equivalents	2,465,073	2,161,014	1,365,370	1,711,589	800,282	10,548
Total assets	**11,616,787**	**12,551,897**	**8,758,190**	**5,747,291**	**5,464,574**	**72,025**
Total equity attributable to equity holders of the company	(224,918)	2,359,749	1,491,941	1,157,828	890,258	11,734
Borrowings	851,829	1,176,405	985,457	131,055	358,580	4,726
Trade and other payables	5,049,630	5,268,046	2,887,144	2,250,363	2,437,317	32,125
Total liabilities	11,842,066	10,172,727	7,247,216	4,584,216	4,572,333	60,265
Total equity and liabilities	**11,616,787**	**12,551,897**	**8,758,190**	**5,747,291**	**5,464,574**	**72,025**

Other Data:

The following table sets forth for the periods indicated; certain selected consolidated financial and other data:

	Fiscal Year ended March 31, 2018	**2019**	**2020**	**2021**	**2022**
Figures in thousands					
Quantitative details*					
Air Passengers	8,875	10,163	8,179	2,623	3,706
Hotel room nights	2,098	2,341	1,200	547	1018
Holiday packages passengers travelled	168	134	111	4	10
Amount in INR thousands except %					
Gross Bookings**					
Air Ticketing	79,156,190	97,638,313	77,411,328	13,001,783	27,648,844
Hotels and Packages	13,386,288	13,511,914	7,895,916	1,705,600	3,487,276
Other Services	2,352,068	2,943,413	2,463,161	1,109,558	3,162,247
Total	**94,894,546**	**114,093,640**	**87,770,405**	**15,816,941**	**34,298,367**
Adjusted Revenue***					
Air Ticketing	5,012,931	5,708,152	3,957,990	1,487,465	2,211,074
Hotels and Packages	1,697,479	1,880,123	784,605	350,530	599,151
Other Services*****	105,249	120,477	86,121	47,178	161,504
Others (Including Other Income)	592,098	1,202,261	1,153,712	305,450	330,632
Total	**7,407,757**	**8,911,013**	**5,982,428**	**2,190,623**	**3,302,361**
Net Revenue Margin %****					
Air Ticketing	6.3%	5.8%	5.1%	11.4%	8.0%
Hotels and Packages	12.7%	13.9%	9.9%	20.6%	17.2%
Other Services	4.5%	4.1%	3.5%	4.3%	5.1%

*Quantitative details are considered on Gross basis.

**Gross Bookings represent the total amount paid by our customers for the travel services and products booked through us, including fees and other charges, and are net of cancellations and refunds.

***As certain parts of our revenue are recognized on a "net" basis and other parts of our revenue are recognized on a "gross" basis, we evaluate our financial performance based on Adjusted Revenue, which is a non IFRS measure. We believe that Adjusted Revenue provides investors with useful supplemental information about the financial performance of our business and more accurately reflects the value addition of the travel services that we provide to our customers. The presentation of this non IFRS information is not meant to be considered in isolation or as a substitute for our consolidated financial results prepared in accordance with IFRS as issued by the IASB. Our Adjusted Revenue may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

****Net Revenue Margins are defined as Adjusted Revenue as a percentage of Gross Bookings. Given higher cancellations against new bookings, the Net Revenue Margin number is not comparable for the year ended March 31, 2021.

*****Other Services consists of bus, rail bookings, cab, our recently launched freight business and other services. Effective July 1, 2021, the Company has changed the composition of its operating segments which has resulted in "Other Services" segment now being reported as one of the reportable segments. Following this change in the composition of its reportable segments, the Company has restated the corresponding items for earlier periods.

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

This Annual Report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those described in the following risk factors and elsewhere in this Annual Report. If any of the following risks actually occur, our business, financial condition and results of operations could suffer.

Summary Risk Factors

Our business is subject to a number of risks of which you should be aware of. These risks are discussed more fully in this "Item 3. Key Information - D. Risk Factors" section of this Annual Report. These risks include, but are not limited to, the following:

- The COVID-19 pandemic has had, and may be expected to continue to have, a material adverse impact on the travel industry and our business, financial performance and liquidity position.
- We have a history of operating losses.
- The Indian travel industry is highly competitive and we may not be able to effectively compete in the future.
- Disruptions in the Indian economy in general and the travel industry in particular could adversely affect our business and financial performance.
- We are exposed to risks associated with Indian businesses, particularly those in the Indian travel industry, including bankruptcies, restructurings, consolidations and alliances of its partners, the credit worthiness of these partners, and the possible obligation to make payments to our partners.
- We are dependent on our airline ticketing business, which generates a significant percentage of our revenues and is derived from a small number of airline suppliers in India.
- There can be no assurance that an initial public offering of Yatra India's equity shares, i.e., all Common Stock/Ordinary Shares, par value INR 1 each ("Yatra India Equity Shares"), will be consummated.
- Yatra India is incorporated in India and our shareholders may not have recourse in protecting their indirect interests in Yatra India as they would as shareholders of a corporation incorporated in the United States or the Cayman Islands.
- Yatra India may issue equity or convertible securities to third parties which would reduce our ownership percentage in Yatra India and would have a dilutive effect on the amount of distributions made to us by Yatra India.
- The interests of our shareholders will be structurally subordinated to all liabilities and obligations of Yatra India and its subsidiaries (the "Group"), including Yatra India's public shareholders in India.
- Significant differences exist between Indian Accounting Standards ("Ind AS") and other accounting principles, such as Indian and U.S. Generally Accepted Accounting Principles ("GAAP") and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.
- If we fail to continue to satisfy applicable Nasdaq listing standards, including compliance with the minimum market value of listed securities requirement, Ordinary Shares may be delisted from the Nasdaq Capital Market, which would seriously harm the liquidity of the Ordinary Shares and may have an adverse impact on the price of the Ordinary Shares.
- Outstanding warrants and options, which are exercisable for our Ordinary Shares and restricted securities that vest, may increase the number of shares eligible for future resale in the public market and result in dilution to our shareholders.
- We are a Cayman Islands company and, because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than under U.S. law, you could have less protection of your shareholder rights than you would under U.S. law.

Risks Related to Our Business and Industry

The COVID-19 pandemic has had, and is expected to continue to have, a material adverse impact on the travel industry and our business, financial performance and liquidity position.

An outbreak of a novel strain of coronavirus, or SARS-CoV-2, which causes the COVID-19 disease, was identified in December 2019 and was subsequently recognized as a pandemic by the World Health Organization on March 11, 2020. The COVID-19 pandemic has severely restricted the level of economic activity around the world, and is having an unprecedented effect on the global travel industry. In response to the COVID-19 pandemic, the governments of many countries, states, cities and other geographic regions have implemented containment measures, such as imposing lockdowns and restrictions on travel and business operations and advising or requiring individuals to limit or forgo their time outside of their homes. Individuals' ability to travel has been curtailed through border closures across the world, mandated travel restrictions and limited operations of hotels and airlines, and may be further limited through additional voluntary or mandated closures of travel-related businesses. The measures implemented to contain the COVID-19 pandemic have had, and are expected to continue to have, a significant negative effect on our business, financial condition, results of operations, cash flows and liquidity position. In particular, such measures have led to a significant decline in travel demand, unprecedented levels of cancellations and limited new air travel, hotel and holiday bookings. Due to the high degree of cancellations and customer refunds and lower new bookings in our Air Ticketing and Hotels and Packages segments, we are experiencing unfavorable working capital trends and material negative cash flow. In addition, for fiscal year 2021, as a result of the significant negative impact related to COVID-19 pandemic on the travel industry, we performed a quantitative assessment of goodwill and, following that assessment, we recorded an impairment charge to our goodwill amount to INR 264,909. This is expected to continue until cancellations stabilize and travel demand begins to recover from current levels, at which time Ticketing, including air travel, and Hotel and Packages bookings and cash flow are expected to increase.

We refund users of our platform for cancelled tickets and reservations that they have purchased or made with our travel suppliers through our platform. Due to COVID-19, we have experienced a significant increase in the number of cancellations and incurred, and expect to continue to incur, higher than normal cash outlays for refunds to our customers. Our ability to timely respond to customer requests for cancellations and refunds has been significantly impacted due to the increased cancellations. If we are unable to timely process refunds to our customers, we may experience damage to our brand and a reduction in traffic to our platform, which could materially and adversely affect our business, cashflows and results of operations.

We have implemented certain measures and modified certain policies in light of the COVID-19 pandemic. For example, we have largely automated our re-scheduling and cancellation of bookings and provided our customers greater flexibility to defer or cancel their travel plans. In addition, we have also undertaken certain cost reduction initiatives, including implementing salary reductions and freezes and work from home policies, renegotiating fixed costs such as rent, deferring non-critical capital expenditures, reducing our marketing expenses and renegotiating our supplier payments and contracts. We are confident of realizing our current assets and do not consider any impairment in the carrying value of current assets. We expect to continue to adapt our policies and cost reduction initiatives as the situation evolves. However, any additional measures taken to contain COVID-19 or changes in laws or regulations, whether in India or other countries, that further impair the ability or desire of individuals to travel, including laws or regulations banning travel, requiring the closure of hotels or other travel-related businesses/activities (such as restaurants, monuments, etc.) or otherwise restricting travel due to the risk of the spreading of COVID-19, may exacerbate the negative impact of the COVID-19 pandemic on our business, financial condition, results of operations, cash flows and liquidity position.

Moreover, the duration and severity of the COVID-19 pandemic are uncertain and difficult to predict, especially as new variants of the virus emerge. The pandemic could continue to impede global economic activity for an extended period, even as restrictions are lifted, leading to decreased per capita income and disposable income, increased and sustained unemployment or a decline in consumer confidence, all of which could significantly reduce discretionary spending by individuals and businesses on travel. In turn, that could have a negative impact on demand for our services and could lead our partners, or us, to reduce prices or offer incentives to attract travelers. We also cannot predict the long-term effects of the COVID-19 pandemic on our partners and their businesses and operations or the ways that the pandemic may fundamentally alter the travel industry. The aforementioned circumstances could result in a material adverse impact on our business, financial condition, results of operations and cash flows, potentially for a prolonged period.

While we have undertaken certain actions to attempt to mitigate the effects of the COVID-19 pandemic on our business, our reduction initiatives may lead to disruptions in our business, inability to enhance or preserve our brand awareness, reduced employee morale and productivity, increased attrition, and problems retaining existing and recruiting future employees, all of which could have a material adverse impact on our business, financial condition, results of operations and cash flows. For the reasons set forth above and other reasons that may come to light as the COVID-19 pandemic and containment measures expand, it is difficult to estimate with accuracy the impact to our future revenues, results of operations, cash flows, liquidity or financial condition, but such impacts have been and will continue to be significant and could continue to have a material adverse effect on our business, financial condition, results of operations, cash flows and liquidity position for the foreseeable future.

Most of our employees, third-party vendors and service providers are working remotely, and it is possible that widespread remote work arrangements could have a materially negative impact on host and guest satisfaction resulting from potential delays or slower than usual response times in receiving assistance from our customer support services. The negative impact on our hosts' and guests' satisfaction could adversely impact the following: our operations, cash flows, the execution of our business plans, the productivity and availability of key personnel, employees or third-party service providers that perform critical services for us. The negative impact on hosts' and guests' satisfaction could also cause operational failures due to changes in our normal business practices necessitated by the COVID-19 pandemic and related governmental actions. If a natural disaster, power outage, connectivity issue, or other event occurs that impacts our employees' ability to work remotely, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. The increase in remote working may also result in material consumer privacy, information technology security, and fraud risks. The reduction in our workforce in 2020 and remote work arrangements that resulted from the COVID-19 pandemic caused us to recognize an impairment in one of our real property lease arrangements. The impact of the COVID-19 pandemic is uncertain, and depending on the duration and extent of the remote work arrangements, we may incur additional impairment charges related to our real property lease agreements in future periods.

With the commencement of a phased rollout of vaccines in India from January 16, 2021, we witnessed significant recovery in domestic travel demand, with significant sequential quarter on quarter improvements across all our lines of business. However, toward the end of the fourth quarter of fiscal year 2021, a severe second wave of COVID-19 infections emerged in India that has been more severe than the first wave that occurred in 2020. This second wave led to the re-imposition of states-wide travel restrictions, lockdowns and curfews across India. Such restrictions remain unpredictable as to their timing and may evolve in response to the evolution of the COVID-19 pandemic in India. Further, on November 26, 2021, WHO designated a new variant B.1.1.529, as a variant of concern, named Omicron ("Omicorn"), which due to its wide-spread in India has resulted in a third wave of COVID-19 infections. Omicron has led to re-imposition of nation-wide travel restrictions, and curfews across different states in India. During the course of the pandemic, governments have implemented additional containment measures in response to new variants of the virus, including most recently in response to the Omicron variant. Individuals' ability to travel has also been curtailed through border closures, mandated travel restrictions and limited operations of hotels and airlines, and may be further limited through additional voluntary or mandated closures of travel-related businesses. The degree of containment of the virus and the recovery in travel has varied country by country. During the recovery period there have been instances where cases of COVID-19 have started to increase again after a period of decline, which in some cases impacted the recovery of travel in some countries. Additionally, there continues to be uncertainty over the impact of Omicron or other new variants of the virus, including the efficacy of the vaccines against such variants, which has contributed and may continue to contribute to delays in economic recovery. Significant increase in COVID-19 infections in last quarter of fiscal 2022, may result in further lockdown and imposition of stringent norms to limit the spread of Omicron. However, it is difficult for us to predict how long the COVID-19 pandemic will continue and what impact this may have on the travel sector and our business. The extent of the effects of the COVID-19 pandemic on our business, results of operations, cash flows and growth prospects remain uncertain and would be dependent on future developments. These include, but are not limited to, the severity, extent and duration of the pandemic, its impact on the travel industries and consumer spending, rates of vaccination and the effectiveness of vaccinations against various mutations or variants of the COVID-19 virus. While many countries have begun the process of vaccinating their residents against COVID-19, the large scale and challenging logistics of distributing the vaccines, efficacy of the vaccines against new mutations or variants of the virus, such as the Delta variant and Omicron, and other factors may contribute to delays in economic recovery. The management team expect to continue to adapt policies and cost reduction initiatives as the situation evolves and is confident of realizing its current assets and does not consider any impairment in the carrying value of those assets. The recent Ukraine-Russia conflict could also have an adverse impact on foreign tourist arrivals in India from the affected region which could adversely affect our business, operations and financial performance.

To the extent the COVID-19 pandemic adversely affects our business, operations and financial condition and results, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

We have a history of operating losses.

We have a history of losses and may continue to incur operating and net losses for the foreseeable future. Yatra’s net losses were INR 482.5 million for fiscal year 2022 as compared to a loss of INR 1,194.9 million in fiscal year 2021 and a loss of INR 840.2 million in fiscal year 2020. If our revenues grow slower than anticipated, or if our operating expenses exceed expectations, then we may not be able to achieve profitability in the near future or at all, which may depress the price of our Ordinary Shares.

The Indian travel industry is highly competitive and we may not be able to effectively compete in the future.

The Indian travel industry is highly competitive. Our success depends upon our ability to compete effectively against numerous established and emerging competitors, including other online travel agencies, or OTAs, traditional offline travel companies, travel research companies, payment wallets, search engines and meta-search companies, both in India and abroad, such as Agoda Company Pte. Ltd., Akbar Travels, Amazon India, Booking.com B.V., Cleartrip Pvt. Ltd., CWT, Expedia Southeast Asia Pte. Ltd., Flipkart Pvt. Ltd., Cleartrip Private Limited, Easy Trip Planner Limited, Thomas Cook India Limited, FCM Travel Solutions India Private Limited, GBT India Private Limited, CWT India Private Limited, MakeMyTrip (India) Pvt. Ltd. (including Ibibo Group), One97 Communications Limited, Oravel Stays Ltd., Riya Travel and Tours (India) Private Limited and Le Travenues Technology Limited, and in each case including their affiliated and group entities. Our competitors may have significantly greater personnel resources, financial resources, marketing resources and other resources than we have. Factors affecting our competitive success include price, availability of travel products, ability to package travel products across multiple suppliers, brand recognition, customer service and customer care, fees charged to customers, ease of use, accessibility, reliability and innovation. If we are not able to compete effectively against our competitors, our business and results of operations and cash flows may be adversely affected.

Large, established Internet search engines with a global presence and meta-search companies who can aggregate travel search results compete against us for customers. Certain of our competitors have launched brand marketing campaigns to increase their visibility with customers. Some of our competitors have significantly greater personnel resources, financial resources, marketing resources and other resources than we do and certain of our competitors have a longer history of established businesses and reputations in the Indian travel market as compared with us. Meta-search sites, including TripAdvisor Inc., Trivago NV, and Kayak, offer the users an ability to make reservations directly on their websites, which may reduce the amount of traffic and transactions available to us through referrals from these sites. If additional meta-search sites begin to offer the ability to make reservations directly, that will further affect our ability to generate traffic to our sites. From time to time, we have been and, in the future, we may be, required to reduce service fees and Net Revenue Margins in order to compete effectively and maintain or gain market share.

We may also face increased competition from new entrants in our industry. The travel industry is extremely dynamic and new channels of distribution in the travel industry may negatively affect our market share. Additional sources of competition include large companies that offer online travel services as one part of their business model, such as Alibaba Group Holding Ltd, as well as “daily deal” websites, such as Groupon, Inc.’s Getaways, or peer-to-peer inventory sources, such as Airbnb Inc., HomeAway.com and Oravel Stays Ltd., which provide home and apartment rentals as an alternative to hotel rooms. Recently, the growth of peer-to-peer inventory sources has affected the demand for our services in facilitating reservations at hotels, particularly in overseas markets. We cannot assure you that we will be able to successfully compete against existing or new competitors in our existing lines of business as well as new lines of business into which we may venture. If we are not able to compete effectively, our business, cash flows, and results of operations may be adversely affected.

In addition, many airlines, hotels, car rental companies and tour operators have call centers and have established their own travel distribution websites and mobile applications. Suppliers may offer advantages for customers to book directly, such as member-only fares, bonus miles or loyalty points, which could make their offerings more attractive to customers. Some low-cost airlines distribute their online supply exclusively through their own websites and other airlines have stopped providing inventory to certain online channels and attempt to drive customers to book directly on their websites by eliminating or limiting sales of certain airline tickets through third-party distributors. Additionally, airline suppliers are increasingly promoting hotel supply on their websites in connection with airline tickets. If we are unable to compete effectively with supplier-related travel channels or other competitors, our business, cash flows and results of operations may be adversely affected.

We also face increasing competition from widely used search engines, including Google, Bing and Yahoo!. Search engines have grown in popularity and may offer comprehensive travel planning or shopping capabilities, which may drive more traffic directly to the websites of our suppliers or competitors. Efforts undertaken by search engines in appealing the customers by various travel products, as well as possible future developments in such offerings in travel sector, may change or undermine our ability to obtain prominent placement in paid or unpaid search results at a reasonable cost or at all.

There can be no assurance that we will be able to compete successfully against any current and future competitors or on emerging platforms or provide differentiated products and services to our customer base. Increasing competition from current and emerging competitors, the introduction of new technologies and the continued expansion of existing technologies, such as meta-search and other search engine technologies, may force us to make changes to our business models, which could affect our financial condition, cash flows, and results of operations. Increased competition has resulted in and may continue to result in reduced margins, as well as loss of customers, transactions and brand recognition.

Disruptions in the Indian economy in general and the travel industry in particular could adversely affect our business and financial performance.

Substantially all of our operations are located in India and, therefore, our financial performance and growth are necessarily dependent on economic conditions prevalent in India. The Indian economy may be materially and adversely affected by epidemics, pandemics or other health crises, such as COVID-19, political instability or regional conflicts, a general rise in interest rates, inflation, taxation, adverse movement in foreign exchange rates and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, global trade wars, the repercussions from the January 2020 United Kingdom withdrawal from the European Union, and other matters. As per the Ministry of Statistics and Programme Implementation (MoSPI), India’s GDP growth came in at 8.7% for fiscal year 2021 from a decline of 7.3% in fiscal year 2020 due to the impact of COVID-19. The Reserve Bank of India is forecasting GDP growth of 7.2% for fiscal year 2023. However, the Indian economy could be adversely impacted by inflationary pressures, any increase or volatility in oil prices, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, initiatives by the Indian government towards demonetization of certain Indian currency in 2016, the Indian government’s implementation of a comprehensive nationwide goods and services tax, or GST regime, the relaxation of certain provisions of the Insolvency and Bankruptcy Code, which may impact our ability to recover debts owed to Company, increases in tax rates, a slowdown in lending environment, trade wars with the US and other countries, terrorist attacks, regional conflicts, natural calamities or other catastrophic events and other factors. India also faces major challenges in sustaining its growth, which include the need for substantial infrastructure development and improving access to healthcare and education. The current economic slowdown in the Indian economy, has harmed the travel industry as customers have had less disposable income for their travels, especially holiday travel. In addition, the COVID-19 pandemic and the resulting economic conditions and measures taken to contain the pandemic have resulted in a material decrease in spending and an unprecedent decline in transaction volumes in the Indian travel industry. If the Indian economy as a whole continues to experience a sustained slowdown in growth, or if the COVID-19 pandemic continues in India and globally, our business and results of operations will continue to be adversely affected.

We are exposed to risks associated with Indian businesses, particularly those in the Indian travel industry, including bankruptcies, restructurings, consolidations and alliances of its partners, the credit worthiness of these partners, and the possible obligation to make payments to our partners.

We do nearly all of our business with a wide variety of travel-related companies based in India, including airlines, large hotel chains and others. We are exposed to risks associated with these Indian businesses which risks have recently been heightened by the COVID-19 pandemic, including bankruptcies, restructurings, consolidations and alliances of its partners, the credit worthiness of these partners, and the possible obligation to make payments to our partners. For example, the Indian airline industry has experienced significant losses and has undergone bankruptcies, restructurings, consolidations and other similar events. Jet Airways, one of the largest private airlines in India, ceased operations in fiscal 2020, which has reduced the number of domestic and international flights available to us and negatively impacted our revenue. The bankruptcy and cessation of all operations by Jet Airways has made doubtful the recovery of our receivables from the airline, such as commissions, productivity linked bonus, tax collected at source and refunds for cancelled tickets. The Jet Airways bankruptcy has created, and any future bankruptcies or increased consolidation in the airline industry, could create, challenges for our relationships with airlines, including by reducing the profitability of our airline ticketing business.

We are dependent on our airline ticketing business, which generates a significant percentage of our revenues and is derived from a small number of airline suppliers in India.

Our growth strategy is heavily dependent on the continued expansion of our Air Ticketing business and our airline supplier relationships. We currently provide our customers with access to seven domestic airlines as well as over 400 international airlines; however, a substantial portion of our Air Ticketing revenue is represented by four domestic airlines. Because the majority of the domestic Indian air travel industry is concentrated among these four domestic airlines, any adverse market developments across the Indian commercial aviation landscape, particularly among the most dominant domestic airlines, are more likely to impact our business. For example, the COVID-19 pandemic and the measures implemented to contain the pandemic have had, and are expected to continue to have, a significant negative effect on the Indian air travel industry, the dominant domestic airlines and, by extension, our business, financial condition, results of operations, cash flows and liquidity. Further, our dependence on a limited number of domestic airlines means that recent reductions or eliminations in base commissions and incentive payments by these airlines have had, and any further reductions or eliminations in such commissions and payments could have, a material adverse effect on our revenue. Our reliance on a limited number of Indian airlines exposes us to the risks associated with the domestic airline industry, such as rising fuel costs, high taxes, currency depreciation, liquidity constraints and health concerns, such as the COVID-19 pandemic. In addition, our reliance on these airlines increases their bargaining power in price and contract negotiations, and further consolidation of domestic airline suppliers may exacerbate these trends. If one or all of these domestic airlines exert significant price and margin pressure on us, it could materially and adversely affect our business, financial condition, cash flows and results of operations.

We primarily earn revenue from the air tickets booked by customers through our platforms in the form of commissions and incentives. Commissions and incentive payments, such as performance linked bonuses, are primarily received from GDS service providers and certain airlines as well as credit card companies on a periodic basis, and are generally based on the volume of sales generated by us. In addition, we also earn revenue from convenience fees, cancellation service charges, rescheduling charges and advertisement revenue that we may charge in connection with the travel booking. We are therefore heavily dependent on the operations of a limited number of airlines, overall demand for their services, and their demand for our services.

Our dependence on these airlines also exposes us to risks associated with their internal management, financial condition, and creditworthiness. If these airlines increasingly engage directly with customers or other similar online travel agencies, as applicable, or are unable to pay us in a timely manner or at all, whether due to the deterioration of their financial position, an economic downturn, internal conflicts or any other reason, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected. Our dependence on a limited number of airlines also implies that a reduction or elimination in base commissions and incentive payments, by one or more of these airlines, could have a material adverse effect on the revenues generated from our air ticketing segment, thereby impacting our revenues. Further consolidation of airline suppliers may also exacerbate these trends. If one or all of these airlines exert significant price and margin pressures on us, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

Air India has moved to a single GDS service provider platform for its domestic inventory; there can be no assurance that other airline suppliers will not institute similar measures.

Air India has discontinued providing domestic reservation inventory to multiple GDS platforms. Air India now uses one GDS provider for its entire domestic inventory and two GDS providers for its international inventory. As a result of these changes, which we refer to as Reservation Content Movement, our access to ticket inventory through the GDS providers we use and the incentives we receive from such GDS providers for Air India ticketing have decreased. There can be no assurance that other major partners will not institute such cost-savings measures, or other measures that would further reduce the ticket inventory available to us. Any such measures by major partners could adversely affect our business, cash flows and results of operations.

The commission and other fees we receive from airline suppliers (including our GDS service providers) for the sale of air tickets may be reduced or eliminated, and this could adversely affect our business and results of operations.

In our Air Ticketing business, we generate revenue through commissions and incentive payments from airline suppliers, service fees charged to our customers and fees from our GDS service providers. Even though, we have been constantly engaging with our GDS partners to realign the thresholds based on industry volumes, we have experienced a reduction in the commissions and incentive payments we receive from our airline suppliers and the fees we are able to generate through our GDS service providers. The fees we are able to generate from our GDS service providers have been reduced due to Reservation Content Movement. Our ability to meet the minimum sales volume thresholds required by our GDS service providers in order to generate revenue have been negatively impacted due to COVID-19. To the extent that, in the future, the commissions or incentive payments our airline suppliers pay to us or the fees we generate through our GDS service providers are further reduced or eliminated, our revenue may be further reduced unless we are able to adequately mitigate such reduction by increasing the service fees we charge to our customers in a sustainable manner. Any increase in service fees, to mitigate reductions in or elimination of commissions or otherwise, may also result in a loss of potential customers. Further, our arrangements with the airlines that supply air tickets to us may limit the amount of service fees that we are able to charge our customers. Our business would also be negatively impacted if competition or regulation in the travel industry causes us to reduce or eliminate our service fees.

Our business depends on our relationships with a broad range of travel suppliers, and any adverse changes in these relationships, or our inability to enter into new relationships, could negatively affect our business, cash flows, and results of operations.

We rely significantly on our relationships with airlines, hotels, railways, bus lines, activity vendors, GDS service providers and other travel suppliers to enable us to offer our customers comprehensive access to travel services and products. Adverse changes in any of our relationships with travel suppliers, or the inability to enter into new relationships with travel suppliers, could reduce the amount of inventory that we may be able to offer. Our arrangements with travel suppliers are not typically subject to long-term commitments and may not remain in effect on current or similar terms, and the net impact of future pricing options may adversely impact our revenue. Travel suppliers are increasingly focused on driving online demand to their own websites and may cease to supply us with the same level of access to travel inventory in the future.

A significant change in our relationships with our major suppliers for a sustained period of time, including an inability by any travel supplier to fulfill their payment obligation to us in a timely manner or a supplier’s complete withdrawal of inventory, could have a material adverse effect on our business, financial condition, cash flows or results of operations. Furthermore, no assurance can be given that our travel suppliers will not further reduce or eliminate fees or commissions or attempt to charge us for content, terminate our contracts, make their products or services unavailable to us as part of exclusive arrangements with our competitors or default on or dispute their payment or other obligations towards us, any of which could reduce our revenue and Net Revenue Margins or may require us to initiate legal or arbitration proceedings to enforce their contractual payment obligations, which may adversely affect our business, cash flows and results of operations.

Our business and financial results are subject to fluctuations in currency exchange rates.

Given the nature of our business, any fluctuation in the value of the Indian Rupee against the U.S. dollar, Euro, British pound sterling or other major currencies will affect customers' travel behavior and, therefore, will have an impact on our results of operations. For example, in fiscal year 2019, the drop in the average value of the Indian Rupee as compared to the U.S. dollar adversely impacted the Indian travel industry as it made outbound travel for Indian consumers more expensive. In addition, our exposure to foreign currency risk also arises in respect of our non-Indian Rupee-denominated trade and other receivables, trade and other payables, and cash and cash equivalents. We currently do not have any hedging agreements or similar arrangements with any counter-party to cover our exposure to any fluctuations in foreign exchange rates. Moreover, adverse currency movements arising out of the COVID-19 pandemic may adversely impact our profitability.

We have limited experience operating as a public company, and fulfilling our obligations as a U.S. reporting company may be expensive and time consuming.

As a U.S. reporting company, we incur significant legal, accounting and other expenses. Prior to becoming a U.S. reporting company, we had not previously been required to prepare or file periodic and other reports with the SEC or to comply with the other requirements of U.S. federal securities laws applicable to public companies. We have not previously been required to establish and maintain disclosure controls and procedures such as Section 404 of the Sarbanes Oxley Act of 2002, or Sarbanes-Oxley Act, and internal controls over financial reporting applicable to a public company with securities registered in the United States. Compliance with reporting and corporate governance obligations from which foreign private issuers are not exempt may require members of our management and our finance and accounting staff to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled and may increase our legal, insurance and financial compliance costs. We cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. If we fail to comply with any significant rule or requirement associated with being a public company, such failure could result in the loss of investor confidence and could harm our reputation and cause the market price of our securities to decline.

If we fail to establish and maintain proper and effective internal controls over financial reporting, our results of operations and our ability to operate our business may be harmed.

We are subject to the Sarbanes-Oxley Act, which requires, among other things, that we establish and maintain effective internal controls over financial reporting and disclosure controls and procedures. Under SEC's rules, we are required to perform system and process evaluation and testing of our internal controls over financial reporting to allow management to assess the effectiveness of our internal controls. However, our independent registered public accounting firm is required to attest to the effectiveness of our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act.

Our evaluation and testing may reveal deficiencies in our internal controls that are deemed to be material weaknesses or significant deficiencies and render our internal controls over financial reporting ineffective. We incur significant accounting and auditing expenses and spend significant management time complying with the requirements to evaluate and test our internal controls. If we are not able to comply with these requirements in a timely manner, or if we or our management identifies material weaknesses or significant deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting when required, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our securities may decline, and we may be subject to investigations or sanctions by the SEC, the Financial Industry Regulatory Authority, Inc. or other regulatory authorities. In addition, we may be required to expend significant management time and financial resources to correct any material weaknesses that may be identified or to respond to any regulatory investigations or proceedings.

We have identified a material weakness in our internal control over financial reporting. Our failure to establish and maintain proper and effective internal controls over financial reporting, our results of operations and our ability to operate our business may be harmed.

Effective internal control over financial reporting is necessary for us to maintain reliability of financial reporting and preparation of financial statements. In connection with the preparation of our financial statements for the year ended March 31, 2022, we have identified a material weakness in our internal control over financial reporting and concluded that as of March 31, 2022, our disclosure controls and procedures and our internal control over financial reporting were not effective. Our internal controls over financial reporting were ineffective due to inadequacy of documentation for certain review controls pertaining to testing of control attributes, precision levels applied and documentation of completeness and accuracy of reports used. Our independent registered public accounting firm has expressed an adverse opinion on the effectiveness of our internal control over financial reporting as of March 31, 2022. See "Item 15 - Controls and Procedures." As the remediation plans are or continue to be implemented, management may take additional measures or modify the measures being undertaken.

Our ongoing evaluation and testing may reveal deficiencies in our internal controls that are deemed to be material weaknesses or significant deficiencies and render our internal controls over financial reporting ineffective. We incur significant accounting and auditing expenses and spend significant management time complying with the requirements to evaluate and test our internal controls. If we are not able to comply with these requirements in a timely manner, or if we continue to identify material weaknesses or significant deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our securities may decline, and we may be subject to investigations or sanctions by the SEC, the Financial Industry Regulatory Authority, Inc. or other regulatory authorities. In addition, we may be required to expend significant management time and financial resources to correct any material weaknesses that may be identified or to respond to any regulatory investigations or proceedings.

We rely on third-party systems and service providers, and any disruption or adverse change in their business may have a material adverse effect on our business.

We currently rely on a variety of third-party systems, service providers and software companies, including the GDS and other electronic central reservation systems used by airlines, various offline and online channel managing systems and reservation systems used by hotels and accommodation suppliers and aggregators, systems used by Indian Railways, and systems used by bus and car operators and aggregators, as well as other technologies used by payment gateway providers. In particular, we rely on third parties to:

● assist in conducting searches for airfares and process air ticket bookings;

● process hotel reservations;

● process credit card, debit card, net banking, Unified Payment Interfaces and e-wallet payments;

● provide computer infrastructure critical to our business; and

● provide customer relationship management, or CRM, software services.

These third parties are subject to general business risks, including system downtime, cybersecurity breaches, fraudulent access, natural disasters, infectious disease outbreak or escalation of hostilities, human error, the impact of the COVID-19 pandemic and other causes that may lead to unexpected business interruptions. Any interruption in these or other third-party services or deterioration in their performance could impair the quality of our service. For example, technical glitches in third-party systems may result in the information provided by us to our customers, such as the availability of hotel rooms on a central reservations system of a hotel supplier, to not be accurate, and we may incur monetary and/or reputational loss as a result. Furthermore, if our arrangements with any of these third parties are suspended, terminated or no longer available on commercially acceptable terms, we may not be able to find an alternate source of support on a timely basis and on commercially reasonable terms, or at all.

Our success is also dependent on our ability to maintain our relationships with these third-party systems and service providers, including our technology partners. In the event our arrangements with any of these third parties are impaired or terminated, we may not be able to find an alternative source of systems support on a timely basis or on commercially reasonable terms, which could result in significant additional costs or disruptions to our business.

We may not be able to adequately control and ensure the quality of travel products and services sourced from our travel suppliers. If there is any deterioration in the quality of their performance, our customers may seek damages from us and not continue using our online platform.

Our business is significantly affected by the overall size of our customer base, which is determined by our ability to provide quality customer service. We provide customer support at all stages of our customers' trips, through call centers, e-mail and web-based support. As of March 31, 2022, we had employed 80 customer service representatives in our call centers and also have 40 customer service representatives who provide customer support services through our outsourced call center partner. If we fail to provide quality customer service, our customers may be less inclined to book travel products and services with us or recommend us to new customers and may channel their bookings through our competitors. Our ability to ensure satisfactory customer experience for a large part depends on our travel suppliers' ability to provide high-quality travel products and services. If these service providers experience difficulty in meeting our requirements for quality and customer service standards including any operational or system interruptions, our reputation could suffer and our business could be adversely affected. As we increase the number of third-party services available through our platform, we may not be able to adequately monitor or assure the quality of these services, and an increase in customer dissatisfaction may adversely impact our business. In the event one or more of our contracts with such service providers is terminated on short notice, we may be unable to find alternative service providers on commercially reasonable terms, or at all. Further, the quality of the service provided by a new or replacement service provider may not meet our requirements, including during the transition and training phase. Hence, termination of any of our contracts with our service providers could cause a decline in the quality of our services.

As we increase the number of third-party services available through our platform, we may not be able to adequately monitor or assure the quality of these services, and increases in customer dissatisfaction may adversely impact our business. In 2015, we launched a marketplace platform that enables us to sell our own inventory and the inventory of third-party vendors to provide travelers a wider selection of products and services on a single platform. This platform allows third-party suppliers or travel services to manage and sell products and services on yatra.com directly to consumers. We may not be able to adequately monitor these third-party vendors to ensure that they provide high-quality travel products and services to our customers on a consistent basis. Certain travel service providers may lack adequate quality control for their travel products and customer service. Similarly, we cannot ensure that every travel service provider has obtained, and duly maintained, all of the licenses and permits required for it to provide travel products to consumers.

In addition, we receive significant media coverage in India and other geographic markets. Our business can also be adversely affected by customer complaints relating to the non-performance or sub- standard performance of our services, our operations, and quality of products. In the past, we have been subject to customer complaints and litigation due to our travel suppliers' failure to provide satisfactory travel products or services. Customer complaints also typically relate to the miscommunication or misunderstanding on tour arrangements, rescheduling and processing refunds, inaccurate descriptions of hotel rooms and quality of amenities available, as well as matters which do not involve any default or deficiency on our part. If our customers are dissatisfied with the travel products and services provided, they may channel their bookings through our competitors and may even demand refunds from us for poor service quality. Failure to maintain the quality of customer services, monitoring our travel suppliers or satisfactorily resolving customer complaints, could harm our reputation and our ability to retain existing customers and attract new customers, which may materially and adversely affect our business, financial condition, cash flows and results of operations. Further, negative customer feedbacks, complaints or claims against us in consumer forums or otherwise, can result in diversion of management attention and other resources, which may adversely affect our business operations.

Any failure to maintain the quality of our brand and reputation could have a material adverse effect on our business.

We have invested considerable time and resources in developing and promoting our "Yatra" brand. We expect to continue to spend on maintaining the high quality of our brand in order to compete against a large and growing number of competitors. We also believe that the strength of our brand is one of our key assets that will allow us to expand into new geographies, such as Tier 2 and Tier 3 cities in India, where our brand is not as well known. These efforts may not be successful and, even if we are successful in our branding efforts, such efforts may not be cost-effective. If we are unable to maintain or enhance consumer awareness of our brands or generate demand in a cost-effective manner, it could have a material adverse effect on our business and financial performance.

Intellectual property rights are important to our business and we cannot be sure that our intellectual property is protected from copying or use by others, and we may be subject to third-party claims for intellectual property rights infringement.

Our intellectual property rights are important to our business. We rely on a combination of copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. Our websites and mobile applications rely on content and in-house customizations and enhancements of third-party technology, much of which is not subject to intellectual property protection. We protect our logos, brand name, websites' domain names and, to a more limited extent, our content by relying on copyrights, trademarks, trade secret laws and confidentiality agreements. We have inter alia applied for trademark registration of our logos and word marks for yatra and yatra.com in India and some of such applications are currently pending with the Registry of Trademarks. We have filed responses to objections raised by the Registry of Trademarks to certain of these applications. We have also filed oppositions with the Registry of Trademarks against certain trademarks in pursuance of the protection of our trademarks and initiated legal proceedings in the appropriate courts of law for enforcing and protecting our intellectual property rights. Even with all of these precautions, there can be no assurance that our intellectual property will be protected. It is possible for someone else to copy or otherwise obtain and use our content, techniques and technology without our authorization or to develop similar technology. While our domain names cannot be copied, another party could create an alternative domain name resembling ours that could be passed off as our domain name.

Our efforts to protect our intellectual property may not be adequate. Unauthorized parties may infringe upon or misappropriate our services or proprietary information. In addition, the global nature of the Internet makes it difficult to control the ultimate destination of our services. The misappropriation or duplication of our intellectual property could disrupt our ongoing business, distract our management and employees, reduce our revenues and increase our expenses. In the future, litigation may be necessary to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time consuming and costly.

We could be subject to intellectual property infringement claims as the number of our competitors grows and the content and functionality of our websites or other service offerings overlap with competitive offerings. As competition in our industry increases and the functionality of technology offerings further overlaps, such claims and counterclaims could increase. There can be no assurance that we have not or will not inadvertently infringe on the intellectual property rights of third parties. Our defenses against these claims, even if not meritorious, could be expensive and divert management's attention from operating our business. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay a substantial award as damage and forced to develop non-infringing technology, obtain a license or cease using the applications that contain the infringing technology. We may be unable to develop non-infringing technology or obtain a license on commercially reasonable terms or at all.

Our success depends on maintaining the integrity of our systems and infrastructure, and adapting to technological developments, which may suffer from failures, capacity constraints, business interruptions and forces beyond our control.

We rely significantly on the capacity, reliability and security of our computer systems, technology and service providers that generates, facilitates and processes transactions, including GDSs, APIs, channel managers and reservation systems used by certain airlines, hotels, Indian Railway Catering and Tourism ("IRCTC") and taxi and bus operators, as well as cloud computing and payment processing software services. However, while we believe that our systems and infrastructure are reliable, there can be no guarantee that we may be able to maintain and improve the efficiency, reliability and integrity of our systems as our operations grow in cases of technical failure, unauthorized tampering or corruption of data. Unexpected increases in the volume of our business could exceed system capacity, resulting in service interruptions, outages and delays that may make some or all of our services unavailable. Such constraints can also lead to the deterioration in the quality of our services or impair our ability to process transactions. System interruptions could impair our ability to process transactions and may prevent us from efficiently providing services to our customers, travel suppliers or other third parties, which could cause damage to our reputation and adversely affect our business, cash flows, and results of operations. In addition, we may be subject to liability as a result of any theft or misuse of personal information stored on our systems or any problems arisen due to wrong scheduling of the tour or any part of the tour. Further, any technical failure of our suppliers systems or use of their information technology systems for our business or interruptions in their services due to any reason may hamper our business and would adversely affect us.

Our success and future growth depend significantly on our successful marketing efforts, and if such efforts are not successful, our business and financial results may be adversely impacted.

We have invested in developing and promoting our brand since our inception, using a combination of online, offline, cross-marketing, social media and other marketing initiatives. For further information, see "*Business Overview*." We intend to continue to dedicate significant resources to marketing efforts, including for our website and mobile application, particularly as we continue to grow and expand into new markets in India and outside India to complement our existing operations. However, brand promotion may not necessarily result in incremental revenue and even if they do, any incremental revenue may not necessarily offset the expenses we incurred in building our brand. Further, we are relatively new in the hotels and holiday packages segment and rail tickets segment and therefore, may not enjoy the same brand recognition as in our other businesses. Our ability to attract customers depends in large part on the success of these marketing efforts and the success of the marketing channels we use to promote our products. If any of our marketing channels become less effective, or if we are unable to continue to use any of our marketing channels due to increase in costs, or if we are not successful in deploying new channels, we may not be able to attract new customers in a cost-effective manner or convert potential customers into active customers. Further, if the brands that we have engaged in the past and intend to engage with in the future, refuse to engage with us, or if we are unable to recover our marketing costs through increase in users for our mobile application or traffic to our websites, or if we discontinue our marketing campaigns, it could have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

Our insurance coverage could prove inadequate to satisfy potential claims or protect us from potential operational hazards and losses which may have a material adverse effect on our financial condition, results of operations and cash flows.

Travel and tourism services involve many risks that may adversely affect our operations, and the availability of insurance is therefore fundamental to our operations. We have obtained insurance policies covering all risks including office infrastructure, fire and allied perils (building and contents), commercial general liability policy, professional liability cover, etc. Further, we have obtained a directors and officers' liability and company reimbursement policy. However, there can be no assurance that our current insurance policies will insure us fully against all risks and losses that may arise in the future. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. In cases where certain loss or damages are not covered under our insurance policies, or even if such losses are insured, we are required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss or the premium charged is significantly increased, our results of operations and cash flows could be adversely affected. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

We may not be successful in implementing our growth strategies, which could adversely affect our business operations, financial condition and cash flows.

Our growth strategy involves capitalizing on the growth in the travel industry, expanding our hotels and holiday packages segment and railway ticketing operations, focusing on Tier 2 and Tier 3 cities (according to the Indian government, cities with a population in the range of 50,000 to 100,000 are classified as tier 2 cities, while those with a population of 20,000 to 50,000 are classified as tier 3 cities) and strengthening our presence among corporates, investing in technology and enhancing cross-selling opportunities and promoting our brand. Our success in implementing our growth strategies is affected by:

- our ability to increase the number of suppliers, particularly our hotel suppliers, that are directly-connected to us;
- our ability to continue to expand our distribution channels, and market and cross-sell our travel services and products to facilitate the expansion of our business;
- our ability to build or acquire the required technology;
- our ability to expand our online features and services;
- our ability to enter into new associated business segments;
- the general condition of the global economy (particularly in India and markets with close proximity to India) and continued growth in demand for travel services, particularly online;

- our ability to compete effectively with existing and new entrants to the Indian travel industry, including both online travel companies as well as traditional travel agents and tour providers;
- the growth of the Internet as a medium for commerce in India, particularly in Tier 2 and Tier 3 cities; and
- changes in our regulatory environment.

Many of these factors are beyond our control and there can be no assurance that we will succeed in implementing our strategies. Further, pursuing these strategies may place significant demands on our management as well as our financial resources and accounting and operating systems. We are subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly. If we are not able to anticipate, identify, develop and market products in line with technological advancements that respond to changes in customer preferences, demand for our services could decline and our operating results could be adversely affected.

While we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget. Further, as we expand our operations, we may be unable to manage our business efficiently, which could result in delays, increased costs, affect the quality of our services, and may adversely affect our reputation. Our anticipated future operations may place a significant strain on our management, systems and resources. In addition to training and managing our workforce, we may need to continue to improve and develop our financial and managerial controls and our reporting systems and procedures. For more information, see "*Inability to maintain adequate internal controls may affect our ability to effectively manage our operations, resulting in errors or information lapses.*" Our failure to manage our growth could therefore have an adverse effect on our business, financial condition and cash flows.

The expansion of our business to new geographic markets may expose us to additional risks.

Our comprehensive travel-related offerings are customized to the Indian travel market. If in the future we determine to significantly expand outside of India, we will need to adjust our services and business model to the unique circumstances of those new geographic markets in order to succeed, including building new supplier relationships and customer preferences. Adapting our practices and models effectively to the supplier and customer preferences in new markets could be difficult and costly and could divert management and personnel resources. We cannot assure you that we will be able to efficiently or effectively manage the growth of our operations in new markets.

In addition, we may expose ourselves to new risks that may not exist in our Indian operations, including:

- differences and unexpected changes in regulatory requirements and exposure to local economic conditions;
- differences in consumer preferences in such markets;
- increased risk to and limits on our ability to enforce our intellectual property rights;
- competition from providers of travel services in such foreign countries;
- restrictions on the repatriation of earnings from such foreign countries, including withholding taxes imposed by certain foreign jurisdictions; and
- currency exchange rate fluctuations.

If we choose to enter new markets and are not able to effectively mitigate or eliminate these risks, our results of operations could be adversely affected.

Industry information included in this Annual Report has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have availed the services of an independent third-party research agency, CRISIL Limited, to prepare an industry report titled "Assessment of the travel industry in India", for purposes of inclusion of such information in this Annual Report. This industry report is subject to various limitations and based upon certain assumptions that are subjective in nature. While we have taken reasonable care in the reproduction of the information, the third party, industry and market related information has not been prepared or independently verified by us or any of our or its respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Annual Report.

We are exposed to the proceedings or claims arising from travel-related accidents or customer misconducts during their travels, the occurrence of which may be beyond our control.

Accidents are a leading cause of mortality and morbidity among tourists. We are exposed to risks of our customers' claims arising from or relating to travel-related accidents. As we enter into transactions with our customers directly, our customers typically take actions against us for the damages they suffer during their travels. However, such accidents may result from the negligence or misconduct of our travel suppliers or other service providers, over which we have no or limited control. See also "*-Risks Related to Our Business and Industry-We may not be able to adequately control and ensure the quality of travel products and services sourced from our travel suppliers. If there is any deterioration in the quality of their performance, our customers may seek damages from us and not continue using our online platform.*" We maintain the insurance policy as required in the ordinary course of business. However, there is no assurance that such insurance or indemnification will be sufficient to cover all of our losses and we may be subject to claims or losses which are not covered by way of insurance policies procured by our Company. In addition, some of the travel-related accidents result from adventure activities undertaken by our customers during their travels, such as scuba diving, white water rafting, wind surfing and skiing. Furthermore, we may be affected by our customer misconduct during their travels, over which we have no or limited control. However, such accidents and misconduct, even if not resulting from our or our travel suppliers' negligence or misconduct, could create a public perception that we are less reliable than our competitors, which would harm our reputation, and could adversely affect our business and results of operations.

We may be subject to legal or administrative proceedings regarding our travel products and services, information provided on our online platform or other aspects of our business operations, which may be time-consuming to defend against and affect our reputation.

From time to time, we have become and may in the future become a party to various legal or administrative proceedings arising in the ordinary course of our business, including breach of contract claims, anti-competition claims and other matters. Such proceedings are inherently uncertain and their results cannot be predicted with certainty. Regardless of the outcome and merit of such proceedings, any such legal action could have an adverse impact on our business because of defense costs, negative publicity, diversion of management's attention and other factors. In addition, it is possible that an unfavorable outcome of one or more legal or administrative proceedings, whether in India or in another jurisdiction, could materially and adversely affect our financial position, results of operations or cash flows in a particular period or damage our reputation. In addition, our online platform contains information about our travel products and services, vacation destinations and other travel-related topics. It is possible that if any content accessible on our online platform contains errors or false or misleading information, our customers may take action against us.

We rely on assumptions and estimates to calculate certain of our key metrics, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

We believe that certain metrics are key to our business, including travel expenditures, customers, repeat customers, total transaction volume, gross bookings, customer traffic, monthly visitors, app downloads, number of travel agents and bookings. As the industry in which we operate continues to evolve, the metrics by which we evaluate our business may change over time. While these numbers are based on what we believe to be reasonable estimates, our internal tools have a number of limitations and our methodologies for tracking these metrics may change over time. For example, a single person may have multiple accounts or browse the Internet on multiple browsers or devices, some users may restrict our ability to accurately identify them across visits, some mobile applications automatically contact our servers for regular updates with no user action, and we are not always able to capture user information on all of our platforms. As such, the calculations of our traffic and monthly visitors may not accurately reflect the number of people actually visiting our platforms. Also, if the internal tools we use to track these metrics under-count or over-count performance or contain algorithmic or other technical errors, the data and/or reports we generate may not be accurate. In addition, historically, certain metrics were calculated by independent third parties, and have not been verified by us. We calculate metrics using internal tools, which are not independently verified by a third party. In addition, we continue to improve upon our tools and methodologies to capture data and believe that our current metrics are more accurate; however, the improvement of these tools and methodologies could cause inconsistencies between current data and previously reported data, which could confuse investors or lead to questions about the integrity of the data.

The roll-out of new features, improvements and strategies may not meet our expectations.

We are constantly working to improve our websites and mobile applications and roll-out new features to improve our user experience, attract new users, expand our market reach and develop new sources of revenue. However, the COVID-19 pandemic and the resultant economic downturn may result in reduced expenditure by us on ideating, incubating, developing and marketing new features, which may in turn affect our long-term growth prospects. In addition, there is no guarantee that any new features or initiatives we develop will ultimately be successful and, if they are not, our business, cash flows and results of operations may be materially adversely affected. Even if we are able to successfully adopt new features, improvements or strategies, the impact of such initiatives may take longer to develop than we expect or not develop at all. We may devote significant financial resources and management time and attention to any new features, initiatives or business services we develop, but fail to achieve expected results from such new features, initiatives or services. If such new features, initiatives or services are not well accepted, the reputation of our existing website, applications, features and services and our overall brand and reputation may be harmed. As a result, our overall business, cash flows and results of operations may be materially and adversely affected.

We may not be successful in pursuing strategic partnerships and acquisitions, and future partnerships and acquisitions may not bring us anticipated benefits.

Part of our growth strategy is the pursuit of strategic partnerships and acquisitions. There can be no assurance that we will succeed in implementing this strategy as we are subject to many factors which are beyond our control, including our ability to identify, attract and successfully execute suitable acquisition opportunities and partnerships. This strategy may also subject us to uncertainties and risks, including acquisition and financing costs, potential ongoing and unforeseen or hidden liabilities, diversion of management resources and the costs of integrating acquired businesses. We could face difficulties integrating the technology of acquired businesses with our existing technology, and employees of the acquired business into various departments and ranks in our Company, and it could take substantial time and effort to integrate the business processes being used in the acquired businesses with our existing business processes. Moreover, there is no assurance that such partnerships or acquisitions will achieve our intended objectives or enhance our business. Any such failure could negatively impact our ability to compete in the travel industry and have a material adverse effect on our business, cash flows or results of operations.

Our failure to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies in the future could reduce our ability to compete successfully and harm our results of operations or cause us to curtail or cease our operations.

We believe that our existing cash and cash equivalents will be sufficient to fund our operations but our expenses may be greater than forecasted and we may need to raise additional funds to continue our operations. We nevertheless might be unable to obtain additional debt or equity financing on favorable terms, or at all. If we were able to raise additional equity financing, our shareholders may experience significant dilution of their ownership interests and the value of our securities could decline. If we were to engage in debt financing, we may be required to accept terms that restrict our ability to incur additional indebtedness, force us to maintain specified liquidity or other ratios or restrict our ability to pay dividends or make acquisitions. In addition, the availability of funds depends in significant measure on capital markets and liquidity factors over which we exert no control. In light of periodic uncertainty in the capital and credit markets, we can provide no assurance that sufficient financing will be available on desirable terms or at all to fund investments, acquisitions, share repurchases, dividends, debt refinancing or other corporate needs, or that our counterparties in any such financings would honor their contractual commitments. If we need additional capital and cannot raise it on acceptable terms, or at all, we may not be able to execute on our growth strategy, which could reduce our ability to compete successfully and harm our business or we may have to curtail or cease our operations.

Raising additional capital may cause dilution to our shareholders, restrict our operations or require us to relinquish substantial rights.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these new securities may include liquidation or other preferences that adversely affect your rights as a holder of our Ordinary Shares. Debt financing, if available at all, may involve agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures, or declaring dividends, and may be secured by all or a portion of our assets. Further, we may incur substantial costs in pursuing future capital and/or financing, including investment banking fees, legal fees, accounting fees, printing and distribution expenses and other costs and such efforts may divert our management from their day-today activities, which may compromise our ability to develop and market our products. We may also be required to recognize non-cash expenses in connection with certain securities we may issue, such as convertible notes and warrants, which will adversely impact our financial condition.

We could be negatively affected by changes in Internet search engine algorithms and dynamics or search engine disintermediation.

We rely on Internet search engines, such as Google and Bing, to generate traffic to our websites, principally through the purchase of travel-related keywords. Search engines, including Google, frequently update and change the logic that determines the placement and display of results of a user's search, such that the purchased or algorithmic placement of links to our websites can be negatively affected. In addition, a search engine could, for competitive or other purposes, alter its search algorithms or results, causing our websites to place lower in search query results. If a major search engine changes its algorithms in a manner that negatively affects the search engine ranking of our websites or those of our partners, or if competitive dynamics impact the cost or effectiveness of our search engine optimization or search engine monetization in a negative manner, our business and financial performance would be adversely affected, potentially to a material extent. Furthermore, our failure to successfully manage our search engine optimization and search engine monetization strategies could result in a substantial decrease in traffic to our websites, as well as increased costs if we were to replace free traffic with paid traffic. In addition, to the extent that leading search or metasearch engines in India disrupt the businesses of OTAs or travel content providers by offering comprehensive travel planning or shopping capabilities, or refer those leads to suppliers directly, or to other favored partners, there could be a material adverse impact on our business. To the extent these actions have a negative effect on our search traffic, whether on desktop, tablet or mobile devices, our business and results of operations could be adversely affected.

Any inability or failure to adapt to technological developments or industry trends in, the evolving competitive landscape could harm our business and competitiveness.

We depend upon the use of sophisticated information technology and systems. Our competitiveness and future results depend on our ability to maintain and make timely and cost-effective enhancements, upgrades and additions to our products, services, technologies and systems in response to new technological developments, industry standards and trends and customer demands. Adapting to new technological and marketplace developments may require substantial expenditures, lead time and management time and attention and we cannot guarantee that projected benefits will actually materialize. We may experience difficulties that could delay or prevent the successful development, marketing and implementation of enhancements, upgrades and additions. Moreover, we may fail to maintain, upgrade or introduce new features, products, services, technologies and systems as quickly as our competitors or in a cost-effective manner. In addition, the travel industry is marked by continuous innovation and the development of new features, products, services and technologies. As a result, in order to maintain its competitiveness, we must continue to invest significant resources to continually improve the speed, accuracy and comprehensiveness of our travel offerings. Changes to our technology platforms or increases in our investments in technology could adversely affect our results of operations. If we face material delays in adapting to technological developments, our customers may forego the use of our services in favor of those of our competitors. Any of these events could have a material adverse effect on our business and results of operations.

We may be exposed to risks relating to processing, storage, use and disclosure of customer data of our customers or visitors to our website and mobile application.

As part of our operations, we are required to process customer transactions, which involve receipt and storage of a large volume of customer information which is vulnerable to security threats. Our operations routinely involve receiving, storing, processing and transmitting of sensitive information pertaining to our business, customers, travel agents, suppliers, employees and other sensitive matters. Security threats, such as security breaches, computer malware, viruses and other 'cyber attacks' which are increasing in both frequency and sophistication, could result in unauthorized disclosures of information or create financial liability for us and may subject us to legal or regulatory sanctions, besides damaging our reputation in the market. Further, such information is subject to legislation and regulations in various jurisdictions and governments are increasingly acting to protect the privacy and security of personal information that is collected, processed and transmitted, in or from, the relevant jurisdiction. We could be adversely affected if legislation or regulations are expanded or amended 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. As privacy and data protection become more sensitive issues in India, we may also become exposed to potential liabilities. For example, under the Information Technology Act, 2000, as amended, we are subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use and disclosure of personal information. In December 2019, the Government of India published the Personal Data Protection Bill, 2019 ("PDP Bill"), which provides a framework for protection of personal data and use of non-personal data and seeks to, among others, lay down norms for cross border transfer of personal data, define the scope of the definition of personal data and non-personal data, establishment of data protection authority and ensure the accountability of entities processing personal data. Adoption of the PDP Bill will lead to potential additional compliance requirements in relation to obtaining consents, putting in place privacy policies and aligning data collection practices which comply with the 'privacy by design' principle, data protection impact assessments, registration requirements for a significant data fiduciary, reporting requirements for data breaches, data localization requirements etc. Further, in September 2019, the Ministry of Electronics & Information Technology constituted a committee of experts to deliberate on issues related to non-personal data and to suggest suitable recommendations for its regulation. Complying with the PDP Bill, other laws, regulations, or other obligations relating to privacy, data protection, data localization or security requirements may cause us to incur substantial operational costs or require us to modify our data handling practices. Non-compliance could result in proceedings against us by governmental entities or others, could result in substantial fines or other liability, and may otherwise adversely impact our business, financial condition, and operating results.

We and other OTAs are required to collect tax from airlines and deposit such tax with the Government of India. We may not be able to recover such tax from airlines on behalf of whom we deposit such tax.

As per notification No 52/2018-Central Tax and Notification No 02/2018-Integrated Tax dated September 20, 2018, Central Board of Indirect Taxes & Customs "CBIC" had notified the rate of tax collection at source ("TCS") to be collected by every e-commerce operator for intra-state and inter-state taxable supplies respectively. By virtue of these notifications issued by CBIC, we, as an e-commerce operator, are required to collect TCS of an amount equivalent to 0.5% (Central Goods and Service Tax ("CGST") and State Goods and Service Tax ("SGST")) and 1% (under Integrated Goods and Service Tax ("IGST")) of the net value of intra-state and inter-state taxable supplies respectively made through us by other suppliers where the consideration with respect to such supplies is collected by us. This goods and service tax/service tax payable includes TCS payable on behalf of the airlines. We are in the process of seeking confirmation with respect to the TCS amounts payable by us to the Government of India on behalf of airlines that is recoverable from the respective airlines. However, there can be no assurance that we will be able to successfully recover such TCS amounts paid on behalf of airlines from them. In particular, if any airline challenges the amount recoverable or is otherwise unable to clear such dues to us on account of initiation of bankruptcy proceedings against such airlines or for any other reason, we may be unable to recover such amounts from the respective airlines and accordingly, our business, financial condition, cash flows and results of operations may be adversely affected.

We are exposed to risks associated with the payments business, including online security and credit card fraud.

The secure transmission of confidential information over the Internet and telephone is essential in maintaining customer and supplier confidence in us. Security breaches, whether instigated internally or externally on our system or other Internet-based systems, could significantly harm our business. We currently require customers to guarantee their transactions with their credit cards online. We rely on licensed encryption and authentication technology to effect secure transmission of confidential customer information, including credit card numbers, over the Internet. However, advances in technology or other developments could result in a compromise or breach of the technology that we use to protect customer and transaction data. Further, while we believe our payment systems are reliable, there can be no guarantee that we may be able to prevent security breaches involving the confidential information of our suppliers and customers, including any breaches with regards to transactions from our payment services. We have integrated the services of third-party payment solutions providers and accordingly, our customers are re-directed to those third-party service providers to make payments and completing the transactions. There can be no assurance that transmissions of data through our third-party providers will be protected from security breaches. We incur substantial expense to protect against and remedy security breaches and their consequences. However, our security measures may not prevent security breaches and we may be unsuccessful in or incur additional costs by implementing our remediation plan to address these potential exposures.

In addition, the online payment gateway for certain of our sales made through our mobile platform and through international credit and debit cards are secured by the respective card's security features and we may be liable for credit card acceptance on our websites. Further, there have been certain instances, in the past, of credit card frauds and payment disputes with our customers. If we are unable to address the fraudulent use of credit cards, our revenue from such sales would be susceptible to demands from the relevant banks and credit card processing companies, and our results of operations, cash flows and financial condition could be adversely affected.

We are dependent on a number of key personnel and our inability to attract or retain such persons or finding equally skilled personnel could adversely affect our business, results of operations, cash flows and financial condition.

We are dependent on our senior management and other key personnel for formulating our business strategies and managing our business. Our board of directors ("our Board") and senior management team has significant experience in the Internet and information technology sector and has technical expertise that has helped expand our business through various initiatives including broadening our distribution channels and growing our products and services offerings. For further information, see "*Item 6. Directors, Senior Management And Employees – A. Directors And Senior Management.*"

Our business and future success depends, to a significant extent, on our ability to attract and train new employees and to retain and motivate our existing employees. Changes to our business strategy can create uncertainty, may negatively impact our ability to execute quickly and effectively, and may ultimately be unsuccessful. Any failure by us or Yatra India to provide accurate, timely and consistent disclosures under our respective disclosure and trading regimes could have a material, adverse effect on the trading price of our respective shares. Further, if key employees do not meet the expectations of their roles, we could experience inefficiencies or a lack of business continuity due to loss of historical knowledge and a lack of familiarity of those employees with business processes, operating requirements, policies and procedures (some of which are new) and key information technologies and related infrastructure used in our day-to-day operations and financial reporting. It is important to our success that these key employees quickly adapt to, and excel in, their new roles. Their failure to do so could result in operational and administrative inefficiencies and added costs that could adversely impact our results of operations, our stock price upon listing and our customer relationships and may make recruiting for future management positions more difficult. In addition, if we were to lose the services of any one or more key employees, whether due to death, disability or termination of employment, our ability to successfully implement our business strategy, financial plans and other objectives could be significantly impaired.

Competition remains intense for well-qualified employees in certain aspects of our business, including software engineers, developers, product management and development personnel with expertise in the online travel or search industry. Our industry is characterized by high demand and intense competition for talent along with attrition. As a result, we may not be able to remain competitive in attracting the quality of employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and results of operations could be adversely affected.

We may need to make additional investments in the event of any slowdowns or disruptions in ongoing efforts to upgrade Internet infrastructure in India, and infrastructure in India may not be upgraded in order to support higher Internet penetration, which may adversely impact our business.

The majority of our bookings are made through our Indian website and mobile offerings. India had an Internet subscriber base of 825 million as of March 2021 (Source: CRISIL). There can be no assurance that Internet penetration in India will increase in the future, as slowdowns or disruptions in upgrading efforts for infrastructure in India could reduce the rate of increase in the use of the Internet. As such, we may need to make additional investments in alternative distribution channels. Further, any slowdown or negative deviation in the anticipated increase in Internet penetration in India may adversely affect our business and results of operations. The Internet penetration in India is dependent on a number of factors including the following: expansion of 4G and 5G networks, broadband wireless access on mass-market smartphones and other mobile devices in India; our ability to successfully deploy existing and future technology platforms on evolving operating systems such as Android and iOS; our ability to provide compelling platforms and tools in a multi-device environment while ensuring their compatibility with the web browser platforms provided therein:; the rate of growth of personal computers, tablets and mobile devices; access to Internet and broadband usage services; an understanding of how to operate Internet;; the extant laws, regulations and policies governing online commerce remaining favorable to our operations; consumer confidence in online commerce; media publicity regarding online commerce remaining positive;; and concerns about online data privacy and general economic conditions in India arising. India has witnessed a drastic surge in Internet users over the past few years with Internet penetration as a percentage of total population crossing 50% in fiscal year 2020 compared with less than 25% in fiscal year 2015. The total number of Internet subscribers in the country is expected to reach 1 Billion by fiscal year 2025, resulting in approximately 75% Internet penetration. (Source: CRISIL). Despite a large base of Internet subscribers, India has a relatively lower Internet penetration in comparison with other similar countries. According to the latest International Telecommunication Union database of 2019, Internet penetration in India was 41%, lower than that of the other BRIC nations, inter-alia, 74% in Brazil, 83% in Russian Federation and 65% in China (Source: CRISIL). There can be no assurance that Internet penetration in India will increase in the future as slowdowns or disruptions in upgrading efforts for infrastructure in India could reduce the rate of increase in the use of the Internet. Further, if online commerce in India does not continue to develop as we expect them to or if we fail to identify and anticipate changes in trends and preferences in the online commerce industry and address them in time or at all, our business, financial condition, cash flows, results of operations and prospects will be materially and adversely affected. Concerns about fraud, privacy, lack of trust and other problems may also discourage customers from adopting the Internet as a medium of utilizing travel services. If these concerns are not adequately addressed, they may inhibit the growth of online commerce and communications.

Inability to maintain adequate internal controls may affect our ability to effectively manage our operations, resulting in errors or information lapses.

As we continue to expand, our success depends on our ability to effectively utilize our resources and maintain internal controls. We may need to modify and improve our financial and management control processes, reporting systems and procedures and other internal controls and compliance procedures to meet our evolving business needs. If we are unable to improve our controls, systems and procedures, they may become ineffective and adversely affect our ability to manage our operations resulting in errors or information lapses that affect our business. Our efforts in improving our internal control systems may not result in eliminating all risks. If we are not successful in discovering and eliminating weaknesses in our internal controls in future, our ability to manage our business effectively may materially and adversely be affected.

Our quarterly results may fluctuate for a variety of reasons, including the seasonality in the leisure travel industry, and may not fully reflect the underlying performance of our business.

Our quarterly operating results may vary significantly in the future, and period-to-period comparisons of its operating results may not be meaningful. Additionally, our growth may mask the seasonality of our business. Accordingly, the results of any one quarter should not be relied upon as an indication of future performance. Our quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of our control and as a result, may not fully reflect the underlying performance of our business. For example, we tend to experience higher revenue from our Hotels and Packages business in the second and fourth calendar quarters of each year, which coincide with the summer holiday travel season and the year-end holiday travel season for our customers in India and other markets. In our Air Ticketing business, we may have higher revenues in a particular quarter arising out of periodic discounted sales of tickets by our suppliers. Other factors that may cause fluctuations in our quarterly financial results include, but are not limited to:

- foreign exchange rates;
- our ability to attract new customers and cross-sell to existing customers;
- the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure;
- general economic, industry and market conditions;
- natural calamities such as earthquakes, tsunamis, floods, drought, pandemics or other health crises, such as COVID-19 and any containment measures taken in response to such calamities or crises, such as lockdowns or travel restrictions;
- changes in our pricing policies or those of our competitors and suppliers; and

- the timing and success of new services and service introductions by us and our competitors or any other change in the competitive dynamics of the Indian travel industry, including consolidation among competitors, customers or strategic partners.

Fluctuations in quarterly results may negatively impact the value of our securities and make quarter-to-quarter comparisons of our results less meaningful.

Internal or external fraud, misconduct, misrepresentation or mis-selling could adversely affect our reputation and our results of operations.

Our business may expose us to the risk of fraud, misappropriation, misrepresentation or unauthorized transactions by our representatives, employees and unauthorized third-parties, which could result in binding us to transactions that exceed authorized limits or present unacceptable risks. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud, misappropriation or misrepresentation or mis-selling by our representatives and employees, which could adversely affect our goodwill. Employee misconduct, mis- selling or misrepresentation could also involve the improper use or disclosure of confidential information, breach of any applicable confidentiality agreement, misappropriation or misuse of any third-party intellectual property rights which could result in regulatory sanctions, penalties and serious reputational or financial harm. In addition, employees may utilize our confidential information and technology to start their own businesses and become our competitors. In the past, there have been certain instances where our employees have subjected us to fraud, misconduct and misrepresentation. Although we have systems in place to prevent and deter fraudulent activities by our employees, there can be no assurance that such systems will be effective in all cases. Any instances of such fraud or misconduct or mis-selling could adversely affect our reputation, business, results of operations, cash flows and financial condition.

Inaccurate information from suppliers of hotel room inventory may lead to customer complaints.

Our customers that purchase hotel room inventory online through our websites may rely on the description of the accommodation presented on such websites to ascertain the quality of amenities and services provided at the relevant accommodation. We receive information utilized in the accommodation description on our websites directly from the accommodation providers, aggregators or channel managers. To the extent that the information presented on our websites does not reflect the actual quality of amenities and services at the accommodation, we may face customer complaints that may have an adverse effect on our reputation and the likelihood of repeat customers, which in turn may adversely affect our business and results of operations.

We may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on our financial condition, results of operations, cash flows and share price, which could cause you to lose some or all of your investment.

We may be required to take write-down or write-offs of assets, restructure our operations, or incur impairment or other charges that could result in reporting losses. Even though these charges may be non-cash items and not have an immediate impact on our liquidity, the fact that charges of this nature are reported could contribute to negative market perceptions about our Company or our securities. In addition, charges of this nature may cause our Cto violate net worth or other covenants to which we may become subject. Accordingly, our shareholders could suffer a reduction in the value of their securities. Such shareholders are unlikely to have a remedy for such reduction in value unless they are able to successfully claim that the reduction was due to the breach by our officers or directors of a duty of care or other fiduciary duty owed to them, or if they are able to successfully bring a private claim under applicable securities laws that this Annual Report contained an actionable material misstatement or material omission.

Any negative operating cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see "*Item 5. Operating and Financial Review and Prospects.*"

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

We may be required to obtain certain approvals, registrations, permissions and licenses from regulatory authorities, to carry out/ undertake our business. These approvals, licenses, registrations and permissions 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, if we fail to comply with applicable conditions or it is claimed that we have breached any such 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, 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.

We cannot assure that we will be able to secure adequate financing to meet our working capital requirements in the future on acceptable terms or in requisite time.

We may require additional funds in connection with our future business expansion, development initiatives or for running the business in the ordinary course, such as brand building initiatives and development and augmentation of our website and mobile application. Our ability to obtain additional capital is subject to a variety of uncertainties, including our future financial condition, results of operations and cash flows, conditions in the capital markets in which we may seek to raise funds and general economic, political and other conditions in India and elsewhere. In obtaining the additional source of funding, to meet such working capital requirements, we may enter into new debt facilities with lending institutions or raise additional debt in the capital markets. If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional restrictive covenants. Such financing could cause debt-to-equity ratio to increase or require us to create charges or liens on our assets in favor of such lenders. If we decide to raise additional funds through the issuance of equity (other than through a rights issue to the existing shareholders), the ownership interest of our existing shareholders will be diluted. The ability and willingness of the lenders is dependent on a number of factors outside our control and therefore, we cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of any business growth or implementation of our business development plans and this may affect our business and future results of operations.

We have not made any dividend payments in the past and our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

We have never declared or paid any cash dividends on our Ordinary Shares. Our ability to declare and pay dividends in the future and the amount of any such dividends, if declared, will depend on a number of factors including distributable surplus available as per applicable law, our liquidity position and future cash flow needs, track record of dividend distributed by us, payout ratios of comparable companies, the prevailing taxation policy or any amendments expected thereof, with respect to distribution of dividends, our capital expenditure requirements considering opportunities for expansion and acquisition, cost and availability of alternative sources of financing, stipulations/covenants contained under any loan agreements, prevailing macroeconomic and business conditions and other factors, as may be considered relevant by our Board.

The declaration and payment of dividends will be recommended by our Board, at its discretion, and approved by the shareholders, at their discretion, subject to applicable law.

We may decide to retain all future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will or have the ability to declare dividends in the future. Accordingly, realization of a gain on shareholders' investments will depend on the appreciation of the price of the Ordinary Shares. There is no guarantee that our Ordinary Shares will appreciate in value.

Our use of open source software could adversely affect our ability to offer our 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 could be subject to suits by parties claiming ownership of what we believe to be open source software, or claiming noncompliance 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.

Inappropriate or fraudulent content may be displayed on our online platforms which may adversely affect our reputation and brand.

While we have established systems, processes and controls that allow us to remove inappropriate or fraudulent content from our platforms, we cannot guarantee that all content displayed on our platforms is appropriate at all times. We cannot guarantee that all the content displayed on our platforms is not obscene, offensive or otherwise damaging to our business reputation and brand name, or the reputation of the supplier of the listing, or any third party. Damage caused to our business reputation and brand name may deter users from using our platforms, which may have an adverse effect on our financial performance and prospects.

Our offices are located on leased premises and there can be no assurance that these leases will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.

We operate entirely out of leased premises and do not own the underlying property for any of our offices in India, including our registered office and corporate office. Our registered and corporate office is located at Maharashtra and Haryana, respectively. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing offices on terms favorable to us, or at all. Certain of the lease deeds for the properties in which our offices and facilities are located and may have expired or may not be adequately stamped or registered. While we renew these lease agreements and deeds periodically in the ordinary course of business, in the event that these existing leases are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations, our business, financial condition, cash flows and results of operations may be adversely affected. In addition, any regulatory non-compliance by the landlords or adverse development relating to the landlords' title or ownership rights to such properties, including as a result of any non-compliance by the landlords, may entail significant disruptions to our operations, especially if we are forced to vacate leased spaces following any such developments, and expose us to reputational risks.

We have, in the past entered into certain related party transactions and may continue to do so in future. Any related party transactions that are not on an arm's length basis or that may lead to conflicts of interest may adversely affect our business, results of operation, cash flows and financial condition.

We have entered into certain transactions with related parties and are likely to continue to do so in the future. Although all related-party transactions that we may enter into are subject to approval by our Audit Committee, members of the board of directors or shareholders, as required under the Companies Act or other applicable laws and regulations, we cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Further, related party transactions, including those between us and related parties or Yatra India and related parties, requires approval of either's respective board of directors. Such related-party transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company, and we cannot assure you that the related-party transactions that we may enter into in the future, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition and results of operations.

We are dependent on a number of key personnel and our inability to attract or retain such persons or finding equally skilled personnel could adversely affect our business, results of operations, cash flows and financial condition.

We are dependent on our management and other key personnel for formulating our business strategies and managing our business. Our Board and senior management team has significant experience in the Internet and information technology sector and has technical expertise that has helped expand our business through various initiatives including broadening our distribution channels and growing our products and services offerings.

Our business and future success depends, to a significant extent, on our ability to attract and train new employees and to retain and motivate our existing employees. Competition remains intense for well-qualified employees in certain aspects of our business, including software engineers, developers, product management and development personnel with expertise in the online travel or search industry. Our industry is characterized by high demand and intense competition for talent along with elevated levels of attrition. As a result we may not be able to remain competitive in attracting the quality of employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and results of operations could be adversely affected.

The Internal Revenue Service, or IRS, may not agree to treat us as a foreign corporation for U.S. federal income tax purposes.

Although we are incorporated in the Cayman Islands, the IRS may assert that we should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes pursuant to Section 7874 of the Internal Revenue Code of 1986, as amended, or the IRS Code. For U.S. federal income tax purposes, a corporation generally is considered a tax resident in the jurisdiction of its organization or incorporation. Because we are a Cayman Islands exempted company, we would generally be classified as a foreign corporation (and, therefore, a non-U.S. tax resident) under these rules. Section 7874 of the IRS Code provides an exception under which a foreign incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes.

If we were to be treated as a U.S. corporation, income we earned would become subject to U.S. taxation, and the gross amount of any dividend payments to our non-U.S. shareholders could be subject to 30% U.S. withholding tax, depending on the application of any income tax treaty that might apply to reduce such withholding tax.

Future changes to the tax laws under which we should be treated as a foreign corporation for U.S. federal income tax purposes and changes in other tax laws relating to multinational corporations could adversely affect us.

Under current law, we expect to be treated as a foreign corporation for U.S. federal income tax purposes. Changes to Section 7874 of the IRS Code or the U.S. Treasury regulations promulgated thereunder or future IRS guidance could affect our status as a foreign corporation for U.S. federal income tax purposes, and any such changes or future IRS guidance could have prospective or retroactive application. Any of these changes to such laws or regulations, or future IRS guidance, could adversely affect our Company.

If we were treated as a passive foreign investment company for U.S. federal income tax purposes, U.S. investors in our Ordinary Shares could be subject to adverse U.S. federal income tax consequences.

For U.S. federal income tax purposes, a foreign corporation is classified as a passive foreign investment company, or PFIC, for any taxable year if either (i) 75% or more of its gross income for such taxable year is “passive income” (as defined for such purposes) or (ii) 50% or more of the value of the assets held by such corporation (based on an average of the quarterly values of the assets) during such taxable year is attributable to assets that produce passive income or that are held for the production of passive income.

As discussed in “Item 10. Additional Information – E. Taxation: Material U.S. Federal Income Tax Consequences,” we do not believe we were PFIC for the taxable year ending March 31, 2022, and we do not expect that we will become a PFIC in the current taxable year or in the foreseeable future; however, no assurances can be offered in this regard. The tests for determining PFIC status are applied annually after the close of the taxable year. It is difficult to accurately predict future income and assets relevant to this determination and no ruling from the IRS or opinion of counsel has been or will be sought with respect to PFIC status. Whether we are a PFIC will depend on the particular facts and circumstances (such as the valuation of assets, including goodwill and other intangible assets) and may also be affected by differing interpretations of the PFIC rules. Accordingly, there can be no assurance that we are not a PFIC, or will not become a PFIC in the future.

Foreign Account Tax Compliance Act

The United States Foreign Account Tax Compliance Act, or FATCA, imposes a reporting regime and, potentially, a 30% withholding tax on certain payments made to certain non-US financial institutions that fail to comply with certain information reporting, account identification, withholding, certification and other FATCA related requirements in respect of their direct and indirect United States shareholders and/or United States accountholders. To avoid becoming subject to FATCA withholding, we may be required to report information to the IRS regarding the holders of our Ordinary Shares and to withhold dividend payments to holders of our Ordinary Shares, or that hold our Ordinary Shares directly or indirectly through certain non-compliant intermediaries, that fail to comply with the relevant reporting requirements. This withholding tax made with respect to our Ordinary Shares will not apply to payments made before the date that is two years after the date of publication of final regulations defining the term "foreign passthru payment." An intergovernmental agreement between the United States and another country may also modify these requirements. FATCA is particularly complex, and its application is uncertain at this time. Holders of our Ordinary Shares should consult their tax advisors to obtain a more detailed explanation of FATCA and to learn how FATCA might affect each holder in its particular circumstances.

We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst other outcomes, suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.

Financing arrangements entered into by us may include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from lenders as of the date of this Report, may include, amongst others, change in its ownership or management, to undertake any new business, operations, project, diversification, modernization or substantial expansion of any of its business, effecting any scheme of amalgamation or reconstruction including creation of any subsidiary or permit any company to become its subsidiary, to effect any change in its capital structure or constitutional documents, to undertake or permit any merger/demerger, consolidation, compromise with its creditors or shareholders, and to make any investment whether by way of loans or debentures or investments in share capital or otherwise, in any concern or provide any credit or give any guarantee, indemnity or similar assurance in any manner become directly, indirectly or contingently liable for or in connection with the obligation of any person other than itself.

Any failure to observe the covenants under our financing arrangement or to obtain necessary consents/waivers may lead to acceleration of amounts due under such facilities, which would trigger default provisions or may also lead to imposition of any penalty or charges, thereof. If the obligations under our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing.

Risks Related to Our Operations and Listing of Yatra India's Equity Shares in India

There can be no assurance that an initial public offering of Yatra India's Equity Shares will be consummated.

Our indirect, subsidiary, Yatra India, has proposed an initial public offering of its equity shares in India. The proposed initial public offering Yatra India is for equity shares for cash at a price per equity share to be determined in accordance with applicable Indian laws. However, no assurance can be given that an initial public offering of Yatra India will be consummated in a timely manner or at all or that, if consummated, we cannot assure you that the offering price of the equity shares of Yatra India in the Indian public offering will correspond to the price at which Ordinary Shares trade on Nasdaq in the United States. Any fluctuations in price of equity shares upon listing on Indian stock exchanges, may also impact the trading and price of Ordinary Shares.

Yatra India is incorporated in India and our shareholders may not have recourse in protecting their indirect interests in Yatra India as they would as shareholders of a corporation incorporated in the United States or the Cayman Islands.

Yatra India's corporate affairs are governed by its constitutional documents and by the laws governing companies incorporated in India. The rights of Yatra India's shareholders, including us, and the responsibilities of the members of Yatra India's board of directors under Indian law are different from those applicable to a corporation incorporated in the United States or the Cayman Islands, our jurisdiction of incorporation. Therefore, our public shareholders may not be able to protect their indirect interests in Yatra India in connection with actions taken by Yatra India, its management, members of its board of directors or us, as its controlling shareholder, as they would as shareholders of a corporation incorporated in the United States or the Cayman Islands. Certain corporate governance practices in India, which is Yatra India's home country, may differ significantly from requirements for companies incorporated in other jurisdictions such as the United States or the Cayman Islands.

Yatra India may issue equity or convertible securities to third parties, which would indirectly reduce our ownership percentage in Yatra India and would have a dilutive effect on the amount of distributions made to us by Yatra India.

We, through THCL Travel Holding Cyprus Limited ("THCL") and Asia Consolidated DMC Pte. Ltd. (ACDPL), our subsidiaries, currently own 98.552% of the of the issued, subscribed, and paid-up Equity Share capital of Yatra India. After the completion of the proposed initial public offer of Yatra India ("**IPO**"), **THCL** and **ACDPL**, will continue to hold a significant portion of the issued, subscribed and paid-up equity share capital of Yatra India which will allow them to exercise significant influence over its business and all matters requiring shareholders' approval. Equity shares to be issued pursuant to IPO, and any future issuance of equity shares subsequent to listing of Yatra India on the Indian stock exchanges, may result in dilution of stake of THCL and ACDPL in the Yatra India, which will indirectly, result in dilution of Yatra Online, Inc.'s stake in Yatra India and would have a dilutive effect on the amount of distributions made to us. Dilution of stake pursuant to IPO and issuance of further securities subsequent to listing of Yatra India, may result in an adverse impact on price of Ordinary Shares and may also have a material impact on ability of Yatra Online, Inc. to raise additional capital for working capital, loans, acquisitions, debt service requirements, execution of business strategy and other general corporate purposes.

Because, you do not directly own the equity shares of Yatra India, you will not have any voting rights directly with respect to any such issuances or other activities of Yatra India.

The interests of our shareholders will be structurally subordinated to all liabilities and obligations of Yatra India and its subsidiaries, including Yatra India's public shareholders in India.

Because we are a holding company, your claims as a shareholder will be structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of our operating entity, Yatra India, and its subsidiaries and public stockholders in India. Therefore, in the event of our bankruptcy, liquidation or reorganization, our assets and those of our operating entity, Yatra India and its subsidiaries will be available to satisfy the claims of our shareholders only after all of our and Yatra India's and its subsidiaries' liabilities and obligations have been paid in full, which will include Yatra India's public shareholders in India.

We may not be able to remove directors of Yatra India that may be appointed by the National Company Law Tribunal in India or directors appointed by the minority shareholders under the proportional representation mechanism pursuant to the provisions of the Companies Act.

In India, the Companies Act provides that certain important decisions must be approved by the shareholders of the Company. Some of the decisions that are required to be approved by the shareholders include:

- sale or transfer of substantial amount of assets;
- borrow or invest beyond certain thresholds;
- declare dividends;
- approve any scheme of arrangement or compromise with creditors;
- reduce the share capital of the Company; and
- vary the rights of shareholders.

The shareholders of a company have the power to appoint and remove directors, subject to compliance with the provisions of the Companies Act. If the articles of association of a company provide for the same, the board can also appoint any person as an additional director, alternate director, or nominee director. An additional director holds office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier, and their re-appointment is considered by the shareholders in the general meeting.

The shareholders have the power to remove a director by a simple majority vote, after giving the concerned director an opportunity of being heard. However, shareholders cannot remove a director appointed by the National Company Law Tribunal or the directors appointed by the minority shareholders under the proportional representation mechanism as per the provisions of the Companies Act. Therefore, in case the directors' acts were done in bad faith, or their actions are not in our interest or in the interest of Yatra India, it may be difficult to remove them, which may affect our business, results of operations and financial conditions.

Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business and financial performance.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances briefly mentioned below, may adversely affect our business, financial condition and results of operations, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy.

Place of effective management of our Company as per Indian income tax laws

Per the (Indian) Income Tax Act, 1961, as amended, or the IT Act, persons resident in India are subject to taxation on their global income. Persons not resident in India are subject to taxes only on income received, accruing or arising in India or deemed to have been received, accrued or arisen in India.

As per the IT Act a company incorporated outside India would be considered a resident in India if its Place of Effective Management or PoEM in that year is in India. Thus, a foreign company will be resident in India if its PoEM in that year is in India. The definition of PoEM has been explained to mean a place where key management and commercial decisions, which that are necessary for the conduct of the business of an entity, the business of an entity as a whole, are in substance made. PoEM is an internationally recognized concept and finds mention in several tax treaties.

The Central Board of Direct Taxes has issued guiding principles or Guidelines, which seek to provide guidance on determination of PoEM for determining residence in India of foreign companies. The Guidelines lay emphasis on the fact that the concept of PoEM is one of substance over form and its determination is fact driven. An entity may have more than one place of management; however, it can only have one PoEM at any point in time. Determination of PoEM needs to be done on a year-on-year basis, and the process of such determination would primarily be based on whether the Company is engaged in "active business outside India". If during the tax year, PoEM exists both in and out of India, the PoEM is presumed to be in India if it is predominantly in India. In a scenario where the PoEM of a company is determined to be in India, then such company would be deemed to an Indian tax resident and, accordingly, subject to taxes on its global income.

Business Connection.

As per the IT Act, persons resident in India are subject to taxation on their global income. Persons not resident in India are subject to taxes only on income received, accruing or arising in India or deemed to have been received, accrued or arisen in India. Under the IT Act, one of the situations in which income is said to be deemed to be accrued in India is if it is earned through a "business connection" in India.

As per the provisions of the IT Act, the term "business connection" has been defined to include any business activity carried out through a person who habitually exercises an authority to conclude contracts or maintains a stock of merchandise or secures orders mainly or wholly for the non-resident in India.

The Finance Act, 2018 (the "Finance Act") has broadened the scope of the term "business connection" to include "significant economic presence ("SEP") of the non-resident in India (irrespective of whether the non-resident has established a place of business in India or whether or not the non-resident renders service in India or whether or not the agreement for rendering such service or activities is entered in India). "Significant economic presence" has been defined to include (i) any transaction in respect of any goods/services/property carried out by a non-resident in India including provision of download of data or software in India if the aggregate of payments arising from such transactions exceed the prescribed threshold limit in a year; or (ii) regular interactions with the users in India beyond a prescribed threshold limit through digital means; or (iii) soliciting of business activities in a continuous and systematic manner through digital means. On May 3, 2021, the Central Board of Direct Taxes, notified a threshold limit for SEP.

The Finance Act has also broadened the scope of “business connection” to provide that “business connection” shall include any business activity carried by a person in India for a non-resident where such person habitually concludes contracts or habitually plays the principal role leading to conclusion of the contracts and the contracts are in the name of the non-resident or for the transfer of the ownership of, or for granting of the right to use, property owned by that non-resident or that non-resident has the right to use property or for the provision of services by the non-resident.

Thus, if any of the aforementioned conditions are satisfied by a person not resident in India, such person would be said to have a business connection and income attributable to such business connection would be taxable in India.

However, a person not resident in India would also be entitled to claim benefits under the applicable Double Taxation Avoidance Agreement or DTAA between India and the country of its residence. The provisions of the DTAA shall be applicable to the extent they are more beneficial than the IT Act.

General Anti-Avoidance Rule.

General Anti-Avoidance Rules, or GAAR, came into force from April 1, 2017. GAAR gives Indian tax authorities a wide range of powers while determining tax consequences of an arrangement, which is held to be an impermissible avoidance arrangement as defined in the IT Act.

The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefits, or tax treaty benefits, amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

The impact of any or all of the above changes to Indian legislation on our business cannot be fully determined at this time. Additionally, our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing law, or the promulgation of new laws, rules and regulations applicable to us and our business, including those relating to the Internet and e-commerce, consumer protection and privacy. Such unfavorable changes could decrease demand for our services and products, increase costs and/or subject us to additional liabilities.

We operate in various countries and changes in the tax rates or taw laws of any country could have an impact on our taxes. There may be changes in tax rates in some countries as a result of the OECD Pillar Two Blueprint of the Inclusive Framework on Base Erosion and Profit Shifting (“BEPS”) which aims to create a global minimum tax rate. There could be other changes in international tax laws and practices as a result of other pillars of BEPS (including taxes on digital services) which may impact our tax cost.

The application of various Indian and international sales, use, occupancy, value-added and other tax laws, rules and regulations to our services and products is subject to interpretation by the applicable taxing authorities, and changes in such laws, rules and regulations may adversely affect our business and financial performance.

Many of the statutes and regulations that impose sales, use, occupancy, value-added and other taxes were established before the growth of the Internet, mobile networks and e-commerce. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties and, if we pass on such costs to our customers, it could decrease the demand for our services and products. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance. In recent years, we have received notices from the Indian tax regulatory authority for a demand of service tax on certain matters, some of which relate to the travel industry in India and involve complex interpretations of law. We have also received notices and various assessment orders from the Indian income tax authorities, to which we have responded. There can be no assurance what view the Indian tax authorities will take.

Restrictions on foreign investment in India may prevent us from making future acquisitions or investments in India and may require us to make changes to our business, which may adversely affect our results of operations, financial condition and financial performance.

India regulates ownership of Indian companies by foreigners, although some restrictions on foreign investment have been relaxed. These regulations and restrictions may apply to acquisitions by us or our affiliates, including Yatra India, and affiliates which are not resident in India, of shares in Indian companies or the provision of funding by us or any other entity to Indian companies within our group. For example, under its consolidated foreign direct investment policy, or FDI policy, the Government of India has set out additional requirements for foreign investments in India, including requirements with respect to downstream investments by Indian companies, owned or controlled by foreign entities, and the transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners. These requirements, which currently include restrictions on pricing, valuations of shares and sources of funding for such investments and may in certain cases include prior notice to or approval of the Government of India, may adversely affect our ability to make investments in India, including through Yatra India. Further, India's Foreign Exchange Management Act, 1999, as amended, and the rules and regulations promulgated thereunder, or FEMA, restrict us from lending to or borrowing from our Indian subsidiary. There can be no assurance that we will be able to obtain any required approvals for future acquisitions or investments in India, or that we will be able to obtain such approvals on satisfactory terms. Under FEMA, the Reserve Bank of India has the power to impose monetary penalties, including up to three times the value of a FEMA violation, where quantifiable, and confiscate the shares at issue. Further, the Government of India has from time to time made and may continue to make revisions to the FDI Policy on e-commerce in India (including in relation to business model, inventory, pricing and permitted services). India's Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry also recently invited comments on a draft National E-Commerce Policy, which addresses topics such as data and e-commerce regulation. The timing or impact of this policy, which remains in draft form, is not yet certain. Such changes may require us to make changes to our business in order to comply with Indian law.

Our business and activities are regulated by the Competition Act, 2002, as amended.

The Competition Act, 2002, as amended, or the Competition Act, regulates practices that could have an appreciable adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may result in substantial penalties and compensation to be paid to persons shown to have suffered losses. Any agreement among competitors which directly or indirectly determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the market, is presumed to have an appreciable adverse effect on competition. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise either directly or indirectly, including by way of unfair or discriminatory pricing or conditions in the sale of goods or services, using a dominant position in one relevant market to enter into, or protect, another relevant market, or to deny market access, and such practices are subject to substantial penalties and may also be subject to compensation for losses and orders to divide the enterprise. Further, the Competition Commission of India has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India.

If we or any member of our group, including Yatra India, are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any proceedings initiated by the Competition Commission of India or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our business, financial performance and reputation may be materially and adversely affected.

Acquisitions, mergers and amalgamations which exceed certain revenue and asset thresholds require prior approval by the Competition Commission of India. Any such acquisitions, mergers or amalgamations which have an appreciable adverse effect on competition in India are prohibited and void. There can be no assurance that we will be able to obtain approval for such future transactions on satisfactory terms, or at all.

Our investors may be subject to Indian taxes on income arising through the sale of our Ordinary Shares.

Amendments introduced in 2012 to the IT Act provide that income arising directly or indirectly through the sale of a capital asset, including any shares or interest in a company incorporated outside of India, will be subject to tax in India, if such shares or interest directly or indirectly derive their value substantially from assets located in India, irrespective of whether the seller of such shares has a residence, place of business, business connection, or any other presence in India. Through amendments introduced in 2015 to the IT Act, the word "substantially" has been defined and investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of our ordinary shares subject to the provisions of double taxation avoidance agreements that India has entered into with other countries. Further, the amendments also contain an exemption with respect to alienation of shares by a transferor-investor whose voting rights or share capital, at any time during a twelve-month period preceding the date of sale, does not exceed 5% of the total voting rights or share capital in the company, provided such transferor-investor is not vested with rights of management or control in any other form.

There are outstanding litigation proceedings involving Yatra India, its promoters and/or its directors. An adverse outcome, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

There are certain outstanding legal proceedings involving Yatra India, its promoters and/or its directors, which are pending at various levels of adjudication before various courts, tribunals and other authorities. In connection with Indian IPO, according to Yatra India's Materiality Policy, any outstanding litigation proceedings, other than criminal proceedings, statutory or regulatory actions and taxation matters, is considered material if the monetary amount of claim involving Yatra India, its subsidiaries, its promoters and/or its directors, in any such pending matter is equal to or in excess of 1% of total income (on a consolidated basis) of the Yatra India or if the outcome of any such litigation could have a material and adverse effect on its business, operations, performance, prospects, financial position or reputation.

We cannot provide assurance that these legal proceedings will be decided in Yatra India's favor, its subsidiaries, promoters or directors, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Decisions in such proceedings adverse to our interests may have an adverse effect on our business, results of operations, cash flows and financial condition.

Yatra India proposes to utilize the Net Proceeds to undertake acquisitions for which targets have not been identified. Net Proceeds to be utilized towards strategic investments, acquisitions and inorganic growth initiatives may be insufficient for the cost of such proposed inorganic acquisitions and the deployment of Net Proceeds towards such inorganic growth initiatives may not take place within the period currently intended, and may be reduced or delayed.

Yatra India intends to utilize a portion of the gross proceeds of the Yatra India in connection with the Indian IPO, or the fresh issue of equity shares ("Fresh Issue") less the Indian IPO related expenses applicable to the Fresh Issue, or Net Proceeds, to fund inorganic growth opportunities over a certain period of time from the date of listing of the equity shares. Yatra India intends to utilize such portion of the Net Proceeds for strategic acquisition opportunities that will enable it to gain access to new geographies, categories and services.

The actual deployment of funds will depend on a number of factors, including market conditions, Yatra India's board of directors' analysis of economic trends and business requirements, exchange rate fluctuations, competitive landscape, ability to identify and consummate inorganic growth opportunities as well as general factors affecting its results of operations, cash flows, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions, *i.e.,* whether they will be directly done by Yatra India or through its subsidiaries or whether these will be in the nature of asset or technology acquisitions or joint ventures.

Yatra India has not entered into any definitive agreements towards any future acquisitions or strategic initiatives nor has it identified any target company for strategic acquisitions or for undertaking other inorganic initiatives. It is also possible that it may not be able to identify suitable targets, or that if it does identify suitable targets, it may not be able to complete those transactions on terms commercially acceptable to Yatra India or at all. The inability to identify suitable targets or investments and the inability to complete such transactions may adversely affect Yatra India's competitiveness and growth prospects. In the event Yatra India is unable to identify or conclude transactions that provide potential inorganic growth opportunities or to the extent the portion of the proceeds identified for such use or a part thereof over the period identified, it may utilize the remainder of the identified amount for any other purposes, in accordance with Sections 13(8) and 27 of the Companies Act. Any diversion of funds for another purpose will require authorization by Yatra India's shareholders in a general meeting by way of a special resolution to approve the use of funds. Yatra India will have to provide an exit opportunity to the shareholders who do not agree to such a proposal. For details, see "Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval."

This amount of Net Proceeds proposed to be utilized for the aforesaid objects is based on Yatra India's management's estimates and may not be the total value or cost of any such acquisitions, or investments, and may result in a shortfall in raising requisite capital from the Net Proceeds towards such acquisitions or investments. Acquisitions and inorganic growth initiatives may be undertaken as cash transactions, or be undertaken as share-based transactions, including share swaps, or a combination thereof. However, in the event the portion of the Net Proceeds to be utilized for the inorganic growth initiatives are insufficient, or if required as an aspect of the acquisition model, Yatra India may conduct the acquisition as a cash transaction, including by using internal accrual. Utilization of internal accruals towards inorganic growth initiatives may have a material adverse impact on our cash flows and financial condition.

Yatra India's ability to achieve benefits from future strategic and inorganic growth opportunities, if any, will largely depend upon whether it is able to integrate the acquired businesses into the rest of its company in an efficient and effective manner. The integration and the achievement of synergies requires, among other things, coordination of business development and employee retention, hiring and training policies, as well as the alignment of products, sales and marketing operations, compliance and control procedures, and information and software systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings than expected. The failure to successfully integrate an acquired business or the inability to realize the anticipated benefits of such acquisitions could significantly increase our expenses, which, without a commensurate increase in total revenue, would lead to a decrease in net revenue.

In addition, acquired businesses may have unknown or contingent liabilities, including liabilities for failure to comply with relevant laws and regulations, and Yatra India may become liable for the past activities of such businesses. Further, Yatra India may be subject to various obligations or restrictions under the relevant transaction agreements to be entered into for inorganic growth opportunities which may, as the case may be, prevent Yatra India from disposing or acquiring shares in the subject entities, or force it to sell or acquire shares in the subject entities where it may not otherwise have decided to. Any of the foregoing may have an adverse effect on our business and results of operations.

Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

Yatra India proposes to utilize the Net Proceeds towards (i) strategic investments, acquisitions and inorganic growth; (ii) investment in customer acquisition and retention, technology and other organic growth initiatives; and (iii) general corporate purposes. At this stage, Yatra India cannot determine with any certainty if it would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond its control. In accordance with Sections 13(8) and 27 of the Companies Act, Yatra India cannot undertake any variation in the utilization of the Net Proceeds without obtaining its shareholders' approval through a special resolution. In the event of any such circumstances that require Yatra India to undertake variation in the disclosed utilization of the Net Proceeds, it may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect Yatra India's business or operations.

Further, the promoters in the Indian IPO, our wholly-owned subsidiaries, would be required to provide an exit opportunity to the shareholders in the Indian IPO who do not agree with Yatra India's proposal to change the objects of the Indian IPO or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Further, we cannot assure you that we or the promoters will have adequate resources at our disposal at all times to enable us to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, Yatra India may not be able to vary the objectives of the Indian IPO to use any unutilized proceeds of the Indian IPO, if any, or vary the terms of any contract referred to in the prospectus related to the Indian IPO, even if such variation is in the interest of Yatra India. This may restrict Yatra India's ability to respond to any change in its business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business, cash flows and results of operations.

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

A substantial portion of our business and most of our employees are located in India, and as a result, our financial performance and the market price of our securities will be affected by changes in government policies impacting exchange rates and controls, interest rates, taxes, foreign investment, volatility in and actual or perceived trends in trading activity on India's principal stock exchanges, prevailing economic conditions, policies to regulate inflation, other regulations impacting Indian businesses and the Indian economy as a whole. 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, 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, cash flows and results of operations and reduce the price of the Ordinary Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of the Ordinary Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Ordinary 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 products 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 crises, 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, cash flows 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.

The successful operation of our business depends upon the performance, reliability and security of the Internet infrastructure in India, which could impair our ability to effectively operate our platform, provide our services and adversely impact our business.

All of our products and services are made through our platform using the Internet. Accordingly, our business depends on the performance, reliability and security of the telecommunications and Internet infrastructure in India. In addition, to perform reliably, the fixed telecommunications networks and Internet infrastructure of Internet service providers in India, require maintenance and periodic upgrading of the appropriate networks and infrastructure which are beyond our control. We cannot assure you that our back-up and disaster recovery measures and business continuity planning will effectively eliminate or alleviate the risks arising from such contingencies. There can be no assurance that a more technologically sophisticated and reliable fixed telecommunications network or Internet infrastructure will be developed in India that will ensure our ability to deliver smooth and reliable provision of our services to our merchants and users on our platform. Our success will depend upon third parties maintaining and improving Internet infrastructure to provide a reliable network with adequate speed and data capacity and telecommunication networks with good quality of services and lower congestion.

If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.

The regulatory and policy environment in which we operate is evolving and is subject to change. The Government of India may implement new laws or other regulations and policies that could affect the digital payment and financial service industry in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition, cash flows and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, including the instances mentioned below, may adversely affect our business, financial condition, results of operations, cash flows and prospects.

For instance, the Taxation Laws (Amendment) Act, 2019 prescribed certain changes to the income tax rate applicable to companies in India and companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed). Any such future amendments may affect other 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. In addition, due to the COVID -19 pandemic, the Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975.

Further, the Government of India has announced the Union Budget for Fiscal 2022, pursuant to which the Finance Act, 2021 has introduced various amendments. In addition, unfavorable 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. 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.

We cannot predict whether any new tax laws or regulations impacting our services 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.

A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition or the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the Government of India towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, results of operations and the market price of the Ordinary Shares.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighboring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy. 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 and Monkeypox virus.

Other factors which may adversely affect the Indian economy include the following: scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

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, the United States, the United Kingdom, 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 could 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 still remains significant uncertainty around 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.

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 stabilizing 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 Ordinary Shares.

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 consolidated financial statements is prepared in accordance with IFRS. Yatra India's financial statements are prepared in accordance with Ind AS or Ind AS 34, as applicable and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. IFRS differs in certain significant respects from Indian GAAP, Ind AS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different, primarily on account of timing differences due to different statutory timelines for closure of the financial statements and difference in accounting principles. We have not attempted to explain those differences or quantify their impact on the financial data included in this Annual Report and prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Ind AS accounting practices on the financial disclosures presented in this Report should be limited accordingly.

A downgrade in ratings of India, may affect the trading price of the Ordinary Shares.

Yatra India's borrowing costs and access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020. India's sovereign ratings from S&P is BBB-with a "stable" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact Yatra India's ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Ordinary Shares.

Yatra India's ability to raise foreign capital may be constrained by Indian law.

As an Indian company, Yatra India is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit its financing sources and could constrain its ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to Yatra India without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

If inflation were to rise in India, we might not be able to increase the prices of our products 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 transportation, wages, raw materials 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 entirely offset any increases in costs with increases in prices for our products. 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.

Further, given the nature of our business, any fluctuation in the value of the Indian Rupee against the U.S. dollar, Euro, British pound sterling or other major currencies will affect customers' travel behavior and, therefore, will have an impact on our results of operations. For example, in fiscal year 2019, the drop in the average value of the Indian Rupee as compared to the U.S. dollar adversely impacted the Indian travel industry as it made outbound travel for Indian consumers more expensive. In addition, our exposure to foreign currency risk also arises in respect of our non-Indian Rupee-denominated trade and other receivables, trade and other payables, and cash and cash equivalents. We currently do not have any hedging agreements or similar arrangements with any counter-party to cover our exposure to any fluctuations in foreign exchange rates. Moreover, adverse currency movements arising out of the COVID-19 pandemic may adversely impact our profitability.

We will be subject to increased regulatory scrutiny and may incur additional compliance cost on a consolidated basis, upon completion of the Indian IPO, which could materially and adversely affect our business, results of operations and financial condition.

Upon completion of the Indian IPO, Yatra India will be subject to additional compliance requirements as required under applicable Indian laws, rules and regulations governing public companies listed on the Indian Stock Exchanges, including listing requirements of Stock Exchanges, rules, regulations and guidelines prescribed by the SEBI, in addition to the various laws, rules and regulations that we are subject to in the United States and in the Cayman Islands. In terms of SEBI ICDR Regulations and SEBI Listing Regulations, Yatra India will be required to disclose the reports pertaining to utilization of proceeds raised pursuant to the Indian IPO, and any deviation from in the actual utilization of the proceeds.

Laws and regulations, dealing with corporate governance standards applicable to us including rules and regulations prescribed by Nasdaq and the SEC may differ materially to those applicable to Yatra India. These differences in disclosure regimes, timelines to make such disclosures, and trading markets may require additional compliance cost including coordination with Yatra India, to ensure that respective shareholders receive accurate, timely and consistent disclosure of information and some of these activities could be difficult, time-consuming or costly and may increase demand on our systems and resources. For instance, compliance with the public reporting requirements, corporate governance standards and associated rules and regulations as applicable to us and Yatra India pursuant to listing of the Equity Shares are expected to increase expenses in the United States and India. Any failure by us or Yatra India to provide accurate, timely and consistent disclosures under respective disclosure and trading regimes could have a material and adverse effect on the trading price of the Equity Shares and Ordinary Shares.

Further, Yatra India will be required to ensure compliance with timelines as applicable to disclosure of information to respective stock exchanges, and any delay in reporting disclosures, or differences in reporting timelines, as per requirements of applicable laws in different jurisdictions may result in inconsistencies of information available in the public domain, leading to adverse impact on Equity Shares and their trading price.

The listing and trading of the Equity Shares in India will result in increased compliance obligations and costs on a consolidated basis. Further, we and/or Yatra India may face the risks of inquiries, investigations, enforcement actions and other regulatory proceedings by regulatory authorities in these jurisdictions and markets. Any adverse action taken by regulatory authorities on Yatra India in its respective jurisdiction could also result in an investigation, inquiry, or regulatory action against our Company.

Further, upon completion of the Indian IPO, we and Yatra India may be subject to increased disclosure requirements in relation to our business and/or operations on a consolidated basis, which may result in competitive disadvantage or may even result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, business and results of operations could be adversely affected, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our executive officers and materially and adversely affect our business and results of operations.

A third party could be prevented from acquiring control of Yatra India because of anti-takeover provisions under Indian law which could affect the price of our Ordinary Shares.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of Yatra India, even if a change in control would result in the purchase of the Equity Shares at a premium to the market price or would otherwise be beneficial to its shareholders. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of Yatra India. 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 Yatra India. Consequently, even if a potential takeover of Yatra India would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations. Further, certain transactions, including, without limitation, the sale of Equity Shares above certain thresholds or the sale of Equity Shares by shareholders holding specified number of shares or voting rights could be subject to the SEBI Takeover Regulations. Such transactions could require a potential acquirer to undertake an open offer process pursuant to the SEBI Takeover Regulations. Compliances specified under SEBI Takeover Regulations includes, includes requirements that we make an open offer, make an offer for delisting of the Equity Shares as applicable, disclose changes in shareholding or voting rights held by an acquirer in the company, may act as restrictions on our ability to dilute our stake in Yatra India or on Yatra India's ability to enter into and timely consummate such transactions on favorable terms, which may adversely affect the market price and trading volume of the Equity Shares upon listing and may deter or prevent transactions, including dilution of stake by us which otherwise would be beneficial or in the interest of Yatra India or its shareholders. Further, in the event the offer to delist is made by an acquirer in terms of SEBI Takeover Regulations and/or SEBI Delisting Regulations, holders of the Equity Shares immediately before the completion of the open offer process made by an acquirer under SEBI Takeover Regulations could refuse to tender their Equity Shares, and accordingly, may continue to be minority shareholders following the completion of the open offer process. Further, such minority shareholders who refuse to tender their Equity Shares in an open offer could deter an acquirer from acquiring all of the outstanding Equity Shares, which could result in loss of opportunity beneficial to Yatra India, and or its shareholders. Further, in India, takeovers meeting certain thresholds are under the surveillance of the Competition Commission of India and are regulated by CCI to determine if a proposed takeover would have an appreciable adverse effect on competition in the relevant market.

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

On listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the 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 taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, 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 shareholders. For example, the exchange rate between the Indian 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 returns on the Equity Shares, independent of operating results, which could have an adverse effect on the price of the Ordinary Shares.

Under Indian law, foreign investors are subject to investment restrictions that limit Yatra India's ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the Reserve Bank of India, or RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior regulatory approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade (“DPIIT”), which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, 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 circular of 2020 dated October 15, 2020, issued by DPIIT, and the FEMA Rules.

We cannot assure you that any required approval from the RBI or any other governmental agency can be timely obtained with or without any particular terms or conditions or at all.

If we fail to continue to satisfy applicable Nasdaq listing standards, including compliance with the minimum market value of listed securities requirement, Ordinary Shares may be delisted from the Nasdaq Capital Market, which would seriously harm the liquidity of Ordinary Shares and may have an adverse impact on the price of the Ordinary Shares.

We are a “foreign private issuer” with our Ordinary Shares listed on Nasdaq, and are subject to the Nasdaq continued listing requirements, including meeting the $1.00 minimum bid price requirement under Nasdaq Marketplace Rule 5550(a)(2), maintaining a minimum of $2.5 million in stockholders’ equity as set forth in Nasdaq Listing Rule 5550(b)(1), meeting the alternative of market value of listed securities of $35 million under Nasdaq Listing Rule 5550(b)(2) or net income from continuing operations of $500,000 in the most recently completed fiscal year or in two of the last three most recently completed fiscal years under Nasdaq Listing Rule 5550(b)(3), and compliance with Nasdaq Listing Rule 5250(c)(1) to timely file SEC Exchange Act reports, collectively, the Nasdaq Rules.

We cannot assure you that we will continue to be in compliance with Nasdaq’s continued listing requirements. In the event we fail to meet the listing requirements under the Nasdaq Rules, Ordinary Shares may be delisted from Nasdaq, which could adversely impact liquidity of Ordinary Shares, the price for Ordinary Shares and may consequently affect the trading and price of Equity Shares. While there are no restrictions under Indian laws on Yatra India from deconsolidating from the Yatra Online, Inc. (“Yatra Online”), Yatra India must remain our consolidated subsidiary pursuant to applicable continued listing requirements of Nasdaq, and any deviation from such listing requirements could affect our ability to raise additional financing through the public or private sale of equity securities. Yatra India’s charter and those of ACDPL (at Singapore) and THCL (at Cyprus), our direct subsidiaries and Yatra India’s parent entities, limit Yatra India’s ability to raise additional capital and/or undertake a change of control transaction, directly or indirectly, without the ultimate approval of our Board and shareholders if the result of such additional capital raise or change of control transaction would result in the deconsolidation of Yatra India from our Company. In the event Yatra India ceases to be our subsidiary and is deconsolidated, the Ordinary Shares could be delisted from Nasdaq, we could fail to list our Ordinary Shares on another reputable national securities exchange, and it may result in a reduction in some or all of the following actions, which could also have an adverse impact on Equity Shares:

- the liquidity and marketability of Ordinary Shares;
- the market price of Ordinary Shares;
- our ability to obtain financing for the continuation of operations;
- the number of institutional and retail investors that will consider investing in Ordinary Shares;
- the availability of information concerning the trading prices and volume of Ordinary Shares; and
- the number of broker-dealers willing to execute trades in Ordinary Shares.

Non-compliance with Nasdaq’s continued listing requirements and consequent delisting of Ordinary Shares from Nasdaq could adversely affect our ability to raise additional financing through the public or private sale of equity securities, would significantly affect the ability of investors to trade Ordinary Shares and would negatively affect the value and liquidity of Ordinary Shares. Delisting could also have other negative results, including the potential loss of confidence by employees, the loss of institutional investor interest and fewer business development opportunities. Further, if our Ordinary Shares are delisted, we would incur additional costs under requirements of state “blue sky” laws in connection with any sales of our securities. This could severely limit the market liquidity of our Ordinary Shares and the ability of our shareholders to sell Ordinary Shares in the secondary market, and it may have an adverse impact on our business, operations, liquidity and cashflows on consolidated basis.

The Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Indian IPO, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.

Prior to the Indian IPO, there has been no public market for the Equity Shares, and an active trading market may not develop or be sustained after the Indian IPO. Listing and quotation does not guarantee that a market for the Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Indian IPO price of the Equity Shares is proposed to be determined through a book building process. This price will be based on numerous factors. This price may not necessarily be indicative of the market price of the Equity Shares after the Indian IPO is completed.

The Equity Shares are expected to trade in India on the National Stock Exchange of India Ltd and BSE Limited after the Indian IPO, but there can be no assurance that active trading in the Equity Shares will develop after the Indian IPO, or if such trading develops that it will continue. Investors may not be able to sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of the Equity Shares after the Indian IPO could fluctuate significantly as a result of market volatility or due to various internal or external risks. The market price of the Equity Shares may be influenced by many factors, some of which are beyond Yatra India’s control, including:

- the failure of security analysts to cover the Equity Shares after the Indian IPO, or changes in the estimates of our performance by analysts;
- the activities of competitors or suppliers;
- future sales of the Equity Shares by Yatra India or its shareholders;
- investor perception of Yatra India and the industry in which it operates;
- Yatra India’s quarterly or annual earnings or those of Yatra India’s competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public’s reaction to press releases or adverse media reports; and
- general economic conditions.

We cannot assure you that the offering price of the Equity Shares in the Indian IPO will correspond to the price at which Ordinary Shares trade on Nasdaq in the United States. Any fluctuations in the price of Equity Shares, could also impact the trading and price of the Ordinary Shares.

The characteristics of capital markets in the United States and in India are different, which may cause volatility to the market price of the Equity Shares and Ordinary Shares.

The Indian Stock Exchanges and Nasdaq have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). Further, Equity Shares will not be interchangeable or fungible with Ordinary Shares traded on Nasdaq, and there is no trading or settlement between either Nasdaq on the one hand, and the Indian Stock Exchanges on the other hand. As a result of these differences, the trading prices of our Ordinary Shares and Equity Shares might not be the same, even allowing for currency differences. Fluctuations in the price of our Equity Shares due to circumstances peculiar to Indian capital markets, economic and political conditions, including the impact of the COVID-19 pandemic on business and operations, could materially and adversely affect the price of our Ordinary Shares.

Conflicts of interest could arise between the interests of Yatra India's shareholders and the interests of holders of the Ordinary Shares, which may impede business decisions that could benefit shareholders.

Upon completion of the Indian IPO, conflicts of interest could arise on account of common directors on our Board and Yatra India, and as a result of the relationships between us and Yatra India. Our directors and officers have duties to us and our shareholders under applicable Cayman Island law, which may result in a conflict of interest in allocating potential opportunities, management time, services and other functions between us and Yatra India. Certain directors, officers and key personnel are also officers and key personnel of Yatra India, which may result in competing demands on their time and resources for addressing the requirements of operations and business of our Company and Yatra India which may further lead to (i) conflicts of interest, (ii) impede independent business decision making, (iii) result in actions or inactions that are detrimental to business and operation and harm the implementation of the investment objectives. We cannot be sure that directors, officers and key personnel acting on behalf of Yatra India will act in our best interests when deciding on matters relevant for business and operations of our Company. We may not be able to resolve conflicts that may arise in future, in a manner which is in best interests of the shareholders of the Equity Shares and Ordinary Shares and can have an adverse impact on our business, operations, and financial position.

If securities or industry analysts do not continue to publish research or publish inaccurate or unfavorable research about our business, the market price for Ordinary Shares and Equity Shares and trading volume could decline.

The trading markets for our Ordinary Shares and/or Equity Shares will rely in part on the research reports that equity research analysts publish about Yatra India and our business. While research analysts in India are subject to applicable laws, including those of the Securities and Exchange Board of India (Research Analysts) Regulations, 2014, we do not control the analysts or the reports published by analysts thereof. If research analysts do not initiate coverage on Yatra India or maintain adequate research coverage of us or if one or more of the analysts who covers us or Yatra India downgrades our Ordinary Shares or Equity Shares or publishes inaccurate or unfavorable research about our business, the market price for our Ordinary Shares or Equity Shares may be adversely impacted. If one or more of these analysts cease coverage of Yatra India or us or fail to publish reports or publish negative but complete, accurate and fair reports it could have material adverse impact on our business, operations, market price or trading volume for Ordinary Shares or Equity Shares.

Risks Related to Our Ordinary Shares

Outstanding warrants and options, which are exercisable for our Ordinary Shares and restricted securities that vest, may increase the number of shares eligible for future resale in the public market and result in dilution to our shareholders.

As of June 30, 2022, there were outstanding warrants to purchase an aggregate of 200,458 Ordinary Shares out of which certain warrants became exercisable to purchase 46,458 Ordinary Shares, at an exercise price of $26.9058 assuming, none of the warrants are exercised through "cashless" exercise, after December 16, 2016 and will expire on July 24, 2023 at 6:00 p.m., Pacific Time and certain warrants became exercisable, at an exercise price of $12.00 per share, to purchase 154,000 Ordinary Shares on September 12, 2017 and will expire on September 12, 2022. The exercise price of these warrants is $12.00 per share. In addition, as of June 30, 2022, there were outstanding options to purchase an aggregate of 3,216,911 Ordinary Shares (including 2,680,652, Company restricted stock units and performance stock options) and outstanding restricted share units and performance stock units which, when vested, will result in the issuance of 2,680,652, Ordinary Shares. To the extent the above-described warrants or options are exercised, the above-described restricted shares vest, or if we issue any additional equity securities, including but not limited to options, warrants, restricted shares or other derivative securities convertible into our Ordinary Shares, additional Ordinary Shares may be issued, which could result in significant dilution to our shareholders and increase the number of shares eligible for resale in the public market. Sale of a substantial numbers of such shares in the public market, the fact that such warrants or options may be exercised, or that a significant number of restricted securities may vest, could adversely affect the market price of our Ordinary Shares.

We are a Cayman Islands company and, because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than under U.S. law, you could have less protection of your shareholder rights than you would under U.S. law.

We are an exempted company incorporated under the laws of the Cayman Islands. As a result, it may be difficult for investors to effect service of process within the United States upon our directors or executive officers, or enforce judgments obtained in the United States courts against our directors or officers.

Our corporate affairs are governed by our Sixth Amended and Restated Memorandum and Articles of Association (the "Memorandum and Articles of Association"), the Cayman Islands Companies Law ("Companies Law") (2020 Revision, as the same may be supplemented or as amended from time to time), and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, the decisions of whose courts are of persuasive authority, but are not binding on a court in the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are different from under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a different body of securities laws as compared to the United States and certain U.S. states, such as Delaware, may have more fully developed and judicially interpreted bodies of corporate law. In addition, Cayman Islands companies may not have standing to initiate a shareholders derivative action in a Federal court in the United States.

We have been advised by our Cayman Islands legal counsel, Maples and Calder, that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against our Company judgments of courts of the United States predicated upon the civil liability provisions of the securities laws of the United States or any state and (ii) in original actions brought in the Cayman Islands, to impose liabilities against our C predicated upon the civil liability provisions of the securities laws of the United States or any state, so far as the liabilities imposed by those provisions are penal in nature. In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, or be of a kind of enforcement of which would be, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands Court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere. There is recent Privy Council authority (which is binding on the Cayman Islands Court) in the context of a reorganization plan approved by the New York Bankruptcy Court which suggests that due to the universal nature of bankruptcy/insolvency proceedings, foreign money judgments obtained in foreign bankruptcy/insolvency proceedings may be enforced without applying the principles outlined above. However, a more recent English Supreme Court authority (which is highly persuasive but not binding on the Cayman Islands Court), has expressly rejected that approach in the context of a default judgment obtained in an adversary proceeding brought in the New York Bankruptcy Court by the receivers of the bankruptcy debtor against a third party, which would not have been enforceable upon the application of the traditional common law principles summarized above. . The Judicial Committee of The Privy Council held that foreign money judgments obtained in bankruptcy/insolvency proceedings should be enforced by applying the principles set out above, and not by the simple exercise of the Courts' discretion. Those cases have now been considered by the Cayman Islands Court. The Cayman Islands Court was not asked to consider the specific question of whether a judgment of a bankruptcy court in an adversary proceeding would be enforceable in the Cayman Islands, but it did endorse the need for active assistance of overseas bankruptcy proceedings. We understand that the Cayman Islands Court's decision in that case has been appealed and it remains the case that the law regarding the enforcement of bankruptcy/insolvency related judgments is still in a state of uncertainty.

You will have limited ability to bring an action against our Company or against our directors and officers, or to enforce a judgment against us or them, because we are incorporated in the Cayman Islands, because we conduct a majority of our operations in India and because a majority of our directors and officers reside outside the United States.

We are incorporated in the Cayman Islands and conduct the majority of our operations in India. Most of our assets are located outside the United States. A majority of our officers and directors reside outside the United States and a substantial portion of the assets of those persons are located outside of the United States. As a result, it could be difficult or impossible for you to bring an action against our Company or against these individuals in the Cayman Islands or in India in the event that you believe that your rights have been infringed under the applicable securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of India could render you unable to enforce a judgment against our assets or the assets of our directors and officers.

Shareholders of Cayman Islands exempted companies such as our Company have no general rights under Cayman Islands law to inspect corporate records and accounts or to obtain copies of lists of shareholders of these companies. Our directors have discretion under Cayman Islands law to determine whether or not, and under what conditions, our corporate records could be inspected by our shareholders, but are not obliged to make them available to our shareholders. This could make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, public shareholders might have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a U.S. company.

As a "foreign private issuer" under the rules and regulations of the SEC, we are permitted to, and will, file less or different information with the SEC than a company incorporated in the United States or otherwise subject to these rules, and may follow certain home country corporate governance practices in lieu of certain Nasdaq requirements applicable to U.S. issuers.

We are considered a "foreign private issuer" under the Exchange Act and, therefore, are exempt from certain rules under the Exchange Act, including the proxy rules, which impose certain disclosure and procedural requirements for proxy solicitations for U.S. and other issuers. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or within the same time frames as U.S. companies with securities registered under the Exchange Act. We currently prepare our financial statements in accordance with IFRS. We will not be required to file financial statements prepared in accordance with or reconciled to U.S. GAAP so long as our financial statements are prepared in accordance with IFRS as issued by the IASB. We are not required to comply with Regulation FD under the Exchange Act, which imposes restrictions on the selective disclosure of material information to shareholders. In addition, our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of our securities. Furthermore, as a "foreign private issuer" whose Ordinary Shares are listed on the Nasdaq, we are permitted to follow certain home country corporate governance practices in lieu of certain Nasdaq requirements. A foreign private issuer must disclose in its annual reports filed with the SEC each Nasdaq requirement with which it does not comply followed by a description of its applicable home country practice.

We could lose our status as a "foreign private issuer" under current SEC rules and regulations if more than 50% of our outstanding voting securities become directly or indirectly held of record by U.S. holders and one of the following is true: (i) the majority of our directors or executive officers are U.S. citizens or residents; (ii) more than 50% of our assets are located in the United States; or (iii) our business is administered principally in the United States. If we lose our status as a foreign private issuer in the future, we will no longer be exempt from the rules described above and, among other things, will be required to file periodic reports and annual and quarterly financial statements as if we were a company incorporated in the United States. If this were to happen, we would likely incur substantial costs in fulfilling these additional regulatory requirements and members of our management would likely have to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled.

As a "foreign private issuer" whose Ordinary Shares are listed on the Nasdaq, we are permitted to follow certain home country corporate governance practices in lieu of certain Nasdaq requirements; these practices may afford less protection to shareholders than they would enjoy if we complied fully with Nasdaq Stock Market corporate governance listing standards applicable to U.S. domestic issuers.

As a "foreign private issuer" whose Ordinary Shares are listed on the Nasdaq, we are subject to the Nasdaq Stock Market corporate governance listing standards. However, Nasdaq Stock Market rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq Stock Market corporate governance listing standards. For example, the Nasdaq Stock Market Rules require each issuer to hold an annual meeting of shareholders no later than one year after the end of the issuer's fiscal year-end. However, our Cayman Islands counsel has provided a letter to Nasdaq dated March 18, 2020 certifying that under Cayman Islands law, we are not required to follow or comply with the requirement to hold annual shareholder meetings every year. Nasdaq has acknowledged the receipt of such letter and our home country practice with respect to the holding of annual meetings. We have not held an annual general meeting since our December 12, 2018 meeting. Henceforth, we intend to hold general meetings annually and AGM of 2022 is scheduled to be held on August 24, 2022.

We have a staggered board of directors, which could impede an attempt to acquire our Company or remove our management.

Our board of directors is divided into three classes, each of which serves for a staggered term of three years. A staggered board makes it more difficult for shareholders to change a majority of the directors since only approximately one third of the existing board of directors may be replaced at any election of directors. This arrangement may have the effect of keeping the current members of our Board in control for a longer period of time than shareholders may desire, and may impede any attempts to take over our Company or change or remove our management.

As of March 2020, consistent with our home country practice, we determined not to hold annual general meetings. We have not held an annual general meeting since our December 12, 2018 annual general meeting and board members whose three-year term would have otherwise expired have continued in their positions as directors until our next annual general meeting is held. However, the Company has scheduled its 2022 annual general meeting on August 24, 2022 which includes the amendment of Memorandum and Articles of Association of the Company which inter alia provides for holding its annual general meeting in each calendar year. See "As a "foreign private issuer" whose Ordinary Shares are listed on the Nasdaq, we are permitted to follow certain home country corporate governance practices in lieu of certain Nasdaq requirements; these practices may afford less protection to shareholders than they would enjoy if we complied fully with Nasdaq Stock Market corporate governance listing standards applicable to U.S. domestic issuers."

In connection with our Business Combination Agreement, we granted certain shareholders rights to nominate directors for election to our Board and also entered into an investor rights agreement with certain of those shareholders, which provides additional rights to nominate directors for election to our Board. Except as provided in the Business Combination Agreement and the investor rights agreement, our shareholders do not have the ability to nominate directors for election to our Board.

On December 16, 2016, we entered into the Investor Rights Agreement with MIHI LLC, the Terrapin Sponsors and certain other Terrapin 3 Acquisition Corp. stockholders and Yatra Online shareholders who received certain of our Ordinary Shares in connection with the Business Combination Agreement. The Investor Rights Agreement grants the each of MIHI LLC and, collectively, the Terrapin Sponsors the right to designate one representative to attend any or all meetings of our Board in a non-voting observer capacity. The Investor Rights Agreement also provides certain of our investors and our executive officers, Dhruv Shringi and Manish Amin, the right to nominate an individual for election to our Board upon the resignation, removal, death or disability of any of the directors initially designated by our Company pursuant to the terms of the Business Combination Agreement, as well as the right to re-nominate any of such directors who are Class I or Class II directors two successive times and the right to re-nominate any of such directors who are Class III directors one time or to designate a replacement for any such director. Although any shareholder may recommend potential director candidates to our Board, except as provided in the Business Combination Agreement and the Investor Rights Agreement, our shareholders do not have the ability to nominate directors for election to our Board. As a result, shareholders granted the right to nominate individuals to our Board in connection with the Business Combination Agreement or the Investor Rights Agreement may be able to influence the composition of our Board and, in turn, potentially influence and impact future actions taken by our Board.

An active or liquid trading market for our Ordinary Shares may not be maintained and the trading price for our Ordinary Shares may fluctuate significantly.

An active, liquid trading market for our Ordinary Shares may not be maintained in the long term and we cannot be certain that any trading market for our Ordinary Shares will be sustained or that the present price will correspond to the future price at which our Ordinary Shares will trade. Loss of liquidity could increase the price volatility of our Ordinary Shares.

Any additional issuance of our Ordinary Shares would dilute the positions of existing investors in our Ordinary Shares and could adversely affect the market price of our Ordinary Shares. We cannot assure you that our Ordinary Shares will not decline below their prevailing market price. You may be unable to sell your Ordinary Shares at a price that is attractive to you.

In connection with the Business Combination Agreement, we issued certain shareholders warrants to purchase our Ordinary Shares with provisions that require liability classification. These warrants require us to "mark to market" (i.e., record the derivatives at fair value) as of the end of each reporting period as liabilities on our balance sheet. Any volatility in the trading price for our Ordinary Shares would also impact the fair value determination of our outstanding warrants. A significant increase in the trading price for our Ordinary Shares, while we are required to mark-to-market the fair value of our outstanding warrants, may have a significant adverse impact on our operating results.

The sale or availability for sale of substantial amounts of our Ordinary Shares could adversely affect their market price.

Sales of substantial amounts of our Ordinary Shares in the public market, or the perception that such sales could occur, could adversely affect the market price of our Ordinary Shares and could materially impair our future ability to raise capital through offerings of our Ordinary Shares.

As of June 30, 2022, we had 58,444,720 Ordinary Shares issued and outstanding, 1,854,871 Class F shares issued and outstanding (each convertible into 0.00001 of an Ordinary Share upon the exchange of a parallel Yatra USA Class F Share) and 2,392,168 Class A shares issued and outstanding, and Yatra USA had 1,854,871 Yatra USA Class F Shares issued and outstanding (each exchangeable for one Ordinary Share in the Company at any time at the option of the holder). Subject to applicable restrictions and limitations under Rule 144 of the Securities Act, all of our shares and the Yatra USA Class F Shares outstanding are eligible for sale in the public market. If these shares are sold, or if it is perceived that they will be sold, in the public market, the trading price of our Ordinary Shares could decline. We cannot predict what effect, if any, market sales of our Ordinary Shares held by our significant shareholders or any other shareholder or the availability of these ordinary shares for future sale will have on the market price of our Ordinary Shares.

Future issuances of any equity securities may dilute the interests of our shareholders and decrease the trading price of our Ordinary Shares.

Any future issuance of equity securities could dilute the interests of our shareholders and could substantially decrease the trading price of our Ordinary Shares. We may issue equity or equity-linked securities in the future, including pursuant to a private investment in public equity or other offering of equity securities, for a number of reasons, including to finance our operations and business strategy (including in connection with acquisitions and other transactions), to adjust our ratio of debt to equity, to satisfy the obligations upon the exercise of then-outstanding options or other equity-linked securities, if any, or for other reasons.

We will have to rely principally on dividends and other distributions on equity paid by our operating subsidiaries, and limitations on their ability to pay dividends to us could adversely impact shareholders' ability to receive dividends on our Ordinary Shares.

Dividends and other distributions on equity paid by our operating subsidiaries will be our principal source for cash in order for us to be able to pay any dividends and other cash distributions to our shareholders. As of the date hereof, Yatra India or any other subsidiary has not paid any cash dividends on its equity shares. If our operating subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us. In addition, as our key operating indirect subsidiary is established in India, and as such it is subject to certain limitations with respect to dividend payments and increased tax payments on any such distribution. Limitations on our subsidiaries' ability to pay dividends to us could adversely impact our shareholders' ability to receive dividends on our Ordinary Shares.

If the benefits of any of our acquisitions do not meet the expectations of investors or securities analysts, the market price of our securities may decline.

If the benefits of any of our past or potential future acquisitions do not meet the expectations of investors or securities analysts, the market price of our securities may decline. In addition, the trading price of our securities following any acquisition could be volatile and subject to wide fluctuations in response to various factors relating to our acquisition activity, some of which are beyond our control. In addition, any of the factors listed below could have a material adverse effect on your investment in our securities and our securities may trade at prices significantly below the price you paid for them. In such circumstances, the trading price of our securities may not recover and may experience a further decline.

Factors affecting the trading price of our securities may include:

- our ability to successfully complete any past or potential future acquisition, and realize the anticipated benefits of such acquisitions;
- actual or anticipated fluctuations in our periodic financial results or the financial results of companies perceived to be similar to ours;
- changes in the market's expectations about our operating results;
- success of competitors;
- our operating results failing to meet the expectation of securities analysts or investors in a particular period;
- changes in financial estimates and recommendations by securities analysts concerning our Company or our industry in general;
- operating and stock price performance of other companies that investors deem comparable to ours;
- our ability to meet compliance requirements;
- commencement of, or involvement in, litigation involving us;
- changes in our capital structure, such as future issuances of securities or the incurrence of additional debt;
- changes in the volume of our Ordinary Shares available for public sale;
- any major change in our Board or management;
- sales of substantial amounts of our Ordinary Shares by our directors, executive officers or significant shareholders or the perception that such sales could occur;
- any continued slowdown in India's economic growth;
- general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations and acts of war or terrorism; and
- natural calamities such as earthquakes, tsunamis, floods, droughts and pandemics or other health crises, such as COVID-19.

Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general and Nasdaq in particular, have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for travel-related securities or the stocks of other companies which investors perceive to be similar to ours could depress our share price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

There is no guarantee that our Ordinary Shares will continue to qualify for listing on Nasdaq for any period of time and the failure to have our Ordinary Shares listed for any reason may negatively affect the value of our Ordinary Shares, as applicable.

Our Ordinary Shares began trading on Nasdaq under the symbol "YTRA" on December 19, 2016. There are no guarantees that our Ordinary Shares will continue to qualify for listing on Nasdaq. If our Ordinary Shares are ever in the future delisted, the holders could face significant consequences, including:

- a limited availability for market quotations for our securities;

- reduced liquidity with respect to our securities;
- a determination that our securities are a "penny stock," which will require brokers trading in those securities to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for those securities;
- limited amount of news and analyst coverage for our Company in the United States; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

A significant portion of our total outstanding ordinary shares may be sold into the market at any time. This could cause the market price of our Ordinary Shares to drop significantly, even if our business is doing well.

As of June 30, 2022, entities affiliated with MAK Capital One LLC and Apple Orange LLC, Noyac Path LLC, Periscope, LLC, Terrapin Partners Employee Partnership 3, LLC and Terrapin Partners Green Employee Partnership, LLC (collectively, the "Terrapin Sponsors") and certain of their affiliated entities (including Nathan Leight), Network 18 Media & Investments Limited, entities affiliated with Norwest Venture Partners, entities and people affiliated with Altai Capital Management, LLC, entities affiliated with Letko, Brosseau, & Associates Inc., entities affiliated with Meros Investment Management L.P., entities affiliated with The 2020 Timothy J. Maguire Investment Trust and entities and people affiliated with Catamount Strategic Advisors, LLC beneficially own approximately 59.54% of the issued and outstanding shares of our Company, assuming the conversion into Ordinary Shares of all (i) Yatra USA, Corp. ("Yatra USA") Class F Shares (the "Yatra USA Class F Shares"), and (ii) Class A non-voting shares and (or approximately 59.35% of the shares of our Company, assuming such conversion and the exercise or conversion of all of our outstanding warrants), based on information known to us or ascertained by us from public filings made by such shareholders. The Terrapin Sponsors have agreed not to transfer, assign or sell any of their shares of Yatra USA until the earlier of (i) June 16, 2018 or (ii) the date on which we complete a liquidation, merger, stock exchange or other similar transaction that results in all of our shareholders having the right to exchange their Ordinary Shares for cash, securities or other property. As restrictions on resale end, the market price of our Ordinary Shares could decline if the holders of previously restricted shares sell them or are perceived by the market as intending to sell them.

Our business could be negatively affected as a result of actions of activist shareholders and shareholder advisory firms.

Campaigns by shareholders to effect changes at publicly traded companies are sometimes led by investors seeking to increase short-term shareholder value through actions such as financial restructuring, increased debt, special dividends, share repurchases or sales of assets or the entire company. For example, in July 2021, we received a letter from the 2020 Timothy J. Maguire Investment Trust, one of our shareholders, recommending that we make certain operational changes, restructure our corporate governance, and refresh our Board membership. On January 17, 2022, we entered into a Cooperation Agreement, wherein we agreed to appoint Roshan Mendis to the Board, for a term of office that expires at the 2023 annual general meeting of shareholders. In July 2022, we received notice from MAK Capital One L.L.C., one of our shareholders, recommending that we make certain corporate governance and board structure changes, in addition to changes to our composition and stockholder engagement process. On July 17, 2022, we entered a Cooperation Agreement with MAK Capital One L.L.C., wherein we agreed to add Michael A. Kaufman to the Board for a term expiring at the 2023 annual general meeting of shareholders and revising Proposal No. 3 to be voted on by shareholders at the 2022 annual general meeting to require that we hold an annual general meeting each calendar year and to revise the meaning of "loss of control" to include a possible deconsolidation between us, Yatra Online Limited and other subsidiaries.

If we become engaged in a process or proxy contest with an activist shareholder in the future, our business could be adversely affected, as such activities could be costly and time-consuming, disrupt our operations and divert the attention of management and our employees from executing our business plan. Additionally, perceived uncertainties as to our future direction as a result of shareholder activism or actual or potential changes to the composition of our Board of Directors or management team may lead to the perception of a change in the direction of our business, instability or lack of continuity, which may be exploited by our competitors, cause concern to current or potential clients and financing sources, and make it more difficult to attract and retain qualified personnel. If potential or existing clients or customers choose to delay, defer or reduce transactions with us or transact with our competitors instead of us because of any such issues, then our results of operations could be adversely affected. Similarly, we may suffer damage to our reputation (for example, regarding our corporate governance or shareholder relations) or brand by way of actions taken or statements made by outside constituents, including activist investors and shareholder advisory firms, which could adversely affect the market price of our ordinary shares, resulting in significant loss of value, which could impact our ability to access capital, increase our cost of capital, and decrease our ability to acquire properties on attractive terms.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of our Company

Yatra Online, Inc. is a Cayman Islands exempted company with operations primarily in India. We were incorporated as a private exempted company with limited liability on December 15, 2005 and subsequently became a public company upon the consummation of the Business Combination Agreement. Our registered office is located at c/o Maples Corporate Services Limited, PO Box-309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands. Our principal executive office is located at Gulf Adiba, Plot No. 272, 4th Floor, Udyog Vihar, Phase II, Sector-20, Gurugram, Haryana-122008, India, and our telephone number at this office is +91- 124-4591700. Our principal website address is www.yatra.com and our other main website is www.travelguru.com. We do not incorporate the information contained on, or accessible through, our websites into this Annual Report and you should not consider it a part of this Annual Report. Our agent for service of process in the United States is Puglisi & Associates located at 850 Library Avenue, Suite 204, Newark, Delaware 19715.

Yatra Online is a leading online travel company in India, addressing the needs of both leisure and business travelers. Founded by Dhruv Shringi, Manish Amin, and Sabina Chopra, we commenced operations with the launch of our website in August 2006. We believe Yatra is India's largest independent corporate travel services provider and the second largest consumer online travel company in India (based on management's analysis of publicly available information), with approximately 12.4 million travelers that have booked their travel through us as of March 31, 2022. Through our website, *www.yatra.com*, our mobile applications and our other associated platforms, leisure and business travelers can explore, research, compare prices and book a wide range of services catering to their travel needs.

B. Business Overview

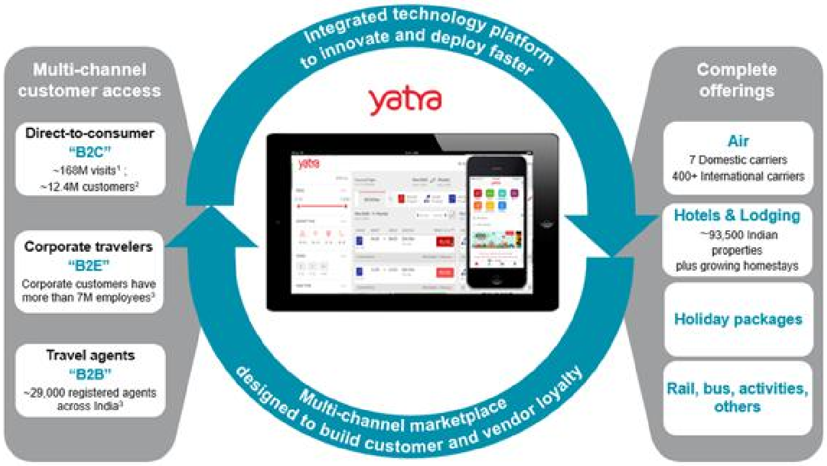
Our Company is a leading, full-service online travel company in India and one of the most well-recognized travel brands in the country, addressing the needs of both leisure and business travelers. We are India's largest corporate travel services provider and the second largest online travel company in India among key online travel agencies ("OTA") players in terms of gross booking revenue and operating revenue, for fiscal year 2020. (Source: CRISIL Report). We have the largest number of hotel and accommodation tie-ups amongst key OTA players of over 2,094,000 tie-ups, as of October 29, 2021 (Source: CRISIL Report).

Leisure and business travelers use our mobile applications, our website, *www.yatra.com*, and our other offerings and services to explore, research, compare prices and book a wide range of travel-related services. These services include domestic and international air ticketing on nearly all Indian and international airlines, as well as bus ticketing, rail ticketing, cab bookings and ancillary services within India. We also provide access through our platform to hotels, homestays and other accommodations, with approximately 93,500 hotels in approximately 1,400 cities and towns in India and more than two million hotels globally, which is the largest hotel inventory amongst key Indian OTA players (Source: CRISIL Report). To ensure that our service is a "one-stop shop" for travelers, we also provide our customers with access to holiday packages and other activities such as visa facilitation, tours, sightseeing, shows and events.

We believe India is one of the world's largest and fastest growing economies, with a large middle class, increasing disposable income and a rapidly growing online consumer segment. As per the Ministry of Statistics and Programme Implementation ("MoSPI"), India's GDP growth came in at 8.7% for fiscal year 2021 from a decline of 7.3% in fiscal year 2020 due to the impact of COVID-19. The Reserve Bank of India is forecasting GDP growth of 7.2% for fiscal year 2023. Given the size and growth dynamics of the India travel market, we have strategically focused both on the corporate and consumer markets. We are the leading corporate travel service provider in India with approximately 718 large corporate customers and approximately 49,000 registered SME customers and the second largest consumer online travel company ("OTC") in the country in terms of gross booking revenue for fiscal year 2020 (Source: CRISIL Report).

To address this large market opportunity and drive the growth of our consumer business, which is our key focus, we operate through two go-to-market strategies: B2C (business to consumer) and B2B (business to business which includes business to enterprise and business to agents). We believe that the combination of our B2C and B2B channels enable us to target India's most frequent and high spending travelers, namely, educated urban consumers, in a cost-effective manner. In addition, our travel agent network provides additional scale to our business by leveraging our integrated technology platform in order to aggregate consumer demand from approximately 29,000 travel agents in more than 840 cities across India as of March 31, 2022.

Our business is based on a common technology platform that serves our customers through multiple mobile applications as well as our website *www.yatra.com*. Our common platform approach provides us with a scalable, comprehensive and consistent user experience across each of our go-to-market channels and helps us innovate effectively. We believe that this approach drives user familiarity with our service and encourages cross sell and repeat usage by our customers, which further enhances customer loyalty for our business. This approach has enabled us to reduce development costs and accelerate "time-to-market" as new features and services can be launched simultaneously across channels. Our technology platform has been designed to deliver a high level of reliability, security, scalability, integration and innovation.



1. Data for the 12 months ended March 31, 2022 for flagship brand yatra.com only and excludes data from B2B businesses.
2. Cumulative as of March 31, 2022; does not include data for B2B businesses.
3. Approximate count as of March 31, 2022.

We define a "visit" as a group of interactions on our platform that occur within a 30-minute time frame. A single visit can contain multiple screen or page views, events and transactions. We use "traffic" and "visits" interchangeably in this Annual Report.

We have moved towards a "Mobile First" business and have experienced rapid user growth on our platform with mobile being the primary channel for customers to engage with us. During the fiscal year 2022, our web and mobile properties received approximately 168 million visits, a 30% increase compared to that of fiscal year 2021 as a result of easing of Covid-19 related restrictions in the country and strong rebound in travel interest from people. Our mobile applications have been downloaded approximately 24 million times as of March 31, 2022.

Based on our large and loyal customer base, our comprehensive service offerings, our experienced management team and our multi-channel strategy, we believe that we are well-positioned to capitalize on the burgeoning Indian travel market. Our brand is among the most well-recognized in not only the Indian online travel industry, but all of Indian Internet commerce, and we believe that this creates a significant competitive advantage. Leveraging our brand and technology platform, we intend to continue to expand and enhance our offerings through innovative travel solutions that will grow our business, improve our customer experience and meet the changing needs of business and leisure travelers. For example, we have opened up our holidays booking platform to third-party vendors enabling them to sell holiday products alongside those packaged by us using our platform as a marketplace, providing our customers with a wide selection of products and services.

In order to further strengthen customer loyalty and provide an incentive to the employees of our corporate customers to transact with us as B2C customers, we operate a proprietary eCash loyalty program that enables travelers that book through our platform to accumulate and redeem points, where applicable. Our eCash loyalty program acts as a surrogate and fills the loyalty gap that exists across product categories such as air travel ("Air") and hotels ("Hotel") in the travel market in India. We currently have over six million eCash registered users on our platform. During fiscal year 2022, approximately 90% of our customers' visits have been from direct and organic traffic. We have moved towards a "Mobile First" business and have experienced rapid user growth on our platform with mobile being the primary channel for customers to engage with us.

We believe our brand is among the most well-recognized Internet brands in the Indian travel industry. Leveraging our brand and technology platform, we intend to continue to expand and enhance our offerings through innovative travel solutions that will grow our business, improve our customer experience and meet the changing needs of business and leisure travelers. For example, we have opened up our holidays booking platform to third-party vendors enabling them to sell holiday products alongside those packaged by us using our platform as a marketplace, providing our customers with a wide selection of products and services.

We experience seasonal fluctuations in the demand for travel services and products offered by us. We tend to experience higher revenues from our Hotels and Packages business in the second and fourth calendar quarters of each year, which coincide with the summer holiday travel season and the year-end holiday travel season for our customers in India. In fiscal year 2022, due to COVID-19, we experienced a significant decrease in our sales of holiday packages and lower travel demand due to travel restrictions. During the fiscal year 2022, as a result of easing of Covid-19 related restrictions in the country and strong rebound in travel interest from people we have experienced a growth in travel as compare to the previous year.

Our revenue was INR 7,259.4 million in fiscal year 2020, INR 1,271.3 million in fiscal year 2021 and INR 1,989.4 million in fiscal year 2022. Our Adjusted revenue was INR 5,982.4 million in fiscal year 2020, INR 2190.6 million in fiscal year 2021 and INR 3,302.4 million in fiscal year 2022. In addition, our Gross Bookings for Air Ticketing, Hotels and Packages and other services was INR 87,770.4 million in fiscal year 2020, INR 15,816.9 million in fiscal year 2021 and INR 34,298.4 million in fiscal year 2022. During fiscal year 2020, 2021 and 2022 our net losses were INR 840.2 million, INR 1,194.9 million and INR 482.5 million respectively.

Gross Bookings for Air Ticketing business was INR 77,411.3 million for fiscal year 2020, INR 13,001.8 million for fiscal year 2021 and INR 27,648.8 million for fiscal year 2022, while adjusted revenue was INR 3,958.0 million, INR 1,487.5 million and INR 2,211.1 million respectively. Similarly Gross Bookings from Hotels and Packages segment was INR 7,895.9 million for fiscal year 2020, INR 1,705.6 million for fiscal year 2021 and INR 3,487.3 million for fiscal year 2022, while adjusted revenue was INR 784.6 million, INR 350.5 million and INR 599.1 million respectively.

Our revenue was INR 1,989.4 million in fiscal year 2022 and INR 1,271.3 million in fiscal year 2021, representing an increase of 56.5% over that period. Our Adjusted Revenue was INR 3,302.4 million in fiscal year 2022 and INR 2,190.6 million in fiscal year 2021, representing an increase of 50.7%. In addition, our Gross Bookings for Air Ticketing, Hotels and Packages and Other services increased to INR 34.3 billion in fiscal year 2022 from INR 15.8 billion in fiscal year 2021, representing an increase of 116.8%. During fiscal years 2022 and 2021, our net losses were INR 482.5 million and INR 1,194.9 million, respectively.

Adjusted Revenue is a non-IFRS measure. For more information about the non-IFRS measures and a reconciliation to the most comparable IFRS measure, please refer to "Item 5. Operating and Financial Review and Prospects-Key Operating Metrics."

We have invested significant capital on our technology platform and on sales and marketing efforts to build our brand and to acquire customers. Our mobile traffic increased by approximately 43% in fiscal year 2022 as compared to fiscal year 2021. The increase in traffic has been contributed to by both our technological developments along with rebound in the overall travel industry.

During the fiscal year 2022, 1.64 million mobile applications were installed with significant mix towards devices run on android operating system. In addition, we received approximately 14 million online shoppers' visits on our platform each month.

Unless otherwise specifically stated, the market and industry information and statistics included in the below description of our business is as of March 31, 2022.

Recent Developments

Conflict between Russia and Ukraine

Russia has typically accounted for approximately 2% of India's foreign tourist arrivals from 2015 to pre-pandemic 2019. Escalating tensions between Russia and Ukraine and any further military incursion of Russia into Ukraine could impact macroeconomic conditions, give rise to regional instability and result in heightened economic sanctions from the U.S. and the international community in a manner that adversely affects our business. This could cause significant disruption in the travel industry, result in lower tourist arrivals, lower bookings, and delays and flight cancellations, any of which could materially and adversely affect our business.

COVID-19 Pandemic

Toward the end of the fourth quarter of fiscal year 2021, a severe second wave of COVID-19 infections emerged in India that has been more severe than the first wave that occurred in 2020. This second wave has led to the re-imposition of states-wide travel restrictions, lockdowns and curfews across India. As a result, the Indian travel industry is experiencing a delayed recovery of business and international travel to pre-pandemic levels. Vaccinations continue to be administered at a rapid rate in India with at least 73.4% of the population having received at least one dose as of June 11, 2022. Current traffic data from the DGCA (Directorate General of Civil Aviation) suggests that air traffic has now recovered to over 85% of pre-covid levels and it is anticipated that we could see a recovery to pre-pandemic levels by the fourth quarter of fiscal year 2023. The extent of the effects of the COVID-19 pandemic on our business, results of operations, cash flows and growth prospects remain uncertain and would be dependent on future developments. These include, but are not limited to, the severity, extent and duration of the pandemic, its impact on the travel industries and consumer spending, rates of vaccination and the effectiveness of vaccinations against various mutations or variants of the COVID-19 pandemic.

We continue to implement certain measures and modified certain policies in light of the COVID-19 pandemic. For example, we have largely automated our re-scheduling and cancellation of bookings and provided our customers greater flexibility to defer or cancel their travel plans. In addition, we have also undertaken certain cost reduction initiatives, including implementing salary reductions and freezes and work from home policies, renegotiating fixed costs such as rent, deferring non-critical capital expenditures, reducing our marketing expenses and renegotiating our supplier payments and contracts. We believe these cost control measures have helped mitigate the economic impact of the COVID-19 pandemic on our business. We expect to continue to adapt our policies and cost reduction initiatives as the situation evolves.

Termination of Ebix merger agreement

As previously disclosed, on June 5, 2020, Yatra Online, Inc. delivered to Ebix Inc. ("Ebix") our notice of termination of the merger agreement with Ebix and filed litigation in the Court of Chancery of the State of Delaware based upon Ebix's breaches of the merger agreement and an ancillary extension agreement. In addition, we also sued Ebix for fraud and sued Ebix's consortium of lenders for tortious interference with contractual relations. On August 30, 2021, the Court of Chancery granted Ebix's motions to dismiss and dismissed the complaint in its entirety. On September 17, 2021, we filed a notice of appeal of the dismissal to the Supreme Court of the State of Delaware. The matter was heard by the Supreme Court on March 23, 2022. On April 11, 2022, the Supreme Court affirmed the final judgment of the Court of Chancery.

Our Approach

We believe India is one of the world's largest and fastest growing economies, with a large middle class, increasing disposable income and a rapidly growing online consumer segment. India's GDP growth is expected to come in at 7.2% in fiscal year 2023 from 8.7% in fiscal year 2022 after decline of 7.3% in fiscal year 2021 due to the impact of COVID-19. Nevertheless, India's middle class is still a relatively small fragment of India's population.

In order to effectively grow our business and serve the various segments of India's growing middle class, we operate through two go-to-market strategies: B2C and B2B. By using a common technology platform, we believe we are able to effectively target India's educated urban consumers and have multiple points of contact for marketing additional services to existing customers.

- Our consumer, or B2C, offerings are provided directly to consumers through our apps and website.

- Our corporate, or B2B, includes corporate travel and our travel agent business.

We believe that our broad and diverse offerings provide us with considerable cross-selling opportunities across our go-to-market channels, each of which has experienced strong growth in gross bookings. Using our common technology platform, business customers, who are introduced to our platform through their employers, are able to explore and book their leisure travel, and in some cases our eCash program rewards and incentivizes them for doing so. We believe that these aspects of our platform and the high number of repeat visitors and repeat transactions provide us with a cost-effective way to grow our business while providing a high quality service to our customers.

Distribution Platforms

Our distribution platforms are a combination of our website, mobile applications and network of travel agents as well as call centers specifically for holiday packages. The wide range of our distribution platforms provides us access to Indians traveling domestically or internationally and also to non-resident Indians and others traveling inbound to India and to other countries.

We have developed a common technology platform approach that enables a consistent user experience across multiple channels and different products, supporting our go-to-market strategy across our B2C and B2B channels. Our customer "touch-points" include our mobile applications, website and call centers as well as 'embedded' teams within some of our B2B clients. In addition, through our platform, we address the needs of a large fragmented market of travel agents, empowering approximately 29,000 agents in more than 840 cities across India as of March 31, 2022. Combining these offerings on a common technology platform allows us to develop an ongoing repeat relationship with our customers regardless of the specific channel through which they started using our services. For example, using our platform, B2B customers are able to explore and book their subsequent leisure travel through Yatra, potentially benefiting from our eCash program that rewards them for doing so.

(1) Data for the twelve months ended March 31, 2022 for flagship brand Yatra.com only and excludes data from B2B businesses.
(2) Cumulative as of March 31, 2022; does not include data for B2B businesses.
(3) Approximate count as of March 31, 2022.

Our website and mobile applications provide the following capabilities:

- *Exploring & Searching:* Our web and mobile platforms enable customers to explore and search flights, hotels, holiday packages, buses, trains and activities. We have developed a Natural Language Processing/Machine Learning, or NLP/ML based text/voice search engine on our website and our Facebook Bot to optimize search results. We also have a NLP/ML-based customer support knowledge engine to address users' queries without dialing the call center, thereby reducing the servicing cost and increasing customer satisfaction levels. To further engage consumers, we have a number of features such as "Lowest Fare Finder," "Super Saver," "Things To Do" and notifications.

- *Total Visibility:* Using our platform, customers are able to search for the lowest price available on any given date, identify dates with public holidays and widely celebrated events, and obtain additional information such as tripadvisor.com reviews, information on refundable or non-refundable fares and number of stops on airline bookings and hotel and room amenities.

- *Booking:* Once a customer has decided to book travel, we offer a range of payment options, which include bank transfers, credit cards, debit cards and online payment through third-party online payment platforms as well as buy-now-pay-later facility through Lazypay.

- *Carbon Emission for Flights:* A customer will be provided flight specific and seat specific details of carbon emissions next to the price and duration of the flight. This will help the customer to make more sustainable choices and will help customers track their footprint. The feature has been introduced in the pursuit of achieving the Sustainable Development Goals set by the United Nations General Assembly.

- In addition, for international transactions, we use a "Dynamic Currency Converter," which supports 29 currencies and converts prices from INR to another currency so that international credit cards can be charged.

- *Virtual Assistance*: In March 2018 we launched "YUVA", which stands for Yatra Universal Virtual Assistant. This feature allows the customer to use both voice and text to communicate Yatra support on the go. YUVA is available on desktop, Android and iOS. Supporting various Indian accents, YUVA enables intuitive customer interaction in a relatively human-like way, answering questions related to flight bookings and providing assistance in real time.

  - *Meta Search Tool:* In April 2022, we launched a Meta Search Tool for our corporate customer base. This will help large corporate customers with multiple vendor partners to search across those vendors and display the best available option for their employees on a single screen along with the rates directly contracted by the corporates with the airlines and the hotels. This option is available across domestic and international flights and hotels. This is an expansion of our self-book platform to a platform with rich integrations, special request management, advanced supplier management and precise and agile reconciliations and dashboards.

  - *Strategic Partnership with Cleartrip.com:* In February 2022 we entered into a strategic association with Flipkart (part of Walmart group) owned Cleartrip.com wherein Cleartrip's customers would have access to yatra.com's inventory of 94,500 hotel and home stays of various kinds ranging from 5 Star luxury properties to alternative accommodation such as villages, guesthouses and service apartments in approximately 1,400 cities in India.

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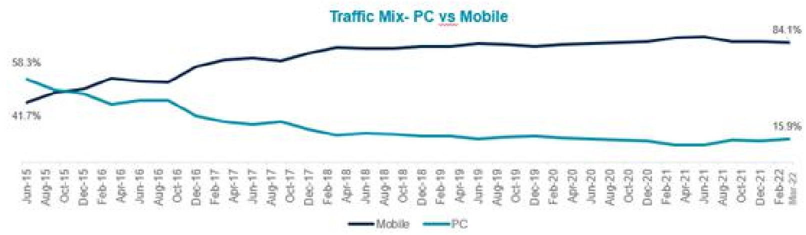
Mobile Applications

As smartphone penetration has grown in India, our mobile apps have become a critical component of our consumer offerings. We have multiple applications for a variety of consumer segments and services including:

- *Yatra:* Our primary mobile interface to our core platform, which has been downloaded approximately 24 million times.
- *Yatra Web Check-In:* An application designed to ease the flight check-in process for travelers.
- *Yatra Corporate:* A self-booking application for our business customers.

Since the launch of our mobile apps, we have experienced rapid growth in the traffic on our mobile platforms and as of March 31, 2022, our mobile platforms accounted for approximately 85% of our total consumer visits.



(1) Data for flagship brand Yatra.com only.

Websites

Our websites are a travel platform servicing customers across India and outside India, which allows customers to book travel related products and services. The websites are a single platform to explore, shortlist and book airline tickets, hotels, holiday packages, bus tickets, rail tickets and taxis. We have also developed customizable portals for our corporate customers and travel agents.

Customers can quickly review the pricing and availability of our products and services, evaluate and compare options, and book and purchase such products and services online within a few minutes. For our holiday packages, customers can submit their inquiries through our websites and our sales representatives contact such customers to follow up and process the transaction, if required. In addition to our product and services information, our websites feature comprehensive travel advice ranging from basic information to customer reviews for the destinations we cover. Customers may post questions and queries regarding specific products and services and receive timely responses online from customer service representatives, which in turn facilitates their travel planning, product selection, reservations and payments. Customers can also raise complaints about our travel products and services through e-mail or contact us on our customer care number. Our websites have been designed to provide a user-friendly experience to customers and is reviewed and upgraded from time to time.

Mobile Applications

Our mobile applications have been downloaded approximately 24 million times, as on March 31, 2022.

Through our android and iOS based mobile applications, customers can conveniently access all their past and future bookings, check and modify booking details and request for e-tickets and details on text message service. In addition, customers can utilize the web check-in feature for flights on our mobile applications. We also offer discounted travel products and services that are exclusive to users of our mobile applications for limited periods to enhance our mobile user engagement. Further, we also offer an "airplane chat" feature on our Android mobile application that allows passengers to communicate with each other.

Transaction on Websites and Mobile Applications

A transaction on our websites and mobile applications generally involves the following steps:

Browse and Search. A customer conducts a search for a particular product/service, or combination of products/services, on our websites or mobile application by defining desired parameters, such as destinations, date, time, product type and number of travelers. We are able to deliver real time information as our web-based booking engine is linked to our suppliers' systems.

Compare and Select. Our websites and mobile application display various possible selections and provides additional information about the products and services and also prompts the customer with available special offers or provides additional information about the product. We also provide the customer with information regarding the travel product in details together with photographs as well as reviews and ratings. The customer can sort, refine or rank search results by further defining certain search parameters such as price range, ratings, popularity and amenities.

Order Placement. After a customer has selected a particular option, our websites and mobile application will provide the customer with an opportunity to review details of the travel products and services being purchased and the terms and conditions of such purchase. At this stage, our websites and mobile application connects to our suppliers' system to confirm the availability and pricing of the product selected. Customers are also shown options to purchase travel insurance, prebooking of preferred seats and meals and other related ancillary value-added services at this stage.

Payment. After placing the order, the customer will be directed to the payment webpage. We offer customers the flexibility to choose a number of payment options, which include bank transfers, credit cards, debit cards and online payment through third-party online payment platforms. Customers can also deduct the purchase price of our travel products and services by using our coupons and travel vouchers. In order to simplify the booking process for customers, our websites and mobile applications do not require prior customer registration in order for the purchase to be completed. Electronic confirmations are sent to the customer's e-mail addresses or mobile phones and the customer can use the itinerary management function on our websites to check the booking details as well as amend or cancel the bookings.

Travel Agent Network

Our travel agent network has access to Yatra's customized portal, which allows them to offer their customers our various product and services. We believe this allows us in addressing the needs of a large and fragmented market of travel agents as well as in reaching customers in smaller markets, within the Tier 2 and Tier 3 cities. We have a wide network of travel agents of approximately 29,000 travel agents registered with us across almost all major cities in India, as of March 31, 2022.

The travel agents registered with us can access our websites enabling them to sell our full portfolio of travel products and services to their customers. We enter into agreements and contracts with such registered agents and also take deposits from them at the time of registration in certain situations. These travel agents earn commissions from us depending on the volume and type of travel products and services sold. We also pass-through cost benefits to agents on the promotional offers received from airlines. In addition, our travel agent network has continued engagement with us through regular meetings and e-mails. We believe our network is attractive to travel agents as we provide access to a wide range of travel products and services which such agents may not be able to access cost-effectively or at all. Further, our travel agents' network allows us to expand our footprint and distribution network in India in a cost-effective manner.

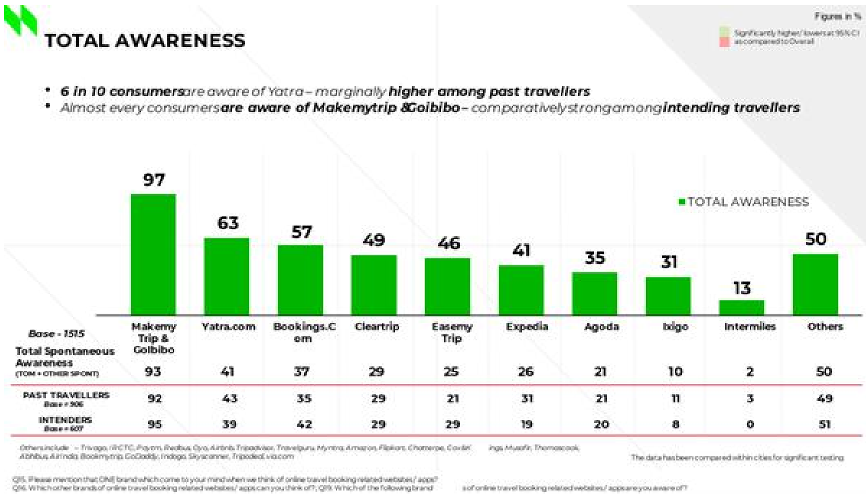
Marketing and Brand Awareness

We believe our online and offline marketing strategies increase our brand awareness, drive potential customers to our platforms and improve the rate at which visitors become customers.

We have invested in developing and promoting our brand, using a combination of online, offline, cross-marketing, social media and other marketing initiatives. Traditional or offline channels include print, radio, television, mass media campaigns, and short messages as well as through our call centers. Online marketing includes search engine marketing and other innovative digital marketing tools, such as search engine monetization, viral marketing and online display banners; other advertising networks, including mobile advertising partners; search engine optimization and display advertising on websites along with e-mails. Social media marketing incudes continuous engagement on social media platforms. In particular, our presence in online social media enables us to grow and maintain engagement with our targeted customers. Our advertising and sales promotion expenses accounted for 43.54% of our Adjusted Revenue in Fiscal 2022.

Our marketing programs and initiatives also include promotional, seasonal, festival and event related offers including certain women centric marketing campaigns that we have introduced recently. As part of our cross- marketing effort, we have entered into arrangements with various banks and payment gateways offering promotions for purchase of tickets on our websites and mobile applications platforms.

A recently conducted Nielsen study ranked us second among all travel brands in the country behind the MakeMyTrip-Goibibo group. Our total awareness score of 63 puts us well ahead of our Indian peers such as Cleartrip, Easemytrip and Ixigo.



TOM – Top of Mind Recall

In terms of Top-Of-Mind recall, we were more than 3x ahead of our Indian peers - Cleartrip, Easemytrip and Ixigo.

Our Products and Services

We offer a comprehensive range of travel and travel-related products and services catering to the needs of passengers traveling domestically, as well as traveling to and from international destinations. We provide customers with various tools and information that they need to research, plan, book and purchase travel products and services in India as well as outside India. We offer our products and services online through our websites and mobile applications, and use data and analytics to personalize the customer experience on our websites and mobile applications, based on past searches and purchasing history, which we believe increases engagement and likelihood of purchase.

We believe that we have built and continue to maintain strong relationships across our portfolio of suppliers for airlines, hotels and holiday packages. We have teams managing our existing airline relationships, hotel relationships and holiday packages. These teams also work to expand our offerings and network. A selective mix of negotiated rates, payment terms and co-participation promotions has resulted in a compelling consumer portfolio offering with an opportunity to leverage our large customer base and cross-sell effectively.

Our products and services are organized primarily in the following segments: (i) airline tickets, which consists of the sale of airline tickets as well as airline tickets sold as part of the holiday packages; (ii) hotels and holiday packages, which consists of standalone sales of hotel rooms as well as travel packages (which may include hotel rooms, cruises, travel insurance and visa processing); and (iii) other services, which consists of rail tickets, bus tickets, taxi rentals and ancillary value added services such as travel insurance, visa processing and tickets for activities and attractions.

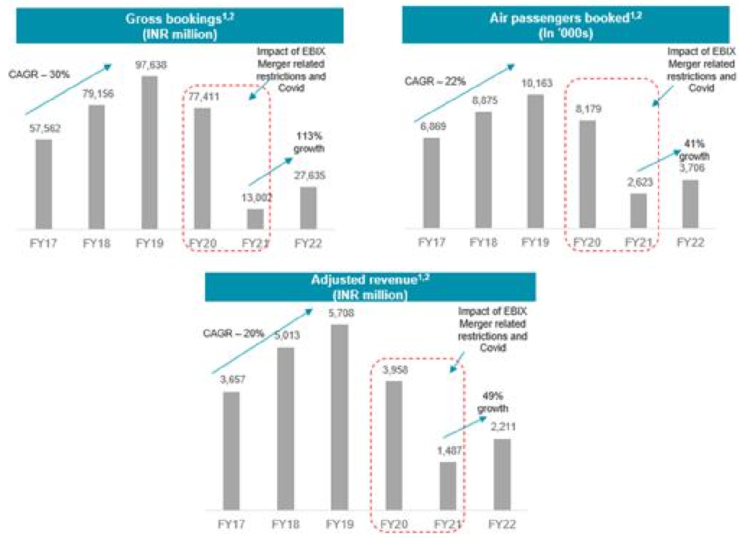
Air Ticketing

The airline ticketing business is primarily targeted to domestic air passengers and international travel from India. We have access to real-time inventory either via GDS service providers such as Amadeus and Galileo or through a “direct-connect” to the airlines. We have relationships with all major airlines operating in India, domestic and international. The fares paid by our customers include a transaction fee and this, along with the “per-segment” earnings from the GDS providers, the commissions and volume-linked incentives from the airlines, forms the revenue accrued to us. We provide our customers with access to 7 domestic airlines, as well as over 400 airlines for international travel. Our relationships include all major full-service carriers and low-cost carriers. These include domestic carriers such as Air Asia, Air India, Air India Express, Go First, IndiGo, SpiceJet, Vistara, and international airlines such as Air France-KLM, British Airways, Emirates, Etihad Airways, Lufthansa, Malaysia Airlines, Singapore Airlines, Thai Airways and Qatar Airways, etc.

Our airline ticketing business provides comprehensive information and options to consumers. Our comprehensive and integrated platform is designed to allow customers to use customizable search and filter options to list, make selections and execute transactions, all in a seamless fashion. Customers can search and sort by date, airline, class of travel, fare price, origin, destination, and number of stops, and our search results can be enhanced by our customers’ recent searches, history and preferences.

We earn commissions and incentives from airlines for tickets booked by customers through our various sales channels. We either deduct commissions at the time of payment of the fare to our airline suppliers or we collect our commissions from our airline suppliers. Incentive payments, which are largely based on volume of business, are collected from our airline suppliers on a periodic basis. We charge our customers a service fee for booking airline tickets and receive fees from our GDS service providers based on the volume of sales completed by us through GDS. Revenue from airline tickets sold as part of packages is eliminated from our Air Ticketing revenues and added to our Hotels and Packages revenue. In addition, we also earn revenue from convenience fee, cancellation service charges, rescheduling charges and advertisement revenue that we may charge along with the travel booking.

During the year ended March 31, 2022, air passengers booked increased by 41% year over year and air gross bookings increased by 113% over the same period, as there has been steady recovery post impact of COVID 19 in fiscal year 2021.



(1) Data for flagship brand Yatra.com only and excludes data from B2B businesses
(2) Please refer to "Item 5. Operating and Financial Review and Prospects—Key Operating Metrics" for definitions and reconciliations of non-IFRS measures.
(3) Fiscal year 22 performance has been impacted due to second wave of Covid in April and May 2021 in India, along with impact of Omicron variant in January 2022.

Hotels and Packages

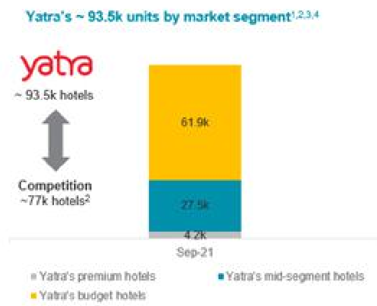
Hotels

As of March 31, 2022, our customers can review and book flights on all major Indian and international airlines, and accommodations at approximately 93,500 hotels and homestays in approximately 1,400 cities and towns in India as well as more than 2 million hotels around the world. In fiscal year 2022, more than 1.02 million standalone hotel room-nights were booked through our platforms.

Contracting with hotels is done by a dedicated team that is responsible for onboarding listed properties as well as negotiating rates and promotions. Hotels can also self-manage their rates, inventories, promotions and margins using our extranet (mobile and web versions). Hoteliers also have an option to access the extranet via a Channel Manager API, an interface that lets hoteliers connect their software application to our extranet.

Revenue from our Hotels and Packages business includes commissions and markups that we earn for the sale of hotel rooms (without packages), which is recorded on a "net" basis. Revenue from packages, including hotel and airline tickets sold as part of packages, is accounted for on a "gross" basis. From fiscal year 2021 to fiscal year 2022, our Hotels and Holiday Packages' Gross Bookings increased by 104% due to an increase in hotel room-nights sales largely as a result of recovery from COVID-19 pandemic in fiscal year 2021. However, recovery in sale of holiday packages has been lower due to restrictions in international travel, which were in force for a significant part of the fiscal year.

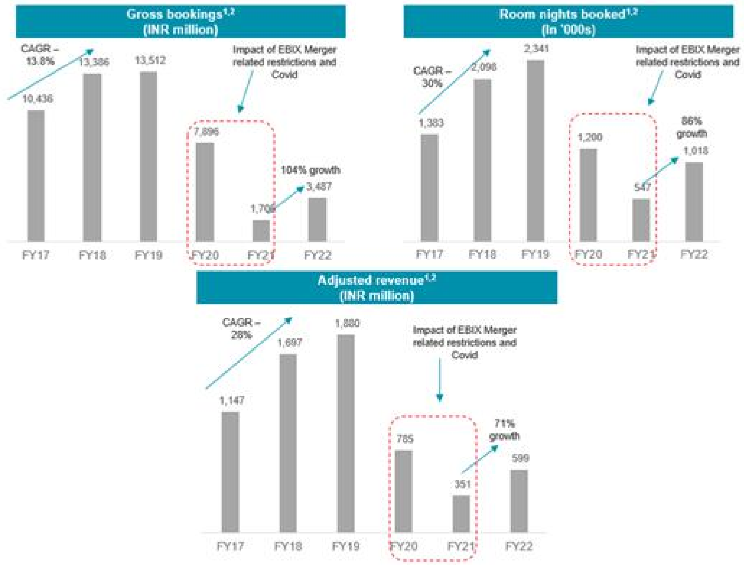
We believe that Yatra has India's largest hotel inventory with approximately 93,500 properties on our platform, especially in the key "budget" category in Tier 2 and Tier 3 cities that matches Indian consumers' preferences.



(1) Management estimates, as of March 31, 2022.
(2) Management estimates from company website, press articles and filings.
(3) Includes approximately 7,200 homestay accommodations.
(4) Premium hotels include 4- and 5-star accommodations, mid-segment hotels include 3 star accommodations and budget hotels include all other accommodations (including homestay accommodations).

Holiday Packages

Our holiday packages offerings consist of both fixed departure and customized holiday packages. Given our focus on the Indian middle-class consumers, many of whom are not seasoned travelers, our customers typically prefer booking holiday packages where most elements of their travel, including flights, hotels, sightseeing, transport, visa and insurance, are all taken care of. We have approximately 580 holiday packages to destinations within India, Asia, the Middle East and Europe and have established ground handling operations and partnerships in Dubai, Singapore, Thailand and Malaysia. We also opened up our platform to third-party holiday packages sellers who can now sell alongside our own products through our platform, thereby offering our customers a wider choice of products.



(1) Numbers for fiscal year 2019 include TCIL performance for two months.

(2) Please refer to “Item 5. Operating and Financial Review and Prospect-Key Operating Metrics” for definitions and reconciliations of non-IFRS measures.

Other Services

Rail Ticketing

To leverage the convenience of online bookings, we entered the rail travel market in September 2007 with inventory made available by IRCTC. IRCTC is a subsidiary of Indian Railways that handles the catering, tourism and online ticketing operations of Indian Railways.

Bus Ticketing

To leverage the convenience of online bookings, we entered the bus travel market in September 2014. To ensure consistency of supply, we source our tickets from a combination of suppliers.

Cab Booking

Taking a step further in servicing our customers and providing them with one more travel solution, in September 2016, we launched app integration with one of the world’s most famous cab-booking companies. This made it possible for our customers to book their local and intracity transport through the Yatra app, even if the main supplier app is not installed on their devices.

Activities

Launched in July 2016, we listed more than 2,258 activities inside and outside India as of March 31, 2022. We offer a broad range of activities to our customers at multiple price points, including tours, historical and contemporary sightseeing, luxury experiences, romantic trips, events, shows, food tours, cooking classes and others, each ranging from a few hours to a full day.

Yatra Freight

In October 2020, we launched a new end-to-end freight forwarding business, which connects companies with multi-modal logistics options. As we look towards digitizing the logistics space, our corporate travel relationships with both airline and enterprise executive management, together with our technology capabilities, give us a significant head start. Despite the pandemic, we have rapidly scaled up this business over the past few months and we believe this business has the potential to be even bigger than corporate travel over the long-term. As on March 31, 2022, we have a team of approximately 127 seasoned freight and logistics industry professionals. The freight platform that we are building has the potential to be a global product and we believe it will enable us to deliver multiple years of strong growth.

New Initiatives

We have recently entered into agreements with several third parties to provide services related to our travel related services or which we believe will be beneficial to our customers. These initiatives are at the very early stages of development and there is no assurance that any of those will be successful or that we will recoup the expenses related to pursuing these initiatives.

Our Strengths

We believe the following combination of attributes of our Company distinguishes us from our competitors:

Trusted online travel brand with a proven track record and targeted marketing strategy

"Yatra," which is the Hindi word for "Journey," is one of India's most well-recognized travel brands. Our brand has received numerous awards and recognitions, including multiple awards from the Government of India's Ministry of Tourism, The Economic Times Brand Equity's Most Trusted Brand Survey 2016, Travel and Hospitality's Most Outstanding Travel Company, National Tourism Award for "Best Domestic Tour Operator" in Category I (Rest of India), "Best Inbound Tour Operator" for 2017-18 and the CNBC Awaaz Travel Award.

The strength of the brand is reflected in the fact that over 90% of our total traffic has come from direct and organic traffic (which are visitors who enter our website through unpaid search results without any intermediary) for fiscal year 2020 and 2021 (Source: CRISIL Report). To further strengthen the brand, we have, from time to time, signed up some of India's leading celebrities as our brand ambassadors in the past.

The strength of our brand has increased significantly over the years. Our mobile applications have been downloaded approximately 24 million times.

We incur marketing and sales promotion expenses associated with customer inducement and acquisition programs, including cash incentives and loyalty program incentive promotions, which are detailed below:

	Year ended March 31		
Description	**2020**	**2021**	**2022**
(amounts in thousands)	**INR**	**INR**	**INR**
Customer inducement and acquisition costs^	1,486,371	809,587	1,313,621
Marketing and sales promotion expenses^^	196,209	79,584	124,147
Total	**1,682,580**	**889,171**	**1,437,768**

^ *Customer inducement and acquisition costs include costs for acquiring customers and promoting transactions across various booking platforms such as upfront cash incentives*
^^ *Marketing and sales promotion expenses include online, television, radio and print media advertisement costs as well as event driven promotion cost for the Group's products and services*

We have invested in developing and promoting our brand since our inception, using a combination of online, offline, cross-marketing, social media and other marketing initiatives. Our marketing programs and initiatives also include promotional, seasonal, festival and event related offers. As part of our cross-marketing efforts, we have entered into arrangements with various banks and payment gateways, to offer promotions and discounts on the purchase of tickets on our websites and mobile applications platforms in addition to also providing cash-back options. We offer customers the flexibility to choose a number of payment options, which include bank transfers, credit cards, debit cards and online payment through third-party online payment platforms. We have also entered into alliances with various brands, for cross-marketing our products and services. We believe our marketing strategies have increased our brand awareness, driven potential customers to our platforms and improved the rate at which visitors become customers.

Our Synergistic Multi-Channel Go to Market approach for Business and Leisure Travelers

We have designed a unique "go-to-market" strategy that is a mix of B2C and B2B. This comprehensive approach creates strong network effects resulting in significant cross-sell between business and leisure travelers, which we believe addresses the entire travel market in India. We are India's largest corporate travel services provider and the second largest online travel company in India among key OTA players in terms of gross booking revenue and operating revenue, for fiscal year 2020. (Source: CRISIL Report). We believe that our broad and diverse offerings provide us with considerable cross-selling opportunities across business channels and our eCash program furthers customer loyalty across channels, builds a diversified customer base. These channels enable us to provide end-to-end travel solutions for passengers travelling domestically and internationally.

B2C Channel. Our B2C distribution channel commenced operations in 2006 and focuses on the growing Indian middle-class population and their increasing travel requirements, and provides them with travel products and services through our websites and mobile applications. The largest category of customers for online travel agencies is the B2C segment, *i.e.,* direct or retail customers, that use online platforms for bookings, who accounted for approximately 52% to 62% of the overall online travel agencies' net revenue in fiscal year 2021 (Source: CRISIL Report).

B2B Channel. Our B2B channel includes corporate travel and our travel agent business.

Corporate Travel: Our corporate travel business commenced operations in 2013 and we provide an end-to-end software-as-a-service ("SaaS") -based travel solution to corporates. Our corporate platform integrates with the corporate customers' Enterprise Resource Information System (ERIS) and Enterprise Resource Planning (ERP) platforms and provides a one-stop-shop solution for all their travel needs. Our hybrid approach of a self-book model and onsite customer support allows our corporate customers to seamlessly enforce their travel policy at the system level to ensure better compliance and cost control and in addition also enables us to provide "high touch" service if required. We also utilize data and analytics to offer our corporate customers a personalized experience on our website and app. As of March 31, 2022, we had approximately 718 large corporate customers and over 49,000 registered small and medium-sized ("SME") customers. B2B segment in the Indian OTA is expected to grow at CAGR of 12% to 14% (Source: CRISIL Limited).

Travel Agents: This business segment helps us reach customers in smaller markets (Tier 2 and Tier 3 cities) where Internet penetration has traditionally been lower. It provides additional scale to our business by leveraging our technology platform in order to cost-effectively aggregate consumer demand from travel agents located across India. As of March 31, 2022, we had approximately 29,000 travel agents registered with us across most major cities in India. Our network of travel agents has allowed us to expand our footprint and distribution network in India.

Our distribution channels are supported by a hybrid platform, which is a combination of our websites, mobile applications and network of travel agents across India as well as call centers. We have developed streamlined software across our distribution channels, which provides us with multiple points of contact for marketing additional travel products and services to existing customers.

Large and Loyal Customer Base

We have served approximately 12.4 million cumulative travel customers as of March 31, 2022, with over half of them having signed up for our eCash loyalty program. Our websites, and mobile applications have been designed to provide customers with flexibility in choosing travel options. We recorded a booking success rate of 98.7% on our websites and mobile applications in the B2C channel for domestic transactions in fiscal year 2022.

We are dedicated to ensuring a superior user experience on our platform and a critical component of that is customer service. We provide customer support in all stages of our customers' trips before, during and after. Our "chat" system is an important means of communication between buyers and sellers, buyers and our customer service and sellers and our seller support. We monitor feedback from our customers using an in-house CRM system that helps to provide simple, tailor-made tools to provide rapid and effective support.

In our corporate travel business, we currently serve approximately 718 corporate customers where our customer retention rate has improved from approximately 96% in fiscal year 2020 to approximately 97% in fiscal year 2021 and approximately 98% for fiscal year 2022.

We think of our corporate business as a "platform" which provides us an opportunity to leverage our strong and long-standing relationship with our corporate customers to cross sell other products such as expense management and freight management.

Comprehensive Selection of Service and Product Offerings

Our comprehensive travel-related offerings are customized to the needs of both domestic and international travelers. We have aggregated a comprehensive travel-related inventory in India, which includes access to all major domestic and international airlines operating within India [Source: Industry Report] and a hotel network that includes approximately 93,500 domestic hotels and approximately 1,400 cities in India. In addition to airlines and hotels, we also provide our customers with access to holiday packages, buses, cabs, trains and other services such as visa facilitation, tours, sightseeing, shows, and events. This comprehensive selection of travel-related services makes us a "one-stop shop" for our customers' business and leisure travel needs, thereby providing us with multiple points of contact with travelers allowing us to develop an ongoing repeat relationship with our customers.

We have the largest inventory of domestic hotels in India with approximately 93,500 properties on our platform and we act as a supplier to some of the largest global and domestic online travel and corporate travel management companies. Post COVID, we introduced our Clean Pass initiative to better aid Corporates and retail customers in their selection process. 'Clean Pass', is an initiative to ensure safety measures are adopted by our partner hotels, cabs and bus service providers. A 'Clean Pass' for hotels includes safety measures such as sanitization of room and common areas, wearing of masks and gloves by staff, having the Aarogya Setu app, regular temperature checks, room sanitization in front of the guests during check-ins besides others. We have approximately 13,680 hotels that have been registered with 'Clean Pass'.

Integrated Technology Platform

We utilize a single data center with an active data center backup in a separate location and also utilize cloud services with an ability to restore all site operations within 48 hours in case of a complete shut-down. This infrastructure is certified to support a traffic spike of 4.5 times across the flights, hotels, holidays, bus and rail platforms. The technology stack includes Java, MySQL, MongoDB, Redis, Memcache and jQuery with a 3-tier service-oriented architecture for horizontal scale, performance and flexibility. We leverage and contribute to open source technologies, leading to faster innovation, development and cost-efficiencies.

We use an integration layer for high-scale, fault tolerance and configurability with connectivity to multiple GDS and hosting systems for low-cost carriers. This provides auto switching capabilities and redundancy between suppliers so that we may provide the same airline inventory even if a supplier is experiencing connectivity or performance issues. We have also developed a common user interface platform that ensures a single common user view across B2C and B2B channels and a single customer/client interface on both the web and mobile interfaces so that users have a consistent experience irrespective of the channel via which they come to us.

In order to ensure smooth integration of our inventory, we have a marketplace platform that enables us to sell our own inventory and the inventory of third-party vendors to provide travelers a wider selection of products and services on a single platform. This platform presents a set of reusable services that allow third-party suppliers or travel services to manage and sell those services on yatra.com directly to consumers. This platform includes vendor management, seller-buyer-user communication service, provision of content, inventory and pricing management and product life cycle management services.

Our corporate travel solution for enterprises is a tightly integrated SaaS platform. For each corporate customer that uses our platform, we are tightly integrated with the customer's ERIS and ERP platforms, thus creating a large moat around our corporate business. Our corporate SaaS platform also comes with self-book capabilities, available both on mobile and desktop. Self-book functionality helps enforce a corporate's travel policy at the system level and prevents operational expenditure, or opex, leakage thus, having a positive impact on the customer's bottom-line.

Our integrated platform approach provides us with a scalable, comprehensive and consistent user experience across each of our three go-to-market channels. We believe that this approach drives user familiarity with our service and encourages repeat usage by our customers, which further enhances customer loyalty for our business. In addition, in order to further strengthen customer loyalty and provide an incentive to the employees of our corporate travel customers to transact with us as B2C customers, we operate our proprietary eCash loyalty program that enables travelers that book through our platform to accumulate and redeem points, where applicable. In India, majority of the airlines do not have a mileage program and similarly a large number of hotels do not offer a loyalty program. Our eCash loyalty program acts as a proxy and fills the loyalty gap that exists across product categories such as Air and Hotel. We currently have over 6 million eCash registered users on our platform.

In-house Advanced Technology Infrastructure. We have a dedicated in-house technology team focused on developing a secure, advanced and scalable technology infrastructure and software. We believe this has enabled us to better manage our product and service offerings and improve operating efficiencies by integrating our sales, delivery and customer service functions. Our in-house technology team has enabled us to continuously strengthen our scalable technology infrastructure, support customer focused initiatives, introduce innovative services and solutions, and improve our product and service delivery, which we believe has enabled us to maintain high levels of customer satisfaction our grow our market share. As of March 31, 2022, our technology team included 99 employees with technology backgrounds and with domain expertise focused on evolving technologies focused on our various product and service verticals.

Since the start of the pandemic in March 2020, we have enhanced our automation capabilities to largely automate our post-booking engine to allow amendment, cancellation and refund of bookings. This automation has been deployed on website, app and WhatsApp. Additionally, we have also deployed a GST invoicing solution to automate collection of GST invoices for corporate customers and from our suppliers. This automation allows us to scale without deploying incremental manpower thereby providing operating leverage in our business model.

Data Analytics Capabilities. We believe that our focus on a strong technology platform, our large customer base and growing market share, and our data analytics capabilities allow us to prioritize search results and provide customer-relevant information in a simple and intuitive interface. Our technology infrastructure enables us to gather and analyze customer behavior and related data based on past searches and purchasing history, to continuously improve our marketing and customer acquisition initiatives, as well as our inventory management processes. Our data analytics capabilities allow us to effectively identify customer requirements and understand market trends and accordingly modify our product and service offerings and our customer interface. In order to provide customized product and services to customers, our data analytics also focuses on the customer's individual taste and travel priorities.

Seasoned Management Team with Track Record of Success

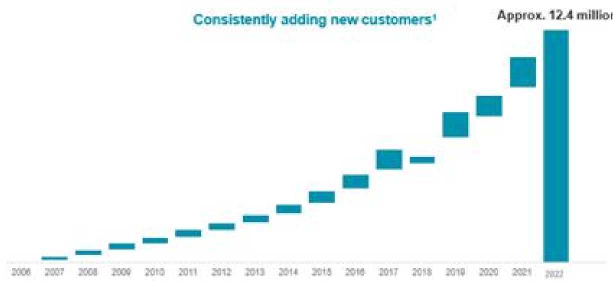
We are a professionally managed company established by seasoned travel professionals. Our senior management team comprises of industry executives with deep roots in the travel industry combining over 90 years of accumulated experience having previously worked with companies such as Ebookers.com, Ford Motors, Arthur Andersen and Carlson Wagonlit. Our founders are actively involved in our operations and have been instrumental in implementing our growth strategies since incorporation We believe that our management's expertise, industry relationships, and experience in identifying, evaluating and executing on new opportunities provide us with opportunities to grow organically and through strategic acquisitions that complement or expand our existing operations.

Our Growth Strategy

The key elements of our long-term growth strategy include:

Growth in the customer base using cost-effective technology solutions

We intend to grow our customer base by continuing to provide business and leisure travelers, a seamless and integrated technology platform that meets all their travel needs. Our corporate customers collectively employ approximately 7 million workers who we believe form part of a vibrant, fast-growing customer base with disposable income. These employees constitute a target customer base of approximately 28 million customers, assuming an average family size of four people. In this endeavor, we have also introduced a loyalty program to incentivize employees who transact with us on our corporate travel platform to cross-pollinate and transact with us for their personal travel needs on our B2C platform. This cross-pollination enables us to service this audience in a cost-effective way while ensuring increasing ARPU (Average Revenue Per User)**.**



(1) Cumulative as of March 31, 2022; does not include data for travel agent businesses.

Grow "Share Of Wallet" With Existing Customers-Leverage our Multi-Channel Approach and Our Loyalty Programs

A number of initiatives have been developed and incorporated in the platform that help us drive and reward customer loyalty. These are specifically targeted on B2C and B2B channels, where we have integrated features, such as (a) loyalty programs (eCash); (b) additional features on the product level to ensure comprehensive travel solutions coupled with value added services and (c) to incentivize our corporate travel customers to utilize our services for their travel needs.

Our eCash program was launched in 2014 to reward customers for repeat purchases. Since its inception, over 6 million customers have registered for our eCash program. Customers accumulate eCash points on travel booked through us, and these points work as a currency that can be redeemed by customers during future bookings. Since the eCash program was launched, we have seen a significant impact of this program on our business. We plan to continue to use eCash program as an incentive to drive repeat rates from our B2C customers and to incentivize B2B customers to transact with us on the B2C platform.

Further Strengthen our focus on Corporate business

As of March 31, 2022 we had 718 large corporate customers and approximately 49,000 registered SME customers. Our corporate travel business commenced operations in 2013 and now provides an end-to-end SaaS-based travel solution to corporates. These services are currently closely integrated on the platform include travel and expense. Our SaaS platform allows us to onboard a new customer using our standardized product within a 3-week timeframe.

The corporate travel market is expected to grow at a Compound Annual Growth Rate (“CAGR”) of 12-14% between fiscal year 2020 to fiscal year 2025 to reach INR 62-66 billion in fiscal year 2025 from INR 33-37 billion in fiscal year 2020 (Source: CRISIL Report). We believe our leadership position in corporate travel, our integrated technology platform and our speed to market in bringing customers onboard gives us a distinct advantage over the competition.

We recently launched a freight forwarding business through Yatra Online Freight Services Private Limited (“Yatra Freight”), our indirect subsidiary, to further expand our corporate service offerings. We have existing supplier relationships with the airlines as a result of our B2C and B2B travel business and we also have corporate relationships with some of the largest pharma and manufacturing companies in India in our corporate travel business, who are also some of the biggest users of freight services. We intend to continue to leverage our corporate and supplier relationship to offer more solutions to our corporate clients. By leveraging Yatra Online’s robust relationship with air-carriers, Large Corporate and SME customers we will be able to provide a technology-enabled digital freight forward platform which will cover ocean freight, surface logistics and air Cargo.

Invest in Technology-“One-Stop Shop” For All Travel Needs

We believe that Technology is a significant differentiator and driver of the franchise that we have built. We have invested significant amount of time, capital and effort on what we believe is a market leading technology platform. These efforts include:

● Creating a real-time and fully integrated B2C Booking Platform which aggregates & integrates airline inventory with customer access in a seamless way: and

● Aggregating Corporate Travel demand through a dedicated and integrated into ERP/ERIS systems of the corporates.

To ensure that Yatra remains a market leading Travel-Technology platform, we will continue investing in our common technology platform in order to ensure that we can introduce new product offerings in an efficient and timely manner and deliver on our vision of being a “one-stop-shop” for our customers when it comes to travel and travel related products. Given our focus on sustainable growth, which means that we do not intend to rely on aggressive promotions and discounts to grow our business, innovation is a key driver for our business as it enables us to provide our customers with a differentiated high-quality offering. In order to provide customers with selection and choice, we have launched a marketplace platform that enables us to sell our own inventory as well as the inventory of third-party vendors and we intend to launch similar innovative platform enhancements in the future.

We adopt a platform approach in our corporate business by offering our full suite of travel products such as air, hotel, bus, rail, cabs and insurance on a common technology platform. Additionally, we have also added capabilities in adjacent business such as expense through a partnership with Zaggle that can drive further growth in the Corporate vertical. Additionally, we recently began offering freight forwarding services to our existing corporate customer base further demonstrating cross-sell opportunities within our platform.

Leverage our existing travel agent network in Tier 2 and Tier 3 cities

We will continue to invest in branding and services targeting Tier 2 and Tier 3 markets which, we believe, currently have lower online penetration levels for travel. According to the Indian government's most recent census, more than 200 million people (representing 16% of India's population) live in the 488 cities and towns comprising Tier 2 and 3 markets. We expect increased travel within and between Tier 2 and Tier 3 cities to drive growth in air and hotels. According to the Airports Authority of India, the growth rate in the number of air travel passengers year-over-year is higher in secondary airports located in smaller Tier 1 and larger Tier 2 cities and smaller regional airports in Tier 2 cities, at 24% and 20%, respectively, than it is in major metro airports located in the largest Tier 1 cities, at 16%.

Fuel Growth Through Innovative Acquisition Strategies

The acquisition of companies, intellectual property and talented individuals has been central to our growth strategy. In 2010, we acquired TSI and its subsidiaries in order to expand our travel agent business, particularly our international Air Ticketing for small and medium scale enterprises. In 2012, we acquired the Travelguru group of companies from Travelocity, which remain well-established hotel aggregators in India. Through this acquisition, we expanded our hotel business by establishing more direct hotel relationships in India and improved our inventory of affordable travel options. We have also leveraged our leading position in the Indian travel ecosystem to make several "acqui-hires," including the teams from mGaadi and dudegenie, in order to grow our business. During the second quarter of fiscal year 2018 and fourth quarter of fiscal year 2019, we completed the acquisition of a majority stake in Air Travel Bureau Ltd ("ATB") and the corporate division of PL Worldways known as Travel.co.in Limited, or TCIL, which further reinforced our leadership position in the B2B travel segment. We expect to continue to pursue acquisitions that we believe will provide services, technologies or people that complement or expand our current offerings.

Supplier Relationships

We believe that we have built and continue to maintain strong relationships across our portfolio of suppliers for airlines, hotels and holiday packages. We have teams managing our existing airline relationships, hotel relationships, and holiday packages. These teams also work to expand our offerings and network. A selective mix of negotiated rates, payment terms and co-participation promotions has resulted in a compelling consumer portfolio offering with an opportunity to leverage our large customer base and cross-sell effectively.

Airlines

The airline ticketing business is primarily targeted to domestic air passengers and international travel from India. We have access to real-time inventory either via Global Distribution System ("GDS") service providers such as Amadeus and Galileo or through a "direct-connect" to the airlines. We have relationships with all major airlines operating in India, domestic and international. The fares paid by our customers include a transaction fee and this, along with the "per-segment" earnings from the GDS providers and the commissions and volume-linked incentives from the airlines, forms the revenue accrued to us. Our relationships include all major full-service carriers and low-cost carriers. These include domestic carriers such as Air Asia, Air India, Air India Express, Go First, IndiGo, SpiceJet, Vistara, and international airlines such as Air France-KLM, British Airways, Emirates, Etihad Airways, Lufthansa, Malaysia Airlines, Singapore Airlines, Thai Airways and Qatar Airways, etc.

Hotels

We have a hotel network of approximately 93,500 hotels and approximately 1.02 million hotel room-nights were booked through our platforms in fiscal year 2022. We have a team responsible for supply side contracting, onboarding listed properties, and demand generation. We also have an extranet portal that hoteliers use to access and manage their inventory, rates and promotions. Hoteliers also have an option to access the extranet via a Channel Manager API, an interface that lets hoteliers connect their software application to our extranet.

Freight Forwarding Business

In October 2020, we launched a new end-to-end freight forwarding business, which connects companies with multi-modal logistics options. As we look towards digitizing the logistics space, our corporate travel relationships with both airline and enterprise executive management, together with our technology capabilities, give us a significant head start. Despite the pandemic, we have rapidly scaled up this business over the past few months and we believe this business has the potential to be even bigger than corporate travel over the long-term. As on March 31, 2022, we have a team of approximately 127 seasoned freight and logistics industry professionals. The freight platform that we are building has the potential to be a global product and we believe it will enable us to deliver multiple years of strong growth.

Customer Service

We are dedicated to ensuring a superior user experience on our platform and a critical component of that is customer service. We provide customer support in all stages of our customers' trips-before, during and after. Our "chat" system is an important means of communication between buyers and sellers, buyers and our customer service and sellers and our seller support. We monitor feedback from our customers using an in-house CRM system that helps to provide simple, tailor-made tools to provide rapid and effective support. We have approximately 120 employees in customer service, including supervisors, sales representatives, quality assurance and process control teams. There is a four-week induction and training program for our employees, which is managed by our in-house training team.

Central to the customer experience, our customer contact centers are closely aligned to the business and are equipped to meet all customer needs. These centers are open seven days per week and provide customer support till midnight. This enables us to provide a seamless customer experience across all channels. To improve flexibility and cost efficiency, we also utilize third-party customer service providers. In most of the cases, our staff is stationed in third-party customer contact centers to ensure that the customer experience is maintained to our unified corporate standards.

Since the start of the pandemic in March 2020, we have enhanced our automation capabilities to largely automate our post-booking engine to allow amendment, cancellation and refund of bookings. This automation has been deployed on website, app and WhatsApp. Additionally, we have also deployed a GST invoicing solution to automate collection of GST invoices for corporate customers and from our suppliers. This automation allows us to scale without deploying incremental manpower thereby providing operating leverage in our business model.

Technology and Data

Our common technology platform has been designed to deliver a high level of reliability, security, scalability, integration and innovation. We utilize an on-premise data center with a hybrid setup and ability to scale into a public cloud on-demand, an active backup on public cloud. We utilize cloud services with the ability to restore all site operations within 48 hours in case of a complete shutdown. This infrastructure is certified to support a traffic spike of 4.5 times across the flights, hotels, holidays, bus and rail platforms.

The technology stack includes Java, MariaDB with Galera Cluster, MongoDB, Redis, Aerospike, jQuery, React and ELK with a multi-tier service-oriented containerized architecture for horizontal scale, performance and flexibility. We leverage and contribute to open source technologies, leading to faster innovation, development and cost-efficiencies. We use an integration layer for high-scale, fault tolerance and configurability with connectivity to multiple GDS and hosting systems for low-cost carriers. This provides auto switching capabilities and redundancy between suppliers so that we may provide the same airline inventory even if a supplier is experiencing connectivity or performance issues.

We have also developed a common user interface platform that ensures a single common user view across B2C and B2B channels and a single customer/client interface on both the web and mobile interfaces so that users have a consistent experience irrespective of the channel via which they come to us. In order to ensure smooth integration of our inventory, we have launched a marketplace platform that enables us to sell our own inventory and the inventory of third-party vendors to provide travelers with a wider selection of products and services on a single platform. This platform presents a set of reusable services that allow third-party suppliers or travel services to manage and sell those services on *www.yatra.com* directly to consumers. This platform includes vendor management, seller-buyer-user communication service, provision of content, inventory and pricing management and product life cycle management services.

Security

We accept all major credit, debit cards and other payment instruments, including mobile wallets. PaySwift is a homegrown payment engine to ensure payments are safe and secure. We are PCI-DSS 3.2 compliant with VeriSign secure certification. We follow a two-factor authentication mechanism with the security features of the applicable card. Our critical data security practices include credit card data protection in a separate VLAN accessible only through authenticated APIs and are in an encrypted storage with the key broken into two different systems. We also use a risk engine, which is a third-party service, to validate and fraud check international credit cards.

Our 24x7 monitoring and alerting security infrastructure is provided by an outsourced company from multiple locations. Continuous scanning, penetration testing and threat elimination, including ransomware protection, is undertaken by third-party security experts assisted by in-house security consultants. A distributed denial of service (“DDoS”) protection service has been instituted, which works at the perimeter level with protection up to one Gbps, to provide comprehensive solutions for all application (layer 7) and network (layer 3) DDoS attacks. Web application firewalls have also been placed for network and application security apart from a network firewall.

Competition

The Indian travel industry is highly competitive. Our success depends upon our ability to compete effectively against numerous established and emerging competitors, including other online travel agencies, traditional offline travel companies, travel research companies, payment wallets, search engines and meta search companies, both in India and abroad, such as Agoda Company Pte. Ltd., Akbar Travels, Amazon India, Booking.com B.V., Cleartrip Pvt. Ltd., CWT, Expedia Southeast Asia Pte. Ltd., Easy Trip Planners Ltd, Flipkart Pvt. Ltd., MakeMyTrip Limited, Cleartrip Private Limited, Easy Trip Planner Limited, Thomas Cook India Limited, FCM Travel Solutions India Private Limited, GBT India Private Limited, CWT India Private Limited, MakeMyTrip (India) Pvt. Ltd. (including Ibibo Group), One97 Communications Limited, Oravel Stays Ltd., Riya Travel and Tours (India) Private Limited, Le Travenues Technology Pvt. Ltd. and in each case including their affiliated and group entities. Our competitors may have significantly greater financial, marketing, personnel and other resources than we have. Factors affecting our competitive success include price, availability of travel products, ability to package travel products across multiple suppliers, brand recognition, customer service and customer care, fees charged to customers, ease of use, accessibility, reliability and innovation. If we are not able to compete effectively against our competitors, our business and results of operations may be adversely affected.

Large, established Internet search engines with a global presence and meta search companies who can aggregate travel search results compete against us for customers. Certain of our competitors have launched brand marketing campaigns to increase their visibility with customers. Some of our competitors have significantly greater financial, marketing, personnel and other resources than we do and certain of our competitors have a longer history of established businesses and reputations in the Indian travel market as compared with us. Meta search sites, including TripAdvisor Inc., Trivago NV, and Kayak, offer the users an ability to make reservations directly on their websites, which may reduce the amount of traffic and transactions available to us through referrals from these sites. If additional meta search sites begin to offer the ability to make reservations directly, that will further affect our ability to generate traffic to our sites. From time to time, we may be required to reduce service fees and Net Revenue Margins in order to compete effectively and maintain or gain market share.

We may also face increased competition from new entrants in our industry. The travel industry is extremely dynamic and new channels of distribution in the travel industry may negatively affect our market share. Additional sources of competition include large companies that offer online travel services as one part of their business model, such as Alibaba Group Holding Ltd, as well as “daily deal” websites, such as Groupon, Inc.’s Getaways, or peer-to-peer inventory sources, such as Airbnb Inc., HomeAway.com and Oravel Stays Ltd. which provide home and apartment rentals as an alternative to hotel rooms. The growth of peer-to-peer inventory sources could affect the demand for our services in facilitating reservations at hotels.

In addition, many airlines, hotels, car rental companies and tour operators have call centers and have established their own travel distribution websites and mobile applications. Suppliers may offer advantages for customers to book directly, such as member only fares, bonus miles or loyalty points, which could make their offerings more attractive to customers. Some low-cost airlines distribute their online supply exclusively through their own websites and other airlines have stopped providing inventory to certain online channels and attempt to drive customers to book directly on their websites by eliminating or limiting sales of certain airline tickets through third-party distributors. Additionally, airline suppliers are increasingly promoting hotel supply on their websites in connection with airline tickets. If we are unable to compete effectively with travel supplier related channels or other competitors, our business and results of operations may be adversely affected.

We also face increasing competition from widely used search engines, including Google, Bing and Yahoo!. Search engines have grown in popularity and may offer comprehensive travel planning or shopping capabilities, which may drive more traffic directly to the websites of our suppliers or competitors. Efforts undertaken by search engines in appealing the customers by various travel products, as well as possible future developments in such offerings in travel sector, may change or undermine our ability to obtain prominent placement in paid or unpaid search results at a reasonable cost or at all.

Intellectual Property

Our intellectual property rights include trademarks and domain names associated with the name "Yatra," and "Travelguru" primarily, as well as copyrights and rights arising from confidentiality agreements relating to our website content and technology. We regard our intellectual property as a factor contributing to our success. We rely on trademark law, trade secret protection, non-competition and confidentiality agreements with our employees and some of our partners and vendors to protect our intellectual property rights. We require our employees to enter into agreements to keep confidential all information relating to our customers, methods, business and trade secrets during and after their employment with us. Our employees are required to acknowledge and recognize that all inventions, trade secrets, works of authorship, developments and other processes made by them during their employment are our property.

Yatra India and its subsidiaries have registered the primary domain names, namely *www.yatra.com*, *www.yatra.in*, *www.tsi-yatra.com* and *www.travelguru.com*, and have full legal rights over these domain names for the period for which such domain names are registered. We conduct our business primarily under the "Yatra" brand name and logo and have registered the trademarks under a couple of classes mainly in India. We have inter alia applied for trademark registration of the logos, and word marks for yatra.com in India and such applications are currently pending with the Registry of Trademarks. We have filed responses to objections raised by the Registry of Trademarks to certain of these applications. We have also filed oppositions with the Registry of Trademarks against certain trademarks in pursuance of the protection of our trademarks.

Employees

As of March 31, 2022, we had 961 employees. As a result of the COVID-19 pandemic, we implemented salary reductions and freezes, leave-without-pay and work-from-home policies for our employees. In addition, in 2020, we rationalized our employee headcount, resulting in reductions in our employee numbers. The following tables show a breakdown of our employees as of March 31 for the past three years by category of activity and geographic location.

	Number of Employees as of March 31,		
Division/Function	**2020**	**2021**	**2022**
Executive Management	2	2	2
Product development	68	24	15
Sales and marketing	292	225	202
Technology development and technology support	149	124	99
Others (including operations, business development, administration, finance and accounting, legal and human resources)	1,489	631	643
Total	**2,000**	**1,006**	**961**

Location	Number of Employees as of March 31,		
	2020	2021	2022
India	1,987	1,004	959
United States	1	1	1
Singapore	12	1	1
Total	**2,000**	**1,006**	**961**

None of our employees are represented by a labor union. We believe that our relations with our employees are good. As of March 31, 2022, we employed 101 temporary and contractual employees.

Insurance

We maintain and annually renew insurance for losses (but not business interruption) arising from fire, burglary as well as terrorist activities for our corporate office at Gurgaon, India, as well as for our various offices in India. In addition, we have insurance policies of approximately US$ 15 million to insure our directors and officers from various liabilities arising out of the general performance of their duties. We have also purchased key man insurance, professional indemnity insurance, public liability insurance, fidelity insurance and work injury compensation insurance for Yatra India. In addition to the above, we have taken standard medical policies and group personal accident policies.

Regulations

We are subject to various laws and regulations in India arising from our operations in India, including travel agent requirements and the operation of our website, call centers and other offices.

Yatra India has obtained registration from Ministry of Tourism to act as Domestic Tour Operator and Inbound Tour Operator which are valid until May 7, 2024 and May 7, 2024, respectively. Yatra India is also accredited with the International Air Transport Registration which is valid for 2022.

Under the Indian Information Technology Act, 2000, as amended, we are subject to certain liabilities pertaining to the implementation and maintenance of reasonable security practices and procedures with respect to sensitive personal data or information that we possess, deal with or handle in our computer systems, networks, databases and software. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use and disclosure of personal information.

We have obtained approvals to operate our domestic and international call centers in India as “Other Service Providers” (“OSP”) from the Department of Telecommunications, Ministry of Communications and Information Technology, Government of India. Our approval in respect of Domestic OSP and International OSP is valid for 20 years from October 18, 2013 and September 26, 2012, respectively.

We also obtain and maintain registrations under the Shops and Establishments Act and Rules of each state where our offices are located.

Our operations in India currently do not benefit from tax holidays under any applicable laws or regulations.

The consolidated foreign direct investment policy, or FDI Policy, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India and the Foreign Exchange Management Act, 1999, as amended, and the regulations framed thereunder, or FEMA, have certain requirements with respect to downstream investments by Indian companies that are owned or controlled by foreign entities and with respect to the transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners. These requirements currently include restrictions on pricing, valuation of shares and sources of funding for such investments, which may, in certain cases, require prior notice to or approval of the Government of India. India’s Foreign Exchange Management Act, 1999, as amended, and the rules and regulations promulgated thereunder, restrict us from lending to or borrowing from our Indian subsidiaries. Further the Government of India has from time to time made and may continue to make revisions to the FDI policy on e-commerce in India (including in relation to business model and permitted services). Such changes may require us to make changes to our business in order to comply with Indian law.

The Companies Act contains significant changes to Indian company law, including in relation to the issuance of capital by companies, related party transactions, corporate governance, audit matters, shareholder class actions and restrictions on the number of layers of subsidiaries and corporate social responsibility spending, while substantially all of the provisions of the Companies Act are currently effective.

Litigation

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business and the results of litigation and claims cannot be predicted with certainty.

Except for the Legal proceedings and tax proceedings described below, there are no other governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which we are aware) that we believe could reasonably be expected to have a material adverse effect on our results of operations or financial position.

Legal proceedings

1. Termination of Ebix merger agreement

As previously disclosed, on June 5, 2020, Yatra Online, Inc. ("we" or the "Company") delivered to Ebix Inc. ("Ebix") our notice of termination of the merger agreement with Ebix and filed litigation in the Court of Chancery of the State of Delaware based upon Ebix's breaches of the merger agreement and an ancillary extension agreement. In addition, we also sued Ebix for fraud and sued Ebix's consortium of lenders for tortious interference with contractual relations. On August 30, 2021, the Court of Chancery granted Ebix's motions to dismiss and dismissed the complaint in its entirety. On September 17, 2021, we filed a notice of appeal of the dismissal to the Supreme Court of the State of Delaware. The matter was heard by the Supreme Court on March 23, 2022. On April 11, 2022, the Supreme Court affirmed the final judgment of the Court of Chancery.

2. "Yatra India and TSI Yatra Private Limited, the [step-down subsidiaries of the company and together referred to as "Group Entities"] were served demand notices under the Insolvency and Bankruptcy Code, 2016 ("IBC") by Ezeego One Travel and Tours Limited, through its Resolution Professional ("Ezeego"). Under the respective demand notices for each Group Entity, Ezeego has raised a demand of the cumulative outstanding dues to the tune of INR 170.28 millions under the Balance Confirmation Agreement. The Group Entities disputed the amount by stating that its books of accounts only reflect an outstanding amount of INR 56.24 million, which has not yet been paid due to the pending reconciliation of these accounts. In accordance with the provisions of the IBC, Ezeego has filed applications for initiation of Corporate Insolvency Resolution Process against each of the Group Entities in the National Company Law Tribunals of respective jurisdictions demanding a cumulative payment of an unpaid operational debt of INR 251.32 million (including interest till date of filing). Yatra India has filed its response disputing the claims in the matter while TSI Yatra would be filing the same in due course. Currently both the matters are pending adjudication.

Tax Matters Relating to Yatra Online Limited (formerly known as Yatra Online Private Limited)

Assessment Year 2008-09

In December 2010, we received a demand notice from the Indian income tax authorities for the assessment year 2008-09, disallowing a deduction of INR 18.9 million. In January 2011, we filed an appeal with the Commissioner of Income Tax (Appeals). The appeal was decided in our favor in March 2012 and we received partial relief except for some disallowance amounting to INR 1.6 million. The Revenue has filed an appeal against the order of the Commissioner of Income Tax (Appeals) with the Income Tax Tribunal. Further, in March 2014, we received a demand notice for payment of tax on disallowed expenses of INR 1.6 million. The tax amount was paid in April 2014. In March 2016, the Income Tax Tribunal remanded the matter to the file of the assessing officer who will decide these issues afresh and give us an opportunity to present the case before him. The matter has not yet been scheduled for hearing by the assessing officer. In December 2020, the Company applied for Vivad Se Vishwas Scheme 2020 ("VSVS") to settle its tax disputes with the department. The settlement of the appeal under the VSVS is still pending.

We received order for full and final settlement of tax arrears under section 5 (2) read with section 6 of the Direct Tax VSVS act, 2020 (3 of 2020) the direct tax VSVS rules, 2020 dated December 09, 2021.

Assessment Year 2012-13

In April 2016, we received a demand notice from the Indian income tax authorities concerning the assessment year 2012-13, disallowing a deduction of INR 8.2 million for expenditure relatable to exempt income and security deposit written off. We filed an appeal before the Commissioner of Income Tax (Appeals) in July 2016. Subsequently, we were issued a notice of demand for INR 0.5 million as a tax penalty against which we filed an appeal before the Commissioner of Income Tax (Appeals) in November 2016. The matter was scheduled for hearing on January 19, 2018. Hearing for penalty matter adjourned sine die. Fresh notice will be issued after hearing of quantum appeal. We have not heard back from department thereafter. In December 2020, the Company applied for VSVS to settle its tax disputes with the department.

We received order for full and final settlement of tax arrears under section 5 (2) read with section 6 of the Direct Tax VSVS act, 2020 (3 of 2020) the direct tax VSVS rules, 2020 dated June 15, 2021.

Assessment Year 2014-15

1. In March 2016, we were issued a notice by the Indian income tax authorities for scrutiny assessment for the assessment year 2014-15. We have submitted the required information to the concerned authorities. Assessment orders were subsequently issued on December 29, 2017, disallowing a deduction of INR 0.02 million. We have filed an appeal before the Commissioner of Income Tax (Appeals) in January 2018. The matter is not yet scheduled.

2. In December 2016, we were issued a notice towards Transfer Pricing proceedings under Section 92CA of the Income Tax Act requisitioning certain information. The Company submitted all the required information with the department, after which Transfer pricing orders under Section 92CA(1) of the Income Tax Act were issued in October 2017, accepting arm's length pricing of the transactions. The assessment is closed.

3. In January 2021, we received notice under section 250 of the Income Tax Act, 1961 in relation to the appeal filed against the order to upload any further written submission and documents on or before January 8, 2021.

4. In December 2020, the Company applied for VSVS to settle its tax disputes with the department.

   We received order for full and final settlement of tax arrears under section 5 (2) read with section 6 of the Direct Tax VSVS act, 2020 (3 of 2020) the direct tax VSVS rules, 2020 dated June 15, 2021.

Assessment Year 2015-16

In January 2017, we were issued a notice by the Indian income tax authorities for an inquiry before assessment for the assessment year 2015-16 where in the Company was required to provide certain documents in connection with the assessment. The required documents were filed with the income tax authorities by the company in March 2017.

In June 2018, we were issued a notice towards Transfer Pricing proceedings under Section 92CA of the Income Tax Act requisitioning certain information. The Company had submitted all the required information with the department.

In February 2019, we were issued assessment orders making an addition of INR 92.4 million relating to arm's length pricing of domestic transaction with associate enterprises. We have filed an appeal before the Commissioner of Income Tax (Appeals) in March 2019. The matter was dismissed pursuant to an order dated March 1, 2021 following the Company's determination to pursue settlement of this matter under the VSVS.

We received order for full and final settlement of tax arrears under section 5 (2) read with section 6 of the Direct Tax VSVS act, 2020 (3 of 2020) the direct tax VSVS rules, 2020 dated June 15, 2021.

Assessment Year 2016-17

In July 2017, we were issued a notice by the Indian income tax authorities concerning a complete scrutiny, and we were requested to furnish information electronically on or before July 24, 2017. The required information has been submitted with the department. We did not hear back from the department thereafter.

In December 2018, we received assessment orders making an addition of INR 0.03 million towards tax collected at the source ("TDS") applicability on expenses. We have accepted the orders and assessment is closed.

In December 2020, we received notice of a hearing in respect of revision proceedings u/s 263 of the Income Tax Act, 1961 fixed for January 4, 2021. There hearing was attended by an authorized representative of the Company.

In January 2021, we received an order u/s 263 of the Income Tax Act, 1961 setting aside the order passed by previous Assessing Officer ("AO") and directing new assessment order after making the due inquiry. We have filed appeal before the Commissioner of Income Tax (Appeals) against the above orders on March 17, 2021. The matter is not yet listed.

In March 2022, Income Tax Appellate Tribunal passed order allowing the appeal. The matter is closed.

Assessment Year 2017-18

In August 2018, we were issued a notice by the Indian income tax authorities for complete scrutiny and we were requested to furnish information electronically on or before August 22, 2018. We filed the required documents with the income tax authorities in March 2017. Tax assessment intimation under section 143(1) of Income Tax Act, 1961 was issued in March 2019 without any addition. The tax scrutiny is not completed.

In February 2021, we received the assessment order u/s 143(3) of Income Tax Act, 1961 accepting the income as per return of income and this matter was closed.

Assessment Year 2018-19

In March 2020, Tax assessment intimation under section 143(1) of Income Tax Act, 1961 was issued without any addition. The tax scrutiny is not completed.

Service Tax Show Cause and Demand Notice-Fiscal Years 2007-17

In June 2012, pursuant to an audit conducted by the service tax authorities, we received a notice from the service tax authorities for fiscal years 2007-11 in respect of certain matters which relate to the travel industry and involve a complex interpretation of Indian laws. We received similar notices for fiscal years 2011-12, 2012-13, 2013-14 and 2014-15 in December 2012, May 2014, April 2015 and April 2016, respectively. In November 2012, we filed a reply with the Commissioner of Service Tax for fiscal years 2007-11 and similarly filed an objection in April 2013 for fiscal year 2012, in February 2015 for fiscal year 2013, in May 2015 for fiscal year 2014 and in May 2016 for fiscal year 2015. We attended a personal hearing before the Commissioner of Central Excise in November 2015 for fiscal years 2007-13 and in September 2015 for fiscal year 2014. The aggregate value of the demand in these show cause notices is approximately INR 1,000 million, excluding interest and penalties if finally determined to be payable. We attended the personal hearing before the Principal Commissioner, Gurugram on November 29, 2017 in respect of show cause notices mentioned above. Further to such proceedings, on March 9, 2018, we received a notice from the Commissioner of Service Tax demanding a service tax of INR 983.2 along with a penalty of INR 381.8 million plus interest at an appropriate rate as of February 2018. An appeal was filed before the Customs, Excise and Service Tax Appellate Tribunal ("CESTAT") in June 2018. The matter has not yet been scheduled for hearing.

We received a similar notice for the period April 2015-June 2017. The aggregate value of concern in the show cause notice is approximately INR 148.1 million (excluding interest and penalties). Our reply to the show cause notice was filed on June 29, 2018 before the Commissioner of GST, Gurugram. The Commissioner of GST, Gurugram passed an adverse order dated October 31, 2018, received by us on December 19, 2018 confirming a demand of INR 129.4 million along with a penalty of INR 12.9 million and interest at an appropriate rate. An appeal was filed before CESTAT in February 2019. The matter has not yet been scheduled for a hearing.

Service Tax Show Cause and Demand Notice-Fiscal Years 2010-17

In October 2015, pursuant to an industry wide inquiry on compliance with service tax rules and regulations by various travel agencies in India initiated by the Mumbai Zonal Unit of Directorate General of Excise Intelligence and Customs, an excise and customs tax regulatory authority in India, we received a notice from the tax authorities for fiscal years 2010 to 2015, demanding payment of service tax in respect of certain matters, some of which relate to the travel industry in India and involve a complex interpretation of Indian law. In March 2016, we filed a reply with the Commissioner of Service Tax for fiscal years 2010-15. The aggregate value of demand for the show cause notice above is approximately INR 240.7 million (excluding interest and penalties if finally determined to be payable). Further to such proceedings, the demand of service tax of INR 240.7 million has been raised by the Commissioner of Service Tax along with a penalty of INR 240.7 million and interest at an appropriate rate in December 2016. An appeal has been filed before CESTAT in March 2017. An early hearing application was allowed by CESTAT on May 20, 2019 on request of department, listing the matter for final disposal. The matter scheduled for hearing on August 9, 2019 was adjourned. The CESTAT Chandigarh bench was to sit in January 2020, however case list is not yet out in public domain.

In March 2018, we received notice from Commissioner for the period April 2015-June 2017 relating to same matter. The aggregate value of show cause notice is approximately INR 437.6 million (excluding interest and penalties). We filed a reply in May 2018. The Commissioner of GST, Gurugram passed an adverse order dated November 29, 2018, received by us on December 8, 2018 confirming a demand of INR 381.6 million along with a penalty of INR 38.2 million and interest at an appropriate rate. An appeal has been filed before CESTAT in March 2019. The matter scheduled for hearing on August 9, 2019 was adjourned. The CESTAT Chandigarh bench will work during October 21, 2019 to October 25, 2019, however case list is not yet out in public domain.

Investigation by Directorate General of Central Excise Intelligence

An investigation has been initiated by the Directorate General of Central Excise Intelligence, or DGCEI, for the period from October 2010 to September 2015 for service tax relating to hotel reservations. The matters are industry wide and involve a complex interpretation of law. We have made a pre-deposit of INR 25 million under protest but we have not received any show cause notice in this respect. A notice for further information on the subject was received and our reply was filed in January 2016. The investigation is ongoing. We believe that we have strong grounds to defend our position on these matters. In January 2021, we filed a writ petition before the High Court of Delhi for a refund of INR 25 million. On January 29, 2021, the High Court of Delhi passed writ petitions orders directing DGCEI to consider the writ petition as a representation and decide the refund claim. The Court has also directed the Department to consider payment of interest on such refund as per applicable law. CGST Division, Gurugram vide order dated July 12, 2022 sanctioned refund order of INR 25 million along with the interest.

Service Tax Intimation for audit of Fiscal Years 2012-13-2016-17

In September 2017, we received an intimation issued from the Office of the Commissioner of GST Audit Gurugram for conducting service tax audit from Fiscal Years 2012-13 to 2016-17. The required information is submitted to the concerned authorities.

In September 2020, pursuant to service tax audit initiated by the Central GST Audit Commissionerate, Gurugram, we received a notice from the tax authorities for fiscal years 2014-15 (from October 2014) to 2017-18 (to June 2017), demanding payment of service tax in respect of certain matters. The aggregate value of demand for the show cause notice is approximately INR 180.6 million (excluding interest and penalties if finally determined to be payable). We submitted our reply in January 2021. The matter was fixed for hearing on February 18, 2021. The personal hearing was attended through virtual mode and we reiterated the submission made in our reply dated February 8, 2021 and pleaded for dropping the proceedings. These are no further updated after personal hearing.

Service Tax refund Claim

Refund claim was filed in June 2018 and in response to the refund claim, a deficiency memo was issued by Assistant Commissioner, GST, Gurugram on August 8, 2018 asking for certain information. Yatra Online submitted some information vide reply dated January 23, 2019.

However, refund claim was rejected on the grounds of non-submission of information within a reasonable time from the date of issuance of deficiency memo. This rejection order was not received by Yatra Online and only after multiple follow ups Yatra Online was provided with the copy of it in September 2020.

Accordingly, appeal was filed before Commissioner (Appeals) on November 02, 2020 and personal hearing was granted on December 09, 2020. Yatra Online submitted the additional information sought by the officer pursuant to such hearing.

The Commissioner (Appeals) vide order dated February 12, 2021 has remanded back the matter for verification. Yatra Online through its authorized representatives have now approached the original authority for verification process.

Tax Matters Relating to Yatra TG Stays Private Limited (formerly known as D. V. Travels Guru Pvt. Ltd)

Assessment Year 2017-18

In September 2019, we were issued a notice by the Indian income tax authorities for scrutiny assessment for the assessment year 2017-18. Assessment order u/s 143(3) was passed by the department on December 25, 2019 in which advertisement sales promotion expenses and employees' contribution to the Employees' State Insurance Corporation ("ESIC") was disallowed amounting to INR 20 million. Further we filed an appeal before the Commissioner of Income Tax (Appeals) u/s 246A against the said order on January 22, 2020.

In January 2021, the Company applied for VSVS to settle its tax disputes with the department.

We received order for full and final settlement of tax arrears under section 5 (2) read with section 6 of the Direct Tax VSVS act, 2020 (3 of 2020) the direct tax VSVS rules, 2020 dated November 24, 2021.

Service Tax Show Cause and Demand Notice-November 2005 to October 2006

In April 2011, we received a notice from the service tax authorities on the basis of investigation carried out by the DGCEI for the period November 2005 to October 2006 in respect of admissibility of input credit. In November 2012, we filed a reply with the Commissioner of Service Tax. The value of demand for the show cause notice above is approximately INR 3.7 million (excluding interest and penalties if finally determined to be payable). A personal hearing on the matter was held on July 27, 2016 and we reiterated the submissions in the ground of appeal and also made additional written submissions. In August 2016, we received orders wherein the demand was confirmed by the Commissioner (Appeals). We have filed an appeal against the order with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) in November 2016. The matter was listed before CESTAT, Mumbai on June 29, 2017. Tribunal after hearing the submissions of the parties was pleased to allow the Appeal by way of remand to adjudicating authority. The Bench has directed the Authority to duly verify the receipt of services by the Appellant and allow credit on services, if found to have been received by the Company. The Adjudicating Authority is directed to complete the process of verification by December 31, 2017 and pass appropriate order. We by letter dated November 17, 2017, have asked Asst. Commissioner for any information/details are required and extended our support to complete verification process in response of which we have received the letter from department dated December 22, 2017 that Asst Commissioner has no jurisdiction to adjudicate the said Order and hence has requested to approach the adjudicating authority as per Para 5 of circular 1049/37/2016-CX under F.No.267/40/2016-CX by virtue of which any cases remanded back for novo jurisdiction shall be decided by the authority of the rank which passed the remanded order. On January 16, 2018 we filed 1 letter with the Additional Commissioner CGST requesting to complete the inquiry.

We received the communication from Superintendent CGST on December 24, 2018 fixing personal hearing on January 8, 2019 with Joint Commissioner CGST. The hearing was attended and the officer has asked for a list of vendors with vendor addresses so that officer could send the verification letters. We submitted the information on January 15, 2019. We have not received any further communication from the Joint Commissioner's office.

Service Tax Show Cause and Demand Notice-Fiscal Years 2007-11

In August 2011, pursuant to an audit conducted by the service tax authorities, we received a notice from the service tax authorities for fiscal years 2007-11 in respect of certain matters which relate to the travel industry and involve a complex interpretation of Indian law. In April 2012, we filed a reply with the Commissioner of Service Tax for fiscal years 2007-11 and an additional submission was made in July 2014. Further to such proceedings, the demand of service tax of INR 237.6 million has been raised by the Commissioner of Service Tax along with a penalty of INR 237.6 million and interest at an appropriate rate. We have filed an appeal against the order with the **Customs, Excise and Service Tax Appellate Tribunal** (CESTAT) in January 2017.

Service Tax Intimation for Audit Fiscal Years 2012-13-2016-17

In August 2017, we received an intimation issued by the Office of the Additional Commissioner of GST Audit Mumbai for conducting service tax audit from Fiscal Years 2012-13 to 2016-17. We have submitted the required information to the concerned authorities. In January 2018, the Audit officer requested for more information. The relevant information was submitted to the concerned authorities. The audit report is awaited.

Tax Matters Relating to Yatra Hotel Solutions Private Limited (formerly known as Desiya Online Travel Distribution Pvt. Ltd.)

Assessment Year 2015-16

In January 2018, we received a demand notice order of INR 1.4 million from the Indian income tax authorities for the assessment year 2015-16, disallowing a deduction of INR 3.4 million for expenditure. An appeal has been filed against the order in January 2018 and a pre-deposit of INR 0.3 million was made. We have not heard back since then.

Service Tax Show Cause and Demand Notice-October 2012 to October 2013

We have filed a refund claim application with the service tax authorities in January 2014, seeking a refund of an amount of INR 8.5 million. In March 2014, we received notice from the service tax department for rejection of refund claim for service tax. In July 2014, we filed a reply with the Assistant Commissioner of Service Tax. In February 2015, the Office of the Assistant Commissioner of Service Tax asked for submission of self-certified copies of audited balance sheet and returns. In March 2015, the Office of the Assistant Commissioner of Service Tax sought certain clarification in this regard. We made our submission in February 2016. We submitted follow up letter with department on June 18, 2018. The matter is currently pending with the department. We received communication on December 3, 2018 from Asst Commissioner of Central tax Kolkata, directing the Deputy/Asst Commissioner of Central Tax Mumbai to verify the interest paid on advances. We met the officer on January 8, 2019 to understand the requirements and made our submissions on January 28, 2019. We have submitted follow up letter with Kolkata authorities on September 30, 2019. We have further received communication from Kolkata authorities seeking certain details on October 30, 2019, same has been responded and submitted by us on 19th November 2019.

In March 2021, we received orders for refund of INR 7.4 million and balance amount INR 1.1 million was rejected on the ground of limitation of time. The refund INR 7.4 million was credit in our bank account.

We have filed an appeal before the Kolkata Commissioner (Appeals) on 26 July, 2021, with respect to the amount of INR 1.1 million rejected and the interest component.

Tax Matters Relating to TSI Yatra Private Limited

Assessment Year 2008-09

In July 2018, we received a TDS demand notice over email from the Indian income tax authorities of INR 1.6 million related to erstwhile subsidiary of TSI Yatra Private limited named TSI North East Private Limited. The demand is in respect of Permanent Account Number ("PAN") error in return filed. We are in process of revising the return with correct PAN details. We deposited INR 0.6 million and are in process of rectifying the error by updating the TDS return.

Assessment Year 2013-14

In February 2016, we received a demand notice order from the Indian income tax authorities for the assessment year 2013-14, disallowing a deduction of INR 8.15 million for expenditure relatable to exempt income. This has been accepted by us and the assessment has accordingly been closed. Income tax authorities subsequently have imposed a penalty of INR 1.89 million. We filed an appeal with the Commissioner of Income Tax (Appeals) in November 2016. We received adverse order from CIT(A) in December 2018 and filed appeal with ITAT on January 21, 2019. The matter is not yet scheduled for hearing.

Assessment Year 2014-15

In July 2016, we were issued a notice by the Indian income tax authorities for scrutiny assessment for the assessment year 2014-15. We have submitted the required information to the concerned authorities.

In January 2017, we were issued a notice towards Transfer Pricing proceedings under Section 92CA of the Income Tax Act requisitioning information. The Company had submitted all the required information is submitted with the concerned authorities post which Transfer pricing orders under Section 92CA (1) of the Income Tax Act were issued in October 2017 accepting the arm's length pricing of transactions.

In January 2018, we have received an assessment order from Indian tax authorities for assessment year 2014-15, and a demand for additional tax payments of approximately INR 95.34 million, advising us of an upward revision of our declared income for that assessment year as a result of consideration received by us towards allotment of shares higher than fair market value. We filed an appeal with the Commissioner of Income Tax (Appeals) in February 2018. Pre deposit of INR 13.89 million was made in March 2018. In addition, INR 3.9 million was adjusted by Income tax department for previous period refunds We received an adverse order from CIT(A) on January 15, 2019 and an appeal was filed with ITAT. As direct by ITAT, deposit of INR 5.0 million was made in March 2019 and balance outstanding demand was stayed for a period of six months. The hearing was adjourned thrice. The matter was heard on August 29, 2019. The final orders from ITAT is awaited. We also received letter from Central Processing Centre of Income Tax Department dated May 17, 2019 and July 11, 2019 adjusting our refund INR 14.3 million for assessment year 2017-18 with outstanding demand. We further received letter from Central Processing Centre of Income Tax Department dated May 9, 2020 adjusting our refund INR 25.03 million for assessment year 2019-20 with outstanding demand. On May 29, 2020 we filed an appeal for extension of stay order with ITAT and also filed application with Central Processing Centre of Income Tax Department for not adjusting the refunds during the period of stay.

In December 2020, ITAT passed orders sending the matter back to the assessing officer to re-examine the matter a new and provide a new of hearing to assesse to substantiate the case.

On March 31 2022, ITAT passed the assessment order deleting the additions made in order dated December 29, 2017. The matter is closed.

Assessment Year 2016-17

In September 2017, we were issued a notice by the Indian income tax authorities on tax deduction on source and its payment for the assessment year 2016-17 for submission of details by September 27,.2017. The required details are submitted.

In October 2017, we received a notice order from the Indian income tax authorities for the assessment year 2016-17, imposing penalty INR 0.76 million for non-deduction of withholding tax. The matter was fixed for hearing on October 24, 2017 wherein we were asked to submit further details. The details have been subsequently submitted and we have not heard back from department thereafter.

Assessment Year 2018-19

In March 2021, we were issued notice u/s 142(1) by the Income Tax Authorities seeking information & rationalization of "share based payment expense" amounting to INR 9.3 million, the response of which was submitted before the authorities.

Later in April 2021, the authorities issued an order under section 143(3) disallowing such expense and imposing tax along with penalty amounting to approximately INR 0.4 million along with a demand notice u/s 156 & SCN u/s 270A. We filed appeal with Commissioner of Income Tax (Appeal) on May 12, 2021 & matter is not fixed for hearing.

Service Tax Show Cause and Demand Notice-Fiscal Years 2007-12

In October 2013, pursuant to an audit conducted by the service tax authorities, we received a notice from the service tax authorities for fiscal years 2007-12 in respect of certain matters which relate to the travel industry and involve a complex interpretation of Indian law. In March 2014, we filed a reply with the Commissioner of Service Tax. Further to such proceedings, the demand of service tax of INR 19.94 million has been raised by the Commissioner of Service Tax along with a penalty of INR 19.94 million and interest at an appropriate interest rate. In December 2016, we filed an appeal against the order with **Customs, Excise and Service Tax Appellate Tribunal** (CESTAT) along with a payment of 7.5% of the duty demanded. The matter is not scheduled for hearing.

Service Tax Show Cause and Demand Notice-Fiscal Years 2010-14

In October 2015, we received a notice from the service tax authorities for fiscal years 2010-14 in respect of certain matters which relate to the travel industry and involve a complex interpretation of Indian law. In March 2016, we filed a reply with the Commissioner of Service Tax. We attended a personal hearing before the Commissioner of Central Excise. The aggregate value of demand for the show cause notice above is approximately INR 231.6 million (excluding interest and penalties if finally determined to be payable). A personal hearing in this matter was attended before Additional Director General on January 13, 2017. Additional submission was submitted with adjudicating authority on January 27, 2017. Further to such proceedings, demand of service tax of INR 231.6 million has been raised by the Directorate General of GST Intelligence along with interest at an appropriate rate. In November 2017, we have filed an appeal against the order with Customs, Excise and Service Tax Appellate Tribunal (CESTAT) along with a payment of 7.5% of the duty demanded as pre-deposit under the service tax law. An early hearing application was allowed by CESTAT on May 20, 2019 on request of department, listing the matter for final disposal. The matter scheduled for hearing on August 9, 2019 was adjourned. The CESTAT Chandigarh bench was schedule to sit in January 2020, however case list is not yet out in public domain. We have not heard back on hearing from CESTAT.

Service tax refund

Refund claim was filed in June 2018 and in response to the refund claim, a deficiency memo was issued by Assistant Commissioner, GST, Gurugram on August 8, 2018 asking for certain information. Yatra Online submitted some information vide reply dated January 23, 2019.

However refund claim was rejected on the grounds of non-submission of information within a reasonable time from the date of issuance of deficiency memo. This rejection order was not received by Yatra Online and only after multiple follow ups Yatra Online was provided with the copy of it in September 2020.

Accordingly, appeal was filed before Commissioner (Appeals) on November 02, 2020 and personal hearing was granted on December 09, 2020. Yatra Online submitted the additional information sought by the officer pursuant to such hearing.

The Commissioner (Appeals) vide order dated February 12, 2021 has remanded back the matter for verification. Yatra Online through its authorized representatives have now approached the original authority for verification process.

Tax Matters Relating to Yatra Corporate Hotel Solutions Private Limited (formerly known as Intech Hotel Solutions Private Limited)

Assessment Year 2013-14

In August 2016, we were issued a notice by the Indian income tax authorities on nature of some expenditure incurred with respect to international transaction done with associate enterprise for the assessment year 2013-14. This would have tax effect of INR 1.41 million. The matter has not yet been scheduled for hearing by the assessing officer.

Assessment Year 2014-15

In July 2016, we were issued a notice by the Indian income tax authorities for scrutiny assessment for the assessment year 2014-15. We have submitted the required information to the concerned authorities. An assessment order was subsequently issued in December 2016 adding income of INR 7.8 million and raising demand of INR 0.9 million. We filed an appeal before the Commissioner of Income Tax (Appeals) in December 2016. A notice dated June 6, 2017 for penalty proceedings u/s 271(1) (c) was issued. We submitted appeal documents and clarifications against the above notice with the department. In March 2019, The Office of the Commissioner of Income Tax (Appeal) issued an order partly allowing the appeal. Against the CIT(A) orders we filed appeal before ITAT on Jun 6, 2019. The matter has not yet been scheduled for hearing.

Assessment Year 2016-17

In August 2017, we were issued a notice by the Indian income tax authorities for complete scrutiny and furnish information electronically on or before August 22, 2017. The required information has been submitted with the department. In December 2018, we have received assessment order making upward addition of INR 7.0 million. An appeal has been filed before CIT(A) in January 2019.The matter has not yet been scheduled for hearing.

Assessment Year 2018-19

In November 2020, we were issued a notice by the Indian income tax authorities that we requring furnish information electronically on or before December 1, 2020. The required information has been submitted with the department. The Assessment order is still pending from the concerned authorities.

In January 2022, we have received assessment order dated Sep 17, 2021 towards recovery of demand. A demand of INR 67.82 million was raised and we have submitted reply on January 09, 2022. We have also filed an appeal against the matter in CIT(A) in February 2022.

Service Tax Intimation for audit of fiscal Years 2015-16 - 2017-18 (upto June; 2017)

In January 2021, we received an intimation issued from the Office of the Commissioner of GST Audit Gurugram for conducting service tax audit from fiscal Years 2015-16 to 2017-1. The required information is submitted to the concerned authorities.

During the course of verification of our records and returns, by the Audit team from the office of Audit Commissionerate CGST & CX Audit, it was determined that certain CENVAT credit incorrectly availed by the Company. We have agreed to the points raised during verification/scrutiny and have deposited the said amount of CENVAT credit of INR 0.01 million along with interest and penalty of INR 0.01 million vide DRC-03, Dt. 23 Mar’2021. A final order yet to be received from the authorities.

Service tax refund

Refund claim was filed in June 2018 and in response to the refund claim, a deficiency memo was issued by Assistant Commissioner, GST, Gurugram on August 8, 2018 asking for certain information. Yatra Corporate submitted some information vide reply dated January 23, 2019.

However refund claim was rejected on the grounds of non-submission of information within a reasonable time from the date of issuance of deficiency memo. This rejection order was not received by Yatra Corporate and only after multiple follow ups Yatra Online was provided with the copy of it in September 2020.

Accordingly, appeal was filed before Commissioner (Appeals) on November 02, 2020 and personal hearing was granted on December 09, 2020. Yatra Corporate submitted the additional information sought by the officer pursuant to such hearing.

The Commissioner (Appeals) vide order dated February 12, 2021 has remanded back the matter for verification. Yatra Corporate through its authorized representatives have now approached the original authority for verification process.

Tax Matters Relating to Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited)

Assessment Year 2018-19

In September 2019, we were issued a notice by the Indian income tax authorities for scrutiny and we were requested to furnish information electronically on or before September 26, 2019. We filed the required documents with the income tax authorities. We received further questionnaire in December 2020 and January 2021. All the required details were submitted. In February 2021, we received orders under section 143(3) raising demand of INR 8.4 million. An appeal was filed before Commissioner of Income Tax (Appeals) in March 2021.

Service Tax Show Cause and Demand Notice-Fiscal Years 2005-12

In November 2011, pursuant to an audit conducted by the service tax authorities, we received a notice from the service tax authorities for the period October 2005- September 2010 in respect of certain matters which relate to the travel industry and involve a complex interpretation of Indian laws. The aggregate value of demand for the show cause notice above is approximately INR 3.2 million along with a penalty of INR 3.2 million and interest at an appropriate rate raised by the Additional Commissioner of Service Tax. ***An appeal was filed before Commissioner of Central Excise (Appeals) in February 2012.*** The matter was scheduled for hearing on March 6, 2018. As per the orders dated May 9, 2018, service tax demand was confirmed under the normal period limitation along with the interest but no penalty was imposed.

Goods and Service Tax Show Cause and Demand Notice-Fiscal Years 2017-18

In February 2021, we received show cause notice from Office of Assistant Commissioner, Telangana for the period July 2017 - March 2018 in respect of input tax credit wrongly availed or utilized. The aggregate value of demand is approximately INR 8.45 million. We have submitted our reply to notice in March 2021. A personal hearing was attended on 20.03.2021 to explain the reasons. No further update received from department. New SCN was received with number ZD361121075680M on November 27, 2021 and the reply was made on December 24, 2021 and INR 5.5 million was paid on December 20, 2021 via DRC-03.

Goods and Service Tax Show Cause and Demand Notice—Fiscal Years 2018-19

In November 27, 2021, we received show cause notice from Office of Assistant Commissioner, Telangana for the Financial Year 2018-19 in respect of input tax credit wrongly availed or utilized. The aggregate value of demand is approximately INR 0.49 million. We have submitted our reply to notice in December 24, 2021. There is no further update from department.

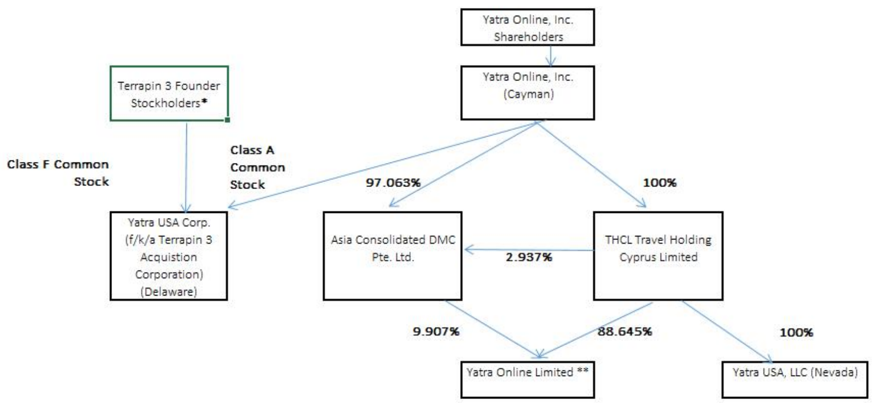
Goods and Service Tax Show Cause and Demand Notice—Fiscal Years 2019-20

In November 27 2021, we received show cause notice from Office of Assistant Commissioner, Telangana for the Financial Year 2019-20 in respect of input tax credit wrongly availed or utilized. The aggregate value of demand is approximately INR 0.06 million. We have submitted our reply to notice in December 24, 2021. There is no further update from the department.

C. Organizational Structure

The following diagram illustrates our corporate structure and the place of formation and ownership interest of each of our significant subsidiaries:

Organization Structure as on March 31, 2022



* Certain Terrapin Acquisition Corp.'s founder stockholders own Class F shares in Yatra Online, Inc. and have an exchange right to acquire ordinary shares of Yatra Online, Inc.

** Network18 Media and Investments holds 0.977%, Vistra ITCL (India) Limited acting as trustee for Pandara Trust I holds 0.386% and Reliance Retail Limited holds 0.085% of Yatra Online Limited (formerly known as Yatra Online Private Limited).

D. Property, Plant and Equipment

Our primary facility is our principal executive office located in Gurgaon, India. We have leased approximately 79,110 square foot facilities across 10 cities, including approximately 47,759 square feet in Gurgaon, approximately 10,239 square feet in Mumbai, approximately 4,615 square feet in Bangalore, approximately 3,450 square feet in Hyderabad and 600 square feet in Delhi.

Outside of India we have leased an office in Singapore.

ITEM 4A. UNRESOLVED STAFF COMMENTS

As of the date of filing of this Annual Report, we have no unresolved comments from the SEC.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following *discussion of our business, financial condition and results of operations should be read in conjunction with "Item 3. Key Information-A. Selected Consolidated Financial Data," and our consolidated financial statements and the related notes included elsewhere in this Annual Report. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, "Item 3. Key Information - D. Risk Factors - 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" and other risks described in "Item 3. Key Information - D. Risk Factors," and elsewhere in this Annual Report. Actual results could differ materially from those contained in any forward-looking statements.*

Overview

Yatra is a leading India online travel company in India, addressing the needs of both leisure and business travelers. Founded by Dhruv Shringi, Manish Amin and Sabina Chopra, we commenced operations with the launch of our website in August 2006. We believe Yatra is India's largest independent corporate travel services provider and the second largest consumer online travel company in India (based on management's analysis of publicly available information), with approximately 12.4 million travelers that have booked their travel through us as of March 31, 2022.

Leisure and business travelers use our mobile applications, our website, www.yatra.com, and our other offerings and services to explore, research, compare prices and book a wide range of travel-related services. These services include domestic and international air ticketing on nearly all Indian and international airlines, as well as bus ticketing, rail ticketing, cab bookings and ancillary services within India. We also provide access through our platform to hotels, homestays and other accommodations, with approximately 93,500 hotels and homestays in approximately 1,400 cities and towns across India and more than 2 million hotels around the world. To ensure that our service is truly a "one-stop shop" for travelers, we also provide our customers with access to approximately 580 holiday packages and more than 2,258 other activities such as tours, sightseeing, shows and events.

We generate revenue through three main lines of business: (1) Air Ticketing, (2) Hotels and Packages and (3) Other Services. Sales in our Air Ticketing business are primarily made through our websites, mobile applications, mobile web, B2B2C ("business to business to consumer") travel agents and corporate client implants. Sales in our Hotels and Packages business are made through our websites, mobile applications, mobile web, B2B2C (business to business to consumer) travel agents and call centers. We also generate revenue through sales of travel vouchers and coupons, advertising from third parties, including advertisements on our websites by facilitating access to travel insurance, and also through online sale of bus tickets, rail and cab services and other ancillary travel services.

Revenue from the sale of airline tickets in our Air Ticketing business, including commission, incentives and fees, is recognized on a net basis. Incentives from airlines are recognized when the performance thresholds under the incentive schemes are, or are likely to be achieved at the end of periods.

In our Hotels and Packages business, revenue from hotel reservations, including commissions and incentives, is recognized on a net basis. Revenue from tours and packages, including revenue on airline tickets sold to customers as a part of tours and packages, is accounted for on a gross basis as we are determined to be the primary obligor in the arrangement as the risks and responsibilities are taken by us, including the responsibility for delivery of services. The cost of delivering such services includes the cost of hotel, airlines and package services and is disclosed as service cost.

Revenue from other services primarily consists of the sale of cab services, rail and bus tickets, income from freight forwarding services, including commissions, is recognized on a net basis.

Other revenue primarily consists of advertising revenue, fees for facilitating website access to travel insurance companies and sales of travel vouchers and coupons. This revenue is recognized as the services are performed.

Recent Developments

Conflict between Russia and Ukraine

Russia has typically accounted for approximately 2% of India's foreign tourist arrivals from 2015 to pre-pandemic 2019. Escalating tensions between Russia and Ukraine and any further military incursion of Russia into Ukraine could impact macroeconomic conditions, give rise to regional instability and result in heightened economic sanctions from the U.S. and the international community in a manner that adversely affects our business. This could cause significant disruption in the travel industry, result in lower tourist arrivals, lower bookings, and delays and flight cancellations, any of which could materially and adversely affect our business.

COVID-19 Pandemic

The COVID-19 pandemic is having an unprecedented and damaging impact on the travel industry as countries worldwide impose lockdowns and travel restrictions to control the spread of the virus. The uncertainty about the evolution of the pandemic and related travel restrictions is also negatively affecting the hospitality and travel industry planning and operational efficiency.

Toward the end of the fourth quarter of fiscal year 2021, a severe second wave of COVID-19 infections emerged in India that has been more severe than the first wave that occurred in 2020. This second wave has led to re-imposition of states-wide travel restrictions, lockdowns and curfews across India. As a result, the Indian travel industry is experiencing a delayed recovery of business and international travel to pre-pandemic levels. Current traffic data from the DGCA (Directorate General of Civil Aviation) suggests that air traffic has now recovered to over 85% of pre-covid levels and it is anticipated that we could see a recovery to pre-pandemic levels by the fourth quarter of fiscal year 2023. Vaccinations continue to be administered at a rapid rate in India with at least 73.4% of the population having received at least one dose as of June 11, 2022. We witnessed a swift recovery in both corporate and consumer businesses following the impact of Omicron, which led to a shut down across parts of India in January. However, it is difficult for us to predict further disruptions due to new subvariants of the Omicron wave or whether there will be new variants or what impact this may have on the travel sector and our business. The extent of the effects of the COVID-19 pandemic on our business, results of operations, cash flows and growth prospects remain uncertain and would be dependent on future developments. These include, but are not limited to, the severity, extent and duration of the pandemic, its impact on the travel industries and consumer spending, rates of vaccination and the effectiveness of vaccinations against various mutations or variants of the COVID-19 pandemic.

As a result of the pandemic, the Indian travel industry is experiencing a delayed recovery of business and international travel to pre-pandemic levels. It is expected that domestic airline passenger traffic for fiscal year 2022 to rise approximately 45-50% over fiscal year 2021. Domestic passenger traffic is estimated at around 200-220 million in fiscal year 2026, with the recovery in traffic from fiscal year 2020. International passenger traffic to record approximately 70-80% optical growth in fiscal year 2022 and would take a couple of years to recover to pre-COVID-19 levels, with an estimated traffic of 80-85 million passengers by fiscal year 2026. (*Source: CRISIL*)

We have implemented certain measures and modified certain policies in light of the COVID-19 pandemic. We have largely automated our re-scheduling and cancellation of bookings and provided our customers greater flexibility to defer or cancel their travel plans. In addition, we have also undertaken certain cost reduction initiatives, including implementing salary reductions and freezes and work from home policies, renegotiating fixed costs such as rent, deferring non-critical capital expenditures, reducing our marketing expenses and renegotiating our supplier payments and contracts. We expect to continue to adapt our policies and cost reduction initiatives as the situation evolves. We believe these cost control measures have helped mitigate the economic impact of the COVID-19 pandemic on the business.

Termination of Ebix merger agreement

As previously disclosed, on June 5, 2020, Yatra Online, Inc. delivered to Ebix Inc. our notice of termination of the merger agreement with Ebix and filed litigation in the Court of Chancery of the State of Delaware based upon Ebix's breaches of the merger agreement and an ancillary extension agreement. In addition, we also sued Ebix for fraud and sued Ebix's consortium of lenders for tortious interference with contractual relations. On August 30, 2021, the Court of Chancery granted Ebix's motions to dismiss and dismissed the complaint in its entirety. On September 17, 2021, we filed a notice of appeal of the dismissal to the Supreme Court of the State of Delaware. The matter was heard by the Supreme Court on March 23, 2022. On April 11, 2022, the Supreme Court affirmed the final judgment of the Court of Chancery.

Key Operating Metrics

Our operating results are affected by certain key operating metrics that represent overall transaction activity and financial performance generated by our travel services and products. Three of the most important operating metrics, which are critical in determining the ongoing growth of our business, are Gross Bookings, Adjusted Revenue and Net Revenue Margins.

Gross Bookings

Gross Bookings represent the total amount paid by our customers for the travel services and products booked through us, including taxes, fees and other charges, and are net of cancellations and refunds.

	Fiscal Year ended March 31,		
	2020	**2021**	**2022**
Gross Bookings**			
Air Ticketing	77,411,328	13,001,783	27,648,844
Hotels and Packages	7,895,916	1,705,600	3,487,276
Other Services	2,463,161	1,109,558	3,162,247
Total	**87,770,405**	**15,816,941**	**34,298,367**

Adjusted Revenue

As certain parts of our revenue are recognized on a “net” basis and other parts of our revenue are recognized on a “gross” basis, we evaluate our financial performance based on Adjusted Revenue, which is a non-IFRS measure. We believe that Adjusted Revenue provides investors with useful supplemental information about the financial performance of our business and more accurately reflects the value addition of the travel services that we provide to our customers. The presentation of this non-IFRS information is not meant to be considered in isolation or as a substitute for our unaudited interim condensed consolidated financial results prepared in accordance with IFRS as issued by the IASB. Our Adjusted Revenue may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

The following table reconciles our revenue, which is an IFRS measure, to Adjusted Revenue, which is a non-IFRS measure:

	Fiscal Year Ended March 31,														
	Air Ticketing			**Hotels and Packages**			**Other Services**			**Others**			**Total**		
Amount in INR thousands except %	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**
Revenue	2,609,518	893,039	1,150,474	3,601,798	173,397	520,740	53,958	31,426	146,178	994,081	173,406	171,984	7,259,355	1,271,268	1,989,376
Add. Customer promotional expenses	1,348,472	594,426	1,060,600	105,736	199,409	237,695	32,163	15,751	15,326	-	-	-	1,486,371	809,586	1,313,621
Service cost	-	-	-	(2,922,929)	(22,276)	(159,284)	-	-	-	-	-	-	(2,922,929)	(22,276)	(159,284)
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	159,631	132,045	158,648
Adjusted Revenue	**3,957,990**	**1,487,465**	**2,211,074**	**784,605**	**350,530**	**599,151**	**86,121**	**47,177**	**161,504**	**994,081**	**173,406**	**171,984**	**5,982,428**	**2,190,623**	**3,302,361**

Net Revenue Margins

Net Revenue Margins is defined as Adjusted Revenue as a percentage of Gross Bookings and represents the commissions, fees, incentive payments and other amounts earned in our business. We follow net revenue margin trends closely across our various lines of business to gain insight into the performance of our various businesses.

The following table sets forth the Gross Bookings, Adjusted Revenue and Net Revenue Margins for our Air Ticketing business and our Hotels and Packages business for the periods indicated:

	Fiscal Year ended March 31,		
	2020	**2021**	**2022**
Figures in thousands			
Quantitative details*			
Air Passengers	8,179	2,623	3,706
Hotel room nights	1,200	547	1018
Holiday packages passengers travelled	111	4	10
Amount in INR thousands except %			
Gross Bookings**			
Air Ticketing	77,411,328	13,001,783	27,648,844
Hotels and Packages	7,895,916	1,705,600	3,487,276
Other Services	2,463,161	1,109,558	3,162,247
Total	**87,770,405**	**15,816,941**	**34,298,367**
Adjusted Revenue***			
Air Ticketing	3,957,990	1,487,465	2,211,074
Hotels and Packages	784,605	350,530	599,151
Other Services*****	86,121	47,178	161,504
Others (Including Other Income)	1,153,712	305,450	330,632
Total	**5,982,428**	**2,190,623**	**3,302,361**
Net Revenue Margin %****			
Air Ticketing	5.1%	11.4%	8.0%
Hotels and Packages	9.9%	20.6%	17.2%
Other Services	3.5%	4.3%	5.1%

* Quantitative details are considered on a Gross basis.

**Gross Bookings represent the total amount paid by our customers for the travel services and products booked through us, including fees and other charges, and are net of cancellations and refunds.

***As certain parts of our revenue are recognized on a "net" basis and other parts of our revenue are recognized on a "gross" basis, we evaluate our financial performance based on Adjusted Revenue, which is a non-IFRS measure. We believe that Adjusted Revenue provides investors with useful supplemental information about the financial performance of our business and more accurately reflects the value addition of the travel services that we provide to our customers. The presentation of this non-IFRS information is not meant to be considered in isolation or as a substitute for our unaudited interim condensed consolidated financial results prepared in accordance with IFRS as issued by the IASB. Our Adjusted Revenue may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

****Net Revenue Margins are defined as Adjusted Revenue as a percentage of Gross Bookings. Given higher cancellations against new bookings, the Net Revenue Margin number is not comparable for the year ended March 31, 2021.

*****Other Services consists of bus, rail bookings, cab, our recently launched freight business and other services

Factors Affecting Our Results of Operations

Trends and Changes in the Indian Economy and Travel Industry. Our financial results have been, and are expected to continue to be, affected by trends and changes in the Indian economy and travel industry, particularly the Indian online travel industry. Macroeconomic trends and changes in India which may affect our results include, among others:

- a slowdown in India's economic growth;
- the impact of the COVID-19 pandemic;
- growth in the middle-class population in India, as well as increased tourism expenditure in India;
- increase in discretionary expenditures among Indian households;
- increased Internet penetration (particularly broadband penetration) in India;
- increased use of the Internet for commerce in India;
- increased use of smartphones and mobile devices in India;
- intensive competition from new and existing market players, particularly in the Indian online travel industry;
- consolidation among the existing market players in the Indian travel industry;
- changes in exchange rates and controls or interest rates in India;
- changes in government policies, including taxation policies in India;
- social and civil unrest and other political, social and economic developments in or affecting India; and
- capacity additions and average occupancy rates among the hotel suppliers.

Changes specific to the Indian air travel industry have affected, and will continue to affect, the revenue per transaction for travel agents, including our Company. In particular, volatility in global economic conditions and COVID-19's impact in previous years, as well as liquidity constraints, have caused our airline partners to pursue cost reductions in their operations, including reducing distribution costs. Measures taken by airlines to reduce such costs have included reductions in travel agent commissions and a reduction in the number of GDS service providers with whom such airlines do business. Recent bankruptcies have also impacted the Indian air travel industry. In addition, many of the international airlines that fly to India have also either significantly reduced or eliminated commissions to travel agents. Full-service airlines generally utilize GDSs, which are a primary reservation tool for travel agents, for their ticket inventory; however, low-cost airlines generally do not. As a result, travel agents selling airline tickets for low-cost airlines generally do not earn fees from GDSs.

Towards the end of the fourth quarter of fiscal year 2021, a severe second wave of COVID-19 infections emerged in India that was more severe than the first wave that occurred in 2020. This second wave led to the re-imposition of states-wide travel restrictions, lockdowns and curfews across India. While the second wave has now subsided with travel rebounding again however as a result, the Indian travel industry is experiencing a delayed recovery of business and international travel to pre-pandemic levels.

Changes in Our Business Mix and Net Margins. We generate revenue primarily through two main lines of business: (1) Air Ticketing and (2) Hotels and Packages. Income from the sale of Airline Tickets, including commission, incentives and fees, is recognized on a net commission earned basis. In our Hotels and Packages business, income from hotel reservations, including commissions and incentives, is recognized on a net commission earned basis. Our Hotels and Packages business has historically yielded higher margins than our Air Ticketing business. In Fiscal years of 2020, 2021 and 2022, we generated 66.2%, 67.9% and 67.0% of our adjusted revenues from operations from Air Ticketing, 13.1%, 16.0% and 18.1% of our adjusted revenues from Hotels and Packages, respectively. Our net margin from Hotels and Packages business in fiscal years 2020, 2021 and 2022 were 9.9%, 20.6% and 17.2% and our net margin from Air Ticketing business in fiscal years 2020, 2021, 2022 were 5.1%, 11.4% and 8.0%. We believe that as a result of the fragmented nature of the Hotels and Packages segment, the services we provide allow us to command better margins as compared with airline tickets, which are largely impacted by the macroeconomic factors noted above, such as fuel and consolidation in the airline industry. Our capacity additions in the hotels business, as well as the lower level of average room occupancy rates, further contribute to our relatively higher Hotels and Packages margins, as compared to Air Ticketing margins. However, given the intense competition for customer acquisition in this category by our competitors, our business will require a significant level of investment to seek to maintain and increase our share of the hotels business. To the extent we do not match competition in consumer promotions, we risk experiencing lower growth rates than those of our competitors, which could result in a change in our business mix and margins.

Cost Efficiently Attracting New B2C Customers Through the B2E Channel and Expansion of Customer Base. Through our B2E offerings, we serve business customers, including leading organizations from India and around the world, that employ approximately 7 million people. We believe that our broad and diverse offerings provide us with considerable cross-selling opportunities to these potential B2C clients. In addition, in order to incentivize B2E customers to become B2C customers, we operate our eCash loyalty program. As our B2E clients become more familiar with our offerings and our eCash program, we expect our opportunities to cross-sell to their employees will also expand. We believe this will allow us to continue to target and attract new B2C customers in a cost-effective manner. Although we believe this long-term strategy of cost-efficient B2C customer expansion will allow us to continue to grow our business, the impact of these efforts may take longer to develop than we expect. If we are unable to successfully take advantage of cross-selling opportunities or attract new B2C customers, the ongoing growth of our business may be negatively impacted.

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. Our business is based on a single common technology platform that serves our customers through multiple mobile applications as well as our website www.yatra.com. Our single common platform approach provides us with a scalable, comprehensive and consistent user experience across each of our three go-to-market channels. Our technology also contributes to the conversion of our business travelers to leisure travelers by creating a single and familiar platform as well as enabling loyalty programs such as our eCash program, available across all our channels and offerings. 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.

Customers in India are increasingly shifting to mobile usage. We are rapidly moving towards a 'Mobile First' business and have therefore been able to capitalize on the increasing mobile use, as evidenced by the rapid user growth on our platform with mobile being the primary channel for customers to engage with us. We have seen an increase in use of mobile as a driver for Gross Bookings and expect that as more of our customers shift to using mobile in India, this trend will continue to drive our growth.

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. In 2010, we acquired TSI Yatra Private Limited in order to expand our B2B2C business, particularly our international Air Ticketing for SME's. Pursuant to share purchase agreement dated June 27, 2012, we acquired 100% stake in Yatra TG Stays Private Limited and Yatra Hotel Solutions Private Limited from TG India Holdings Company and Travelocity.com Private Limited. Further, pursuant to share purchase agreement dated July 20, 2017, as amended, our Company acquired 100% stake in Yatra For Business Private Limited (formerly known as Air Travel Bureau Private Limited). Our Company has also acquired 100% stake in Travel.Co.In Private Limited, pursuant to share purchase agreement dated February 8, 2019 and acquired, the travel business of PL Worldways. During the second quarter of fiscal year 2018 and fourth quarter of fiscal year 2019, we completed the acquisition of a majority stake in ATB and the corporate division of PL Worldways known as Travel.co.in Limited, or TCIL, which further reinforced our leadership position in the B2E travel segment. We expect to continue making acquisitions and entering into new business ventures or initiatives as part of our strategy. 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 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.

Seasonality in the Travel Industry. We experience seasonal fluctuations in the demand for travel services and products offered by us. We tend to experience higher revenues from our Hotels and Packages business in the second and fourth calendar quarters of each year, which coincide with the summer holiday travel season and the year-end holiday travel season for our customers in India.

Marketing and Sales Promotion Expenses. Competition in the Indian online travel industry is extremely intense and the industry is expected to remain highly competitive for the foreseeable future. Increased competition may cause us to increase our marketing and sales promotion expenses in the future in order to compete effectively with new entrants and existing players in the market, and we expect this competitive environment, and therefore our expenses, to change over time. We also incur marketing and sales promotion expenses associated with customer inducement and acquisition programs, including cash incentives and loyalty program incentive promotions.

Risk Related to Operations in India. A substantial portion of our business and most of our employees are located in India, and we intend to continue to develop and expand our business in India. Consequently, our financial performance and the market price of our Ordinary Shares will be affected by changes in exchange rates and controls, interest rates, changes in government policies, including taxation policies, social and civil unrest and other political, social and economic developments in or affecting India.

Impact of Changing Laws, Rules and Regulations in India. The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances briefly mentioned below, may adversely affect our business, financial condition and results of operations, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy.

The Companies Act, contains significant changes to Indian company law, including in relation to the issue of capital by companies, related party transactions, corporate governance, audit matters, shareholder class actions and restrictions on the number of layers of subsidiaries, which has now substantially been made effective.

More than four years after implementation, the GST law is still evolving. Amendments are being made to the law and various notifications and clarifications are being issued. Particularly, with respect to compliances, there have been amendments in law which restricted the input tax credit available to a taxpayer for utilization and made it subject to declarations made by vendor of such taxpayer to the government in their tax returns. Further, amendments have been made to tax recovery and suspension of GST registration provisions as well.

The Indian government introduced electronic invoicing for GST invoices raised by a registered taxable person on another registered person (“B2B invoices”). As per these provisions, a registered person has been required to report a B2B invoice on Invoice Registration Portal of the government and obtain a unique Invoice Reference Number and thereafter convert it in a QR code and print it on the GST invoice.

The taxpayers required to comply with these provisions were notified in a staggered manner wherein taxpayers with turnover more than 500 crores in any one of the previous three fiscal years starting from FY 2017-18 were required to be compliant from October 1, 2020, those with turnover of more than 100 crores (one crores being ten million Rupees or 100 lakhs) were required to go-live on January 1, 2021 and others with turnover more than 50 crores were required to go live from April 1, 2021 and others with turnover more than 20 crores went live from April 1, 2022. Accordingly, different entities of Yatra group went live with this requirement at different points in time last year and updated its accounting and billing software and enhanced the compliance capabilities to keep up with the changing legal requirements.

In addition, Dynamic QR code requirements are also planned to be introduced for GST invoices raised by a registered taxable person on an un-registered person (B2C invoices). The Dynamic QR code is required to facilitate digital payments by the end customers. As per the requirements so far, a QR code needs to be printed on the invoices with certain particulars of invoice and payment details of the invoice. This requirement is applicable on taxpayers with turnover of more than 500 crores in any one of the previous years (starting from fiscal year 2017-18) and as per extended deadlines, compliance needs to be made by October 1, 2021.

Overall, GST has had a mixed impact on the Company. The decentralization of tax registration and related compliance have caused a significant increase in our compliance requirements over the last two years. In addition to increased compliance costs, the Company is also paying GST taxes for of hotel accommodation services provided by the unregistered hotels in each state where such unregistered hotels are located. While the Company is complying with the requirements of the GST regime, there are certain areas where clarity is still awaited and Company is in the process of finalizing tax positions while awaiting such clarity. The Company continues to closely monitored on regular basis the impact of the new indirect tax environment.

Change in Significant Accounting Policies and Non-IFRS Financial Measure

Adoption of New Revenue Recognition Accounting Standard

Effective April 1, 2018, we adopted the new revenue recognition standard, IFRS 15. We have reviewed the new standard and have concluded that the application of the new standard does not have a material impact on the consolidated results except for certain marketing and sales promotion expenses as a reduction in revenue. This pertains to upfront cash incentives and certain loyalty program costs as incurred for customer inducement and acquisition for promoting transactions across various booking platforms. These costs were previously recorded as marketing and sales promotion costs and are now being recorded as a reduction of revenue. We have adopted the new standard by using the cumulative effect method (modified retrospective approach), and accordingly, the comparative information has not been restated.

Change in Non-IFRS Financial Measure

As of the beginning of the first quarter of fiscal year 2019, we changed the Non-IFRS Financial Measure "Revenue Less Service Costs" to "Adjusted Revenue". We evaluate our financial performance based on Adjusted Revenue, which represents IFRS revenue and other income after deducting service cost and adding back the expenses in the nature of consumer promotions and loyalty program costs, which had been reduced from revenue, as we believe that Adjusted Revenue reflects the true value addition of the travel services that we provide to our customers. The presentation of this non-IFRS information is not meant to be considered in isolation or as a substitute for our unaudited consolidated financial results prepared in accordance with IFRS as issued by the IASB. Our Adjusted Revenue may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation. For further information and a reconciliation of this non-IFRS financial measure to the most directly comparable IFRS financial measure, see "Certain Non-IFRS Measures" elsewhere in this Annual Report.

Operating Segments

In accordance with IFRS 8-Operating Segments, the operating segments used to present reportable segment information are identified on the basis of internal management reports used to allocate resources to the segments and assess their performance. A reportable segment is a component of our Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of our other components.

Our reportable segments are: (1) Air Ticketing, (2) Hotels and Packages and (3) Other Services. Our reportable segments are determined based on how our chief operating decision maker reviews our business, regularly assesses information and evaluates performance for operating decision-making purposes, including allocation of resources. The chief operating decision maker for the Company is our chief executive officer.

For further description of our segments, see Note 5 to our 2022 Consolidated Financial Statements.

Our Revenue, Service Cost and Other Revenue and Expenses

Revenue

We commenced our business in 2006 with sales of airline tickets in our Air Ticketing business and our Hotels and Packages business with a focus on retail customers (B2C) through websites and call center sales. Over time, we have expanded our channels of sales to small travel agents (B2B2C) and corporate customers (B2E) as well as new services and products such as the sale of rail and bus tickets, income from freight forwarding services, car transfers and facilitating access to travel insurance.

We also generate advertising revenue from third-party advertisements on our websites as well as sales of travel vouchers and coupons.

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

Revenue from Operations

Air Ticketing. We earn commissions from airlines for tickets booked by customers through our various channels of sales. We either deduct commissions at the time of payment of the fare to our airline suppliers or collect our commissions on a regular basis from our airline suppliers, whereas incentive payments, which are largely based on volume of business, are collected from our airline suppliers on a periodic basis. We charge our customers a service fee for booking airline tickets. We receive fees from our GDS service providers based on the volume of sales completed by us through the GDS. Revenue from airline tickets sold as part of packages is included in our Hotels and Packages revenue.

Hotels and Packages. Revenue from our Hotels and Packages business includes commissions and markups we earn for the sale of hotel rooms (without packages), which is recorded on a “net” basis. Revenue from packages, including hotel and airline tickets sold as part of packages, is accounted for on a “gross” basis.

Other Services. Revenue from other services primarily comprises of revenue from sale of rail and bus tickets and revenue from freight forwarding services. Revenue from the sale of rail and bus tickets is recognized as an agent on a net commission earned basis. Revenue related to freight forwarding services is recognized at the time of departure of the cargo at the origin in case of exports. In case of Imports, revenue is recognized on the basis of arrival dates. We act as an agent; accordingly we recognize revenue only for our commission on the arrangement.

Others

Revenue from other, primarily comprising advertising revenue and fees for facilitating website access to travel insurance companies are being recognized as the services are being performed.

Other Income

Other income includes
Other income primarily comprises: (A) gain on sale of property, plant and equipment (net); (B) gain on termination/ rent concession of leases; (C) government grant; (E) liability no longer required written back and (F) miscellaneous income.

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Expenses

Our expenses comprise: (i) service costs (ii) employee benefits expense; (iii) marketing and sales promotion expenses; (iv) depreciation and amortization expenses; (v) impairment of goodwill and intangible assets; (vi) finance costs; (vii) other expenses and (viii) Impairment of loss to joint venture.

Service Cost

Service cost primarily consists of costs paid to hotels and package suppliers and air suppliers for the acquisition of relevant services and products for sale to customers, and includes the procurement cost of hotel rooms, air tickets, meals and other local services such as sightseeing costs for packages, entrance fees to museums and attractions and local transport costs.

Employee Benefit Expenses

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

Marketing and Sales Promotion Expenses

Marketing and sales promotion expenses primarily comprise of online, television, radio and print media advertisement costs as well as event driven promotion cost for the Company’s products and services. Such costs are the amount paid to or accrued towards advertising agencies or direct service providers for advertising on websites, television, print formats, search engine marketing and any other media. Advertising and business promotion costs are recognized when incurred.

Other Operating Expenses

Other operating expenses primarily consist of, among other things, commission and distribution expenses, charges by payment gateway providers, rental costs and other utilities, legal and professional fees, traveling and conveyance, communication costs, trade and other receivables provision and advance provision and other sundry expenses.

Depreciation and Amortization

Depreciation consists primarily of depreciation expenses recorded on property and equipment, such as computers and peripherals, furniture and fixtures, leasehold improvements, office equipment and vehicles. Amortization expenses consists primarily of amortization recorded on intangible assets such as computer software and websites and other acquired intangible assets such as agent/supplier relationships, trademarks, intellectual property rights and non-compete agreements. Amortization of used assets primarily consist of amortization of right-of-use assets created on premises taken by the Company on lease, motor vehicles and others.

Finance Income and Expense

Finance income comprises of interest income on term deposits and net gain on change in fair value of derivatives. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance expenses comprise of interest expense on borrowings, unwinding of the discount on provisions, Interest on lease liability and impairment losses recognized on financial assets. Interest expense is recognized in profit or loss, using the effective interest method.

Critical Accounting Policies

Certain of our accounting policies require the application of judgment by our management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty but which may have a material impact on our financial condition or results of operation. Our management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following are the critical accounting policies and related judgments and estimates used in the preparation of our consolidated financial statements. For more information on each of these policies, see "Note 2 Significant accounting policies" to our 2022 Consolidated Financial Statements.

Basis of Preparation

The 2022 Consolidated Financial Statements have been prepared in accordance with IFRS as issued by the IASB. The accounting policies have been consistently applied by the Group for all periods presented in these financial statements.

The 2022 Consolidated Financial Statements have been prepared on historical cost basis, except for financial instruments classified as fair value through profit or loss.

Revenue Recognition

We generate our revenue from contracts with customers. We recognize revenue when we satisfy a performance obligation by transferring control of the promised services to a customer in an amount that reflects the consideration that we expect to receive in exchange for those services. When we act as an agent in the transaction under IFRS 15, we recognize revenue only for our commission on the arrangement. The Group has concluded that it is acting as agent in case of sale of airline tickets, hotel bookings, sale of rail and bus tickets as the supplier is primarily responsible for providing the underlying travel services and the Group does not control the service provided by the supplier to the traveler and as principal in case of sale of holiday packages since the group controls the services before such services are transferred to the traveler.

The Group provides travel products and services to leisure customers (B2C-Business to Consumer), corporate travelers (B2E-Business to Enterprise) and B2B2C (Business to Business to Consumer) travel agents in India and abroad. The revenue from rendering these services is recognized in the statement of profit or loss and other comprehensive loss once the services are rendered. This is generally the case (1) on issuance of ticket in case of sale of airline tickets (2) on date of hotel booking and (3) on the date of completion of outbound and inbound tours and packages.

The application of our revenue recognition policies and a description of our principal activities, organized by segment, from which we generate our revenue, are presented below.

Air Ticketing

We receive commissions or service fees from the travel supplier and/or traveler. Revenue from the sale of airline tickets is recognized as an agent on a net commission earned basis. Revenue from service fee is recognized on earned basis. Both the performance obligations are satisfied on issuance of airline ticket to the traveler. We record an allowance for cancellations at the time of the transaction based on historical experience.

Incentives from airlines are recognized when the performance thresholds under the incentive schemes are achieved or are probable to be achieved at the end of periods.

Hotels and Packages

Revenue from hotel reservation is recognized as an agent on a net commission earned basis. Revenue from service fee from customer is recognized on earned basis. Both the performance obligations are satisfied on the date of hotel booking. We record an allowance for cancellations at the time of booking on this revenue based on historical experience.

Revenue from packages are accounted for on a gross basis as the Group is determined to be the primary obligor in the arrangement, that is the risks and responsibilities are taken by the Group including the responsibility for delivery of services. Cost of delivering such services includes cost of hotels, airlines and package services and is disclosed as service cost.

Other Services

Revenue from other services primarily comprises of revenue from sale of rail and bus tickets and revenue from freight forwarding services. Revenue from the sale of rail and bus tickets is recognized as an agent on a net commission earned basis. Revenue related to freight forwarding services is recognized at the time of departure of the cargo at the origin in case of exports. In case of Imports, revenue is recognized on the basis of arrival dates. We act as an agent, accordingly we recognize revenue only for our commission on the arrangement.

Revenue is recognized net of allowances for cancellations, refunds during the period and taxes.

Revenue is allocated between the loyalty program and the other components of the sale. The amount allocated to the loyalty program is deferred, and is recognized as revenue when the Group fulfills its obligations to supply the products/services under the terms of the program.

The Group receives upfront fee from Global Distribution System ("GDS"), providers for facilitating the booking of airline tickets on its website or other distribution channels to travel agents for using their system which is recognized as revenue for actual airline tickets sold over the total number of airline tickets to be sold over the term of the agreement and the balance amount is recognized as deferred revenue under contract liabilities. The Group incurs certain marketing and sales promotion expenses which get reduced from revenue. This includes the cost for upfront cash incentives and select loyalty programs as incurred for customer inducement and acquisition for promoting transactions across various booking platforms.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions have been complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

The Group has assessed and determined to present grants as other income in the statement of profit or loss and other comprehensive loss.

Marketing and Sales Promotion Expenses

Marketing and sales promotion expenses primarily comprise of online, television, radio and print media advertisement costs as well as event driven promotion cost for the Group's products and services. Such costs are the amounts paid to or accrued towards advertising agencies or direct service providers for advertising on websites, television, print formats, search engine marketing and any other media. Advertising and business promotion costs are recognized when incurred.

Additionally, the Group also incurs customer inducement and acquisition costs for acquiring customers and promoting transactions across various booking platforms such as upfront cash incentives, which when incurred are recorded as a reduction from revenue with effect from April 1, 2018 after the adoption of IFRS-15.

Significant Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year, are described below. Actual results could differ from these estimates.

a) Impairment reviews

An impairment exists when the carrying value of an asset or cash-generating units ("CGU") exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA (Earnings before interest, taxes depreciation and amortization), long term growth rates; and the selection of discount rates to reflect risks involved. Also, judgement is involved in determining the CGU and grouping of CGUs for goodwill allocation and impairment testing.

We prepare and internally approve formal five and seven year plans, as applicable, for our businesses and use these as the basis for our impairment reviews. Since the value in use exceeds the carrying amount of CGU, the fair value less costs to sell is not determined.

We test goodwill for impairment annually on March 31 and whenever there are indicators of impairment.

b) Measurement of Expected Credit Loss ("ECL") for uncollectible trade receivables and advances

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Also refer to Note 26 and 27 in the financial statements.

c) Loyalty programs

Customers are entitled to loyalty points on certain transactions that can be redeemed for future qualifying transactions. The Group estimates revenue allocation between the loyalty program and the other components of the sale with assumptions about the expected redemption rates. The Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed in the future and any adjustments to the contract liability balance are charged against revenue.

d) Taxes

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments. We have not recognized deferred tax asset on unused tax losses and temporary differences in most of our subsidiaries.

e) Defined benefit plans

The costs of post-retirement benefit obligation under our gratuity plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

g) Useful life of Intangible assets

The useful lives of the Group's intangible assets are determined by management at the time the asset is acquired based on historical experience, after considering market conditions, industry practice, technological developments, obsolescence and other factors. The useful life is reviewed by management periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Significant Judgments in Applying Accounting Policies

In the process of applying our accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in our 2022 Consolidated Financial Statements:

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

Determining the lease term of contracts with renewal and termination options-Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Results of Operations

Convenience Translation

The consolidated financial statements are stated in INR. However, solely for the convenience of the readers, the consolidated statement of profit or loss and other comprehensive loss for the year ended March 31, 2022, the consolidated statement of financial position as of March 31, 2022, the consolidated statement of cash flows for year ended March 31, 2022, were converted into U.S. dollars at the exchange rate of 75.87 INR per USD, which is based on the noon buying rate as at March 31, 2022, in The City of New York for cable transfers of Indian Rupees as certified for customs purposes by the Federal Reserve Bank of New York. This arithmetic conversion should not be construed as representation that the amounts expressed in INR may be converted into USD at that or any other exchange rate as well as that such numbers are in compliance as per the requirements of the IFRS.

Results of Fiscal Year Ended March 31, 2022 Compared to Fiscal Year Ended March 31, 2021

Yatra Online, Inc.'s financial and operating results for the fiscal year 2022 and 2021 include 100% of the financial and operating results of "Yatra Online Freight Services Private Limited", which we incorporated on August 5, 2020.

	Fiscal Year Ended March 31,			
	2021		2022	
Amount in INR thousands except %	**Amount**	**%**	**Amount**	**%**
Total revenue	**1,271,268**	**100.0**	**1,989,376**	**100.0**
Other Income	132,045	10.4	158,648	8.0
Service costs	22,276	1.8	159,284	8.0
Personnel expenses	778,915	61.3	1,021,881	51.4
Marketing and sales promotion expenses	79,584	6.3	124,147	6.2
Other operating expenses	978,315	77.0	893,313	44.9
Depreciation and amortization	749,480	59.0	308,153	15.5
Impairment of goodwill	264,909	20.8	-	-
Impairment of loan to joint venture	-	-	72,719	3.7
Results from operations	**(1,470,166)**	**(115.6)**	**(431,473)**	**(21.7)**
Finance income	81,604	6.4	47,816	2.4
Finance costs	(117,252)	(9.2)	(100,453)	(5.0)
Share of loss of Joint venture	(3,962)	(0.3)	41,616	2.1
Listing and related expenses	-	-	(55,818)	
Change in fair value of warrants	378,994	29.8	32,756	1.6
Loss before income taxes	**(1,130,782)**	**(88.9)**	**(465,556)**	**(23.4)**
Income tax expense	(64,096)	(5.0)	(16,906)	(0.8)
Loss for the year	**(1,194,878)**	**(94.0)**	**(482,462)**	**(24.3)**
Basic Loss per share	**(20.38)**		**(7.66)**	
Diluted Loss per share	**(20.42)**		**(7.66)**	

Revenue. We generated revenue of INR 1,989.4 million (USD 26.2 million) in the year ended March 31, 2022, an increase of 56.5% compared with INR 1,271.3 million (USD 16.8 million) in year ended March 31, 2021. The increase in Revenue was primarily due to recovery in domestic travel demand relative to the year ended March 31, 2021.

Service Cost. Our service cost increased to INR 159.3 million (USD 2.1 million) in the year ended March 31, 2022 from INR 22.3 million (USD 0.3 million) in the year ended March 31, 2021, primarily due to increased sales of holiday packages on account of strong recovery in domestic travel demand in India during the fiscal year ended March 31, 2022.

Adjusted Revenue[(1)] Our Adjusted Revenue increased by 50.7% to INR 3,302.4 million (USD 43.5 million) in the year ended March 31, 2022 from INR 2,190.6 million (USD 28.9 million) in the year ended March 31, 2021. In the year ended March 31, 2022, Adjusted Revenue includes the add-back of INR 1,313.6 million (USD 17.3 million) compared to an add-back of INR 809.6 million (USD 10.7 million) in the year ended March 31, 2021, of expenses in the nature of consumer promotion and certain loyalty program costs reduced from revenue. These expenses have been added back to calculate Adjusted Revenue, with the accompanying increase in marketing and sales promotions expenses, to more accurately reflect the way we view our ongoing business. Under IFRS 15, these expenses are required to be reduced from revenue, an IFRS measure. The increase in Adjusted Revenue resulted mainly from an increase of 48.6% in our Adjusted Revenue from Air Ticketing along with an increase of 70.9% in our Adjusted Revenue from Hotels and Packages, an increase of 242.3% in Other Services and an increase of 8.2% in the "Others category" (including Other Income), which primarily consists of advertisement income, facilitation fees and excess provision written back.

Air Ticketing. Revenue from our Air Ticketing business was INR 1,150.5 million (USD 15.2 million) in the year ended March 31, 2022 against INR 893.0 million (USD 11.8 million) in the year ended March 31, 2021.

Adjusted Revenue(1) from our Air Ticketing business increased to INR 2,211.1 million (USD 29.1 million) in the year ended March 31, 2022, against INR 1,487.5 million (USD 19.6 million) in the year ended March 31, 2021. In the year ended March 31, 2022, Adjusted Revenue(1) for Air Ticketing includes the addition of INR 1,060.6 million (USD 14.0 million) in the year ended March 31, 2022 against INR 594.4 million (USD 7.8 million) in the year ended March 31, 2021 of consumer promotion and loyalty program costs, which reduced revenue as per IFRS 15. The increase is due to a continued recovery in domestic travel demand in the fiscal year ended March 31, 2022.

Hotels and Packages. Revenue from our Hotels and Packages business was INR 520.7 million (USD 6.9 million) in the year ended March 31, 2022, against INR 173.4 million (USD 2.3 million) in the year ended March 31, 2021.

Adjusted Revenue(1) for this segment increased by 70.9% to INR 599.2 million (USD 7.9 million) in the year ended March 31, 2022, from INR 350.5 million (USD 4.6 million) in the year ended March 31, 2021. In the year ended March 31, 2022, Adjusted Revenue (1) for Hotels and Packages includes the add-back of INR 237.7 million (USD 3.1 million) against INR 199.4 million (USD 2.6 million) in the year ended March 31, 2021, of customer promotional expenses, which had been reduced from revenue as per IFRS 15. The increase in adjusted Revenue from Hotels and Packages is due to recovery in domestic travel demand relative to the fiscal year ended March 31, 2022.

Other Services. Our income from Other Services was INR 146.2 million (USD 1.9 million) in the year ended March 31, 2022, an increase from INR 31.4 million (USD 0.4 million) in the year ended March 31, 2021.

Adjusted Revenue for this segment increased by 242.3% to INR 161.5 million (USD 2.1 million) in the year ended March 31, 2022 from INR 47.2 million (USD 0.6 million) in the year ended March 31, 2021. For the year ended March 31, 2021, Adjusted Revenue includes add-back of INR 15.3 million (USD 0.2 million) in the year ended March 31, 2022 against INR 15.8 million (USD 0.2 million) in the year ended March 31, 2021 of consumer promotion expenses, which had been reduced from revenue as per IFRS 15. This increase in Adjusted Revenue is primarily due to increase in freight business revenue.

Other Revenue. Our Other Revenue was INR 172.0 million (USD 2.3 million) in the year ended March 31, 2022, a decrease from INR 173.4 million (USD 2.3 million) in the year ended March 31, 2021.

Other Income. Our other income increased to INR 158.6 million (USD 2.1 million) in the fiscal year ended March 31, 2022, from INR 132.0 million (USD 1.7 million) in the fiscal year ended March 31, 2021, due to the impact of write back of liabilities offset.

Personnel Expenses. Our personnel expenses increased by 31.2% to INR 1,021.9 million (USD 13.5 million) in the year ended March 31, 2022, from INR 778.9 million (USD 10.3 million) in the year ended March 31, 2021. This increase was due to the impact of the addition of personnel in the Yatra Freight business and the gradual reinstatement of salaries for mid and junior level employees to pre-pandemic levels. Excluding employee share-based compensation costs of INR 209.5 million (USD 2.8 million) in the year ended March 31, 2022 from INR 77.1 million (USD 1.0 million) in the year ended March 31, 2021, personnel expenses increased by 15.7% in the year ended March 31, 2022.

Marketing and Sales Promotion Expenses. Marketing and sales promotion expenses increased by 56.0% to INR 124.1 million (USD 1.6 million) in the year ended March 31, 2022 from INR 79.6 million (USD 1.0 million) in the year ended March 31, 2021. Adding back the expenses for consumer promotions and loyalty program costs, which have reduced revenue per IFRS 15. Our marketing spend would have been INR 1,437.8 million (USD 19.0 million) against INR 889.2 million (USD 11.7 million) in the year ended March 31, 2021, which is a 61.7% an increase year-over-year.

Other Operating Expenses. Other operating expenses decreased by 8.7% to INR 893.3 million (USD 11.8 million) in the year ended March 31, 2022, from INR 978.3 million (USD 12.9 million) in the year ended March 31, 2021, primarily due to decrease in legal and professional charges, bad debts written off and provision for doubtful debts which is partially offset by commissions, payment gateway charges, travelling and conveyance charges, communication and insurance.

Adjusted EBITDA Profit/loss(1). Due to the forgoing factors, Adjusted EBITDA profit(1) increased by 142.0% to INR 159.0 million (USD 2.1 million) in the year ended March 31, 2022 from Adjusted EBITDA loss(1) of INR (378.7 million) (USD 5.0 million) in the year ended March 31, 2021.

Depreciation and Amortization. Our depreciation and amortization expenses decreased by 58.9% to INR 308.2 million (USD 4.1 million) in the year ended March 31, 2022 from INR 749.5 million (USD 9.9 million) in the year ended March 31, 2021 primarily as a result of amortization of intangible assets based on re-assessment of carrying value of the acquired intangible assets in the three months ended March 31, 2021.

Impairment of goodwill. Our goodwill impairment charge was INR 264.9 million (USD 3.5 million) in the year ended March 31, 2021. As a result of the significant negative impact related to the COVID-19 pandemic on the travel industry, we concluded that sufficient indicators existed to require us to perform a quantitative assessment of goodwill and, following that assessment, we recorded an impairment charge of our goodwill.

Results from Operations. As a result of the foregoing factors, our result from operating activities was a loss of INR 431.5 million (USD 5.7 million) in the year ended March 31, 2022. Our loss for the year ended March 31, 2021 was INR 1,470.2 million (USD 19.4 million). Excluding the employee share-based compensation costs, impairment of goodwill and impairment of loan to joint venture, Adjusted Results from Operations(1) would have been loss of INR 149.2 million (USD 2.0 million) for year ended March 31, 2022 as compared to loss of INR 1,128.2 million (USD 14.9 million) for year ended March 31, 2021.

Share of Loss of Joint Venture. This amount pertains to a reversal of the cumulative loss contribution relating to a joint venture investment that operates in adventure travel activities and represents a true-up of provisions created by the Company as per the joint venture agreement post impairment of a loan to the joint venture. During the three months ended December 31, 2021, we have reversed the liability on account of obligation arising due to contribution towards losses of the joint venture. Our gain from this joint venture is INR 41.6 million (USD 0.5 million) in the year ended March 31, 2022 compared to a loss of INR 4.0 million (USD 0.1 million) in the year ended March 31, 2021.

Finance Income. Our finance income decreased to INR 47.8 million (USD 0.6 million) in the year ended March 31, 2022 from INR 81.6 million (USD 1.1 million) in the year ended March 31, 2021. The decrease was primarily due to a decrease in the interest income from our bank deposits which is partially offset by foreign exchange gains.

Finance Costs. Our finance costs decreased to INR 100.5 million (USD 1.3 million) includes interest on the lease liability of INR 43.9 million (USD 0.6 million) in the year ended March 31, 2022 as compared to INR 117.3 million (USD 1.5 million) includes interest on the lease liability of INR 72.0 million (USD 0.9 million) in the year ended March 31, 2021. The decrease was due to decrease in interest on lease liability which is partially offset by increase in interest on borrowings.

Listing and related expenses. Listing and related expenses relate to the expenses incurred in connection with the Indian IPO. During the year ended March 31, 2022, the Company has incurred INR 85.8 million (USD 1.1 million) out of which INR 55.8 million (USD 0.7 million) is charged to the profit and loss. ***Change in fair value of warrants***. The change in the fair market value of warrants resulted in a gain of INR 32.8 million (USD 0.4 million) during the year ended March 31, 2022, compared to a gain of INR 379.0 million (USD 5.0 million) during the year ended March 31, 2021.

Income Tax Expense. Our income tax expense during the year ended March 31, 2022 was INR 16.9 million (USD 0.2 million) compared to an expense of INR 64.1 million (USD 0.8 million) during the year ended March 31, 2021.

Loss for the Period. As a result of the foregoing factors, our loss in the year ended March 31, 2022 was INR 482.5 million (USD 6.4 million) as compared to a loss of INR 1,194.9 million (USD 15.7 million) in the year ended March 31, 2021. Excluding the employee share-based compensation costs, impairment of loan to joint venture, impairment of goodwill, listing and related expenses and net change in fair value of warrants, the Adjusted Loss(1) would have been INR 177.1 million (USD 2.3 million) for year ended March 31, 2022 and INR 1,231.9 million (USD 16.2 million) for year ended March 31, 2021.

Basic Loss per Share. Basic loss per share was INR 7.66 (USD 0.10) in the year ended March 31, 2022 as compared to basic loss per share of INR 20.38 (USD 0.27) in the year ended March 31, 2021. After excluding the employee share-based compensation costs, impairment of loan to joint venture, impairment of goodwill, listing and related expenses and net change in fair value of warrants, Adjusted Basic Loss per Share(1) would have been INR 2.84 (USD 0.04) in the year ended March 31, 2022, as compared to Adjusted Basic loss INR 21.10 (USD 0.28) in the year ended March 31, 2021.

Diluted Loss per Share. Diluted loss per share was INR 7.66 (USD 0.10) in the year ended March 31, 2022 as compared to Diluted loss per share of INR 20.42 (USD 0.27) in the year ended March 31, 2021. After excluding the employee share-based compensation costs, impairment of loan to joint venture, impairment of goodwill, listing and related expenses and net change in fair value of warrants, Adjusted Diluted Loss per Share(1) would have been INR 2. 84 (USD 0.04) in the year ended March 31, 2022 as compared to Adjusted Diluted loss INR 21.05 (USD 0.28) in the year ended March 31, 2021.

Results of Fiscal Year Ended March 31, 2021 Compared to Fiscal Year Ended March 31, 2020

Yatra Online's financial and operating results for the fiscal year 2021 include 100% of the financial and operating results of "Yatra Freight", which we incorporated on August 5, 2020.

	Fiscal Year Ended March 31,			
	2020		2021	
Amount in INR thousands except %	**Amount**	**%**	**Amount**	**%**
Total revenue	**7,259,355**	**100.0**	**1,271,268**	**100.0**
Other income	159,631	2.2	132,045	10.4
Service cost	2,922,929	40.3	22,276	1.8
Personnel expenses	1,777,273	24.5	778,915	61.3
Marketing and sales promotion expenses	196,209	2.7	79,584	6.3
Other operating expenses	2,259,261	31.1	978,315	77.0
Depreciation and amortization	666,369	9.2	749,480	59.0
Impairment of goodwill	221,999	3.1	264,909	20.8
Results from operations	**(625,054)**	**(8.6)**	**(1,470,166)**	**(115.6)**
Share of loss of Joint venture	(10,784)	(0.1)	(3,962)	(0.3)
Finance income	58,641	0.8	81,604	6.4
Finance costs	(193,287)	(2.7)	(117,252)	(9.2)
Change in fair value of warrants	94	0.0	378,994	29.8
Loss before income taxes	**(770,390)**	**(10.6)**	**(1,130,782)**	**(88.9)**
Income tax expense	(69,805)	(1.0)	(64,096)	(5.0)
Loss for the year	**(840,195)**	**(11.6)**	**(1,194,878)**	**(94.0)**
Basic Loss per share	**(17.94)**		**(20.38)**	
Diluted Loss per share	**(17.94)**		**(20.42)**	

Revenue. We generated revenue of INR 1,271.3 million in the year ended March 31, 2021, a decrease of 82.5% compared with INR 7,259.4 million in year ended March 31, 2020. The decrease in revenue was primarily due to the impact of the COVID-19 pandemic, including lower travel demand due to travel restrictions.

Service Cost. Our service cost decreased to INR 22.3 million in the year ended March 31, 2021 from INR 2,922.9 million in the year ended March 31, 2020 primarily due to the significant decrease in our sales of holiday packages due to the impact of the COVID-19 pandemic, including lower travel demand due to travel restrictions.

Adjusted Revenue[(1)] Our Adjusted Revenue decreased by 63.4% to INR 2,190.6 million in the year ended March 31, 2021, from INR 5,982.4 million in the year ended March 31, 2020. In the year ended March 31, 2021, Adjusted Revenue includes the add-back of INR 809.6 million in the year ended March 31, 2021, from INR 1,486.4 million in the year ended March 31, 2020, of expenses in the nature of consumer promotion and certain loyalty program costs reduced from revenue. These expenses have been added back to calculate Adjusted Revenue, with the accompanying increase in marketing and sales promotions expenses, to more accurately reflect the way we view our ongoing business. Under IFRS 15, these expenses are required to be reduced from revenue, an IFRS measure. The decrease in Adjusted Revenue resulted mainly from a decrease of 62.4% in our Adjusted Revenue from Air Ticketing along with a decrease of 55.3% in our Adjusted Revenue from Hotels and Packages and decrease of 71.6% in Others (Including other income which primarily consists of advertisement income, facilitation fees and excess provision written back).

Air Ticketing. Revenue from our Air Ticketing business was INR 893.0 million in the year ended March 31, 2021, against INR 2,609.5 million in the year ended March 31, 2020.

Adjusted Revenue[(1)] from our Air Ticketing business decreased to INR 1,487.5 million in the year ended March 31, 2021 against INR 3,958.0 million in the year ended March 31, 2020. In the year ended March 31, 2021, Adjusted Revenue [(1)] for Air Ticketing includes the addition of INR 594.4 million in the year ended March 31, 2021 against INR 1,348.5 million in the year ended March 31, 2020 of consumer promotion and loyalty program costs, which reduced revenue as per IFRS 15. The decline in Adjusted Revenue [(1)] from Air Ticketing for the quarter was primarily due to the impact of the COVID-19 pandemic, including lower travel demand due to travel restrictions.

Hotels and Packages. Revenue from our Hotels and Packages business was INR 173.4 million in the year ended March 31, 2021 against INR 3,601.8 million in the year ended March 31, 2020.

Adjusted Revenue [(1)] for this segment decreased by 55.3% to INR 350.5 million in the year ended March 31, 2021 from INR 784.6 million in the year ended March 31, 2020. In the year ended March 31, 2021, Adjusted Revenue[(1)] for Hotels and Packages includes the add-back of INR 199.4 million against INR 105.7 million in the year ended March 31, 2020, of customer promotional expenses, which had been reduced from revenue as per IFRS 15. This decrease was primarily due to the impact of the COVID-19 pandemic, including lower travel demand due to travel restrictions.

Other Revenue. Our other revenue was INR 204.8 million in the year ended March 31, 2021, a decrease from INR 1,048.0 million in the year ended March 31, 2020.

Adjusted Revenue for this segment decreased by 79.6% to INR 220.6 million in the year ended March 31, 2021 from INR 1,080.2 million in the year ended March 31, 2020. In the year ended March 31, 2021, Adjusted Revenue includes add-back of INR 15.8 million in the year ended March 31, 2021, against INR 32.2 million in the year ended March 31, 2020, of consumer promotion expenses, which had been reduced from revenue as per IFRS 15. This decrease in Adjusted Revenue was primarily due to decrease in advertisement and facilitation fees which is slightly offset by our Freight business revenue.

Other Income. Our other income decreased to INR 132.0 million in the year ended March 31, 2021 from INR 159.6 million in the year ended March 31, 2020 due to the impact of write back of liabilities offset by decrease in eligible sales for government grant.

Personnel Expenses. Our personnel expenses decreased by 56.2% to INR 778.9 million in the year ended March 31, 2021 from INR 1,777.3 million in the year ended March 31, 2020. This decrease was primarily due to a rationalization of headcount and reduction in salaries across various functions including management salaries by 50%. Excluding employee share-based compensation costs of INR 77.1 million in the year ended March 31, 2021 from INR 5.1 million in the year ended March 31, 2020, personnel expenses decreased by 60.4% in the year ended March 31, 2021.

Marketing and Sales Promotion Expenses. Marketing and sales promotion expenses decreased by 59.4% to INR 79.6 million in the year ended March 31, 2021 from INR 196.2 million in the year ended March 31, 2020, post adoption of IFRS 15 on April 1, 2018. Adding back the expenses for consumer promotions and loyalty program costs, which have been reduced from revenue per IFRS 15, our marketing spend would have been INR 889.2 million against INR 1,682.6 million in the year ended March 31, 2020, which is 47.2% lower year-over-year.

Other Operating Expenses. Other operating expenses decreased by 56.7% to INR 978.3 million in the year ended March 31, 2021 from INR 2,259.3 million in the year ended March 31, 2020 primarily due to decrease in commission, outsourcing fees, payment gateway charges, rent, and travelling and conveyance charges, communication, legal and professional charges and outsourcing fees which is partially offset by reversal of business combination expense in the year ended March 31, 2020 and an increase in bad debts written off and provision for doubtful debts.

Adjusted EBITDA loss[(1)]. Due to the forgoing factors, adjusted EBITDA loss[(1)] increased by 211.5% to INR 378.7 million in the year ended March 31, 2021 from adjusted EBITDA loss[(1)] of INR 121.6 million in the year ended March 31, 2020.

Depreciation and Amortization. Our depreciation and amortization expenses increased by 12.5% to INR 749.5 million in the year ended March 31, 2021 from INR 666.4 million in the year ended March 31, 2020 primarily as a result of increase in amortization of intangible assets based on re-assessment of carrying value of the acquired intangible assets and amortization of intangible assets which is partially offset by a decrease in the depreciation of tangible assets.

Impairment of goodwill. Our goodwill impairment charge was INR 264.9 million in the year ended March 31, 2021, and INR 222.0 million in the year ended March 31, 2020. As a result of the significant negative impact related to COVID-19 pandemic on the travel industry, we concluded that sufficient indicators existed to require us to perform a quantitative assessment of goodwill and, following that assessment, we recorded an impairment charge of our goodwill.

***Results from Operations*.** As a result of the foregoing factors, our result from operating activities was a loss of INR 1,470.2 million in the year ended March 31, 2021. Our loss for the year ended March 31, 2020, was INR 625.1 million. Excluding the employee share-based compensation costs, Impairment of goodwill and re-measurement of contingent consideration, Adjusted Results from Operations[(1)] would have been loss of INR 1,128.2 million for year ended March 31, 2021 as compared to loss of INR 787.9 million for year ended March 31, 2020.

Share of Loss of Joint Venture. This loss pertains to a joint venture investment that operates in adventure travel activities. Our loss from this joint venture is INR 4.0 million in the year ended March 31, 2021 from loss of INR 10.8 million in the year ended March 31, 2020.

Finance Income. Our finance income increased to INR 81.6 million in the year ended March 31, 2021, from INR 58.6 million in the year ended March 31, 2020. The increase was primarily due to an increase in the interest income from our bank deposits which is partially offset by foreign exchange gain.

Finance Costs. Our finance costs decreased to INR 117.3 million includes interest on the lease liability on adoption of IFRS 16 of INR 72.0 million in the year ended March 31, 2021, as compared to INR 193.3 million includes interest on the lease liability on adoption of IFRS 16 of INR 56.4 million in the year ended March 31, 2020. The decrease was due to decrease in interest on borrowings which is partially offset by increase in loss on account of foreign exchange fluctuation.

Change in fair value of warrants. The change in the fair market value of warrants resulted in a gain of INR 379.0 million during the year ended March 31, 2021, compared to a gain of INR 0.1 million during the year ended March 31, 2020.

Income Tax Expense. Our income tax expense during the year ended March 31, 2021 was INR 64.1 million compared to an expense of INR 69.8 million during the year ended March 31, 2020.

***Loss for the Period*.** As a result of the foregoing factors, our loss in the year ended March 31, 2021 was INR 1,194.9 million as compared to a loss of INR 840.2 million in the year ended March 31, 2020. Excluding the employee share based compensation costs, re-measurement of contingent consideration, Impairment of goodwill and net change in fair value of warrants, the Adjusted Loss[(1)] would have been INR 1,231.9 million for year ended March 31, 2021 and INR 1,003.2 million for year ended March 31, 2020.

Basic Loss per Share. Basic loss per share was INR 20.38 in the year ended March 31, 2021 as compared to basic loss per share of INR 17.94 in the year ended March 31, 2020. After excluding the employee share-based compensation costs, re-measurement of contingent consideration, impairment of goodwill and net change in fair value of warrants Adjusted Basic Loss per Share[(1)] would have been INR 21.10 in the year ended March 31, 2021, as compared to Adjusted Basic loss per Share[(1)] INR 21.39 in the year ended March 31, 2020.

Diluted Loss per Share. Diluted loss per share was INR 20.42 in the year ended March 31, 2021 as compared to Diluted loss per share of INR 17.94 in the year ended March 31, 2020. After excluding the employee share-based compensation costs, re-measurement of contingent consideration, impairment of goodwill and net change in fair value of warrants, Adjusted Diluted Loss per Share[(1)] would have been INR 21.05 in the year ended March 31, 2021 as compared to Adjusted Diluted loss per Share[(1)] INR 21.39 in the year ended March 31, 2020.

Liquidity and Capital Resources

Our sources of liquidity have principally been proceeds from the sale of shares of the Company, long term borrowings, bank overdrafts, working capital facilities and cash flows from operations. Our cash requirements have mainly been for funding operational losses, acquisitions, working capital as well as capital expenditures.

As of March 31, 2022, our primary sources of liquidity were INR 800.3 million of cash and cash equivalents and INR 568.3 million in term deposits (INR 486.1 million is pledged with various banks against bank guarantees, bank overdraft, vehicle loan, letter of credit, sales invoice discounting and credit card facilities).

As of March 31, 2021, our primary sources of liquidity were INR 1,711.6 million of cash and cash equivalents and 552.1 million in term deposits (INR 517.4 million is pledged with various banks against bank guarantees, bank overdraft, vehicle loan, letter of credit, sales invoice discounting and credit card facilities).

As of March 31, 2020, our primary sources of liquidity were INR 1,365.4 million of cash and cash equivalents and 755.3 million in term deposits (INR 633.4 million is pledged with various banks against bank guarantees, bank overdraft, vehicle loan, letter of credit, sales invoice discounting and credit card facilities). There was a breach of compliance with some of the debt covenants of the certain financing arrangement with the bank caused inter alia due to the ongoing pandemic situation arising out of COVID-19. The bank has subsequently confirmed that such breaches are not being treated as an event of default under the said financing arrangement.

Our trade receivables and contract assets primarily comprise of: (1) commissions, incentive or other payments owed to us by airlines and other suppliers and (2) receivables from our B2B2C travel agents, corporate and some retail customers to whom we typically extend credit periods. Our trade and other receivables increased by INR 1,064.3 million from INR 870.45 million as of March 31, 2021 to INR 1,934.7 million as of March 31, 2022.

Our Prepayments and other assets primarily consist of the current portion of prepayments made to and deposits placed with our suppliers. Our other current assets decreased from INR 616.4 million as of March 31, 2021 to INR 607.7 million as of March 31, 2022, primarily due to decreases in advances made to our airline and hotel suppliers.

As of March 31, 2022, Yatra India had sanctioned secured limit of INR 450 million (INR 300 million as bank guarantee and INR 150 million as invoice discounting) from ICICI bank against 100% bank deposits (this amount is pledged and we do not earn any interest on this bank deposit). As of March 31, 2022, ATB had sanctioned bank guarantee limits of INR 400 million from ICICI bank (INR 100 million as a bank guarantee limit and INR 300 million as invoice discounting facility) against a 100% bank deposit (this amount is pledged and we do not earn any interest on this bank deposit).

As of March 31, 2021, Yatra India had sanctioned bank guarantee limits of INR 300 million from ICICI bank against bank deposits of INR 140.5 million (this amount is pledged and we do not earn any interest on this bank deposit), all existing and future fixed and current assets including intellectual property and intellectual property rights. As of March 31, 2021, ATB had sanctioned bank guarantee limits of INR 400 million from ICICI bank (INR 300 million as a bank guarantee limit and INR 100 million as a invoice discounting facility) against a bank deposit of INR 150 million (this amount is pledged and we do not earn any interest on this bank deposit), all existing and future fixed and current assets including intellectual property and intellectual property rights.

(1) See the section below titled "Certain Non IFRS Measures."

The following breaches occurred with respect to the covenants for the facility with ICICI Bank. Most of these breaches were mainly on account of disruption caused by the outbreak of the COVID-19 pandemic:

Yatra India breached a covenant requiring it to:

a. Maintain a certain level of receivables and route a minimum level of collections through the bank account for the month of March 2020.

ATB breached covenants requiring it:

a. Maintain a certain level of sales in the month of December 2019, February and March 2020

b. Maintain an agreed “Total Debt (TD) / Earnings before Interest, Depreciation, Taxes and Amortization (EBITDA)” ratio for the fiscal year ending March 31, 2020

The bank on July 30, 2020, confirmed in writing that such breaches are not being treated as event of default under the said financing arrangement.

We have taken certain vehicles on loan which is secured against pledge of such vehicles and fixed deposit. As of March 31, 2022, the outstanding balance of such borrowing is INR 7.2 million as compared to INR 6.9 million as at March 31, 2021.

We have taken certain vehicles on loan which is secured by a pledge of such vehicles and fixed deposit. As of March 31, 2021, the outstanding balance of such borrowing is INR 6.9 million as compared to INR 14.4 million as at March 31, 2020.

From time to time, we are also required by certain international and Indian airlines, Hotels and Packages suppliers, as well as certain aggregators from whom we obtain hotel inventory and other travel suppliers, to obtain bank guarantees or letters of credit to secure our obligations to them.

We believe that our current cash and cash equivalents and cash flow from operations will be sufficient to meet our anticipated regular working capital requirements, funding of operational losses and our needs for capital expenditures for at least the next 12 months. We may, however, require additional cash resources to fund our longer-term capital expenditures (beyond 12 months) or due to changing business conditions or other future developments, including any investments or acquisitions we may decide to pursue.

The following table sets forth the summary of our cash flows for the periods indicated:

	2019	2020	2021	2022
	INR (‘000s)	INR (‘000s)	INR (‘000s)	INR (‘000s)
Net cash from/(used in) operating activities	(3,542,134)	(550,356)	765,443	(972,203)
Net cash from/(used in) investing activities	(650,325)	96,643	(230,365)	(86,536)
Net cash from/(used in) financing activities	2,904,580	(333,471)	535,283	135,264
Net increase/(decrease) in cash and cash equivalents	(1,287,879)	(787,184)	1,070,361	(923,475)
Effect of exchange rate changes on cash and cash equivalents	186,477	69,742	(5,001)	12,168
Cash and cash equivalents at the beginning of the year	2,465,073	1,363,671	646,229	1,711,589
Closing cash and cash equivalents at the end of the year	1,363,671	646,229	1,711,589	800,282

Net cash from / (used in) operating activities

Our net cash used in operating activities was INR 972.2 million in the fiscal year ended March 31, 2022, as compared to net cash from operating activities of INR 765.4 million in the fiscal year ended March 31, 2021, an increase in cash usage of INR 1,737.6 million in the fiscal year ended March 31, 2022. Our net loss adjusted for interest, tax, amortization and depreciation and other non-cash items was INR 104.2 million in the fiscal year ended March 31, 2022. Further, in the fiscal year ended March 31, 2022, there was an increase in our working capital of INR 896.4 million, as compared to a decrease in working capital of INR 894.2 million in the fiscal year ended March 31, 2021. The increase in working capital in the fiscal year ended March 31, 2022 was primarily due to INR 1,115.4 million increases in trade and other receivables was partially offset by INR 217.7 million increases in trade and other payables. The decrease in working capital in the fiscal year ended March 31, 2021 was primarily due to INR 1,685.6 million decreases in trade and other receivables was partially offset by INR 402.9 million decreases in trade and other payables.

Our net cash from operating activities was INR 765.4 million in the fiscal year ended March 31, 2021, as compared to net cash used in operating activities of INR 550.4 million in the fiscal year ended March 31, 2020, which is a decrease in cash usage of INR 1,315.8 million in the fiscal year ended March 31, 2021. Our net loss adjusted for interest, tax, amortization and depreciation and other non-cash items was INR 358.3 million in the fiscal year ended March 31, 2021. Further, in the fiscal year ended March 31, 2021, there was a decrease in our working capital of INR 894.2 million, as compared to an increase in working capital of INR 396.5 million in the fiscal year ended March 31, 2020. The decrease in working capital in the fiscal year ended March 31, 2021 was primarily due to INR 1,685.6 million. Decreases in trade and other receivables was partially offset by INR 402.9 million decreases in trade and other payables. The increase in working capital in the fiscal year ended March 31, 2020 was primarily due to INR 2,887.8 million in decreases in trade and other payables and INR 2,489.8 million decreases in trade and other receivables.

Net cash from/(used in) investing activities.

During the fiscal year ended March 31, 2022, cash used in investing activities was INR 86.5 million, as compared to cash used in investing activities was INR 230.4 million in the fiscal year ended March 31, 2021. During the fiscal year ended March 31, 2022, we invested INR 10.3 million in term deposits with banks, invested an incremental INR 97.2 million in property plant and equipment and in software and technology related development projects. We also received interest on our term deposits of INR 21.0 million in the fiscal year ended March 31, 2022, as compared to INR 37.3 million in the fiscal year ended March 31, 2021.

During the fiscal year ended March 31, 2021, cash used in investing activities was INR 230.4 million, as compared to cash from investing activities, which was INR 96.6 million in the fiscal year ended March 31, 2020. During the fiscal year ended March 31, 2021, we redeemed INR 215.9 million in term deposits with banks and invested an incremental INR 73.2 million in property plant and equipment and in software and technology related development projects. We also received interest on our term deposits of INR 37.3 million in the fiscal year ended March 31, 2021, as compared to INR 4.6 million in the fiscal year ended March 31, 2020.

Net cash from financing activities.

During the fiscal year ended March 31, 2022, cash from financing activities was INR 135.3 million, primarily as a result of net proceeds from invoice discounting was INR 227.3 million. Further, we made payments of INR 92.0 million as interest on bank overdrafts, interest on lease liabilities, vehicle loans and Payment of principal portion of lease liabilities.

During the fiscal year ended March 31, 2021, cash from financing activities was INR 535.3 million, primarily as a result of proceeds from issue of shares of INR 772.2 million. Our net repayment of invoice discounting was INR 127.8 million. Further, we made payments of INR 109.1 million on the interest on bank overdrafts, interest on lease liabilities, vehicle loans and of the principal of certain lease liabilities.

Capital Expenditures

We have historically financed our capital expenditure requirements with cash flows from operations, as well as through the sale of our common and convertible preferred shares.

We made capital expenditures of INR 104.9 million and INR 86.9 million in fiscal years 2022 and 2021, respectively. In addition, we expect to spend an additional approximately INR 100 million to INR 150 million on capital expenditures during fiscal year ending March 31, 2023. Our capital expenditures have in principle consisted of purchases of servers, workstations, computers, computer software, leasehold improvements and other items related to our technology platform and infrastructure, upgrading of our websites, creation of intangible software, and mobile platforms.

Off-Balance Sheet Arrangements

As of March 31, 2022, Yatra India had obtained INR 144.59 million in bank guarantees from ICICI, Yatra Freight had also obtained INR 0.17 million in bank guarantees from ICICI, and ATB had also obtained INR 93.06 million in bank guarantees from ICICI Bank Limited against any payment default by us to all airlines participating in the International Air Transport Association's bill settlement plan. During the fiscal year 2021-22, ATB had also obtained INR 0.30 million bank guarantee from ICICI Bank Limited in favor of one of the Customers. Yatra India had pledged deposits totaling INR 14.08 million for the purpose of providing guarantees to various Hotels and Packages suppliers.

As of March 31, 2021, Yatra India had obtained INR 103.72 million in bank guarantees from ICICI and ATB had also obtained INR 172.56 million in bank guarantees from ICICI Bank Limited against any payment default by us to all airlines participating in the International Air Transport Association's bill settlement plan. During the fiscal year 2020-21, ATB had also obtained INR 0.30 million bank guarantee from ICICI Bank Limited in favour of one of the Customers. Yatra India had pledged deposits totaling INR 32.18 million for the purpose of providing guarantees to various Hotels and Packages suppliers.

As of March 31, 2020, Yatra India had obtained INR 103.72 million in bank guarantees from ICICI and ATB had also obtained INR 172.56 million in bank guarantees from ICICI Bank Limited and insurance of INR 281.94 million from IFFCO Tokio GIC in favor of the International Air Transport Association, against any payment default by us to all airlines participating in the International Air Transport Association's bill settlement plan. During fiscal year 2019-20, ATB had also obtained INR 0.30 million bank guarantee from ICICI Bank Limited in favour of one of the Customer. ATB had pledged FDR totaling INR 34.81 million for providing Bank Guarantees. Additionally, Yatra India had pledged deposits totaling INR 31.36 million for the purpose of providing guarantees to various Hotels and Packages suppliers.

In fiscal year 2019, Yatra India entered into a debenture subscription agreement with BCCL, who agreed to subscribe to a non-convertible debenture for an aggregate consideration of subscription amount of INR 195,000 while the Company agreed to issue and allot the same aggregate principal amount of non-convertible debentures to BCCL in a private placement. Non-convertible debentures ("NCD") allotted to BCCL shall be redeemed at the redemption amount of INR 214,500, which is the sum of NCD Subscription Amount and the NCD Interest. The Company also entered into an advertisement agreement with BCCL wherein the Company has paid a deposit of a similar amount to BCCL. This deposit will be used for payments to be made in relation to advertisements released in properties owned and managed by BCCL.

Apart from the foregoing, we do not have any outstanding off-balance sheet derivative financial instruments, guarantees, interest rate swap transactions or foreign currency forward contracts. We do not engage in trading activities involving non-exchange traded contracts.

Contractual Obligations

Our contractual obligations as of March 31, 2022 are summarized below:

		Fiscal Year Ended March 31, 2022			
Contractual Obligations (Amount in INR thousands)	**Total**	**Less than 1 Year**	**1 - 3 Year**	**3 - 5 Year**	**More than 5 Year**
Operating expenditures*	106,920	106,920	-	-	-
Capital expenditures**	1,450	1,450	-	-	-
Vehicle loan	7,988	3,426	4,067	495	-
Trade and Other payables	24,37,317	23,94,712	42,605	-	-
Factoring	3,51,399	3,51,399	-	-	-
Other Current liabilities	5,12,877	5,12,877	-	-	-
Employee Benefit***	1,02,953	-	-	-	-
Lease liability****	398,659	74,457	134,964	104,620	84,618
Total	**3,919,563**	**3,445,241**	**181,636**	**105,115**	**84,618**

*Contractual commitments for operating expenditure relate to advertisement services.
** Contractual commitments for capital expenditure are relating to acquisition of computer software and websites, office equipment, furniture and fixtures.
*** Employee benefits in the statement of financial position reflects the employee benefit obligations. The extent of the amount and timing of repayment/settlement is not reliably estimable or determinable at present and accordingly has not been disclosed in the table above.
****Lease liabilities relate to our leasing arrangements for our various office premises.

Quantitative and Qualitative Disclosures about Market Risk

The Company's activities are exposed to variety of financial risk such as credit risk, foreign currency risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company reviews and agrees on policies for managing each of these risks which are summarized below:

Credit Risk. Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. See Note 40 to our 2022 Consolidated Financial Statements for additional information relating to our exposure to credit risk.

Liquidity Risk. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, we aim to maintain flexibility in funding by maintaining sufficient amounts in certificates of deposits with banks and keeping committed credit lines available.

The Group manages liquidity by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities. Based on our past performance and current expectations, we believe that the cash and cash equivalent and cash generated from operations will satisfy the working capital needs, funding of operational losses, capital expenditure, commitments and other liquidity requirements associated with our operations through at least the next 12 months. In addition, there are no transactions, arrangements and other relationships with any other person that are reasonably likely to materially affect the availability of the required of capital resources. See Note 40 to our 2022 Consolidated Financial Statements for additional information relating to our exposure to liquidity risk.

Foreign Currency Risk. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of the changes in foreign exchange rates. The Group operates through subsidiaries in India, Singapore and the United States. The functional currency of these subsidiaries is the local currency in the respective countries and accordingly there are no related significant foreign currency exposures. The Company currently does not have any hedging agreements or similar arrangements with any counter-party to cover its exposure to any fluctuations in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating transactions which are denominated in currency other than subsidiary's functional currency (foreign currency denominated receivables and payables). See Note 40 to our 2022 Consolidated Financial Statements for sensitivity analysis relating to our exposure to foreign risk.

New Accounting Standards and Interpretations Issued But Not Yet Effective as at March 31, 2022

The new standards, interpretations and amendments to Standards that are issued to the extent relevant to the Group, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these Standards, if applicable, when they become effective.

Amendments to IAS 1, "Presentation of Financial Statements" regarding classification of liabilities as current or non-current

In January 2020, the International Accounting Standards Board, or IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- what is meant by a right to defer settlement;
- that a right to defer must exist at the end of the reporting period;
- that classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual periods beginning on or after January 1, 2023 and must be applied retrospectively. Furthermore, the IASB proposed to defer the effective date of the 2020 amendments to no earlier than January 1, 2024.

The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendments to IAS 1, "Presentation of Financial Statements"

On February 12, 2021, the IASB issued amendments to IAS 1, Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments, which 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 January 1, 2023, although early adoption is permitted. These amendments are applicable to the Group for the annual reporting periods beginning on April 1, 2023. The Group is in the process of evaluating the impact of the amendment.

Amendments to IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors"

On February 12, 2021 the IASB issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which introduced a definition of 'accounting estimates' and included amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates and the correction of errors. Also, the IASB clarified how entities use measurement techniques and inputs to develop accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2023, although early adoption is permitted. These amendments are applicable to the Group for the annual reporting periods beginning on April 1, 2023. The Group is in the process of evaluating the impact of the amendment.

Amendments to IAS 12, "Income Taxes" regarding deferred tax related to assets and liabilities arising from a single transaction

In May 7, 2021, the IASB amended IAS 12 to provide a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that companies are required to recognize deferred tax on transactions such as leases and decommissioning obligations. The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2023, although early adoption is permitted. These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2023. The Group is in the process of evaluating the impact of the amendment.

Amendment to IAS 37, "Provisions, Contingent Liabilities and Contingent Assets"

On May 14, 2020, the IASB issued "Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)", amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment specifies 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 or an allocation of other costs that relate directly to fulfilling contracts. These amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application is permitted. These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2022. The Group is currently evaluating the impact of amendment to IAS 37 on its consolidated financial statements.

Amendments to IAS 16, "Property, Plant and Equipment"

On May 14, 2020 the IASB issued amendment to IAS 16 Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16) which amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2022, although early adoption is permitted.

These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2022. The Group is in process of evaluating the impact of the amendment.

IFRS 9 "Financial Instruments": Fees in the '10 per cent' test for derecognition of financial liabilities

● The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

● An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

● An entity applies the amendment for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

The amendment is applicable on the Group for annual reporting period beginning on April 1, 2022. The Group is in the process of evaluating the impact of the amendment.

Reference to the Conceptual Framework Amendments to IFRS 3**, "**Business Combinations"

In May 2020, the International Accounting Standards Board (IASB) issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989 (Framework), with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 (the Conceptual Framework) without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities andcontingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately.The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a presentobligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.This amendment is applicable for annual period beginning on or after January 1, 2022 although early adoption is permitted. These amendments are applicable onthe Group for annual reporting periods beginning on April 1, 2022. The Group is in the process of evaluating the impact of the amendment.

Certain Non-IFRS Measures

As certain parts of our revenue are recognized on a "net" basis and other parts of our revenue are recognized on a "gross" basis, we evaluate our financial performance based on Adjusted Revenue, which is a non-IFRS measure.

We believe that Adjusted Revenue provides investors with useful supplemental information about the financial performance of our business and more accurately reflects the value addition of the travel services that we provide to our customers. The presentation of this non-IFRS information is not meant to be considered in isolation or as a substitute for our unaudited condensed consolidated financial results prepared in accordance with IFRS as issued by the IASB. Our Adjusted Revenue may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

The following table reconciles our revenue, which is an IFRS measure, to Adjusted Revenue, which is a non-IFRS measure:

	Fiscal Year Ended March 31,														
	Air Ticketing			**Hotels and Packages**			**Other Services**			**Others**			**Total**		
Amount in INR thousands except %	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**
Revenue	2,609,518	893,039	1,150,474	3,601,798	173,397	520,740	53,958	31,426	146,178	994,081	173,406	171,984	7,259,355	1,271,268	1,989,376
Add.Customer promotional expenses	1,348,472	594,426	1,060,600	105,736	199,409	237,695	32,163	15,751	15,326	-	-	-	1,486,371	809,586	1,313,621
Service cost	-	-	-	(2,922,929)	(22,276)	(159,284)	-	-	-	-	-	-	(2,922,929)	(22,276)	(159,284)
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	159,631	132,045	158,648
Adjusted Revenue	**3,957,990**	**1,487,465**	**2,211,074**	**784,605**	**350,530**	**599,151**	**86,121**	**47,177**	**161,504**	**994,081**	**173,406**	**171,984**	**5,982,428**	**2,190,623**	**3,302,361**
% of revenue	100.0%	100.0%	100.0%	21.2%	94.0%	79.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	68.4%	105.3%	100.0%

In addition to referring to Adjusted Revenue, we also refer to Adjusted EBITDA Profit / (Loss), Adjusted Results from Operations, Adjusted Loss for the Period and Adjusted Basic and Adjusted Diluted Loss Per Share which are also non-IFRS measures. For our internal management reporting, budgeting and decision making purposes, including comparing our operating results to that of our competitors, these non-IFRS financial measures exclude employee share-based compensation cost, re-measurement of contingent consideration, *impairment of goodwill,* Impairment of loan to joint venture, listing and related expenses and change in fair value of warrants.

Our non-IFRS financial measures reflect adjustments based on the following:

- ***Employee share-based compensation cost:*** The compensation cost to be recorded is dependent on varying available valuation methodologies and subjective assumptions that companies can use while valuing these expenses especially when adopting IFRS 2 "*Share-based Payment*". Thus, the management team believes that providing non-IFRS financial measures that exclude such expenses allows investors to make additional comparisons between our operating results and those of other companies.

- ***Change in fair value of warrants:*** Consequent to consummation of the Business Combination, the Company assumed 34.67 million warrants having a right to subscribe for 17.33 million ordinary shares of the Company and the warrants issued to the Silicon Valley Bank and Macquarie Corporate Holdings PTY Limited. The accounting guidance requires that we record any change in the fair value of these warrants in consolidated statement of profit or loss and other comprehensive loss. We have excluded the effect of the implied fair value changes in calculating our non-IFRS financial measures.

  On December 16, 2021, at 5:00 p.m., New York time, outstanding warrants to purchase an aggregate of 17,337,500 of our ordinary shares expired by their original terms.

- ***Re-measurement of contingent consideration:*** The contingent consideration relates to the payment to be made under Business Combination Agreement, based on the certain performance conditions of the acquired business. The process was closed on July 29, 2020.

- ***Impairment of goodwill:*** The impairment cost to be recorded is dependent on varying available valuation methodologies and subjective assumptions that companies can use while valuing the fair value of the assets on the balance sheet date. Thus, the management believes that providing non-IFRS financial measures that exclude such expenses allows investors to make additional comparisons between our operating results and those of other companies.

- ***Impairment of loan to joint venture*** - The impairment cost to be recorded is dependent on varying available valuation methodologies and subjective assumptions that companies can use while valuing the fair value of the assets on the balance sheet date. Thus, management believes that providing non-IFRS financial measures that exclude such expenses allows investors to make additional comparisons between our operating results and those of other companies.

- ***Listing and related expenses*** - These primarily reflect the non-recurring expenses incurred on the Indian IPO process.

We evaluate the performance of our business after excluding the impact of above measures and believe it is useful to understand the effects of these items on our results from operations, loss for the period and basic and diluted loss per share. The presentation of these non-IFRS measures is not meant to be considered in isolation or as a substitute for our unaudited condensed consolidated financial results prepared in accordance with IFRS as issued by the IASB. These non-IFRS measures may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

A limitation of using Adjusted EBITDA Profit /(Loss), Adjusted Results from Operations, Adjusted Loss for the Period and Adjusted Basic and Adjusted Diluted Loss Per Share as against using the measures in accordance with IFRS as issued by the IASB are that these non-IFRS financial measures exclude share-based compensation cost, re-measurement of contingent consideration, *impairment of goodwill*, impairment of loan to joint venture, listing and related expenses, change in fair value of warrants and depreciation and amortization in case of Adjusted EBITDA Loss. Management compensates for this limitation by providing specific information on the IFRS amounts excluded from Adjusted EBITDA Loss, Adjusted Results from Operations, Loss for the Period and Adjusted Basic and Adjusted Diluted Loss Per Share.

The following table reconciles our Profit/(loss) (an IFRS measure) to Adjusted EBITDA (Loss) (a non-IFRS measure) for the periods indicated:

Reconciliation of Adjusted EBITDA Profit / (Loss)	**Fiscal Year ended March 31,**		
(Amount in thousands)	**2020**	**2021**	**2022**
Loss for the period as per IFRS	**(840,195)**	**(1,194,878)**	**(482,462)**
Employee share-based compensation costs	5,135	77,100	209,558
Depreciation & Amortization	666,369	749,480	308,153
Share of loss of joint venture	10,784	3,962	(41,616)
Finance income	(58,641)	(81,604)	(47,816)
Finance costs	193,287	117,252	100,453
Change in fair value of warrants	(94)	(378,994)	(32,756)
Remeasurement of contingent consideration	(390,009)	-	-
Impairment of goodwill	221,999	264,909	-
Impairment of loan to joint venture	-	-	72,719
Listing and related expenses	-	-	55,818
Income tax expense	69,805	64,096	16,906
Adjusted EBITDA Profit / (Loss)	**(121,560)**	**(378,677)**	**158,957**

The following table reconciles our results from operations (an IFRS measure) to Adjusted Results from Operations (a non-IFRS measure) for the periods indicated:

Reconciliation of Adjusted Results from Operations (Amount in thousands)	**Fiscal Year ended March 31, 2020**	**2021**	**2022**
Results from operations (as per IFRS)	**(625,054)**	**(1,470,166)**	**(431,473)**
Employee share-based compensation costs	5,135	77,100	209,558
Remeasurement of contingent consideration	(390,009)	-	-
Impairment of goodwill	221,999	264,909	-
Impairment of loan to joint venture	-	-	72,719
Adjusted Results from Operations	**(787,929)**	**(1,128,157)**	**(149,196)**

The following table reconciles profit/(loss) for the period (an IFRS measure) to Adjusted Loss for the Period (a non-IFRS measure) for the periods indicated:

Reconciliation of Adjusted Loss (Amount in thousands)	**Fiscal Year ended March 31, 2020**	**2021**	**2022**
Loss for the period (as per IFRS)	**(840,195)**	**(1,194,878)**	**(482,462)**
Employee share-based compensation costs	5,135	77,100	209,558
Net change in fair value of warrants	(94)	(378,994)	(32,756)
Remeasurement of contingent consideration	(390,009)	-	-
Impairment of goodwill	221,999	264,909	-
Employee share-based compensation costs	-	-	72,719
Listing and related expenses	-	-	55,818
Adjusted Loss for the Period	**(1,003,164)**	**(1,231,863)**	**(177,123)**

The following table reconciles basic and diluted earnings/(loss) per share (an IFRS measure) to Adjusted Basic and Diluted Loss Per Share (a non-IFRS measure) for the periods indicated:

Reconciliation of Adjusted Basic Loss (Per Share)	**Fiscal Year ended March 31, 2020**	**2021**	**2022**
Basic loss per share (as per IFRS)	**(17.94)**	**(20.38)**	**(7.66)**
Employee share-based compensation costs	0.11	1.32	3.32
Net change in fair value of warrants	-	(6.56)	(0.53)
Remeasurement of contingent consideration	(8.27)	-	-
Impairment of goodwill	4.71	4.52	-
Impairment of loan to joint venture	-	-	1.15
Listing and related expenses	-	-	0.88
Adjusted Basic loss Per Share	**(21.39)**	**(21.10)**	**(2.84)**

Reconciliation of Adjusted Diluted Loss (Per Share)	Fiscal Year ended March 31, 2020	2021	2022
Diluted loss per share (as per IFRS)	**(17.94)**	**(20.42)**	(7.66)
Employee share-based compensation costs	0.11	1.32	3.32
Net change in fair value of warrants	-	(6.48)	(0.53)
Remeasurement of contingent consideration	(8.27)	-	-
Impairment of goodwill	4.71	4.53	-
Impairment of loan to joint venture	-	-	1.15
Listing and related expenses	-	-	0.88
Adjusted Diluted loss Per Share	**(21.39)**	**(21.05)**	**(2.84)**

Safe Harbor

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act and as defined in the Private Securities Litigation Reform Act of 1995. See “Special Note Regarding Forward-Looking Statements.”

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information of our executive officers, directors and other key officers of the Company, and their ages as of the date hereof. Unless otherwise stated, the address for our directors and officers is Gulf Adiba, Plot No. 272, 4th Floor, Udyog Vihar, Phase II, Sector-20, Gurugram, Haryana-122008, India.

Name	Age	Position
Dhruv Shringi	48	Chief Executive Officer and Class III Director
Anuj Kumar Sethi(4)	53	Principal Financial Officer and Principal Accounting Officer
Manish Amin	56	Chief Information and Technology Officer
Sean Aggarwal(1)(2)	56	Non-Executive Class I Director
Neelam Dhawan(2)(3)	62	Non-Executive Class I Director
Stephen Schifrin (1)(2)(3)	39	Non-Executive Class II Director
Murlidhara Lakshmikantha Kadaba(1)(2)	60	Chairman of the Board and Non-Executive Class II Director
Roshan Mendis (1)(3)	49	Non-Executive Class I Director
Michael Kaufman	50	Non-Executive Class I Director

(1) Member of the audit committee.
(2) Member of the compensation committee.
(3) Member of nominating and corporate governance committee.
(4) Mr. Anuj Kumar Sethi is not a member of the Executive Management.

Executive Officers

Dhruv Shringi. Mr. Shringi is our co-founder and has served as our Chief Executive Officer since June 2008 and as a member of our Board since December 2005. Prior to joining our Company, Mr. Shringi was Director of Group Operations and Technology of the Ebookers Group, London from October 2003 to June 2005. From February 2002 to September 2003 Mr. Shringi served in the Strategy and Business Development team at Ford Motor Company in the UK, and from May 1994 to October 2000, he worked in the Audit & Business Consulting team of Arthur Anderson in their offices in India and London. He holds a B. Com (Hons.) degree from Delhi University, a Master of Business Administration degree from INSEAD and is also a qualified chartered accountant. Mr. Shringi is currently serving as the Board Member of Yatra Online Limited (formerly known as Yatra Online Private Limited) and Yatra USA Corp. and does not serve on the Board of any other Public Company. We believe Mr. Shringi is qualified to serve on our Board because of his extensive knowledge of the travel industry and his experience as our Chief Executive Officer.

Manish Amin. Mr. Amin is our co-founder and has served as our Chief Information and Technology Officer since January 2006. He also serves as a director of Yatra For Business Private Limited (Formerly known as Air Travel Bureau Private Limited), Yatra Corporate Hotel Solutions Private Limited, Yatra Hotel Solutions Private Limited, TSI Yatra Private Limited, Yatra Online Freight Services Private Limited, Yatra TG Stays Private Limited, Travel.Co.In Private Limited (formerly known as Travel.co.in Limited), which are subsidiaries of Yatra India and Middle East Travel Management Company Pvt. Ltd., Prior to joining our company, Mr. Amin worked at Ebookers, from June 1990 to November 2005 where his last role was Head of Technology Infrastructure. He holds a general certificate in business studies from South Thames College.

Anuj Kumar Sethi. Mr. Sethi appointed as Company's Principal Financial Officer and Principal Accounting Officer effective from October 18, 2019. He also serves as a director of Yatra For Business Private Limited (Formerly known as Air Travel Bureau Private Limited), TSI Yatra Private Limited, Yatra TG Stays Private Limited, and Travel.Co.In Private Limited (Formerly known as Travel.co.in Limited), which are subsidiaries of Yatra India, Adventure and Nature Network Private Limited, which is a joint venture of Yatra India and Asia Consolidated DMC Pte. Ltd.. Prior to joining our Company, Mr. Sethi was Sr. Director Finance at CWT India Private Ltd. He had worked with CWT India Private limited from April 2000 to December 2011. He has completed his course from the Institute of Cost and Works Accountants of India and B. Com degree from Punjab University.

Non-Executive Directors

Murlidhara Lakshmikantha Kadaba. Mr. Kadaba has served as a non-executive member of our Board since November 2016. Mr. Kadaba is the Chairman and Managing Director of Moonbeam Capital, a proprietary venture capital firm focused on luxury, real estate and e-commerce ventures. Mr. Kadaba has over 25 years of banking experience, with proven expertise in general management, marketing and product development across consumer banking, wealth management, consumer lending and payment products. Before becoming an entrepreneur, he served as the Group President and Chief Executive Officer of Financial Services at Reliance Payments Solutions Limited. Prior to this, Mr. Kadaba worked for American Express for eight years where he was the country manager for India and area countries. He was responsible for launching Amex's Consumer banking franchise and several credit cards in India. Earlier, Mr. Kadaba was VP and Head of Investment Products at Citibank-India. Mr. Kadaba has served on the boards of Amcham and the Financial Planning Standards Board. He is a member of the Advisory Board of the Indian Institute of Learning Management (IILM), is an active member of Young Presidents' Organization and a charter member of The Indus Entrepreneurs (TIE). Amongst others, Mr. Kadaba is currently serving as a Board Member of Big Tree (bookmyshow.com) and Yatra Online Limited. Mr. Kadaba is an alumnus of XRLI, Jamshedpur and is a graduate in Mechanical Engineering from Sri Jayachamarajendra, Mysore. We believe Mr. Kadaba is qualified to serve on our Board because of his knowledge of banking and finance, as well as his capital markets expertise.

Sean Aggarwal. Mr. Aggarwal has served as a non-executive member of our board of directors since March 2018. He is a current board member of Lyft, Inc., Arlo, Inc., Homelight, Inc. and the former CFO of Trulia, which he helped take public in 2012 and orchestrated its sale to Zillow Group Inc. in 2015. Prior to Trulia, Mr. Aggarwal held finance positions at Paypal Holdings Inc., eBay Inc., Amazon.com, Inc., PepsiCo, Inc. and Merrill Lynch Capital Markets. Mr. Aggarwal holds an MBA from Northwestern University's Kellogg School of Management. Mr. Aggarwal is well qualified to serve as a director due to his experience in capital markets and his role serving on the board of directors of another technology company. Mr. Aggarwal has resigned from the Board effective January 18, 2022.

Neelam Dhawan. Ms. Dhawan has served as a non-executive member of our Board since January 2019. She has been a member of the Board of ICICI Bank Limited since January 2018. She joined Board of Skylo Technologies in December 2020 and Capita PLC in March 2021. In her previous positions, Ms. Dhawan was a Managing Director of both Microsoft and Hewlett Packard in India and had been a member of NASSCOM's Executive Council from 2009 to 2017, where she made significant contributions to industry strategy and public policy frameworks. Ms. Dhawan also served as Vice President of Global Industries in Strategic Alliances & Inside Sales for the Asian Pacific region and Japan and for Hewlett Packard, Singapore from 2017-2018. Ms. Dhawan holds an MBA from the Faculty of Management Studies, Delhi, India. Ms. Dhawan is well qualified to serve on our Board due to her professional experience in executive positions and her service on the board of directors of other companies.

Roshan Mendis. Mr. Mendis is chief commercial officer and executive vice president, Travel Solutions at Sabre. Based in London, Mr. Mendis is responsible for overseeing global commercial operations and business development for Sabre's Travel Solutions customer portfolio - encompassing both agency and airline sales. In his previous role as chief commercial officer for Travel Network, Mr. Mendis built and developed a strong global team that oversaw sales activity for Sabre's global agency customer base.

Prior to this, he also led the successful integration of Abacus, a leading GDS in the Asia-Pacific region, which Sabre acquired in 2015. Under his leadership, Sabre's business in the region significantly expanded through strategic customer wins and renewals. Prior to his executive position in Travel Network, Mr. Mendis served as president of Travelocity and Zuji, both consumer-facing brands that were part of the Sabre portfolio.

A native of Sri Lanka, Mr. Mendis completed his undergraduate studies at Chaminade University of Honolulu and University of Cambridge (UK). He later earned his MBA at the Rice University in Houston, Texas. Mr. Mendis was appointed to the Board pursuant to a Cooperation agreement, dated January 17, 2022.

Stephen Schifrin. Mr. Schifrin has served as a non-executive member of our Board since May, 2021. Mr. Schifrin is general counsel of Terrapin Partners, LLC, a private firm focused on public and private equity, venture capital, and special purpose acquisition company investing. Mr. Schifrin is also general counsel and chief compliance officer of Terrapin Asset Management, LLC, managing alternative investments for high net worth individuals and institutions, and its affiliated specialty finance lending company, TICO Management Company, LP. Mr. Schifrin served as corporate secretary for Terrapin Acquisition Corp., a publicly traded Special Purpose Acquisition Company, from its initial public offering in July 2014 through the Business Combination Agreement. He has been an observer on the company's board since the transaction. Mr. Schifrin has been a director of Legacy Bank of Florida since 2014.

He received his J.D. from the University of Texas School of Law and interned for the Honorable Diana Saldaña, in the U.S. District Court for the Southern District of Texas. Mr. Schifrin received his Bachelor of the Arts in political science from the University of California, Santa Barbara. He is a member of the State Bar of California. We believe Mr. Schifrin is qualified to serve on our Board because of his knowledge of the capital markets and legal experience.

Michael Kaufman. Michael Kaufman is the Chief Executive Officer of MAK Capital, an investment advisory firm based in New York, which he founded in 2002. He is director and Chairman of the Board of Agilysys, Inc., and serves as a director for Skyline Champion Corporation, Trailhead Biosystems and AZP, LLC. Mr. Kaufman holds a B.A. degree in Economics from the University of Chicago, where he also received his M.B.A. degree. He also earned a law degree from Yale University. Mr. Kaufman was appointed to the Board pursuant to a Cooperation agreement, dated July 17, 2022.

B. Compensation

Non-Executive Director Compensation

We pay the reasonable costs and expenses incurred in connection with attending meetings of our Board and our committees. We currently pay a $47,000 annual base director's fee to each of our non-executive directors who are on the board of the Company. Our non-executive directors who serve on our audit committee, compensation committee, and nominating and corporate governance committee receive an additional cash retainer of $10,000 per year for membership in each of the above committees. We do not have service contracts with any of our non-executive directors that provide for benefits upon termination. Certain non-executive directors were also granted options to purchase 147,500 ordinary shares of the Company pursuant to the 2016 Stock Option and Incentive Plan. During the fiscal year ended March 31, 2022, the Company paid $139,184 to our non-executive directors as compensation as sitting fees and Yatra India paid INR 150 thousand to our non-executive directors as compensation as sitting fees. During the fiscal year ended March 31, 2022,, the Company has also issued 121,034 Restricted Stock Units, or RSUs to our non-executive directors as compensation.

Executive Director and Other Senior Management Compensation

The aggregate compensation, including benefits in kind, paid/accrued to our executive director and senior management for the year ended March 31, 2022, including benefits in kind but excluding any equity compensation, was INR 55.8 million. Dhruv Shringi, our executive director, is entitled to remuneration of INR 27.06 million per annum, including salary, dearness allowance, perquisites and other allowances, benefits, etc. and housing and maintenance of residence allowance of INR 12 million. He will be further be entitled to Gratuity, Mediclaim & Term Life Insurance etc. as per the rules of the Company. He will also be entitled to the perquisite value of Employee Stock Option/restricted stock Units/performance stock units granted by Company, contributions to provident fund as per the rules of our Company, Company provided car and encashment of un-availed leaves. The total remuneration paid to Dhruv Shringi for all services in all capacities to our Company, including contingent or deferred compensation accrued for the year during fiscal year 2022 is INR 168.1 million (including INR 140.5 million received as share-based payments from us). Anuj Kumar Sethi, our Principal Financial Officer and Principal Accounting Officer, received a gross compensation of INR 14.7 million (including INR 6.9 million received as share-based payments) in the last fiscal year. Manish Amin, our Chief Information Officer, received a gross compensation of INR 29.3 million (including INR 19.4 million received as share based payments from us) in the last fiscal year. We have not set aside or accrued any amounts to provide pension, retirement or similar benefits for our executive directors or other senior management. We have employment agreements with our senior management and executive directors that provide for benefits upon termination. We have also granted share options to our executive directors. For option grants to senior management, see "-Share Options and Restricted Stock Awards" below. During the year, the Company has granted 1,620,155 RSUs and PSUs to executive directors and senior management.

Share Options and Restricted Stock Awards

The two equity incentive plans described in this section are the Yatra Online, Inc. 2006 India Share Plan, or the 2006 Plan, and the 2016 Stock Option and Incentive Plan, or the 2016 Plan. As part of the Business Combination Agreement, we have granted 2 million restricted stock awards or RSAs to certain employees of the Company, out of which 74,458 RSAs vested through December 16, 2016. During the fiscal year 2018, the Company has modified the vesting condition such that one-quarter of the remaining unvested RSAs vested on June 30, 2017 and the remaining three-fourths of the RSA will thereafter vest in six equal quarterly installments, the final installment to vest on December 15, 2018. In connection with this change, these awards were converted to RSUs. During the fiscal year 2020, the Company deferred vesting of 643,147 RSUs until December 31, 2020, at which point they they vested in full.

The Company also granted 7,277 RSUs to certain employees of the Company on May 15, 2017. These RSUs vested in equal quarterly installments over four years, beginning on September 30, 2017 and finishing on June 30, 2021.

The Company also granted 20,000 RSUs to an employee of the Company on November 14, 2017. These RSUs vest over a period of four years, with one-tenth vesting on February 1, 2018 and the remaining RSUs vesting thereafter in quarterly installments of one-twelfth of the initial grant.

The Company also granted 203,194 stock options to certain employees of the Company on November 14, 2017. These stock options vest over a four-year period in equal quarterly installments, beginning on February 1, 2018 and finishing on November 1, 2021.

The Company also granted 480,000 RSUs to certain employees of the Company on January 30, 2018. These RSUs vested over a period of one year in equal quarterly installments, beginning on April 1, 2018. During the fiscal year 2020, the Company deferred vesting of 263,115 RSUs until December 31, 2020, at which point they have vested in full.

The Company also granted 140,000 stock options to a non-executive director of the Company on February 21, 2018. These stock options vested over two years in equal monthly installments, beginning on March 1, 2018 and finishing on February 1, 2020. The vesting of these options was subject to accelerate in full upon a Sale Event (as defined in the 2016 Plan).

The Company also granted 5,000 RSUs to an employee of the Company on March 23, 2018. One-quarter of these RSUs vested on April 1, 2018 and the remaining RSUs vested quarterly in installments of one-twelfth of the total RSUs, beginning on July 1, 2018 and finishing on April 1, 2021.

The Company also granted 21,769 stock options to certain employees of the Company on August 7, 2018. These stock options vest over a period of one year and four months in equal monthly installments commencing from first vesting on September 1, 2018 equivalent to one-sixteenth of the total number of stock options, with the last such vesting on June 1, 2022.

The Company also granted 7,500 stock options to a non-executive director of the Company on November 28, 2018. These stock options vested over a period of one year in equal monthly installments commencing from first vesting on January 1, 2019 equivalent to one-twelfth of the total number of stock options, with the last such vesting on December 1, 2019.

The Company has also granted 687,857 RSUs and 1,609,934 Performance Stock Units or PSUs to certain employees of the Company in June, 2020. These RSUs vest over a period of four years in equal monthly installments commencing from first vesting on July 1, 2020, with last such vesting on June 30, 2024. The vesting of the PSUs is linked to the performance of the Yatra share price and the trigger price points range from $1.80 to $10.00.

The Company has also granted 4,90,770 stock options to certain employees of the Company in January 2021. These stock options vest over a period of four years in equal quarterly installments commencing from first vesting on January 1, 2021 equivalent to one-sixteenth of the total number of shares underlying these stock options, with the last such vesting on October 1, 2024.

The Company also granted 692,000 RSUs and 1,280,154 PSUs to certain employees of the Company in June, 2021. These RSUs will vest over a period of four years in equal monthly installments commencing from first vesting on April 1, 2021, with last such vesting on March 1, 2025. The vesting of the PSUs is linked to the performance of the Yatra share price and the trigger price points range from $2.50 to $4.00.

2006 Plan

Our board of directors adopted the 2006 Plan to attract and retain appropriate personnel in our employment, to incentivize our employees and consultants and to promote the success of our business.

The 2006 Plan is administered by the compensation committee of our Board. Among other things, our compensation committee determines the terms and conditions of each option grant, including, but not limited to, the number of shares underlying options, exercise price, vesting period, exercise period, the fair market value of ordinary shares, forfeiture provisions, adjustments to be made to the number of shares underlying options and exercise price in the event of a change in capital structure or other corporate action, and satisfaction of any performance conditions.

We may grant awards to any of our employees, consultants or directors. The plan administrator determines the individuals eligible to participate in the 2006 Plan in accordance with criteria laid down by our Board from time to time. Under the 2006 Plan, we have reserved an aggregate of 1,316,765 of our Ordinary Shares.

Upon the occurrence of a change of control of our Company, the 2006 Plan provides that each outstanding option or share purchase right will be assumed, or an equivalent option or right will be substituted by the successor corporation or a parent or subsidiary of such successor corporation, unless the successor corporation does not agree to assume the award or to substitute an equivalent option or right, in which case such option or share purchase right will terminate upon the consummation of the change of control transaction. As on the date of this annual report, all the options granted under this plan are vested.

2016 Plan

On December 13, 2016, our Board approved the 2016 Plan and on December 15, 2016, our shareholders approved the 2016 Plan. The 2016 Plan enables our Company to make equity-based awards to its officers, employees, non-employee directors and consultants. The 2016 Plan provides for the grant of incentive share options, non-qualified share options, share appreciation rights, restricted share awards, restricted share units, unrestricted share awards, cash-based awards, performance share awards and dividend equivalent rights. As of March 31, 2022, we have reserved for issuance 7,754,936 authorized but unissued ordinary shares under the 2016 Plan, which shares are subject to an annual increase on January 1 of each year equal to three percent of the number of shares issued and outstanding on the immediately preceding December 31 or such lesser number of shares as determined by the administrator of the 2016 Plan. The 2016 Plan limits the number or value of shares that may be granted to any participant in any one calendar year, among other limits.

Cash Incentive Bonus Plan

On December 13, 2016, our Board adopted the Senior Executive Cash Incentive Bonus Plan, or the Bonus Plan. The Bonus Plan provides for cash bonus payments based upon the attainment of performance targets established by the compensation committee. The payment targets will be related to financial and operational measures or objectives with respect to our Company, which we refer to as corporate performance goals, as well as individual performance objectives.

The compensation committee may select corporate performance goals from among the following: total shareholder return; gross booking value; Adjusted Revenue; EBITDA; share compensation expense; net income (loss) (either before or after interest, taxes, depreciation and/or amortization); changes in the market price of our Ordinary Shares; economic value added; funds from operations or similar measure; sales, revenue or market share; acquisitions or strategic transactions; operating income (loss); cash flow (including, but not limited to, operating cash flow and free cash flow); return on capital, assets, equity or investment; return on sales, gross or net profit levels; productivity; expense margins; operating efficiency; customer satisfaction; working capital; earnings (loss) per share; and the number of customers, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group.

Each executive officer who is selected to participate in the Bonus Plan will have a target bonus opportunity set for each performance period. The Bonus Plan also permits the compensation committee to approve additional bonuses to executive officers in its sole discretion.

As of March 31, 2022, no cash incentive bonus has been granted.

In addition to the Bonus Plan described above, each of our executive officers is also entitled to receive a performance-linked bonus, or PLB, as part of his remuneration, based on the attainment of certain specific performance goals. We have historically paid a PLB to our executive officers and certain other employees.

Outstanding Options

During the fiscal year 2022, we have granted Nil stock options (March 31, 2021: Nil and March 31, 2020: Nil) to our directors and executive officers. As of March 31, 2022, outstanding options to purchase 199,620 ordinary shares were held by our directors and executive officers as set forth in the following table.

Shares Underlying Outstanding Options	Exercise Price	Grant Date	Expiry Date
192,120	$ 4.34	August 1, 2014	July 29, 2024
7,500	$ 5.5	November 28, 2018	December 27, 2022

Outstanding RSAs and RSUs

During the fiscal year 2017, 42,008 RSAs and 1,812,909 RSUs were granted, pursuant to the Business Combination Agreement, to our directors and executive officers, of which 42,008 RSAs and 1,169,762 RSUs fully vested as of March 31, 2019. The outstanding RSAs and RSUs granted to our directors and executive officers as of March 31, 2021 are as set forth in the following table:

Total RSAs Granted in Fiscal Year 2018	Shares Underlying Outstanding RSAs	Exercise Price
42,008	-	-

Total RSUs Granted in Fiscal Year 2018	Shares Underlying Outstanding RSUs	Exercise Price
1,812,909	-	-

During the year ended March 31, 2018, 504,796 RSUs were granted under our 2016 plan to our directors and executive officers, of which 211,681 fully vested and 10,000 got cancelled as of March 31, 2019. The outstanding RSUs to our directors and executive officers as of March 31, 2021 are as set forth in the following table:

Total RSUs Granted in Fiscal Year 2018	Shares Underlying Outstanding RSUs	Exercise Price
504,796	-	-

During the year ended March 31, 2021, 654,142 RSUs and 1,459,679 PSUs were granted under our 2016 Plan to our directors and executive officers, of which 1,187,824 fully vested as of March 31, 2022. The outstanding RSUs and PSUs to our directors and executive officers as of March 31, 2022 are as set forth in the following table:

Total RSUs and PSUs Granted in Fiscal Year 2021	Shares Underlying Outstanding RSUs and PSUs
1,994,274	925,997

During the year ended March 31, 2022, 626,034 RSUs and 1,115,155 PSUs were granted under our 2016 Plan to our directors and executive officers, of which 247,284 fully vested as of March 31, 2022. The outstanding RSUs and PSUs to our directors and executive officers as of March 31, 2022 are as set forth in the following table:

Total RSUs and PSUs Granted in Fiscal Year 2022	Shares Underlying Outstanding RSUs and PSUs
1,620,155	1,493,905

Employee Benefit Plans

We maintain employee benefit plans in the form of certain statutory and incentive plans covering substantially all of our employees. For fiscal years 2020, 2021 and 2022, the aggregate amount set aside or accrued by us to provide for pension or retirement benefits for all of our employees (including our directors and executive officers), which amount consists of the Provident Fund and gratuity disclosed below, was INR 112.3 million, INR 44.6 million and INR 51.6 million, respectively.

Provident Fund

In accordance with Indian law, all of our employees in India are entitled to receive benefits under the Employees' Provident Fund Scheme, 1952, as amended, a retirement benefit scheme under which an amount equal to 12% of the basic salary of an employee is contributed both by the employer and the employee in a government fund. We make a monthly deposit to a government fund and have contributed an aggregate of INR 86.7 million, INR 30.3 million and INR 37.9 million in fiscal years 2020, 2021 and 2022, respectively.

Gratuity

In accordance with Indian law, we pay gratuity to our eligible employees in India. Under our gratuity plan, an employee is entitled to receive a gratuity payment on the termination of his or her employment if the employee has rendered continuous service to our Company for not less than five years, or if the termination of employment is due to death or disability. The amount of gratuity payable to an eligible employee is equal to 15 days' salary for every year of employment (or any portion of a year exceeding six months), and currently as per the Payment of Gratuity Act of 1972, the maximum amount of gratuity payable is INR 2 million. We have paid gratuity to our employees in the aggregate amount of INR 25.6 million, INR 14.3 million and INR 13.9 million in fiscal years 2020, 2021 and 2022, respectively.

Employment Agreements with Executive Officers

We have entered into employment agreements with certain of our key employees.

Mr. Shringi entered into an employment agreement with us on January 1, 2006. The agreement contains customary provisions regarding non-competition, non-solicitation, confidentiality of information and assignment of inventions. We and Mr. Shringi are each obligated to provide the other party with three months' written notice to terminate the employment relationship. Alternatively, in lieu of providing three months' notice, we may elect to pay Mr. Shringi a lump sum equal to his base salary for the notice period. Such notice period and termination benefits do not apply in the event that Mr. Shringi is terminated by us for any one of the reasons enumerated in the agreement.

Mr. Amin has also entered into employment agreements with us, which agreements contain customary provisions regarding non-competition, non-solicitation, confidentiality of information and assignment of inventions. We and each of the executives are obligated to provide the other party with three months' written notice to terminate the employment relationship. Alternatively, in lieu of providing three months' notice, we may elect to pay the executive a lump sum equal to his base salary for the notice period. Such notice period and termination benefits do not apply in the event that such executive is terminated by us for any one of the reasons enumerated in the agreement.

C. Board Practices

Board of Directors

Our board of directors is comprised of six directors, at least a majority of whom qualify as "independent" directors under the listing standards for independence of Nasdaq and Rule 10A-3 under the Exchange Act. Our board of directors has determined that the following directors are independent: Stephen Schifrin, Murlidhara Lakshmikantha Kadaba, Roshan Mendis, Neelam Dhawan and Michael Kaufman.

On January 17, 2022, the Company entered into a Cooperation Agreement (the "Cooperation Agreement") with The 2020 Timothy J. Maguire Investment Trust (the "Investor Group") regarding, among other matters, the composition of the Board of Directors of the Company (the "Board"). Pursuant to the Cooperation Agreement, the Company agreed and appointed, Mr. Roshan Mendis as Director on the Board.

On July 17, 2022, the Company entered into a Cooperation Agreement (the "Cooperation Agreement") with MAK Capital One L.L.C. (the "Investor Group") regarding, among other matters, the composition of the Board of Directors of the Company (the "Board"). Pursuant to the Cooperation Agreement, the Company agreed and appointed, Mr. Michael Kaufman as Director on the Board.

Our Articles of Association provide for a board of directors consisting of no less than one director, with all directors divided into three classes with staggered three-year terms. At each annual general meeting of our shareholders, the election or re-election of directors following the expiration of the term of office of the directors of that class of directors will be for a term of office that expires at the third annual general meeting following such election or re-election. Each director so elected will hold office until the annual general meeting of our shareholders for the year in which his or her term expires, unless the tenure of such director expires earlier pursuant to the Companies Law or unless he or she resigns on his or her own or is removed from office as described below.

- the Class I directors are Roshan Mendis, Michael Kaufman and Neelam Dhawan and their terms will expire at our annual meeting of shareholders to be held in 2023. Mr. Sean Aggarwal resigned on January 18, 2022 with immediate effect;

- the Class II directors are Stephen Schifrin and Murlidhara Lakshmikantha Kadaba, and their terms will expire at our annual meeting of shareholders to be held in 2024; and

- the Class III director is Dhruv Shringi whose term is to expire at our annual general meeting to be held on August 24, 2022, and he is proposed to be re-appointed as Class III Director to the Board of Directors to serve for a three-year term expiring at the 2025 annual general meeting:

A director may be re-elected to serve for an unlimited number of terms. As a result of the staggered terms, not all of our directors will be elected in any given year.

The directors are appointed by the general meeting of shareholders. A director may be removed for cause by a resolution passed by a majority of the votes cast by those present in person or by proxy at a meeting and who are entitled to vote. Our board of directors may also, in certain circumstances, appoint additional directors. In addition, the Terrapin Sponsors and certain of our investors and executive officers, in certain circumstances, will have the right to designate individuals to be nominated for election to serve as our directors and to appoint at least one director to serve on each committee of our Board. Each of MIHI LLC and the Terrapin Sponsors shall also have the right to designate one representative to attend our Board meeting in a nonvoting observer capacity. MIHI LLC and the Terrapin Sponsors shall cease to have board observation rights when they no longer own at least 5% of our outstanding ordinary shares.

As of March 31, 2020, consistent with our home country practice, we determined not to hold annual general meetings. We have not held an annual general meeting since our December 12, 2018 annual general meeting and board members whose three-year term would have otherwise expired have continued in their positions as directors until our next annual general meeting is held. However, the Company has scheduled its 2022 annual general meeting on August 24, 2022 which includes the amendment of Memorandum and Articles of Association of the Company which inter alia provides for holding its annual general meeting in each calendar year.

The primary responsibility of the executive director, Dhruv Shringi, is to manage our Company. The primary responsibility of the non-executive directors is to supervise the policies of the executive director and senior management and the affairs of our Company and our affiliated enterprises. In addition, the non-executive directors assist the executive director and senior management by providing advice.

Executive officers are selected by and serve at the discretion of the board of directors.

Committees of the Board of Directors

We have an audit committee, a compensation committee and a nominating and corporate governance committee. Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

Audit Committee

The current members of our audit committee are Murlidhara Kadaba, Stephen Schifrin and Roshan Mendis with Mr. Kadaba serving as its chairman. All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and Nasdaq and all members of our audit committee are “independent” as that term is defined in the Nasdaq Listing Rules. All the members of the Audit Committee are “audit committee financial experts” as defined under the applicable rules of the SEC. The audit committee operates under a written charter that satisfies the applicable standards of the SEC and Nasdaq. Our audit committee’s responsibilities include:

- overseeing our corporate accounting and financial reporting process;
- evaluating the independent auditors’ qualifications, independence and performance;
- determining the engagement of the independent auditors;
- reviewing and approving the scope of the annual audit and the audit fee;
- discussing with management and the independent auditors the results of the annual audit and the review of our quarterly financial statements;
- approving the retention of the independent auditors to perform any proposed permissible non-audit services;
- monitoring the rotation of partners of the independent auditors on our engagement team as required by law;
- reviewing our critical accounting policies and estimates;
- overseeing our internal audit function; and
- annually reviewing the audit committee charter and the audit committee’s performance.

The audit committee operates under a written charter adopted by our Board, a current copy of which is available on our website at *www.yatra.com.*

Compensation Committee

The current members of our compensation committee are Neelam Dhawan, Murlidhara Kadaba and Stephen Schifrin. Our board of directors has determined that all members of our Compensation Committee are "non-employee directors" for purposes of Rule 16b-3 under the Exchange Act and "outside directors" for purposes of Section 162(m) of the IRS Code. Our compensation committee reviews and recommends policies relating to compensation and benefits of its officers and employees. The compensation committee's responsibilities include:

- reviewing and approving corporate goals and objectives relevant to compensation of our chief executive officer;
- evaluating the performance of our chief executive officer in light of those goals and objectives;
- setting the compensation of our chief executive officer based on such evaluations;
- determining the compensation of all our executive officers other than the chief executive officer and reviewing periodically the aggregate amount of compensation being paid or potentially payable to the Company's officers;
- reviewing and making recommendations to the board with regard to incentive-based compensation plans and equity-based plans for the Company's executive officers; and
- reviewing and evaluating, at least annually, the performance of the compensation committee and its members, including compliance of the compensation committee with its charter.

The compensation committee operates under a written charter adopted by our Board, a current copy of which is available on our website at *www.yatra.com.*

Nominating and Corporate Governance Committee

The current members of our nominating and corporate governance committee are Stephen Schifrin, Roshan Mendis and Ms. Neelam Dhawan with Ms. Dhawan serving as its chairperson. The nominating and corporate governance committee's responsibilities include:

- making recommendations to our Board regarding candidates for directorships and the structure and composition of our Board;
- recommending to the board criteria for board and committee membership;
- developing and recommending to the board a set of corporate governance guidelines applicable to the Company, periodically reviewing such guidelines and recommending any changes thereto;
- overseeing the evaluation of the board and management;
- reporting and making recommendations to our Board concerning governance matters; and
- reviewing and evaluating, at least annually, the performance of the nominating and corporate governance committee.

The nominating and corporate governance committee operates under a written charter adopted by our Board, a current copy of which is available on our website at *www.yatra.com*.

Foreign Private Issuer Exemptions

We are a "foreign private issuer" under the securities laws of the United States and the rules of the Nasdaq. Under the securities laws of the United States, "foreign private issuers" are subject to different disclosure requirements than U.S. domiciled registrants. We intend to take all actions necessary to maintain compliance as a foreign private issuer under the applicable corporate governance requirements of the Sarbanes-Oxley Act of 2002, the rules adopted by the SEC and under the Nasdaq's listing standards. Under the Nasdaq rules, a "foreign private issuer" is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of the Nasdaq permit a "foreign private issuer" to follow its home country practice in lieu of the listing requirements of Nasdaq. Accordingly, in the future you may not have the same protections afforded to shareholders of companies that are subject to all of the Nasdaq corporate governance requirements.

Corporate Governance Guidelines

Our board of directors has approved a set of general guidelines that provide the framework for our corporate governance. The board will review these guidelines and other aspects of our corporate governance periodically, as necessary. Our Corporate Governance Guidelines can be found on our website at *www.yatra.com*.

Code of Business Conduct and Ethics

Our board of directors has adopted a Code of Business Conduct and Ethics, or the Code of Conduct. Our Code of Conduct documents the principles of conduct and ethics to be followed by our directors, officers and employees when conducting our business and performing their day-to-day duties. The purpose of our Code of Conduct is to promote honest and ethical conduct, compliance with applicable governmental rules and regulations, prompt internal reporting of violations of the Code of Conduct and a culture of honesty and accountability. A copy of the Code of Conduct has been provided to each of our directors, officers and employees who are required to acknowledge that they have received and will comply with the Code of Conduct. We intend to disclose any material amendments to the code, or any waivers of its requirements, in our public SEC filings and/or on our website in accordance with applicable SEC and Nasdaq rules and regulations. Our Code of Conduct can be found on our website at *www.yatra.com*.

Disclosure Committee

We maintain a disclosure committee consisting of members of our executive management. The purpose of the disclosure committee is to oversee our system of disclosure controls and assist and advise the Chief Executive Officer and Principal Financial Officer and Principal Accounting Officer in making the required certifications in SEC reports. The disclosure committee was established to bring together on a regular basis representative from our key business units and employees involved in the preparation of our financial statements to discuss any issues or matters of which the members are aware that should be considered for disclosure in our public SEC filings and review our draft periodic SEC reports prior to filing. The disclosure committee reports to our Chief Executive Officer and Principal Financial Officer and Principal Accounting Officer.

D. Employees

See “Item 4. Information on the Company-B. Business Overview-Employees.”

E. Share Ownership

The following table sets forth the beneficial ownership of:

- each person who, to our knowledge, is the beneficial owner of more than 5% of our outstanding share capital;
- each of our present directors;
- each of our executive officers serving during the 2022 fiscal year; and
- all of our current directors and executive officers as a group.

Beneficial ownership has been determined as of March 31, 2022. Except as otherwise indicated, each person or entity named in the table is expected to have sole voting and investment power with respect to all shares attributable to such person. Beneficial ownership for the purposes of this table is determined in accordance with the rules and regulations of the SEC. These rules generally provide that a person is the beneficial owner of securities if such person has or shares the power to vote or direct the voting thereof, or to dispose or direct the disposition thereof or has the right to acquire such powers within 60 days. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we included shares issuable pursuant to options and/or warrants held by that person that are currently exercisable or that are exercisable within 60 days. These shares, however, were not deemed outstanding for the purpose of computing the percentage ownership of any other person.

The information presented in the table below is based on 62,566,964 of our Ordinary Shares issued and outstanding on March 31, 2022 and assumes the conversion into Ordinary Shares of all (i) Yatra USA Class F Shares, (ii) Class A non-voting Shares and (iii) Class F Shares.

Name of Beneficial Owners(1)(2)	Number of Shares Beneficially Owned	Percentage of Outstanding Shares
5% Shareholders:		
Entities Affiliated MAK Capital One L.L.C.(7)	11,434,913	18.28%
Entities Affiliated with Altai Capital Management, LLC(4)	4,876,755	7.79%
Entities Affiliated with Nathan Leight(3)	3,664,442	5.86%
Entities Affiliated with The 2020 Timothy J. Maguire Investment Trust (5)	4,525,357	7.23%
Entities Affiliated with Catamount Strategic Advisors, LLC(6)	3,578,809	5.72%
Executive Officers and Directors:		
Dhruv Shringi(8)	1,873,916	2.99%
Manish Amin(9)	797,864	1.27%
Murlidhara Lakshmikantha Kadaba(10)	59,728	[*]%
Neelam Dhawan(11)	64,428	[*]%
Roshan Mendis(12)	5,906	[*]%
Stephen Schifrin(13)	81,177	[*]%
All directors and officers as a group (6 persons)	2,883,019	4.39%

*Less than 1 percent.

(1) Unless otherwise noted, the business address of each of the persons and entities listed above is c/o Yatra Online, Inc., Gulf Adiba, Plot No. 272, 4th Floor, Udyog Vihar, Phase II, Sector-20, Gurugram, Haryana-122008, India, India.

(2) In fiscal year 2021 Nantahala Capital Management, LLC reduced its holdings from 6.44% to 0 of the Company's Equity Securities.

(3) Based on the Schedule 13G/A filed with the SEC on February 14, 2022 (i) 395,000 Ordinary Shares held by Apple Orange LLC; (ii) 1,215,744 Yatra USA Class F Shares (each exchangeable for one Ordinary Share at any time at the option of the holder) and 1,215,744 Class F Shares (each convertible into 0.00001 of an Ordinary Share upon the exchange of a parallel Yatra USA Class F Share), held by Apple Orange LLC; (iii) 28,030 Yatra USA Class F Shares (each exchangeable for one Ordinary Share at any time at the option of the holder) and 28,030 Class F Shares (each convertible into 0.00001 of an Ordinary Share upon the exchange of a parallel Yatra USA Class F Share), held by Terrapin Green; (iv) 422,668 Yatra USA Class F Shares (each exchangeable for one Ordinary Share at any time at the option of the holder) and 422,668 Class F Shares (each convertible into 0.00001 of an Ordinary Share upon the exchange of a parallel Yatra USA Class F Share), held by Terrapin Employee Partnership; (v) 557,500 Ordinary Shares held by the Trust; (vi) 550,000 Ordinary Shares held by Argyle;(vii) 327,000 Ordinary Shares held by Candlemaker; (viii) 158,500 Ordinary Shares held by We Deserve Better, LLC; and (x) 10,000 Ordinary Shares held directly by Nathan Leight. Mr. Leight is the sole managing member of (a) Apple Orange LLC, which is the sole managing member of Terrapin Green, (b) Candlemaker Management LLC, which is the general partner of Candlemaker, (c) We Deserve Better, LLC, and (d) Terrapin Employee Partnership and Mr. Leight has sole voting and dispositive control over securities held by Apple Orange LLC, Candlemaker, We DeserveBetter, LLC, Terrapin Green, and Terrapin Employee Partnership. Mr. Leight's children are the beneficiaries of the Trust and his wife is the trustee. Apple Orange LLC is the sole managing member of Terrapin Green and has sole voting and dispositive control over the securities held by Terrapin Green. Apple Orange LLC disclaims beneficial ownership of such securities except to the extent of its respective pecuniary interest therein. Mr. Leight is the sole managing member of (a) Apple Orange LLC, which is the sole managing member of Terrapin Green, (b) Candlemaker Management LLC, which is the general partner of Candlemaker, (c) We Deserve Better, LLC, and (d) Terrapin Employee Partnership and Mr. Leight has sole voting and dispositive control over securities held by Apple Orange LLC, Candlemaker, We Deserve Better, LLC, Terrapin Green, and Terrapin Employee Partnership. Mr. Leight's children are the beneficiaries of the Trust and his wife is the trustee. The Trust is the sole managing member of Argyle and has sole voting and dispositive control over the securities held by Argyle. The Trust disclaims beneficial ownership of such securities except to the extent of its respective pecuniary interest therein. Mr. Leight may be deemed the beneficial owner of the securities held by Apple Orange LLC, Terrapin Green, Terrapin Employee Partnership, the Trust, Argyle, Candlemaker, and We Deserve Better, LLC. Mr. Leight disclaims beneficial ownership of such securities except to the extent of his respective pecuniary interest therein. Mr. Leight's children are the beneficiaries of the Leight Family 1998 Irrevocable Trust and his wife is the trustee. The Leight Family 1998 Irrevocable Trust is the sole managing member of Argyle Investors LLC and has sole voting and dispositive control over the securities held by Argyle Investors LLC. The business address for each of these entities and Mr. Leight is 3725 Leafy Way, Miami, Florida 33133.

(4) Based solely on the Schedule 13D filed on February 11, 2021 and the 13D/A filed May 13, 2021 with the SEC by Altai Capital Management, L.P. (the "Investment Manager"), Altai Capital Management, LLC ("IMGP") and Rishi Bajaj. Consists of 4,876,755 Ordinary Shares held for the account of Altai Capital Osprey, LLC ("Osprey") and accounts separately managed by Investment Manager (the "Separately Managed Accounts"). Investment Manager serves as investment manager to each of Osprey and the Separately Managed Accounts. Each of Investment Manager, IMGP and Mr. Bajaj may be deemed to have voting and dispositive power over the Ordinary Shares held for the account of Osprey and the Separately Managed Accounts. Prior to the fiscal year ending in March 31, 2021, the Entities Affiliated with Altai Capital Management, L.P owned 5.91% of the Company's Equity Securities. During the fiscal year ending in March 31, 2022, the Entities Affiliated with Altai Capital Management, L.P increased their holdings to 7.79% of the Company's Equity Securities. The business address of Investment Manager, IMGP and Mr. Bajaj is 4675 MacArthur Court, Suite 590, Newport Beach, California 92660.

(5) Based solely on the Schedule 13D filed with the SEC on April 8, 2021 and the Schedule 13D/A filed May 13, 2021, July 27, 2021 and January 24, 2022 by (i) The 2020 Timothy J. Maguire Investment Trust (the "2020 Maguire Investment Trust"), (ii) Christopher J. Maguire, (iii) Megan Maguire Nicoletti and (iv)Timothy J. Maguire. Mr. Christopher J. Maguire and Ms. Nicoletti, as members of the Investment Committee of the 2020 Maguire Investment Trust, may be deemed to beneficially own the Shares beneficially owned by the 2020 Maguire Investment Trust. Mr. Timothy J. Maguire, as the investment manager of the 2020 Maguire Investment Trust, may be deemed to beneficially own the Shares beneficially owned by the 2020 Maguire Investment Trust. Each Reporting Person disclaims beneficial ownership with respect to any Shares other than the Shares owned directly by such Reporting Person. Mr. Christopher J. Maguire and Ms. Nicoletti have the shared power to vote or direct the vote of the Shares reported owned by the 2020 Maguire Investment Trust. Mr. Timothy J. Maguire has the sole power to dispose or direct the disposition of the Shares reported owned by the 2020 Maguire Investment Trust. Prior to the fiscal year ending in March 31, 2021, the Entities Affiliated with The 2020 Timothy J. Maguire Investment Trust owned fewer than 5% of the Company's Equity Securities. During the fiscal year ending in March 31, 2022, the Entities Affiliated with The 2020 Timothy J. Maguire Investment Trust increased their holdings to 7.23% of the Company's Equity Securities.

(6) Based solely on the Schedule 13D filed with the SEC on May 25, 2021 by (i) Catamount Strategic Advisors, LLC, (ii) Cobb Sadler and (iii) Catamount Fund, LP. Catamount has sole voting and dispositive power over the Shares held by Catamount Fund, LP. Mr. Sadler has sole voting and dispositive power over the Ordinary Shares reported by him. Prior to the fiscal year ending in March 31, 2021, the Entities Affiliated with Catamount Strategic Advisors, LLC owned fewer than 5% of the Company's Equity Securities. During the fiscal year ending in March 31, 2022, the Catamount Strategic Advisors, LLC increased their holdings to 5.72% of the Company's Equity Securities.

(7) Based on the Schedule 13G/A filed with the SEC by MAK Capital One L.L.C., Michael A. Kaufman ("Mr. Kaufman") and MAK Capital Fund LP ("MAK Fund") on February 16, 2020, November 9, 2020 and February 12, 2021 respectively. Consists of 11,434,913 Ordinary Shares. Prior to the fiscal year ending in March 31, 2021, the Entities Affiliated MAK Capital One L.L.C., owned 5.91% of the Company's Equity Securities. During the fiscal year ending in March 31, 2022, the Entities Affiliated MAK Capital One L.L.C. increased their holdings to 18.27% of the Company's Equity Securities. The principal business address of (i) MAK Capital and Mr. Kaufman is 590 Madison Avenue, Suite 2401, New York, NY 10022; and (ii) MAK Fund is c/o Wakefield Quin, Victoria Place, 31 Victoria Street, Bermuda.

(8) Consists of 1,701,080 Ordinary Shares and options to purchase 172,836 Ordinary Shares that are exercisable within 60 days of March 31, 2022.

(9) Consists of 780,580 Ordinary Shares and options to purchase 17,284 Ordinary Shares that are exercisable within 60 days of March 31, 2022.

(10) Consists of 59,728 Ordinary shares.

(11) Consists of 56,928 Ordinary Shares and options to purchase 7,500 Ordinary Shares that are exercisable within 60 days of March 31, 2022.

(12) Consists of 5,906 Ordinary Shares.

(13) Consists of 31,177 Ordinary Shares and 50,000 Class F Shares. In addition, he is a Investment Manager of a Company in which he has no economic interest that owns an additional 36,329 shares.

Significant Changes

To our knowledge, the Company is not directly or indirectly owned or controlled by another corporation, by any foreign government or by any other natural or legal person severally or jointly.

As of June 30, 2022, we estimate that:

- approximately 92% of our outstanding ordinary shares were held in the United States by 9 holders of record (the United States record holders include Cede & Co., the nominee of the Depositary Trust Company),
- approximately 100% of our outstanding Class F Shares were held in the United States by approximately 16 holders of record, and
- approximately 100% of our outstanding Class A Shares were held in the United States by 2 holders of record.

The number and the U.S. residence of record holders of our Ordinary Shares may not be representative of the number of beneficial owners or where the beneficial owners have residence because it includes beneficial owners whose shares are held in street name by brokers and other nominees.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

See “Item 6. Directors, Senior Management and Employees-E. Share Ownership.”

B. Related Party Transactions

Our audit committee charter requires our audit committee to review all related party transactions on an ongoing basis and for all such transactions to be approved by our audit committee. The following is a summary of our related party transactions.

Preload Agreement with Reliance Retail Ltd.

On September 26, 2016, the subsidiary of the group Yatra India entered into a preload agreement (“Preload Agreement”) with Reliance Retail Ltd (“Reliance Retail”). Pursuant to the Preload Agreement, Reliance Retail Ltd. had agreed to pre-install the Yatra mobile applications on Reliance Jio LYF smartphones for consideration to be settled in equity shares of Yatra India. Any invoiced amounts by Reliance Retail, will bear interest at a rate of 15% per year from the date of invoice until the date of equity settlement. The agreement remained in effect until September 5, 2019.

On May 16, 2020, Yatra Online and the subsidiary of the Group, entered into a share subscription agreement (“Share Subscription Agreement”) with Reliance Retail, whereas Yatra India agreed to pay Reliance through the issuance of equity shares of Yatra India, which was swappable into the Ordinary Shares of the Company pursuant to the terms of such Share Subscription Agreement.

Pursuant to Share Subscription Agreement, on September 29, 2021, Reliance Retail was allotted 9,539 Equity Shares of the face value of INR. 10/- each against the liability.

Investor Rights Agreement

On December 16, 2016, we entered into the Investor Rights Agreement with MIHI LLC, the Terrapin Sponsors and certain other Terrapin 3 Acquisition Corp. stockholders and Yatra shareholders who will own our Ordinary Shares upon consummation of the Business Combination Agreement. Pursuant to the terms of the Investor Rights Agreement, once we became eligible to use Form F-3 or its successor form, we became obligated to file a shelf registration statement to register the resale of certain of our Ordinary Shares issued in connection with the Business Combination Agreement. The Investor Rights Agreement also provide such shareholders with demand, “piggy-back” and Form F-3 registration rights, subject to certain minimum requirements and customary conditions. Shareholders will be entitled to make one demand for registration of ordinary shares, except for certain Yatra shareholders will be entitled to make three demands.

The Investor Rights Agreement also provides the Terrapin Sponsors the right to nominate an individual for election to our Board upon the resignation, removal, death or disability of the director initially designated by them pursuant to the terms of the Business Combination Agreement, as well as the right to re-nominate such director two successive times. The Investor Rights Agreement also provides certain of our investors and our executive officers, Dhruv Shringi and Manish Amin, the right to nominate an individual for election to our Board upon the resignation, removal, death or disability of any of the directors initially designated by our Company pursuant to the terms of the Business Combination Agreement, as well as the right to re-nominate any of such directors who are Class I or Class II directors two successive times and the right to re-nominate any of such directors who are Class III directors one time or to designate a replacement for any such director. Subject to applicable law and applicable stock exchange rules, until such time as there is no director designated by the Terrapin Sponsors or no director designated by our Company pursuant to the terms of the Business Combination Agreement, we are required to take all necessary action to cause at least one director nominated by the Terrapin Sponsors and at least one director nominated by our investors to be appointed to each committee of our Board. The Investor Rights Agreement also provides each of MIHI LLC and the Terrapin Sponsors the right to designate one representative to attend our Board meeting in a nonvoting observer capacity. MIHI LLC and the Terrapin Sponsors shall cease to have board observation rights when they no longer own at least 5% of our outstanding ordinary shares.

Transactions pursuant to Service Agreements

Pursuant to service agreements with the below mentioned companies (along with their affiliates) that have a significant influence on the Group, we have provided travel and trade related services of INR Nil, INR Nil and INR Nil in fiscal years 2022, 2021 and 2020 respectively:

a. Network 18 Media and Investment Ltd. and group companies
b. Reliance Capital Limited and its group companies
c. IDG Ventures India Advisors Private Limited

The Company has also availed the insurance and communication services of Reliance General Insurance Company Limited, Reliance Jio Infocomm Limited and Reliance Infocomm Limited at a cost of INR Nil, INR 649 and INR 698 in fiscal years 2022, 2021 and 2020, respectively.

These entities were related party till March 31, 2021.

Exchange and Support Agreement

On December 16, 2016, we entered into an Exchange and Support Agreements with Terrapin Acquisition Corp. (which is now known as Yatra USA Corporation) and holders of Class F common stock of Terrapin Acquisition Corp. (“Exchange and Support Agreement”). Pursuant to the Exchange and Support Agreement, commencing on November 16, 2017, holders of Terrapin Acquisition Corp.’s Class F common stock (which, pursuant to the Business Combination Agreement, is now Yatra USA Class F Shares) have the right from time to time to exchange any or all of what are nor Yatra USA Class F Shares for the same amount of our Ordinary Shares. Upon any such exchange, an equal number of our Class F Shares held by such exchanging shareholders will also be converted by us into 0.00001 of our Ordinary Share for each Class F Share converted. The right to make such exchange will expire on December 16, 2021.

However, on December 16, 2021, parties have entered into Amendment No. 1 to the Exchange and Support Agreement (the “Amendment”). Pursuant to which, the Agreement will now expire upon the earlier of (i) the date that no Yatra USA Class F Shares remain outstanding or (ii) the mutual written consent of Yatra, Yatra USA and the Yatra USA Class F Holders.

Shareholders Agreements

See “Item 10. Additional Information-B. Memorandum and Articles of Association.”

Employment Agreements

See “Item 6. Directors, Senior Management and Employees-B. Compensation-Employment Agreements with Executive Officers.”

Equity Option and Share Incentive Plans

See “Item 6. Directors, Senior Management and Employees-B. Compensation.”

C. Interest of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See “Item 18. Financial Statements” for a list of the financial statements filed as part of this Annual Report.

Legal Proceedings

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business and the results of litigation and claims cannot be predicted with certainty.

Except for the Legal proceedings and tax proceedings described below, there are no governmental or other legal proceedings (including any such proceedings which are pending or threatened, of which we are aware) that we believe could reasonably be expected to have a material adverse effect on our results of operations or financial position.

Legal Proceedings

See “Item 4. Information on the Company-B. Business Overview-Litigation” for a description of Legal Proceedings.

Tax Proceedings

See “Item 4. Information on the Company-B. Business Overview-Litigation” for a description of tax proceedings.

Dividend Distribution Policy

We currently expect to retain all future earnings for use in the operation and expansion of our business and do not plan to pay any dividends on our ordinary shares in the near future. The declaration and payment of any dividends in the future will be determined by our Board in its discretion, and will depend on a number of factors, including our earnings, capital requirements, overall financial condition, applicable law and contractual restrictions. In addition, as a holding company, our ability to pay dividends depends on our receipt of cash dividends from our operating subsidiaries, which may further restrict our ability to pay dividends as a result of the laws of the respective jurisdictions of organization of our subsidiaries, agreements of our subsidiaries or covenants under future indebtedness that we or they may incur. For example, the dividend-paying ability of our subsidiaries including Yatra India and ATB may be limited by covenants contained in the agreements governing their respective outstanding debt arrangements, which prevent them from paying dividends or making distributions to us under certain circumstances (e.g., the failure to make payments, or the occurrence of an event of default, under such agreements). Our ability to pay dividends may, therefore, also be restricted.

B. Significant Changes

a) One of the subsidiaries of the Company, namely Yatra Freight had signed a term sheet on June 3, 2022 with N+1 Capital, a SEBI approved Fund, for availing the facility of upto INR 150,000 against the issuance of 1,500 Nos. of Non-Convertible Debenture (“NCD”) at face value of INR 1,00,000/- each. The entire NCDs shall be redeemed proportionately with Interest @ 14% p.a. with Quarterly Coupon payment of INR 1,200 in each quarter for a period of twenty-four months.

   The NCDs have been secured against the first pari-passu charge over the current assets (both present and future) and exclusive first charge on Intangible Assets (both present and future) of Yatra Freight and a corporate guarantee from Yatra India.

   The amount against issuance of NCDs have been received by Yatra Freight on July 1, 2022 whereas the first repayment of Principal and interest shall commence from July 31, 2022 and last payment of Interest and Principal shall be made on June 30, 2024 as per the Term Sheet dated June 3, 2022.

b) Subsequent to the end of fiscal year 2022, two step down subsidiaries of the Company namely “Yatra India” and “Yatra For Business Private Limited” have taken aggregate amount of credit facilities of INR 550,000 from Axis Bank Limited. Such facilities are secured against exclusive charge on the receivables, pari passu charges on the entire other current assets and all movable fixed assets of such Companies, both present and future and cash margin in the form of fixed deposits for 20% of the facility.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Our outstanding Ordinary Shares are currently listed and traded on the Nasdaq Capital Market under the symbol "YTRA."

B. Plan of Distribution

Not Applicable.

C. Markets

Our Ordinary Shares are listed on the Nasdaq Global Market under the symbol "YTRA".

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The information set forth in our Registration Statement on Form F-3 (File No. 333-224661), as amended, originally filed with the SEC on May 24, 2021 and declared effective by the SEC on July 12, 2021, under the headings "Description of Share Capital" is incorporated herein by reference.

C. Material Contracts

Described herein.

D. Exchange Controls

India

India regulates ownership of Indian companies by foreign entities. Foreign investment in securities issued by Indian companies and exchange controls are generally regulated by the Foreign Exchange Management Act, 1999, as amended, and the regulations framed thereunder ("FEMA"). Transfers of any security of an Indian company from foreigners/ foreign entities to Indian residents and vice versa are required to be in accordance with FEMA and in some instances is required to be permitted by the Reserve Bank of India beside general reporting requirements under the FEMA. These regulations and restrictions may apply to acquisitions by us or our affiliates, including Yatra India and affiliates which are not resident in India, of shares in Indian companies or the provision of funding by us or any other entity to Indian companies within our group. For example, under its consolidated foreign direct investment policy, the Government of India has set out additional requirements for foreign investments in India, including requirements with respect to downstream investments by Indian companies having foreign investment, and the transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners, as well as such transaction between foreign entities. Further, India's Foreign Exchange Management Act, 1999, as amended, and the rules and regulations promulgated thereunder, restrict or regulate the lending to or borrowing from our Indian Subsidiaries. These requirements currently include restrictions/ regulations with respect to on valuations and sources of funding for such investments and may include prior approval from the Government of India.

Further, the Government of India has in the past made and may continue to make revisions to the FDI Policy on e-commerce in India (including in relation to business model and permitted services). Such changes may require us to make changes to our business in order to comply with Indian law.

Our ability to pay dividends to our shareholders may depend on, among other things, the availability of dividends from Yatra India. As of the date of this Annual Report, Yatra India has not paid any cash dividends on its equity shares. Dividends other than in cash are not permitted under Indian law. The declaration and payment of any dividends in the future will be recommended by the board of directors of Yatra India and approved by the shareholders of Yatra India at their discretion and would depend on a number of factors, including its financial condition, results of operations, capital requirements and surplus, contractual obligations, applicable Indian legal restrictions, the provisions of its articles of association, the terms of its credit facilities and other financing arrangements at the time a dividend is considered and other factors considered relevant by the board of directors. Yatra India may also from time to time pay interim dividends. Yatra India is currently liable to pay dividend distribution tax in India at the rate of 15.0%, plus applicable cess and surcharge, on any dividends paid by it.

Under Indian law, a company declares dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the annual general meeting of shareholders held within six months of the end of each fiscal year. However, while final dividends can be paid out by a company only after such dividends have been recommended by the board of directors and approved by shareholders, interim dividends can be paid out with only a recommendation by the board of directors. The shareholders have the right to decrease but not to increase any dividend amount recommended by the board of directors. Under Indian law, shares of a company belonging to the same class must receive equal dividend treatment.

Yatra India may, before the declaration of any dividend in any fiscal year, transfer such percentage of its profits for that fiscal year as it may consider appropriate to the reserves of Yatra India.

Under Indian law, an Indian company is permitted to declare or pay dividends for any fiscal year out of profits for that year (calculated to include any dividend distribution tax) after providing for depreciation in the manner prescribed. However, no company is permitted to declare dividends unless previous years' carried over losses and depreciation not provided in the previous year or years are setoff against profits of the company for the current year.

If profits for a particular year are insufficient to declare dividends (including interim dividends), the dividends for that year may be declared and paid out from accumulated profits if the following conditions are fulfilled:

- the rate of dividend to be declared shall not exceed the average of the rates at which dividends were declared in the three years immediately preceding that year (except where no dividends have been declared in each of the preceding three years);
- the total amount to be drawn from the accumulated profits earned in previous years shall not exceed an amount equal to one-tenth of the sum of the company's paid-up share capital and free reserves (based on the latest audited financial statements available), and the amount so drawn shall first be utilized to set off the losses incurred in the fiscal year in which dividend is declared before any dividend in respect of equity shares is declared; and;
- the balance of the reserves after such withdrawal shall not fall below 15.0% of the company's paid-up share capital (based on the latest audited financial statements available).

E. Taxation

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a general discussion of the material U.S. federal income tax consequences of the ownership and disposition of our Ordinary Shares to U.S. holders and non-U.S. holders. This discussion is based on provisions of the IRS Code, the U.S. Department of the Treasury regulations promulgated thereunder (whether final, temporary or proposed), administrative rulings of the IRS, judicial decisions, all as in effect on the date hereof, and all of which are subject to differing interpretations or change, possibly with retroactive effect. Any such change or differing interpretation could affect the accuracy of the statements and conclusions set forth herein. This discussion is for general purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to holders as a result of the ownership and disposition of our shares. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to particular holders, nor does it take into account the individual facts and circumstances of any particular holder that may affect the U.S. federal income tax consequences to such holder. Accordingly, it is not intended to be, and should not be construed as, tax advice. This discussion does not address any aspects of U.S. federal taxation other than those pertaining to the income tax, nor does it address any tax consequences arising under any U.S. state and local, or non-U.S., tax laws. Holders should consult their tax advisors regarding such tax consequences in light of their particular circumstances. No ruling has been requested or will be obtained from the IRS regarding the statements made and the conclusions reached in the following discussion and there can be no assurance that the IRS will not challenge the U.S. federal income tax treatment described below or that, if challenged, such treatment will be sustained by a court.

This discussion is limited to U.S. federal income tax considerations relevant to U.S. holders and non-U.S. holders that hold our Ordinary Shares as “capital assets” within the meaning of Section 1221 of the IRS Code (generally, property held for investment). This discussion does not address all aspects of U.S. federal income taxation that may be important to particular holders in light of their individual circumstances, including holders subject to special treatment under the U.S. tax laws, such as, for example:

- banks, thrifts, mutual funds or other financial institutions, underwriters, or insurance companies;
- traders in securities who elect to apply a mark-to-market method of accounting;
- real estate investment trusts and regulated investment companies;
- tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts;
- expatriates or former long-term residents of the United States;
- partnerships or other pass-through entities (or arrangements treated as such) or investors therein;
- dealers or traders in securities, commodities or currencies;
- grantor trusts;
- persons subject to the alternative minimum tax;
- U.S. persons whose “functional currency” is not the U.S. dollar;
- persons who received our Ordinary Shares through the exercise of incentive stock options or through the issuance of restricted stock under an equity incentive plan or through a tax-qualified retirement plan or otherwise as compensation;
- persons who own (directly or through attribution) 10% or more (by vote or value) of our outstanding ordinary shares;
- persons who are subject to the accounting rules under Section 451(b) of the IRS Code;
- the initial stockholders and their affiliates; or
- holders holding our Ordinary Shares as a position in a “straddle,” as part of a “synthetic security” or “hedge,” as part of a “conversion transaction,” or other integrated investment or risk reduction transaction.

For purposes of this discussion, the term “U.S. holder” means a beneficial owner of our Ordinary Shares, that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity that is classified as a corporation for U.S. federal income tax purposes) that is created or organized in or under the laws of the United States, any State thereof or the District of Columbia;
- an estate of which the income is subject to U.S. federal income tax regardless of its source; or
- a trust (i) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (ii) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes.

For purposes of this discussion, a “non-U.S. holder” means a beneficial owner of our Ordinary Shares that is neither a U.S. holder nor a partnership (or an entity or arrangement treated as a partnership) for U.S. federal income tax purposes.

If a partnership, including for this purpose any entity or arrangement that is treated as a partnership for U.S. federal income tax purposes, holds our Ordinary Shares, the U.S. federal income tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. A holder that is a partnership and the partners in such partnership should consult their tax advisors with regard to the U.S. federal income tax consequences of the ownership and disposition of our Ordinary Shares.

THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF YATRA ORDINARY SHARES. HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF YATRA ORDINARY SHARES, INCLUDING THE APPLICABILITY AND EFFECTS OF U.S. FEDERAL, STATE, LOCAL AND OTHER TAX LAWS.

Tax Residence of Yatra and Utilization of Terrapin Acquisition Corp.’s Tax Attributes

Tax Residence of Yatra for U.S. Federal Income Tax Purposes

A corporation is generally considered for U.S. federal income tax purposes to be a tax resident in the jurisdiction of its organization or incorporation. Accordingly, under the generally applicable U.S. federal income tax rules, Yatra Online, which is incorporated under the laws of the Cayman Islands, would be classified as a non-U.S. corporation (and, therefore, not a U.S. tax resident) for U.S. federal income tax purposes. Section 7874 of the IRS Code provides an exception to this general rule (more fully discussed below), under which a non-U.S. incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes. These rules are relatively new and complex and there is limited guidance regarding their application.

Under Section 7874, a corporation created or organized outside the United States (*i.e.*, a non-U.S. corporation) will nevertheless be treated as a U.S. corporation for U.S. federal income tax purposes (and, therefore, as a U.S. tax resident subject to U.S. federal income tax on its worldwide income) if each of the following three conditions are met: (i) the non-U.S. corporation, directly or indirectly, acquires substantially all of the properties held directly or indirectly by a U.S. corporation (including through the acquisition of all of the outstanding shares of the U.S. corporation); (ii) the non-U.S. corporation’s “expanded affiliated group” does not have “substantial business activities” in the non-U.S. corporation’s country of organization or incorporation and tax residence relative to the expanded affiliated group’s worldwide activities; and (iii) after the acquisition, the former shareholders of the acquired U.S. corporation hold at least 80% (by either vote or value) of the shares of the non-U.S. acquiring corporation by reason of holding shares in the U.S. acquired corporation (taking into account the receipt of the non-U.S. corporation’s shares in exchange for the U.S. corporation’s shares) as determined for purposes of Section 7874 (this test is referred to as the “80% ownership test”).

For purposes of Section 7874, the first two conditions described above were met with respect to the mergers completed in July 2016 with Terrapin Acquisition Corp., because we acquired indirectly all of the assets of Terrapin Acquisition Corp. through the mergers with Terrapin Acquisition Corp., and Yatra Online, including its "expanded affiliated group," did not have "substantial business activities" in the Cayman Islands within the meaning of Section 7874 upon consummation of the mergers with Terrapin Acquisition Corp.. As a result, whether Section 7874 will apply to cause us to be treated as a U.S. corporation for U.S. federal income tax purposes following the mergers with Terrapin Acquisition Corp. should depend on the satisfaction of the 80% ownership test.

Based on the terms of the mergers with Terrapin Acquisition Corp., the rules for determining share ownership under Section 7874 and the Treasury regulations promulgated thereunder and based upon certain factual assumptions, we believe that the Section 7874 ownership percentage of the former Terrapin Acquisition Corp. stockholders in our company should be less than 80% and accordingly we are not expected to be treated as a U.S. corporation for U.S. federal income tax purposes. Further, for purposes of determining the ownership percentage of former Terrapin Acquisition Corp. stockholders for purposes of Section 7874, former Terrapin Acquisition Corp. stockholders will be deemed to own an amount of our Ordinary Shares in respect to certain redemptions by Terrapin Acquisition Corp. prior to the closing of the mergers with Terrapin Acquisition Corp. In addition, as discussed above, the rules for determining ownership under Section 7874 are complex, unclear and the subject of ongoing regulatory change. Many of these rules are contained in the Treasury regulations under Section 7874, and there is limited guidance as to their application. Accordingly, there can be no assurance that the IRS would not assert that the 80% ownership test is met with respect to the mergers with Terrapin Acquisition Corp. and that, accordingly, we should be treated as a U.S. corporation for U.S. federal income tax purposes or that such an assertion would not be sustained by a court.

There has been discussion of additional changes to Section 7874. Any changes to the rules of Section 7874 or the Treasury regulations promulgated thereunder, or other changes of law, which could be made retroactively effective, could adversely affect our status as a non-U.S. corporation for U.S. federal income tax purposes.

If we were to be treated as a U.S. corporation for U.S. federal income tax purposes, we could be subject to substantial liability for additional U.S. income taxes, and the gross amount of any dividend payments to our non-U.S. shareholders could be subject to 30% U.S. withholding tax, depending on the application of any income tax treaty that might apply to reduce the withholding tax.

The remainder of this discussion assumes that we will not be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874.

Utilization of Terrapin Acquisition Corp.'s Tax Attributes

Following the acquisition of a U.S. corporation by a non-U.S. corporation, Section 7874 can limit the ability of the acquired U.S. corporation and its U.S. affiliates to utilize certain U.S. tax attributes (including net operating losses and certain tax credits) to offset U.S. taxable income resulting from certain transactions. These limitations will potentially apply if:

- the non-U.S. corporation acquires, directly or indirectly, substantially all of the properties held, directly or indirectly, by the U.S. corporation (including through the direct or indirect acquisition of all of the outstanding shares of the U.S. corporation);

- after the acquisition, the non-U.S. corporation's "expanded affiliated group" does not have "substantial business" activities in the non-U.S. corporation's country of organization or incorporation and tax residence relative to the expanded affiliated group's worldwide activities (as determined under the Treasury regulations); and

- after the acquisition, the former shareholders of the acquired U.S. corporation hold less than 80% but at least 60% (by either vote or value) of the shares of the non-U.S. acquiring corporation by reason of holding shares in the U.S. acquired corporation (taking into account the receipt of the non-U.S. corporation's shares in exchange for the U.S. corporation's shares) (this test is referred to as the "60% ownership test").

If each of these conditions is met, then the taxable income of the U.S. corporation (and any U.S. person related to the U.S. corporation) for any given year, within a period beginning on the first date the U.S. corporation's properties were acquired directly or indirectly by the non-U.S. acquiring corporation and ending 10 years after the last date the U.S. corporation's properties were acquired, will be no less than that person's "inversion gain" for that taxable year. A person's inversion gain includes gain from the transfer of shares or any other property (other than property held for sale to customers) and income from the license of any property that is either transferred or licensed as part of the acquisition, or after the acquisition if the transfer or license is to a non-U.S. related person. In general, the effect of this provision is to deny the use of net operating losses, foreign tax credits or other tax attributes to offset the inversion gain.

Based on the terms of the mergers with Terrapin Acquisition Corp., the rules for determining share ownership under Section 7874 and the Treasury regulations promulgated thereunder and based upon certain factual assumptions, we believe that the Section 7874 ownership percentage of the former Terrapin Acquisition Corp. stockholders in our company should be less than 60% and accordingly the limitations and other rules described above are not expected to apply to Terrapin Acquisition Corp. after the mergers with Terrapin Acquisition Corp.. In addition, as discussed above under "-Tax Residence of Yatra for U.S. Federal Income Tax Purposes," the rules for determining ownership under Section 7874 are complex, unclear and the subject of recent and ongoing regulatory change and there can be no assurance that the IRS would not assert that the 60% ownership test is met with respect to the mergers with Terrapin Acquisition Corp. and that accordingly the foregoing limitations and rules would apply or that such an assertion would not be sustained by a court.

If the IRS were to successfully assert that the 60% ownership test has been met, the ability of Terrapin Acquisition Corp. and its U.S. affiliates to utilize certain U.S. tax attributes against income or gain recognized pursuant to certain transactions may be limited. However, as a blank check company, whose assets were primarily comprised of cash and cash equivalents, it is not expected that Terrapin Acquisition Corp. would have a significant amount of inversion gain. Accordingly, even if the 60% ownership test were satisfied, the effect of the resulting limitations on the use of net operating losses and tax attributes would not be expected to be material.

U.S. Federal Income Tax Consequences of the Ownership and Disposition of Ordinary Shares of Yatra

U.S. Holders

Distributions on our Ordinary Shares

Subject to the discussion below under "-*Passive Foreign Investment Company Status*," the gross amount of any distribution on our Ordinary Shares that is made out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) generally will be taxable to a U.S. holder as ordinary dividend income on the date such distribution is actually or constructively received. Any such dividends will not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from other U.S. corporations. To the extent that the amount of the distribution exceeds our current and accumulated earnings and profits (as determined under U.S. federal income tax principles), such excess amount will be treated first as a non-taxable return of capital to the extent of the U.S. holder's tax basis in our Ordinary Shares, and thereafter as capital gain recognized on a sale or exchange.

Dividends received by non-corporate U.S. holders (including individuals) from a "qualified foreign corporation" may be eligible for reduced rates of taxation, provided that certain holding period requirements and other conditions are satisfied. A non-U.S. corporation is treated as a qualified foreign corporation with respect to dividends it pays on shares that are readily tradable on an established securities market in the United States. U.S. Treasury guidance indicates that shares listed on the Nasdaq (where our Ordinary Shares are currently listed) will be considered readily tradable on an established securities market in the United States. There can be no assurance that our Ordinary Shares will be considered readily tradable on an established securities market in future years. Non-corporate U.S. holders that do not meet a minimum holding period requirement during which they are not protected from the risk of loss or that elect to treat the dividend income as "investment income" pursuant to Section 163(d)(4) of the IRS Code (dealing with the deduction for investment interest expense) will not be eligible for the reduced rates of taxation regardless of our status as a qualified foreign corporation. In addition, the rate reduction will not apply to dividends if the recipient of a dividend is obligated to make related payments with respect to the positions in substantially similar or related property. This disallowance applies even if the minimum holding period has been met. We will not constitute a qualified foreign corporation for purposes of these rules if we are a PFIC for the taxable year in which we pay a dividend or for the preceding taxable year. See "-Passive Foreign Investment Company Status."

Subject to certain conditions and limitations, withholding taxes, if any, on dividends paid by us may be treated as foreign taxes eligible for credit against a U.S. holder's U.S. federal income tax liability under the U.S. foreign tax credit rules. For purposes of calculating the U.S. foreign tax credit, dividends paid on our Ordinary Shares will generally be treated as income from sources outside the United States and will generally constitute passive category income. The rules governing the U.S. foreign tax credit are complex. U.S. holders should consult their tax advisors regarding the availability of the U.S. foreign tax credit under their particular circumstances.

Sale, Exchange, Redemption or Other Taxable Disposition of Our Ordinary Shares

Subject to the discussion below under "-*Passive Foreign Investment Company Status*," a U.S. holder generally will recognize gain or loss on any sale, exchange, redemption or other taxable disposition of our Ordinary Shares in an amount equal to the difference between (i) the amount realized on the disposition and (ii) such U.S. holder's adjusted tax basis in such shares. Any gain or loss recognized by a U.S. holder on a taxable disposition of our Ordinary Shares generally will be capital gain or loss and will be long-term capital gain or loss if the holder's holding period in such shares exceeds one year at the time of the disposition. Preferential tax rates may apply to long-term capital gains of non-corporate U.S. holders (including individuals). The deductibility of capital losses is subject to limitations. Any gain or loss recognized by a U.S. holder on the sale or exchange of our Ordinary Shares generally will be treated as U.S. source gain or loss.

It is possible that India may impose an income tax upon sale of our Ordinary Shares. Because gains generally will be treated as U.S. source gain, as a result of the U.S. foreign tax credit limitation, any Indian income tax imposed upon capital gains in respect of our Ordinary Shares may not be currently creditable unless a U.S. holder has other foreign source income for the year in the appropriate U.S. foreign tax credit limitation basket. U.S. holders should consult their tax advisors regarding the application of Indian taxes to a disposition of our Ordinary Shares and their ability to credit an Indian tax against their U.S. federal income tax liability.

Characterization as a "Controlled Foreign Corporation" for U.S. Federal Income Tax Purposes

There is a possibility that we will be classified as a "controlled foreign corporation," or CFC, for U.S. federal income tax purposes. We will generally be classified as a CFC if more than 50% of our outstanding shares, measured by reference to voting power or value, are owned (directly, indirectly or by attribution) by "10% U.S. Shareholders." For this purpose, a "10% U.S. Shareholder" is any U.S. person that owns directly, indirectly or by attribution, 10% or more of the voting power or value of our outstanding ordinary shares. In addition, recent changes to the attribution rules relating to the determination of CFC status may make it difficult to determine our CFC status for any taxable year. If we were to be classified as a CFC, a 10% U.S. Shareholder may be subject to U.S. federal income taxation at ordinary income tax rates on all or a portion of our undistributed earnings and profits attributable even if the CFC has made no distributions to its shareholders, including "Subpart F income," global intangible low-taxed income and certain other income generated by the CFC, and may also be subject to U.S. federal income taxation at ordinary income tax rates on any gain realized on a sale of ordinary shares, to the extent of the current and accumulated earnings and profits of our Company attributable to such shares. The CFC rules are complex and U.S. holders that are, or may be, 10% U.S. Shareholders are urged to consult their own tax advisors regarding the possible application of the CFC rules to them in their particular circumstances. It is not expected that we will be classified as a CFC, and the remainder of this discussion assumes that we will not be classified as a CFC for U.S. federal income tax purposes but no assurances can be offered in this regard.

Passive Foreign Investment Company Status

The treatment of U.S. holders of our Ordinary Shares could be materially different from that described above, if we are treated as a PFIC for U.S. federal income tax purposes.

A non-U.S. corporation, such as Yatra Online, will be a PFIC for U.S. federal income tax purposes for any taxable year in which, after the application of certain look-through rules either: (i) 75% or more of its gross income for such taxable year is passive income, or (ii) 50% or more of the total value of its assets (based on an average of the quarterly values of the assets during such year) is attributable to assets, including cash, that produce passive income or are held for the production of passive income. Passive income generally includes dividends, interest, royalties, rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains. The determination of whether we are a PFIC is based upon the composition of our income and assets, (including, among others, corporations in which we own at least a 25% interest), and the nature of our activities.

Based on our composition of its income and assets, including goodwill, we do not believe that we were a PFIC for this taxable year ending March 31, 2021, and we do not expect that we will become a PFIC in the current taxable year or in the foreseeable future. The tests for determining PFIC status are applied annually after the close of the taxable year, and it is difficult to predict accurately future income and assets relevant to this determination. The fair market value of the assets of our Company is expected to depend, in part, upon (a) the market value of our Ordinary Shares, and (b) the composition of our assets and income. A decrease in the market value of our Ordinary Shares and/or an increase in cash or other passive assets would increase the relative percentage of its passive assets. The application of the PFIC rules is subject to uncertainty in several respects and, therefore, the IRS may assert that, contrary to expectations, we are a PFIC for this taxable year or in a future year. Accordingly, there can no assurance that we will not be a PFIC for this taxable year or any future taxable year.

If we are or become a PFIC during any year in which a U.S. holder holds our Ordinary Shares, unless the U.S. holder makes a qualified electing fund (QEF) election or mark-to-market election with respect to the shares, as described below, a U.S. holder generally would be subject to additional taxes (including taxation at ordinary income rates and an interest charge) on any gain realized from a sale or other disposition of our Ordinary Shares and on any "excess distributions" received from us, regardless of whether we qualify as a PFIC in the year in which such distribution is received or gain is realized. For this purpose, a pledge of our Ordinary Shares as security for a loan may be treated as a disposition. The U.S. holder would be treated as receiving an excess distribution in a taxable year to the extent that distributions on the shares during that year exceed 125% of the average amount of distributions received during the three preceding taxable years (or, if shorter, the U.S. holder's holding period). To compute the tax on excess distributions or on any gain, (i) the excess distribution or gain would be allocated ratably over the U.S. holder's holding period, (ii) the amount allocated to the current taxable year and any year before the first taxable year for which we were a PFIC would be taxed as ordinary income in the current year, and (iii) the amount allocated to other taxable years would be taxed at the highest applicable marginal rate in effect for each such year (*i.e.,* at ordinary income tax rates) and an interest charge would be imposed to recover the deemed benefit from the deferred payment of the tax attributable to each such prior year.

If we were to be treated as a PFIC, a U.S. holder may avoid the excess distribution rules described above by electing to treat our Company (for the first taxable year in which the U.S. holder owns any shares) and any lower-tier PFIC (for the first taxable year in which the U.S. holder is treated as owning an equity interest in such lower-tier PFIC) as a QEF. If a U.S. holder makes an effective QEF election with respect to our Company (and any lower-tier PFIC), the U.S. holder will be required to include in gross income each year, whether or not we make distributions, as capital gains, our pro rata share's (and such lower-tier PFIC's) net capital gains and, as ordinary income, our pro rata share's (and such lower-tier PFIC's) net earnings in excess of its net capital gains. U.S. holders can make a QEF election only if we (and each lower-tier PFIC) provide certain information, including the amount of its ordinary earnings and net capital gains determined under U.S. tax principles. We will make commercially reasonable efforts to provide U.S. holders with this information if we determine that we are a PFIC.

As an alternative to making a QEF election, a U.S. holder may also be able to avoid some of the adverse U.S. tax consequences of PFIC status by making an election to mark the ordinary shares to market annually. A U.S. holder may elect to mark-to-market the ordinary shares only if they are "marketable stock." The ordinary shares will be treated as "marketable stock" if they are regularly traded on a "qualified exchange." The ordinary shares are listed on the Nasdaq, which should be a qualified exchange for this purpose. The ordinary shares will be treated as regularly traded in any calendar year in which more than a de minimis quantity of the ordinary shares are traded on at least 15 days during each calendar quarter. There can be no certainly that the ordinary shares will be sufficiently traded such as to be treated as regularly traded.

U.S. holders should consult their tax advisors regarding the U.S. federal income tax consequences of the PFIC rules. If we are treated as a PFIC, each U.S. holder generally will be required to file a separate annual information return with the IRS with respect to our Company and any lower-tier PFICs.

Medicare Surtax on Net Investment Income

Non-corporate U.S. holders whose income exceeds certain thresholds generally will be subject to 3.8% surtax on their "net investment income" (which generally includes, among other things, dividends on, and capital gain from the sale or other taxable disposition of, our Ordinary Shares). Non-corporate U.S. holders should consult their own tax advisors regarding the possible effect of such tax on their ownership and disposition of our Ordinary Shares.

Additional Reporting Requirements

Certain U.S. holders holding specified foreign financial assets with an aggregate value in excess of the applicable dollar thresholds are required to report information to the IRS relating to our Ordinary Shares, subject to certain exceptions (including an exception for our Ordinary Shares held in accounts maintained by U.S. financial institutions), by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets, with their tax return, for each year in which they hold our Ordinary Shares. Substantial penalties apply to any failure to file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not willful neglect. Also, in the event a U.S. holder does not file IRS Form 8938 or fails to report a specified foreign financial asset that is required to be reported, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. holder for the related taxable year may not close before the date which is three years after the date on which the required information is filed. U.S. holders should consult their tax advisors regarding the effect, if any, of these rules on the ownership and disposition of our Ordinary Shares.

Non-U.S. Holders

In general, a non-U.S. holder of our Ordinary Shares will not be subject to U.S. federal income tax or, subject to the discussion below under "-*Information Reporting and Backup Withholding*," U.S. federal withholding tax on any dividends received on our Ordinary Shares or any gain recognized on a sale or other disposition of our Ordinary Shares (including, any distribution to the extent it exceeds the adjusted basis in the non-U.S. holder's ordinary shares) unless:

- the dividend or gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States, and if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States; or

- in the case of gain only, the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met.

A non-U.S. holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable tax treaty) on its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Foreign Account Tax Compliance Act

FATCA imposes a reporting regime and, potentially, a 30% withholding tax on certain payments made to certain non-US financial institutions that fail to comply with certain information reporting, account identification, withholding, certification and other FATCA related requirements in respect of their direct and indirect United States shareholders and/or United States accountholders. To avoid becoming subject to FATCA withholding, we may be required to report information to the IRS regarding the holders of our ordinary shares and to withhold on a portion of payments with respect to our ordinary shares to certain holders that fail to comply with the relevant information reporting requirements (or that hold our ordinary shares directly or indirectly through certain non-compliant intermediaries). This withholding tax made with respect to our ordinary shares will not apply to payments made before the date that is two years after the date of publication of final regulations defining the term "foreign passthru payment". An intergovernmental agreement between the United States and another country may also modify these requirements. FATCA is particularly complex and its application is uncertain at this time. Holders of our ordinary shares should consult their tax advisors to obtain a more detailed explanation of FATCA and to learn how FATCA might affect each holder in its particular circumstances.

Information Reporting and Backup Withholding

In general, information reporting requirements may apply to dividends received by U.S. holders of our Ordinary Shares, and the proceeds received on the disposition of our Ordinary Shares effected within the United States (and, in certain cases, outside the United States), in each case other than U.S. holders that are exempt recipients (such as corporations). Backup withholding (currently at a rate of 24%) may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (generally on an IRS Form W-9 provided to the paying agent of the U.S. holder's broker) or is otherwise subject to backup withholding. Proceeds from the sale, exchange, redemption or other disposition of our Ordinary Shares may be subject to information reporting to the IRS and possible U.S. backup withholding. U.S. holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Information returns may be filed with the IRS and non-U.S. holders may be subject to backup withholding on amounts received in respect of their ordinary shares, unless the non-U.S. holder furnishes to the applicable withholding agent the required certification as to its non-U.S. status, such as by providing a valid IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, as applicable, or the non-U.S. holder otherwise establishes an exemption. Dividends paid with respect to our Ordinary Shares and proceeds from the sale or other disposition of our Ordinary Shares received in the United States by a non-U.S. holder through certain U.S.-related financial intermediaries may be subject to information reporting and backup withholding unless such non-U.S. holder provides proof of an applicable exemption or complies with certain certification procedures described above, and otherwise complies with the applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against the holder's U.S. federal income tax liability, and such holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for a refund with the IRS and furnishing any required information.

The preceding discussion is not tax advice. Each prospective investor should consult the prospective investor's tax advisor regarding the particular U.S. federal, state, and local and non-U.S. tax consequences of the ownership and disposition of our Ordinary Shares, including the consequences of any proposed change in applicable laws.

MATERIAL INDIAN TAX CONSEQUENCES

The following is a general discussion of material Indian tax consequences of ownership and disposition of our registered ordinary shares for investors who are not residents in India as per the (Indian) Income Tax Act, 1961, as amended, or the IT Act. This discussion is based on the provisions of the IT Act as are in force as of the date of this Annual Report and interpretations thereof as pronounced in judicial precedents and is subject to change.

Also, as mentioned above, the Indian tax consequences summarized below are from the perspective of investors who are non-residents in India per the provisions of IT Act. Investors who qualify as residents in India shall remain liable for Indian taxes in respect of their global income.

THIS SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL INDIAN TAX CONSEQUENCES IN RELATION TO THE OWNERSHIP AND DISPOSAL OF OUR ORDINARY SHARES. FURTHER, THE DISCUSSION BELOW PROVIDES A SUMMARY OF THE TAX CONSEQUENCES UNDER THE IT ACT, AND INVESTORS MAY BE ENTITLED TO A MORE BENEFICIAL TAX TREATMENT UNDER TAX TREATIES THAT INDIA MAY HAVE ENTERED INTO WITH COUNTRIES OF RESIDENCE OF INDIVIDUAL INVESTORS.

WHILST IT IS BELIEVED THAT THE DISCUSSION BELOW REPRESENTS A REASONABLE INTERPRETATION OF THE RELEVANT PROVISIONS OF THE IT ACT, THERE CAN BE NO ASSURANCE (ESPECIALLY IN VIEW OF FACTS SPECIFIC TO A PARTICULAR INVESTOR) THAT THE REVENUE AUTHORITIES MAY AGREE WITH SUCH INTERPRETATIONS.

INVESTORS SHOULD THEREFORE CONSULT THEIR TAX ADVISORS ON THE INDIAN TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSAL OF OUR ORDINARY SHARES UNDER INDIAN LAW, INCLUDING SPECIFICALLY CONSIDERING THE PROVISIONS OF TAX TREATY BETWEEN INDIA AND THEIR COUNTRY OF RESIDENCE.

Investors May be Subject to Indian Taxes on Income Arising Through the Sale of Our Ordinary Shares

Amendments introduced in 2012 to the IT Act, provided that income arising directly or indirectly through the sale of a capital asset being any share or interest in a company incorporated outside of India, will be subject to tax in India if such share or interest directly or indirectly derives its value substantially from assets located in India, irrespective of whether the seller of such shares has a residence, place of business, business connection, or any other presence in India (see Explanation 5 to section 9(1)(i) of the IT Act). Through amendments introduced in 2015, it has been provided that a share or an interest in an entity is said to derive its value substantially from assets located in India when the following two conditions are satisfied: (i) the value of the assets located in India owned directly or indirectly by an entity whose shares or interest are transferred exceeds INR 100 million and (ii) the value of assets located in India is at least 50% of the value of all assets owned by the entity whose shares or interest are the subject matter of transfer (see Explanation 6 to section 9(1)(i) of the IT Act). The value of the assets is computed on a fair value basis as per a specific method prescribed under the Income Tax Rules, 1962 (Rule 11UB). In case taxability is triggered under the aforesaid provisions, capital gains proportionate to the fair value of the Indian assets contributing in the value of the foreign entity whose shares are transferred are regarded as taxable in India. The manner of computing capital gains in such a scenario has been prescribed in the Income Tax Rules, 1962 (Rule 11UC).

As of the date of this Annual Report, our Ordinary Shares and warrants derive their value substantially from assets located in India, as defined under the IT Act. Hence, investors may be subject to Indian taxes on the income arising from the transfer of our Ordinary Shares/warrants subject to the provisions of respective tax treaties that India has entered into with their country of residence. The income shall be taxable as capital gains, which shall be computed as per the provisions of the IT Act.

However, the IT Act also contains an exemption with respect to alienation of shares by a transferor-investor, whose voting rights or share capital, either individually or along with its Associated Enterprises (as defined in the IT Act) at any time during the 12-month period preceding the date of sale does not exceed five percent of the total voting rights or share capital in the company, provided such transferor-investor is not vested with rights of management or control in any other form.

Provisions Relating to Long Term Capital Gains and Short Term Capital Gains

Gains arising from transfer of capital asset are charged to tax under the heading “capital gains.” A capital asset may either be a short-term or long-term capital asset, depending on the period of its holding.

Gains arising from a short-term capital asset are short-term capital gains and gains arising from long-term capital asset are long-term capital gains.

Short-term capital gains:

Shares which are not listed on a recognized stock exchange in India are regarded as short-term capital assets, if such shares are held for not more than two years immediately preceding the date of transfer (see section 2(42A) of the IT Act). Gains arising from the transfer of a short-term capital asset are taxed as short-term capital gains.

The rate of tax for short-term capital gains for a foreign company is 40% (plus applicable surcharge and cess) subject to the applicable tax treaty benefit.

For assessees other than foreign companies, the short-term capital gains are taxable at applicable slab rates as prescribed for the financial year.

Long-term capital gains:

Shares which are not listed on a recognized stock exchange in India are regarded as long-term capital assets, if such shares are held for more than two years immediately preceding the date of transfer (see section 2(29A) of the IT Act). Gains arising from the transfer of a long-term capital asset are taxed as long-term capital gains.

The tax rate for long-term capital gains arising on sale of shares which are not listed on a recognized stock exchange in India is 10% (as per section 112(1)(c)(iii) of the IT Act) (plus applicable surcharge and cess) subject to the applicable tax treaty benefit.

Carry Forward and Set Off Capital Loss

The losses arising from a transfer of a capital asset in India can only be set off against capital gains and not against any other income in accordance with the IT Act.

A long-term capital loss may be set off only against a long-term capital gain. A short-term capital loss may be set off against a short-term capital gain or long-term capital gain (see section 74 of the IT Act).

To the extent that the losses are not absorbed in the year of transfer, they may be carried forward for a period of eight years immediately succeeding the year for which the loss was first computed and may be set off against the capital gains assessable for such subsequent years (see section 74 of the IT Act).

In order to get the benefit of set-off of the capital losses in this manner, the non-resident investor must file appropriate and timely tax returns in India and undergo the usual assessment procedures.

Withholding Tax Obligation on the Purchaser of Our Securities

As per section 195 of the IT Act, every person making any payment to a non-resident, which is chargeable to tax in India is required to deduct tax at the appropriate rates at the time of payment or at the time of credit, whichever is earlier. Therefore, a payer would be required to deduct tax on payments at the rates in force in India or as per the applicable tax treaty, if the said sum is chargeable to tax in India.

Accordingly, any person responsible for making payment on purchase of our Ordinary Shares/warrants from an existing non-resident investor shall be liable to withhold taxes at source if the transferor is liable for Indian taxes on account of the transfer. It is pertinent to note that the payer has an obligation to withhold taxes only when the capital gains arising on transfer of our Ordinary Shares/warrants is chargeable to tax in India. Further, in case benefit of a tax treaty is taken into account by the non-resident transferor, then the Indian law prescribes documentation which the payer should maintain while withholding taxes.

Implications under Section 56 of the IT Act

Section 56(2)(x) of the Income Tax Act provides for taxability in the hands of the purchaser of shares, if the purchase is made without consideration or for consideration less than the Fair Market Value of such shares. If any transfer of shares is undertaken at less than FMV of such shares, the difference between the FMV of such shares and purchase consideration would be taxable in the hands of purchaser as "income from other sources" and taxed at the tax rate applicable to regular income. The formula for computing FMV of listed shares takes into account market value of such shares. In case of quoted shared, the traded value of such shares represents the FMV of listed shares.

Taxation of Distributions.

Up to March 31, 2020, dividend income was exempt from tax for shareholders, during he said period the effective rate of Dividend Distribution Tax ("DDT") was payable by the Company at 20.5553%. Earlier the Finance Act 2017 has provided that any income earned by any resident except domestic companies or specified funds or trusts or institutions, by way of dividend declared, distributed or paid by any domestic company in excess of INR 1,000,000 in aggregate shall be chargeable to tax at the rate of 10% on gross basis on such amount exceeding INR 1,000,000.

The Finance Act 2020 has replaced the DDT with the classical system of dividend taxation wherein dividend income will be taxed in the hands of the shareholders at their respective applicable tax rates. In the light of the above changes under the Income-tax Act, Company paying dividend to shareholders is required to do withholding of tax at the applicable rates prescribed under Income Tax Act read along Tax Treaty with respective countries (together with Multilateral Instruments (MLI) as applicable) subject to conditions specified under the Income Tax Act.

Further the Finance Act 2020 has restored the section 80M of Income Tax Act to prevent the cascading effect of imposition of tax on dividend on same profits, by providing that where a domestic company declares dividend, out of dividend received from another domestic or foreign company or business trust, it shall be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it up to one month prior to the due date of filing income tax return.

Further the Finance Act 2020 amended section 57 of Income Tax Act to provide that no deduction shall be allowed from dividend income, other than deduction on account of interest expense and in any previous year such deduction shall not exceed twenty percent of the dividend income included in the total income for that year without deduction under section 57 of Income Tax Act.

Taxation of Employee Stock Options.

Through the Finance Act, 2009, Section 17 (2) of the Income Tax Act was amended to provide that any specified securities or sweat equity shares allotted or transferred, directly or indirectly, by a company free of cost or at concessional rate to its current or former employees are taxable in the hands of employees as a "perquisite". This treatment extends to all options granted under a company's stock option plan, where such option is exercised on or after April 1, 2009. The value of the perquisite is the fair market value, or FMV, of the specified security or share as on the date of exercise of the option by the employee as reduced by the amount actually paid by, or recovered from the employee in respect of such security or share. The value of the perquisite so computed is added to the income chargeable to tax in the hands of the employee under the head "salaries" and subject to tax at the rate applicable to the individual employee. Securities or sweat equity shares allotted or transferred by a company free of cost or at concessional rate to its employees were earlier subject to a fringe benefit tax, which now stands abolished.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that make electronic filings through its Electronic Data Gathering, Analysis, and Retrieval, or EDGAR, system All our Exchange Act reports and other SEC filings will be available through the EDGAR system. You may also access information about Yatra through our corporate website https://www.yatra.com. The information contained in both websites is not incorporated by reference into this annual report.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's activities are exposed to variety of financial risk: credit risk, foreign currency risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company reviews and agrees on policies for managing each of these risks which are summarized below:

Credit Risk. Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

See Note 40 to our audited consolidated financial statements included elsewhere in this Annual Report for additional information relating to our exposure to credit risk.

Liquidity Risk. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, we aim to maintain flexibility in funding by keeping committed credit lines available.

The Group manages liquidity by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

Based on our past performance and current expectations, we believe that the cash and cash equivalent and cash generated from operations will satisfy the working capital needs, funding of operational losses, capital expenditure, commitments and other liquidity requirements associated with our existing operations through at least the next 12 months. In addition, there are no transactions, arrangements and other relationships with any other person that are reasonably likely to materially affect the availability of the requirement of capital resources. See Note 40 to our audited consolidated financial statements included elsewhere in this Annual Report for additional information relating to our exposure to liquidity risk.

Foreign Currency Risk. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of the changes in foreign exchange rates. The Group operates through subsidiaries in India, Singapore and the United States. The functional currency of these subsidiaries is the local currency in the respective countries and accordingly there are no related significant foreign currency exposures. The Company currently does not have any hedging agreements or similar arrangements with any counter-party to cover its exposure to any fluctuations in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating transactions which are denominated in currency other than subsidiary's functional currency (foreign currency denominated receivables and payables). See Note 40 to our audited consolidated financial statements included elsewhere in this Annual Report for sensitivity analysis relating to our exposure to foreign currency risk.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

1) On December 16, 2021, Yatra Online Inc. ("Yatra"), Yatra USA Corp. (f/k/a Terrapin Acquisition 3 Corporation) ("Yatra USA") and the holders (the "Yatra USAClass F Holders") of Yatra USA's Class F Common Stock, par value $0.0001 (the "Yatra USA Class F Shares") entered into Amendment No. 1 to the Exchange and Support Agreement (the "Amendment"). The Amendment amends the Exchange and Support Agreement, dated December 16, 2016, between Yatra, YatraUSA and the Yatra USA Class F Holders (the "Agreement"), pursuant to which the Yatra USA Class F Holders had the right to exchange any or all of their YatraUSA Class F Shares, at their option and from time to time, for the same amount of ordinary shares, par value $0.0001 per share (the "Ordinary Shares") of Yatra.The Agreement was originally due to expire on December 16, 2021 pursuant to its terms. Pursuant to the Amendment, the Agreement will now expire upon theearlier of (i) the date that no Yatra USA Class F Shares remain outstanding or (ii) the mutual written consent of Yatra, Yatra USA and the Yatra USA Class F Holders.

2) Yatra Online, Inc. (the Parent Company) and Yatra Online Limited (Yatra India), entered into share subscription cum shareholders' agreement dated May 7, 2014, and share subscription cum shareholders' agreement dated April 29, 2015 (together referred to as SHA), with IL&FS Trust Company Limited, Now, Vistra ITCL(India) Limited (in its capacity as a trustee for Pandara Trust –Scheme I("Pandara Trust")) and Capital18 Fincap Private Limited, now Network18 Media and Investments Limited("Capital18"/"NW18"), (collectively the "Investors").

   Pursuant to SHA, NW18 and Pandara Trust, were entitled to swap their Equity Shares into 569,768 (March 31, 2021: 569,768) and 172,634 (March 31, 2021: 172,634) Ordinary Shares of the Parent Entity, respectively.

   Pursuant to the Waiver and Termination Agreement dated March 23, 2022 ("SHA Amendment Agreement"), the NW18 and Pandara Trust, have inter alia agreed to waive their swap rights contained under the SHA.

   Further, the parties to SHA Amendment Agreement have agreed, that said Amendment Agreement shall ipso facto terminate, without any further acts of the parties and without any liabilities or obligations whatsoever, upon the earlier of the following dates:

   (a) the date on which the Equity Shares of Yatra India are allotted pursuant to the Offer (as defined under the SHA Amendment Agreement) ; or

   (b) if the bid/offer opening date in the Offer does not occur prior to September 30, 2023 or such other date as mutually agreed in writing between Parties; or

   (c) the date on which the Board of the Yatra India decides not to undertake the Offer.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

As required by Rules 13a-15 and 15d-15 under the Exchange Act, management, including our group chief executive officer and our group “Principal Financial officer and Principal Accounting Officer”, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Annual Report. Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding our required disclosure.

Based on their evaluation as of March 31, 2022, our group chief executive officer and group “Principal Financial officer and Principal Accounting Officer” have concluded that our disclosure controls and procedures were not effective as a result of the material weakness in our internal control over financial reporting as described below.

B. Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed by, or under the supervision of, our Chief Executive Officer and “Principal Financial officer and Principal Accounting Officer” and effected by our management and other personnel to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external reporting purposes in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS as issued by the IASB, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the Company’s internal control over financial reporting as of March 31, 2022, the end of the Company’s fiscal year. Management based its assessment on criteria established in Internal Control-Integrated Framework (COSO Framework) published by The Committee of Sponsoring Organizations (COSO 2013). Management’s assessment included evaluation of such elements as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and the Company’s overall control environment. As a result of this assessment, management concluded that there was a material weakness in its internal control over financial reporting, as described below, existed as of March 31, 2022, and hence, the internal control over financial reporting was not effective as at that date. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The scope of our management’s assessment of the effectiveness of internal control over financial reporting includes all of our company’s consolidated operations. Our internal controls over financial reporting were ineffective due to inadequacy of documentation for certain review controls pertaining to testing of control attributes, precision levels applied and documentation of completeness and accuracy of reports used. As part of remediation plan, we will update our policies and procedures regarding the rigor to be followed for review and documentation of controls. However, there is no assurance as to when such remediation would be completed. As the remediation plans are or continue to be implemented, management may take additional measures or modify the plan elements described above.

The effectiveness of our internal control over financial reporting as at March 31, 2022 has been audited by Ernst and Young Associates LLP, India, our independent registered public accounting firm, as stated in their report which is reproduced in its entirety in Item 15(c) below:

C. Attestation Report of the Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Yatra Online Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Yatra Online Inc's internal control over financial reporting as of March 31, 2022, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, because of the effect of the material weakness described below on the achievement of the objectives of the control criteria, Yatra Online Inc (the Company) has not maintained effective internal control over financial reporting as of March 31, 2022, based on the COSO criteria.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. Management has identified a material weakness in internal control over financial reporting processes related to inadequacy of documentation for certain review controls pertaining to testing of control attributes, precision levels applied and documentation of completeness and accuracy of reports used.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statement of financial position of Yatra Online, Inc. (the Company) as of March 31, 2022 and 2021, the related consolidated statements of profit or loss and other comprehensive loss, changes in equity and cash flows for each of the three years in the period ended March 31, 2022, and the related notes. This material weakness was considered in determining the nature, timing and extent of audit tests applied in our audit of the 2022 consolidated financial statements, and this report does not affect our report dated August 1, 2022, which expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting 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 control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst and Young Associates LLP

Gurugram, India
August 1, 2022

D. Changes in Internal Control over Financial Reporting

During the period covered by this Annual Report, our internal controls over financial reporting were ineffective due to identification of a material weakness in internal control over financial reporting processes related to lack of adequate documentation of certain review controls as described above

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our Board has determined that we have at least one audit committee financial expert serving on the audit committee. All the members of the Audit Committee of the audit committee, are an audit committee financial expert and “independent” as that term is defined in the Nasdaq Listing Rules.

ITEM 16B. CODE OF ETHICS

Our Board has adopted the Code of Conduct. Our Code of Conduct documents the principles of conduct and ethics to be followed by our directors, officers and employees when conducting our business and performing their day-to-day duties. The purpose of our Code of Conduct is to promote honest and ethical conduct, compliance with applicable governmental rules and regulations, prompt internal reporting of violations of the Code of Conduct and a culture of honesty and accountability. A copy of the Code of Conduct has been provided to each of our directors, officers and employees who are required to acknowledge that they have received and will comply with the Code of Conduct. We intend to disclose any material amendments to the code, or any waivers of its requirements, in our public SEC filings and/or on our website in accordance with applicable SEC and Nasdaq rules and regulations. Our Code of Conduct can be found on our website at *www.yatra.com*.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our financial statements prepared in accordance with IFRS as issued by IASB are audited by Ernst & Young Associates LLP, a firm registered with the Public Company Accounting Oversight Board in the United States.

Ernst & Young Associates LLP, has served as our independent registered public accountant for each of the years ended March 31, 2022, March 31, 2021 and March 31, 2020 for which audited statements appear in this Annual Report.

The following table shows the aggregate fees for services rendered by Ernst & Young Associates LLP to us, including our subsidiaries, in fiscal years 2022 and 2021.

	Fiscal	
	2021	**2022**
Audit fees (audit and review of financial statements)	INR 24,871	INR 33,366
Audit-related fees (including fees related to the offerings and other miscellaneous audit-related certifications)	-	14,500
Tax fees (other certifications and tax advisory services)	6,229	443
All Other fees (advisory services)	-	-
Total	**INR 31,100**	**INR 48,309**

Audit Committee Pre-approval Process

Our audit committee reviews and pre-approves the scope and the cost of audit services related to us and permissible non-audit services performed by the independent auditors, other than those for de minimis services which are approved by the audit committee prior to the completion of the audit.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

The following table provides information about purchases by us during fiscal year 2019 of our outstanding ordinary shares, par value $0.0001 per share:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs(1)
Up to 3/31/2019	18,892	INR 593.85	11,219,014	NIL
4/1/2019 - 3/31/2020	NIL	NIL	NIL	NIL
4/1/2020 - 4/30/2020	NIL	NIL	NIL	NIL
5/1/2020 - 5/31/2020	NIL	NIL	NIL	NIL
6/1/2020 - 6/30/2020	NIL	NIL	NIL	NIL
Total	**18,892**	**593.85**	**11,219,014**	**NIL**

(1) On January 12, 2017, the Board of Directors had accorded their consent to purchase the outstanding ordinary shares, par value $0.0001 per share of the Company from the employees and grantees in order to settle their tax obligations. We repurchased 18,892 ordinary shares at an average price of approximately INR 593.85 per share (excluding broker and transaction fees) in fiscal year 2017, respectively.

(2) The average price paid per share excludes broker and transaction fees.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

None.

ITEM 16G. CORPORATE GOVERNANCE

The Nasdaq Marketplace Rules provide that foreign private issuers may follow home country practice in lieu of the corporate governance requirements of the Nasdaq Stock Market LLC, subject to certain exceptions and requirements and except to the extent that such exemptions would be contrary to US Federal securities laws and regulations. To date, we have followed and intend to continue to follow the applicable corporate governance standards, barring certain exceptions under the Nasdaq Marketplace Rules.

In accordance with Rule 5250(d)(1) under Nasdaq Marketplace Rules, we will post this Annual Report on our company website at *www.yatra.com*. In addition, we will provide hard copies of our Annual Report free of charge to shareholders upon request.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTION THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

See “Item 18. Financial Statements” for a list of the financial statements filed as part of this Annual Report.

ITEM 18. FINANCIAL STATEMENTS

Our consolidated financial statements are included in this Annual Report at pages F-1 through F-72.

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ITEM 19. EXHIBITS

The following exhibits are filed as part of this Annual Report:

1.1	Memorandum and Articles of Association of the Registrant as in effect prior to this offering (incorporated by reference to Exhibit D to Annex A to the Registrant's Form F-4/A filed on November 15, 2016).
2.1	Warrant Agreement, dated July 16, 2014, between Terrapin 3 Acquisition Corporation (n/k/a Yatra USA Corp.) and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.1 to the Registrant's Form F-1/A filed on February 9, 2017).
2.2	Assignment, Assumption and Amendment Agreement, dated December 16, 2016, among the Registrant, Terrapin 3 Acquisition Corporation and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.2 to the Registrant's Form F-1/A filed on February 9, 2017).
4.1	Form of Subscription Agreement between the Registrant and the Investors party thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Form F-4/A filed on November 21, 2016).
4.2	2006 Share Plan of the Registrant, and forms of agreements thereunder (incorporated by reference to Exhibit 10.3 to the Registrant's Form F-4/A filed on November 21, 2016).
4.3#+	Subscriber Agreement between Yatra Online Private Limited and InterGlobe Technologies Inc., dated February 1, 2021
4.4	Amended and Restated Business Combination Agreement among the Registrant, T3 Parent Corp., T3 Merger Sub Corp., Terrapin 3 Acquisition Corporation, MIHI LLC and Shareholder Representative Services LLC, dated September 28, 2016 (incorporated by reference to Annex A to the proxy statement/prospectus forming part of the Registrant's Form F-4/A filed on November 21, 2016).
4.5	Letter Agreement, dated September 27, 2016, among Yatra Online, Inc., a Cayman Islands exempted company limited by shares, Dhruv Shringi, E-18 Limited, Capital18 Fincap Private Limited, Haresh Chawla, Harshal Shah, IDG Ventures India Fund II LLC, Pandara Trust Scheme I, Intel Capital Corporation, Macquarie Corporate Holdings Pty Limited, Manish Amin, Norwest Venture Partners IX, LP, Norwest Venture Partners X, LP, Rajasthan Trustee Company Pvt Ltd A/c SME Tech Fund RVCF Trust II, Reliance Capital Limited, Valiant Capital Master Fund LP, Valiant Capital Partners LP, Vertex Asia Fund Pte. Ltd. and Wortal, Inc. (incorporated by reference to Exhibit 10.17 to the Registrant's Form F-4/A filed on November 15, 2016).
4.6	Repurchase Agreement, dated September 28, 2016, among Yatra Online, Inc., a Cayman Islands exempted company limited by shares, E-18 Limited, Capital18 Fincap Private Limited, IDG Ventures India Fund II LLC, Pandara Trust Scheme I, Intel Capital Corporation, Macquarie Corporate Holdings Pty Limited, Norwest Venture Partners IX, LP, Norwest Venture Partners X, LP, Rajasthan Trustee Company Pvt Ltd A/c SME Tech Fund RVCF Trust II, Reliance Capital Limited, SVB Financial Group, Valiant Capital Master Fund LP, Valiant Capital Partners LP and Vertex Asia Fund Pte. Ltd. (incorporated by reference to Exhibit 10.18 to the Registrant's Form F-4/A filed on November 21, 2016).
4.7	Support Agreement, dated September 28, 2016, among Yatra Online, Inc., a Cayman Islands exempted company limited by shares, Dhruv Shringi, E-18 Limited, Capital18 Fincap Private Limited, Haresh Chawla, Harshal Shah, IDG Ventures India Fund II LLC, Pandara Trust Scheme I, Intel Capital Corporation, Macquarie Corporate Holdings Pty Limited, Manish Amin, Norwest Venture Partners IX, LP, Norwest Venture Partners X, LP, Rajasthan Trustee Company Pvt Ltd A/c SME Tech Fund RVCF Trust II, Reliance Capital Limited, SVB Financial Group, Valiant Capital Master Fund LP, Valiant Capital Partners LP, Vertex Asia Fund Pte. Ltd. and Wortal, Inc. (incorporated by reference to Exhibit 10.19 to the Registrant's Form F-4/A filed on November 21, 2016).

4.8	Share Subscription Cum Shareholders Agreement, dated April 29, 2015, among Yatra Online Private Limited, IL & FS Trust Company Limited acting as trustee for Pandara Trust Scheme I, Capital18 Fincap Private Limited and Yatra Online, Inc., a Cayman Islands exempted company limited by shares (incorporated by reference to Exhibit 10.20 to the Registrant's Form F-4/A filed on November 21, 2016).
4.9	Waiver and Termination Agreement dated March 23, 2022 among Yatra Online Limited, Vistra ITCL (India) Limited (Formerly IL & FS Trust Company Limited) acting as trustee for Pandara Trust Scheme I, Network 18 Media and Investments Limited and Yatra Online, Inc., a Cayman Islands exempted company limited by shares.
4.10	Exchange and Support Agreement, dated December 16, 2016, by and among the Registrant, Yatra USA Corp. and the holders of Class F Common Stock party thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Report of Foreign Private Issuer on Form 6-K filed on December 22, 2016).
4.11	Amendment No. 1 to the Exchange and Support Agreement, dated December 16, 2021, by and among Yatra Online, Inc., Yatra USA Corp. and theholders of Yatra USA Corp. Class F Common Stock party thereto
4.12	Letter Agreement, dated as of December 15, 2016, by and among the Registrant, Dhruv Shringi, Manish Amin, Harshal Shah, Haresh Chawla, Wortal, Inc., Norwest Venture Partners X, LP, Norwest Venture Partners IX, LP, Vertex Asia Fund Pte. Ltd., Rajasthan Trustee Company Pvt Ltd A/c SME Tech Fund RVCF Trust II, IDG Ventures India Fund II LLC, Reliance Capital Limited, E-18 Limited, Intel Capital Corporation, Valiant Capital Master Fund LP, Valiant Capital Partners LP, Capital18 Fincap Private Limited, Pandara Trust Scheme I, and Macquarie Corporate Holdings Pty Limited (incorporated by reference to Exhibit 4.10 to the Registrant's Annual Report on Form 20-F filed on July 31, 2018).
4.13	Forward Purchase Contract Amendment, dated as of December 16, 2016, among the Registrant, MIHI LLC and Yatra USA Corp. (incorporated by reference to Exhibit 10.2 to the Registrant's Report of Foreign Private Issuer on Form 6-K filed on December 22, 2016).
4.14	Letter Agreement, dated as of December 16, 2016, by and among the Registrant, Yatra USA Corp., MIHI LLC, Apple Orange LLC, Noyac Path LLC, Periscope, LLC, Terrapin Partners Employee Partnership 3 LLC, Terrapin Partners Green Employee Partnership, LLC, Jonathan Kagan, George Brokaw and Victor Mendelson (incorporated by reference to Exhibit 10.3 to the Registrant's Report of Foreign Private Issuer on Form 6-K filed on December 22, 2016).
4.15	2016 Stock Option and Incentive Plan and forms of agreements thereunder (incorporated by reference to Exhibit 10.2 to the Registrant's Form S-8 filed on June 5, 2017).
4.16	Investor Rights Agreement, dated December 16, 2016, between the Registrant and the Investors party thereto (incorporated by reference to Exhibit 4.22 to the Registrant's Form F-3 filed on May 3, 2018).
4.17	Working Capital Facility Agreement, dated June 22, 2017, between Yatra Online Private Limited and ICICI Bank Limited (incorporated by reference to Exhibit 4.24 to the Registrant's Form F-3 filed on May 3, 2018).
4.18	Working Capital Loan Agreement dated 10th June, 2022 between Yatra For Business Private Limited and Axis Bank Limited
4.19	Debenture Trust Deed dated 30th June, 2022 between Yatra Online Freight Services Private Limited and Axis Trustee Services Limited
4.20	Working Capital Loan Agreement dated 16th June, 2022 between Yatra Online Limited and Axis Bank Limited.
4.21	Advertisement Agreement, dated January 11, 2019, between Bennett, Coleman and Company Limited and Yatra Online Private Limited (incorporated by reference to Exhibit 99.2 to the Registrant's Foreign Report on Form 6-K filed on January 31, 2019).
4.22	Non Convertible Debenture Subscription Agreement dated January 11, 2019 between Benett, Coleman and Company Limited, Yatra Online Private Limited and Yatra Online, Inc. (incorporated by reference to Exhibit 99.3 to the Registrant's Report of Foreign Private Issuer on Form 6-K filed on January 31, 2019).
4.23	Credit Arrangement Letter, dated August 14, 2018, between Yatra for Business Private Limited (Formerly known as Air Travel Bureau Private Limited) and ICICI Bank Limited (incorporated by reference to Exhibit 4.25 to the Registrant's Annual Report on Form 20-F/A filed on August 5, 2019).
4.24	Facility Agreement, dated August 16, 2018, between Yatra for Business Private Limited (Formerly known as Air Travel Bureau Private Limited) and ICICI Bank Limited (incorporated by reference to Exhibit 4.26 to the Registrant's Annual Report on Form 20-F/A filed on August 5, 2019).

4.25	Renewal Credit Arrangement Letter, dated May 28, 2019, between Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited) and ICICI Bank Limited (incorporated by reference to Exhibit 4.27 to the Registrant's Annual Report on Form 20-F/A filed on August 5, 2019).
4.26	Amendatory Credit Arrangement Letter, dated September 29, 2020 and December 28, 2020, between Yatra Online Private Limited and ICICI Bank Limited
4.27	Renewal Credit Arrangement Letter dated October 18, 2021 and Supplemental and Amendatory Agreement to the Facility Agreement dated January 17, 2022 between Yatra Online Limited and ICICI Bank Limited
4.28	Renewal Credit Arrangement Letter dated October 14, 2021 and Supplemental and Amendatory Agreement to the Facility Agreement dated January 17, 2022 between Yatra For Business Private Limited and ICICI Bank Limited
4.29	Supplemental and Amendatory Agreement to the Facility Agreement, dated September 30, 2020, between Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited) and ICICI Bank Limited
4.30+†	Global Agreement, dated July 1, 2017, between Yatra Online Private Limited and Amadeus IT Group, S.A. (incorporated by reference to Exhibit 4.30 to the Registrant's Annual Report on Form 20-F/A filed on August 5, 2019).
4.31	Side Letter to Global Agreement, dated July 1, 2020, between Yatra Online Private Limited and Amadeus IT Group, S.A
4.32	Cooperation Agreement by and among The 2020 Timothy J. Maguire Investment Trust, Timothy J. Maguire and Yatra Online, Inc., dated January 17, 2022 (incorporated by reference to Exhibit 10.1 of the Issuer's Form 6-K filed with the SEC on January 21, 2022).
4.33	Cooperation Agreement, dated July 17, 2022, by and among MAK Capital One L.L.C. and its affiliates and the Yatra Online, Inc. (incorporated by reference to Exhibit 99.1 to the Issuer's Current Report on Form 6-K filed on July 18, 2022).
8.1	List of significant subsidiaries of Yatra Online, Inc. (incorporated by reference to Exhibit 21.1 to the Registrant's Form F-1 filed on January 23, 2017)
12.1*	Certification by the Chief Executive Officer pursuant to 17 CFR 240. 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2*	Certification by the Principal Financial Officer and Principal Accounting Officer pursuant to 17 CFR 240. 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1**	Certification by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2**	Certification by the Principal Financial Officer and Principal Accounting Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1*	Consent of Ernst & Young Associates LLP, independent registered public accounting firm.
15.2*	Consent of CRISIL Limited.
99.1*	CRISIL report titled "Assessment of travel industry in India.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Notes:

*	Filed herewith
**	Furnished herewith.
#	Confidential treatment requested.
+	Certain portions of this exhibit will be omitted because they are not material and would likely cause competitive harm to the registrant if disclosed.
†	Schedules and other similar attachments have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant hereby undertakes to furnish supplemental copies of any of the omitted schedules and other similar attachments upon request by the Securities and Exchange Commission.

INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Yatra Online, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Yatra Online, Inc. (the Company) as of March 31, 2022 and 2021, the related consolidated statements of profit or loss and other comprehensive loss, changes in equity and cash flows for each of the three years in the period ended March 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at March 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2022, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2022, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated August 1, 2022, expressed an adverse opinion thereon.

Basis of Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

	Impairment assessment of Goodwill
Description of the Matter	As discussed in Note 20 to the Company's consolidated financial statements, the goodwill balance as of March 31, 2022 was INR 528,191 thousand. The Company performs an impairment test of goodwill on an annual basis at the level of the cash generating units (CGUs) or more frequently if the Company becomes aware of events or changes in circumstances that would indicate that the carrying value of goodwill may not be recoverable. Auditing the Company's goodwill impairment analysis was complex and judgmental due to the estimation required to determine the recoverable amount of the CGUs, being the higher of value in use and fair value less costs to sell. In particular, the recoverable amount estimate was sensitive to significant assumptions such as EBITDA margin, discount rate and the terminal value growth rate. These assumptions are forward looking and could be affected by future economic and market conditions.
How We Addressed the Matter in Our Audit	To test the estimated recoverable amounts of the CGUs, we performed audit procedures that included, among others, assessing the methodologies against IAS 36, Impairment of Assets, used by management in deriving the recoverable value, and testing the significant assumptions and underlying data used by the Company in its analysis. We compared the EBITDA margin to current industry trends and Company's historical results. In addition, our valuation specialists assisted in evaluating the valuation methodology against the requirements of IAS 36 and to compare the discount rate and terminal value growth rate against observable market data and current economic trends. We also performed sensitivity analyses of the significant assumptions to evaluate the potential change in the recoverable amount of the CGUs resulting from changes in underlying assumptions. We also evaluated the adequacy of the Company's disclosures as described in the above mentioned notes.

/s/ Ernst & Young Associates LLP

We have served as the Company's auditor since 2015.

Gurugram, India
August 1, 2022

Yatra Online, Inc.
Consolidated statement of profit or loss and other comprehensive loss
(Amount in thousands, except per share data and number of shares)

	Notes	Year ended March 31,			
		2020	2021	2022	
		INR	INR	INR	USD (refer to Note 2.4)
Revenue					
Rendering of services	8	6,265,274	1,097,862	1,817,392	23,954
Other revenue	9	994,081	173,406	171,984	2,267
Total revenue		**7,259,355**	**1,271,268**	**1,989,376**	**26,221**
Other income	10	159,631	132,045	158,648	2,091
Service cost		2,922,929	22,276	159,284	2,099
Personnel expenses	11	1,777,273	778,915	1,021,881	13,469
Marketing and sales promotion expenses		196,209	79,584	124,147	1,636
Other operating expenses	12	2,259,261	978,315	893,313	11,774
Depreciation and amortization	13	666,369	749,480	308,153	4,062
Impairment of goodwill	20	221,999	264,909	-	-
Impairment of loan to joint venture	14		-	72,719	958
Results from operations		**(625,054)**	**(1,470,166)**	**(431,473)**	**(5,686)**
Share of loss of joint venture	14	(10,784)	(3,962)	41,616	549
Finance income	15	58,641	81,604	47,816	630
Finance cost	16	(193,287)	(117,252)	(100,453)	(1,324)
Listing and related expenses	45	-	-	(55,818)	(736)
Change in fair value of warrants gain		94	378,994	32,756	432
Loss before taxes		**(770,390)**	**(1,130,782)**	**(465,556)**	**(6,135)**
Tax expense	17	(69,805)	(64,096)	(16,906)	(223)
Loss for the period		**(840,195)**	**(1,194,878)**	**(482,462)**	**(6,358)**
Other comprehensive income/(loss)					
Items not to be reclassified to profit or loss in subsequent periods (net of taxes)					
Remeasurement (loss)/gain on defined benefit plan	31	24,515	2,224	(247)	(2)
Items that are or may be reclassified subsequently to profit or loss (net of taxes)					
Foreign currency translation differences loss	31	(28,658)	(4,552)	(5,640)	(73)
Other comprehensive loss for the period, net of tax		**(4,143)**	**(2,328)**	**(5,887)**	**(75)**
Total comprehensive loss for the period, net of tax		**(844,338)**	**(1,197,206)**	**(488,349)**	**(6,433)**
Loss attributable to:					
Owners of the Parent Company		(833,808)	(1,177,343)	(477,850)	(6,297)
Non-controlling interest		(6,387)	(17,535)	(4,612)	(61)
Loss for the period		**(840,195)**	**(1,194,878)**	**(482,462)**	**(6,358)**
Total comprehensive loss attributable to:					
Owners of the Parent Company		(838,302)	(1,179,701)	(483,733)	(6,372)
Non-controlling interest		(6,036)	(17,505)	(4,616)	(61)
Total comprehensive loss for the period		**(844,338)**	**(1,197,206)**	**(488,349)**	**(6,433)**
Loss per share	18				
Basic		(17.94)	(20.38)	(7.66)	(0.10)
Diluted		(17.94)	(20.42)	(7.66)	(0.10)

The accompanying notes are an integral part of the consolidated financial statements.

Yatra Online, Inc.
Consolidated statement of financial position
(Amount in thousands, except per share data and number of shares)

	Notes	March 31, 2021	March 31, 2022	
		INR	INR	USD
				(refer to Note 2.4)
Assets				
Non-current assets				
Property, plant and equipment	19	24,345	21,997	290
Right-of-use assets	44	449,840	229,710	3,028
Intangible assets and goodwill	20	890,037	752,260	9,915
Prepayments and other assets	21	4,206	922	12
Other financial assets	22	23,838	48,320	637
Term deposits	23	21,346	-	-
Other non-financial assets	24	223,618	216,231	2,850
Deferred tax assets	25	15,398	9,996	132
Total non-current assets		**1,652,628**	**1,279,436**	**16,864**
Current assets				
Inventories		1,480	235	3
Trade and other receivables	26	870,452	1,934,713	25,500
Prepayments and other assets	21	616,393	607,731	8,010
Income tax recoverable		249,332	205,557	2,709
Other current financial assets	27	114,634	68,356	901
Term deposits	23	530,783	568,264	7,490
Cash and cash equivalents	28	1,711,589	800,282	10,548
Total current assets		**4,094,663**	**4,185,138**	**55,161**
Total assets		**5,747,291**	**5,464,574**	**72,025**
Equity and liabilities				
Equity				
Share capital	29	838	842	11
Share premium	29	20,240,055	20,286,474	267,385
Treasury shares	29	(11,219)	(11,219)	(148)
Other capital reserve	30	122,109	263,531	3,473
Accumulated deficit		(19,167,316)	(19,617,091)	(258,562)
Foreign currency translation reserve		(26,639)	(32,279)	(425)
Total equity attributable to equity holders of the Company		**1,157,828**	**890,258**	**11,734**
Total non-controlling interest		**5,247**	**1,983**	**26**
Total equity		**1,163,075**	**892,241**	**11,760**
Non-current liabilities				
Borrowings	32	3,177	4,204	55
Trade and other payables	33	34,938	42,605	562
Deferred tax liabilities	25	14,413	11,513	152
Employee benefits	34	52,137	34,108	450
Deferred revenue	35	266,920	64,965	856
Lease liabilities	44	427,786	230,668	3,040
Other financial liabilities	36	270,280	-	-
Other non-financial liability	37	44,453	-	-
Total non-current liabilities		**1,114,104**	**388,063**	**5,115**
Current liabilities				
Borrowings	32	127,878	354,376	4,671
Trade and other payables	33	2,215,425	2,394,712	31,563
Employee benefits	34	54,760	68,845	907
Deferred revenue	35	120,129	183,212	2,415
Income taxes payable		263	4,052	53
Lease liabilities	44	75,182	38,991	514
Other financial liabilities	36	94,185	429,457	5,660
Other current liabilities	38	782,290	710,625	9,367
Total current liabilities		**3,470,112**	**4,184,270**	**55,150**
Total liabilities		**4,584,216**	**4,572,333**	**60,265**
Total equity and liabilities		**5,747,291**	**5,464,574**	**72,025**

The accompanying notes are an integral part of the consolidated financial statements.

Yatra Online, Inc.
Consolidated statement of changes in equity
(Amount in INR thousands, except per share data and number of shares)

	Attributable to shareholders of the Parent Company								
	Equity share capital	**Equity share premium**	**Treasury shares**	**Accumulated deficit**	**Other capital reserve**	**Foreign currency translation reserve**	**Total**	**Non-controlling interest**	**Total equity**
Balance as at April 1, 2019	**713**	**18,884,105**	**(11,219)**	**(17,256,409)**	**735,988**	**6,571**	**2,359,749**	**19,421**	**2,379,170**
Effect of adoption of IFRS 16 “Leases”	-	-	-	(28,562)	-	-	(28,562)	(431)	(28,993)
Balance as at April 1, 2019	**713**	**18,884,105**	**(11,219)**	**(17,284,971)**	**735,988**	**6,571**	**2,331,187**	**18,990**	**2,350,177**
Loss for the period	-	-	-	(833,808)	-	-	**(833,808)**	(6,387)	(840,195)
Other comprehensive loss									
Foreign currency translation differences loss	-	-	-	-	-	(28,658)	**(28,658)**	-	(28,658)
Remeasurement gain on defined benefit plan	-	-	-	24,164	-	-	**24,164**	351	24,515
Total other comprehensive loss	**-**	**-**	**-**	**24,164**	**-**	**(28,658)**	**(4,494)**	**351**	**(4,143)**
Total comprehensive loss	**-**	**-**	**-**	**(809,644)**	**-**	**(28,658)**	**(838,302)**	**(6,036)**	**(844,338)**
Transactions with owners, recorded directly in equity contributions by owners									
Share based payments	-	-	-	46,778	(41,643)	-	**5,135**	-	5,135
Exercise of options	1	5,049	-	-	(5,050)	-	-	-	-
Change in non-controlling interest*	-	-	-	(6,079)	-	-	(6,079)	6,079	-
Total contribution by owners	**1**	**5,049**	**-**	**40,699**	**(46,693)**	**-**	**(944)**	**6,079**	**5,135**
Balance as at March 31, 2020	**714**	**18,889,154**	**(11,219)**	**(18,053,916)**	**689,295**	**(22,087)**	**1,491,941**	**19,033**	**1,510,974**

* Change in non-controlling interest represents shares of a subsidiary issued to the Parent Company. The percentage holding of the parent is 98.56% as of March 31, 2020 (98.53% as of March 31, 2019).

The accompanying notes are an integral part of the consolidated financial statements

Yatra Online, Inc.
Consolidated statement of changes in equity (Continued)
(Amount in INR thousands, except per share data and number of shares)

	Attributable to shareholders of the Parent Company								
	Equity share capital (Note 29)	Equity share premium (Note 29)	Treasury shares (Note 29)	Accumulated deficit	Other capital reserve (Note 30)	Foreign currency translation reserve	Total	Non-controlling interest	Total equity
Balance as at April 1, 2020	**714**	**18,889,154**	**(11,219)**	**(18,053,916)**	**689,295**	**(22,087)**	**1,491,941**	**19,033**	**1,510,974**
Loss for the period	-	-	-	(1,177,343)	-	-	**(1,177,343)**	(17,535)	**(1,194,878)**
Other comprehensive loss									
Foreign currency translation differences loss	-	-	-	-	-	(4,552)	**(4,552)**	-	**(4,552)**
Remeasurement gain on defined benefit plan	-	-	-	2,194	-	-	**2,194**	30	**2,224**
Total other comprehensive loss	**-**	**-**	**-**	**2,194**	**-**	**(4,552)**	**(2,358)**	**30**	**(2,328)**
Total comprehensive loss	**-**	**-**	**-**	**(1,175,149)**	**-**	**(4,552)**	**(1,179,701)**	**(17,505)**	**(1,197,206)**
Transactions with owners, recorded directly in equity contributions by owners									
Share based payments	-	-	-	65,468	11,632	-	**77,100**	-	**77,100**
Exercise of options	15	578,803	-	-	(578,818)	-	**-**	-	**-**
Issuance of shares	109	796,077	-	-	-	-	**796,186**	-	**796,186**
Cost of issuance of shares	-	(23,979)	-	-	-	-	**(23,979)**	-	**(23,979)**
Change in non-controlling interest*	-	-	-	(3,719)	-	-	**(3,719)**	3,719	**-**
Total contribution by owners	**124**	**1,350,901**	**-**	**61,749**	**(567,186)**	**-**	**845,588**	**3,719**	**849,307**
Balance as at March 31, 2021	**838**	**20,240,055**	**(11,219)**	**(19,167,316)**	**122,109**	**(26,639)**	**1,157,828**	**5,247**	**1,163,075**

* Change in non-controlling interest represents shares of a subsidiary issued to the Parent Company. The percentage holding of the parent is 98.63% as of March 31, 2021 (98.56% as of March 31, 2020), (refer to Note 6).

The accompanying notes are an integral part of the consolidated financial statements

Yatra Online, Inc.
Consolidated statement of changes in equity (Continued)
(Amount in INR thousands, except per share data and number of shares

	Attributable to shareholders of the Parent Company								
	Equity share capital (Note 29)	Equity share premium (Note 29)	Treasury shares (Note 29)	Accumulated deficit	Other capital reserve (Note 30)	Foreign currency translation reserve	Total	Non-controlling interest	Total equity
Balance as at April 1, 2021	**838**	**20,240,055**	**(11,219)**	**(19,167,316)**	**122,109**	**(26,639)**	**1,157,828**	**5,247**	**1,163,075**
Loss for the period	-	-	-	(477,850)	-	-	**(477,850)**	(4,612)	**(482,462)**
Other comprehensive loss									
Foreign currency translation differences loss	-	-	-	-	-	(5,640)	**(5,640)**	-	**(5,640)**
Remeasurement loss on defined benefit plan	-	-	-	(243)	-	-	**(243)**	(4)	**(247)**
Total other comprehensive loss	**-**	**-**	**-**	**(243)**	**-**	**(5,640)**	**(5,883)**	**(4)**	**(5,887)**
Total comprehensive loss	**-**	**-**	**-**	**(478,093)**	**-**	**(5,640)**	**(483,733)**	**(4,616)**	**(488,349)**
Transactions with owners, recorded directly in equity contributions by owners									
Share based payments	-	-	-	21,712	187,845	-	**209,557**	-	**209,557**
Exercise of options	4	46,419	-	-	(46,423)	-	**-**	-	**-**
Change in non-controlling interest*	-	-	-	(977)	-	-	**(977)**	977	**-**
Transaction with non-controlling interest**				7,583			**7,583**	375	**7,958**
Total contribution by owners	**4**	**46,419**	**-**	**28,318**	**141,422**	**-**	**216,163**	**1,352**	**217,515**
Balance as at March 31, 2022	**842**	**20,286,474**	**(11,219)**	**(19,617,091)**	**263,531**	**(32,279)**	**890,258**	**1,983**	**892,241**

* During first quarter of the financial year, Yatra India has allotted shares to the parent company which leads to an increase in holding percentage from 98.63% to 98.64%.

** During the year, Yatra India has allotted shares outside the Group by converting trade payable of INR 7,958 of the stakeholder into equity, which leads to a dilution in parent's holding from 98.64% to 98.55%.

The accompanying notes are an integral part of the consolidated financial statements

Yatra Online, Inc.
Consolidated statement of cash flows
(Amount in thousands, except per share data and number of shares)

	Notes	March 31 2020 INR	2021 INR	2022 INR	2022 USD (refer to Note 2.4)
Cash flows from operating activities:					
Loss before tax		**(770,390)**	**(1,130,782)**	**(465,556)**	**(6,135)**
Adjustments to reconcile loss before tax to net cash flows:					
Depreciation and amortization	13	666,369	749,480	308,153	4,062
Change in fair value of contingent consideration	43	(390,009)	-	-	-
Interest income	15	(27,817)	(49,017)	(33,345)	(441)
Interest costs	16	166,134	95,232	94,907	1,251
Impairment of goodwill	20	221,999	264,909	-	-
Unrealized foreign exchange loss/(gain)	16	(10,932)	5,799	(7,471)	(98)
Gain on disposal of property, plant and equipment	10,19	(4,842)	(2,480)	(1,931)	(25)
Change in fair value of warrants - gains		(94)	(378,994)	(32,756)	(433)
Provisions (net)		46,774	39,740	(129,026)	(1,702)
Gain on termination/ rent concession of leases		(27,241)	(33,238)	(36,176)	(478)
Unwinding of deferred consideration		-	-	(41,655)	(550)
Share of loss of a joint venture	14	10,784	3,962	(41,616)	(550)
Share-based payment expense	11	5,135	77,100	209,557	2,762
Impairment of loan to joint venture		-	-	72,719	958
Working capital changes:					
Decrease/ (increase) in trade and other receivables		2,489,784	1,685,634	(1,115,395)	(14,794)
Decrease in inventories		1,428	1,073	1,271	17
Increase/ (decrease) in trade and other payables		(2,887,757)	(402,932)	217,701	2,869
Settlement of contingent consideration	43	-	(389,617)	-	-
Direct taxes (paid)/ refunds		(39,681)	229,574	28,416	375
Net cash used in operating activities		**(550,356)**	**765,443**	**(972,203)**	**(12,812)**
Cash flows from investing activities:					
Acquisition of business (net of cash acquired)	43	-	(410,383)	-	-
Investment in joint venture	14	(3,500)	-	-	-
Purchase of property, plant and equipment	19	(15,572)	(1,089)	(8,927)	(118)
Proceeds from sale of property, plant and equipment		23,404	5,782	2,175	29
Purchase/development of intangible assets	20	(203,751)	(77,881)	(90,469)	(1,192)
Investment in term deposits		(1,091,549)	(69,580)	(635,807)	(8,381)
Proceeds from term deposits		1,383,049	285,492	625,505	8,244
Interest received	15	4,562	37,294	20,987	277
Net cash from/(used in) investing activities		**96,643**	**(230,365)**	**(86,536)**	**(1,141)**
Cash flows from financing activities:					
Proceeds from issue of share capital (net of cost of issuance of shares)	29	-	772,207	-	-
Payment of principal portion of lease liabilities	44	(47,340)	(9,623)	(36,486)	(481)
Payment of interest portion of lease liabilities	44	(56,394)	(72,033)	(43,871)	(578)
Proceeds from factoring	32	917,166	189,052	553,128	7,290
Repayment of factoring proceeds	32	(665,262)	(316,831)	(325,852)	(4,291)
Repayment of borrowings	32	(368,461)	(8,580)	-	-
Repayment of vehicle loan	32	-	-	(4,913)	(65)
Interest paid on borrowings		(113,180)	(18,909)	(6,742)	(89)
Net cash from financing activities		**(333,471)**	**535,283**	**135,264**	**1,783**
Net increase/ (decrease) in cash and cash equivalents		(787,184)	1,070,361	(923,475)	(12,170)
Effect of exchange differences on cash and cash equivalents		69,742	(5,001)	12,168	159
Cash and cash equivalents at the beginning of the year		1,363,671	646,229	1,711,589	22,559
Closing cash and cash equivalents at the end of the year		**646,229**	**1,711,589**	**800,282**	**10,548**
Components of cash and cash equivalents:					
Cash on hand		1,742	472	255	3
Balances with banks					
On current account		1,089,764	876,916	446,162	5,881
Fixed deposits with banks		250,000	758,008	186,028	2,452
Credit card collection in hand		23,864	76,193	167,837	2,212
Total cash and cash equivalents	28	**1,365,370**	**1,711,589**	**800,282**	**10,548**
Less: Bank overdrafts	32	(719,141)	-	-	-
Total cash and cash equivalents		**646,229**	**1,711,589**	**800,282**	**10,548**

The accompanying notes are an integral part of the consolidated financial statements.

Yatra Online, Inc.
Notes to the consolidated financial statements
(Amount in INR thousands, except per share data and number of shares)

1. Corporate information

Yatra Online, Inc. (the "Parent Company") together with its subsidiaries (collectively, "the Company", "We" or the "Group") and equity accounted investee is primarily engaged in the business of selling travel products and solutions in India and Singapore. The Group offers its customers the entire range of travel services including ticketing, tours and packages and reservations for hotels. The Parent Company is a public limited company incorporated and domiciled and incorporated in Cayman Islands; the registered office is located at Maples Corporate Services Limited, PO Box-309, Ugland House, Grand Cayman, KYI-1104 Cayman Islands. The Company's ordinary shares representing equity shares are listed on the NASDAQ Stock Exchange. Information on the Group structure is provided in Note 6.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements for March 31, 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Accounting policies have been consistently applied by the Group for all the periods presented in these financial statements, except in relation to the new standards adopted on April 1, 2021 (Refer Note 2.2).

The consolidated financial statements of the Company for the year ended March 31, 2022 were authorized for issuance by the Parent Company's board of directors on July 31, 2022.

The consolidated financial statements are prepared on historical cost basis, except for financial instruments classified as fair value through profit or loss and other comprehensive income/ loss.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.2 New standards, interpretations and amendments adopted by the Group

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Covid-19-Related Rent Concessions beyond June 30, 2021—Amendment to IFRS 16

In May 2020, the IASB amended IFRS 16 Leases to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors.

As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 1 April 2021.

During the year ended March 31, 2021, the Group has pre-adopted from April 1, 2020 amendment in IFRS 16 related to COVID- 19 – Related Rent Concession which provides lessees with an exemption from assessing whether a COVID-19 -related rent concession is a lease modification. During the year ended March 31, 2022, the Group has applied amendment in IFRS 16 related to Covid-19-Related Rent Concessions beyond June 30, 2021. Accordingly, the Group has reversed lease liabilities with a corresponding recognition of income in profit or loss for the year ended March 31, 2021, and March 31, 2022. Refer to Note 10 and Note 44 for the effect of the implementation of this practical expedient.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as disclosed in Note 6.

A subsidiary is an entity controlled by the Group. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using 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.

Subsidiaries are fully consolidated from the date on which the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies and accounting period in line with those used by the Group. All intra-group transactions, balances, income and expenses and cash flows are eliminated on consolidation.

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the business combination and the Non-controlling interests' share of changes in equity since that date.

Profit or loss and each component of other comprehensive income/ loss (OCI) are attributed to the equity holders of the parent of the Group and to the Non-controlling interests, even if this results in the Non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

● Expected to be realised or intended to be sold or consumed in the normal operating cycle
● Held primarily for the purpose of trading
● Expected to be realised within twelve months after the reporting period

Or

● Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
● It is expected to be settled in the normal operating cycle
● It is held primarily for the purpose of trading
● It is due to be settled within twelve months after the reporting period

Or

● There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 Foreign currencies

The Group's presentation currency is Indian national rupee (INR). The Parent Company's functional currency is United States dollar (USD). The Company's operations are conducted through the subsidiaries and equity accounted investee where the local currency is the functional currency and the financial statements of such entities are translated from their respective functional currencies into INR.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into presentation currency at the rate of exchange prevailing at the reporting date and their statement of profit or loss and other comprehensive loss are translated at average exchange rates prevailing during the year ended March 31, 2022, March 31, 2021 and March 31, 2020, except for transactions where there is a significant difference in the exchange rate, in which cases, the transactions are reported using rate of that date. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit or loss and other comprehensive loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transactions first qualify for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in the statement of profit or loss and other comprehensive loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Convenience translation

The consolidated financial statements are stated in thousands of INR. However, solely for the convenience of the readers, the consolidated statement of financial position as at March 31, 2022, the consolidated statement of profit or loss and other comprehensive loss for the year ended March 31, 2022 and consolidated statement of cash flows for year ended March 31, 2022 were converted into USD at the exchange rate of 75.87 INR per USD, which is based on the noon buying rate as at March 31, 2022, in The City of New York for cable transfers of Indian rupees as certified for customs purposes by the Federal Reserve Bank of New York. This arithmetic conversion should not be construed as representation that the amounts expressed in INR may be converted into USD at that or any other exchange rate as well as that such numbers are in compliance as per the requirements of IFRS. Such convenience translation is not subject to audit by the Company's Independent Registered Public Accounting Firm.

2.5 Summary of significant accounting policies

Joint ventures

The Group's investment in its joint venture is accounted for using the equity method. Under the equity method, the investment in the joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. The statement of profit or loss and other comprehensive loss reflects the Group's share of the results of operations of the joint venture. In addition, when there has been a change recognized directly in the equity of the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as that of the Group.

At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognizes the loss as 'Share of loss of a joint venture' in the statement of profit or loss and other comprehensive loss. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. At each reporting date, Group true-up its obligation to contribute towards the share of cumulative loss of the Joint venture, and reversal, if any, arising is recognised as the gain under 'Share of loss of a joint venture' in the statement of profit or loss and other comprehensive loss.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. Acquisition-related costs are expensed as incurred in statement of profit or loss and other comprehensive loss.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for Non-controlling Interest over the fair value of the identifiable net assets acquired and liabilities assumed. If the fair value of the identifiable net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses 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 the statement of profit or loss and other comprehensive loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's Cash Generating Units (CGUs) (refer to Note 20) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Business combinations which do not fall under the scope as defined under IFRS 3, are accounted in accordance with relevant IFRS as issued by the IASB and other relevant pronouncements.

Revenue recognition

We generate our revenue from contracts with customers. We recognize revenue when we satisfy a performance obligation by transferring control of the promised services to a customer in an amount that reflects the consideration that we expect to receive in exchange for those services. When we act as an agent in the transaction under IFRS 15, we recognize revenue only for our commission on the arrangement. The Group has concluded that it is acting as agent in case of sale of airline tickets, hotel bookings, sale of rail and bus tickets as the supplier is primarily responsible for providing the underlying travel services and the Group does not control the service provided by the supplier to the traveler and as principal in case of sale of holiday packages since the group controls the services before such services are transferred to the traveler.

The Group provides travel products and services to leisure customers (B2C—Business to Consumer), corporate travelers (B2E—Business to Enterprise) and B2B2C (Business to Business to Consumer) travel agents in India and abroad. The revenue from rendering these services is recognized in the statement of profit or loss and other comprehensive loss once the services are rendered. This is generally the case 1) on issuance of ticket in case of sale of airline tickets 2) on date of hotel booking and 3) on the date of completion of outbound and inbound tours and packages.

The application of our revenue recognition policies and a description of our principal activities, organized by segment, from which we generate our revenue, are presented below.

Air Ticketing

We receive commissions or service fees from the travel supplier/bank and/or travelling customer. Revenue from the sale of airline tickets is recognized as an agent on a net commission earned basis. Revenue from service fee is recognized on earned basis. Both the performance obligations are satisfied on issuance of airline ticket to the traveler. We record a allowance for cancellations at the time of the transaction based on historical experience.

Incentives from airlines are recognized when the performance thresholds under the incentive schemes are achieved or are probable to be achieved at the end of periods.

Hotels and Packages

Revenue from hotel reservation is recognized as an agent on a net commission earned basis. Revenue from service fee from customer is recognized on earned basis. Both the performance obligations are satisfied on the date of hotel booking. We record an allowance for cancellations at the time of booking on this revenue based on historical experience.

Revenue from packages are accounted for on a gross basis as the Group is determined to be the primary obligor in the arrangement, that is the risks and responsibilities are taken by the Group including the responsibility for delivery of services. Cost of delivering such services includes cost of hotels, airlines and package services and is disclosed as service cost.

Other Services

Revenue from other services primarily comprises of revenue from sale of rail and bus tickets and revenue from freight forwarding services. Revenue from the sale of rail and bus tickets is recognized as an agent on a net commission earned basis. Revenue related to freight forwarding services is recognized at the time of departure of the cargo at the origin in case of exports and in case of Imports, revenue is recognized on the basis of arrival dates. We act as an agent; accordingly, we recognize revenue only for our commission on the arrangement.

Others

Revenue from other, primarily comprising advertising revenue and fees for facilitating website access to travel insurance companies are being recognized as the services are being performed.

Revenue is recognized net of allowances for cancellations, refunds during the period and taxes.

Revenue is allocated between the loyalty program and the other components of the sale. The amount allocated to the loyalty programme is deferred, and is recognized as revenue when the Group fulfills its obligations to supply the products/services under the terms of the program.

The Group receives upfront fee from Global Distribution System ("GDS") providers for facilitating the booking of airline tickets on its website or other distribution channels to travel agents for using their system which is recognized as revenue for actual airline tickets sold over the total number of airline tickets to be sold over the term of the agreement, in both cases using such GDS platforms, and the balance amount is recognized as deferred revenue under contract liabilities. The Group incurs certain marketing and sales promotion expenses which get reduced from revenue. This includes the cost for upfront cash incentives and select loyalty programs as incurred for customer inducement and acquisition for promoting transactions across various booking platforms.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions have been complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

The Group has assessed and determined to present grants as other income in the statement of profit or loss and other comprehensive loss.

Marketing and sales promotion expenses

Marketing and sales promotion expenses primarily comprise of online, television, radio and print media advertisement costs as well as event driven promotion cost for the Group's products and services. Such costs are the amounts paid to or accrued towards advertising agencies or direct service providers for advertising on websites, television, print formats, search engine marketing and any other media. Advertising and business promotion costs are recognized when incurred.

Additionally, the Group also incurs customer inducement and acquisition costs for acquiring customers and promoting transactions across various booking platforms such as upfront cash incentives, which when incurred are recorded as a reduction from revenue.

Finance income and costs

Finance income comprises interest income on term deposits. Interest income is recognized as it accrues in the statement of profit or loss and other comprehensive loss, using the effective interest rate method (EIR).

Finance cost comprises interest expense on borrowings, interest expense on lease liability and unwinding of other financial liabilities. Interest expense is recognized in the statement of profit or loss and other comprehensive loss using EIR.

Taxes

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generate taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss and other comprehensive loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

● When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

● In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside consolidated statement of profit or loss are recognized outside profit or loss. Deferred tax items are recognized, in correlation to the underlying transaction either in other comprehensive income/loss or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxation authority.

Minimum Alternative Tax

Minimum Alternative Tax ('MAT') expense under the provisions of the Indian Income-tax Act, 1961 is recognized as an asset in the statement of financial position 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 Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed on every period end and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT credit entitlement is included as part of deferred tax asset.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. All repair and maintenance costs are recognized in the statement of profit or loss and other comprehensive loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive loss when the asset is derecognized.

Depreciation is calculated on straight line basis using the rates arrived at based on the estimated useful lives of the assets as follows:

Computer and peripherals	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	Term of loan/lease or useful life (5 - 7 years as applicable) whichever is shorter.

Leasehold improvements are amortized over the lower of primary lease period or economic useful life.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Technology related development costs incurred by the Group are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenses incurred during the application development stage. The costs related to planning and post implementation phases of development are expensed as incurred.

Internally generated intangibles, excluding capitalized development costs, are not capitalized. Instead, the related expenditure is recognized in the statement of profit or loss and other comprehensive loss in the period in which the expenditure is incurred.

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

(Amount in INR thousands, except per share data and number of shares)

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit in the statement of profit or loss and other comprehensive loss.

Goodwill is initially recognized at cost and is subsequently measured at cost less any accumulated impairment losses.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss recognized in the statement of profit or loss and other comprehensive loss on disposal.

Intangible assets with finite life are amortized over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit or loss and other comprehensive loss.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Intangible assets are amortized as below:

Agent / Supplier relationships	2.5 - 10 years
Non-compete agreements	3.5 - 6.5 years
Trademarks	10 - 20 years
Intellectual property rights	3 years
Computer software and websites	3 to 10 years or license period, whichever is shorter
Customer relationships	4 to 15 years

During the year ended March 31, 2021, the Company has re-estimated the useful life of the following intangible assets and accounted for the impact of such change on prospective basis:-

Customer relationships	4-10 years
Trademarks	10 years

Refer note 20 for impact of such change.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 3 to 9 years
- Motor vehicles and other equipment 3 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Refer to Note 44 for disclosures on leases.

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.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, at fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect 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 on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired

The Group's financial assets at amortized cost includes trade receivables, term deposits, security deposits and employee loans. For more information on receivables, refer to Note 26.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and,

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under "IAS 32 Financial Instruments: Presentation" and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

Impairment of financial assets

The Group recognized an allowance for expected credit losses (ECLs) for all instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, interest-bearing borrowings including bank overdrafts and share warrants.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include share warrants for which gain or loss is routed through profit or loss. For more details on share warrants, refer to Note 36.

Loans and borrowing

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. The EIR amortization is included as finance costs in the statement of profit or loss and other comprehensive loss. This category applies to interest-bearing borrowings, trade and other payables.

Fair value measurement

The Group measures financial instruments, at fair value such as warrants etc. at each balance sheet date.

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 by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

● Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities
● Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
● Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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.

Fair-value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed, are summarised in the note no 7.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks, payment gateways and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on FIFO (First in First out) basis and net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Inventories include tickets for amusement parks and attractions.

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested at least annually or when there are indicators that an asset may be impaired, for impairment. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or when annual impairment testing for an asset is required. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

Impairment test for goodwill is performed at the level of each CGU or groups of CGUs expected to benefit from acquisition-related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Fair value less costs to sell is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, less the costs of disposal. Impairment losses, if any, are recognized in the statement of profit or loss and other comprehensive loss as a component of depreciation and amortization expense.

An impairment loss in respect of goodwill is not reversed. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Provisions and contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of a past event, that 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. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, 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 are recognized at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the consolidated financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Employment benefit plan

The Group's post-employment benefits include defined benefits plan and defined contribution plans. The Group also provides other benefits in the form of deferred compensation and compensated absences.

Under the defined benefit retirement plan, the Group provides obligation in the form of Gratuity under the Payment of Gratuity Act 1972 (India). Under the plan, a lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee's salary and years of service with the Group.

For defined benefit retirement plans, the difference between the fair value of the plan assets and the present value of the plan liabilities is recognized as an asset or liability in the statement of financial position. Scheme liabilities are calculated using the projected unit credit method and applying the principal actuarial assumptions as at the date of statement of financial position. Plan assets are assets that are qualifying insurance policies.

All expenses excluding remeasurements of the net defined benefit liability (asset), in respect of defined benefit plans are recognized in the statement of profit or loss and other comprehensive loss as incurred. Remeasurement, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI (Other comprehensive income) in the period in which they occurred. The remeasurements are not re-classified to profit or loss in subsequent years. The Group’s contribution to defined contribution plans are recognized in statement of profit or loss and other comprehensive loss as and when the services are rendered by employees. The Group has no further obligations under these plans beyond its periodic contributions.

The employees of the Group are entitled to compensated absences. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. Any actuarial gains or losses are recognized in the statement of profit or loss and other comprehensive loss in the period in which they arise.

Share-based payments / Restricted stock units (RSUs)

Employees (including senior executives) of the Group receive part of their remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined at the fair value at the date when the grant is made using Black-Scholes valuation model, further details of which are given in Note 30.

That cost is recognized in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss and other comprehensive loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest because service conditions have not been met.

Earnings (loss) per share

The Group’s Earnings (Loss) per Share (‘EPS’) is determined based on the net profit/(loss) attributable to the shareholders’ of the parent company. Basic EPS is computed using the weighted average number of shares outstanding during the year.

Diluted EPS is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including, share options and warrants (using the treasury stock method for options and warrants), except where the result would be anti-dilutive.

If the number of ordinary or potential ordinary shares outstanding increase as a result of a capitalization, bonus issue or share split, or decrease as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented is adjusted respectively, further details of which are given in Note 18.

3. Standards and interpretations issued but not effective

The new standards, interpretations and amendments to Standards that are issued to the extent relevant to the Group, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these Standards, if applicable, when they become effective.

Amendment to IAS 37, "Provisions, Contingent Liabilities and Contingent Assets"

On May 14, 2020, the IASB issued "Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)", amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment specifies 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 or an allocation of other costs that relate directly to fulfilling contracts. These amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application is permitted. These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2022.

The Group is currently evaluating the impact of amendment to IAS 37 on its consolidated financial statements.

Amendments to IAS 1, "Presentation of Financial Statements" regarding classification of liabilities as current or non-current

On January 23, 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify;

- what is meant by a right to defer settlement;
- that a right to defer must exist at the end of the reporting period;
- that classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual periods beginning on or after January 1, 2023 and must be applied retrospectively. Furthermore, the IASB proposed to defer the effective date of the 2020 amendments to no earlier than January 1, 2024.

The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendments to IAS 1, "Presentation of Financial Statements"

On February 12, 2021, the IASB has issued amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements which 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 January 1, 2023, although early adoption is permitted. These amendments are applicable on Group for annual reporting periods beginning on April 1, 2023. The Group is in the process of evaluating the impact of the amendment.

Amendments to IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors"

On February 12, 2021 the IASB has issued amendments to IAS 8 Accounting Policies, Changes in Accounting estimates and Errors which introduced a definition of 'accounting estimates' and included amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates and the correction of errors. Also, the IASB clarified how entities use measurement techniques and inputs to develop accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2023, although early adoption is permitted. These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2023. The Group is in the process of evaluating the impact of the amendment.

Amendments to IAS 12, "Income Taxes" regarding deferred tax related to assets and liabilities arising from a single transaction

On May 7, 2021, the IASB amended IAS 12 to provide a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that Companies are required to recognise deferred tax on transactions such as leases and decommissioning obligations. The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2023, although early adoption is permitted. These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2023. The Group is in the process of evaluating the impact of the amendment.

Amendments to IAS 16, "Property, Plant and Equipment"

On May 14, 2020 the IASB issued amendment to IAS 16 Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16) which amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2022, although early adoption is permitted.

These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2022. The Group is in process of evaluating the impact of the amendment.

Reference to the Conceptual Framework Amendments to IFRS 3, "Business Combinations"

On May 28, 2020, the International Accounting Standards Board (IASB) issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989 (Framework), with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 (the Conceptual Framework) without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately.The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.This amendment is applicable for annual period beginning on or after January 1, 2022 although early adoption is permitted. These amendments are applicable on the Group for annual reporting periods beginning on April 1, 2022. The Group is in the process of evaluating the impact of the amendment.

IFRS 9 "Financial Instruments": Fees in the '10 per cent' test for derecognition of financial liabilities

● The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

● An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

● An entity applies the amendment for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

The amendment is applicable on the Group for annual reporting period beginning on April 1, 2022. The Group is in the process of evaluating the impact of the amendment.

4. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities in future periods.

4.1 Significant judgments in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

4.2 Significant accounting estimates and assumptions

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

a) Impairment reviews

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

The key assumptions used to determine the recoverable amount for the CGUs, including sensitivity analysis, are disclosed and further explained in Note 20.

The Group tests goodwill for impairment annually on March 31 and whenever there are indicators of impairment.

b) Measurement of Expected Credit Loss (ECL) for uncollectible trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Also refer to Note 26 and 27.

c) Loyalty programs

Customers are entitled to loyalty points on certain transactions that can be redeemed for future qualifying transactions. The Group estimates revenue allocation between the loyalty program and the other components of the sale with assumptions about the expected redemption rates. The Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue. Also refer to Note 35.

d) Taxes

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments. The Group has not recognized deferred tax asset on unused tax losses and temporary differences in most of the subsidiaries of the Group. Also refer to Note 25.

e) Defined benefit plans

The costs of post retirement benefit obligation under the Gratuity plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Also refer to Note 34 for assumptions and sensitivities.

f) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

g) Useful life of Intangible assets

The useful lives of the Group’s intangible assets are determined by management at the time the asset is acquired based on historical experience, after considering market conditions, industry practice, technological developments, obsolescence and other factors. The useful life is reviewed by management periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology

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Notes to the consolidated financial statements - (Continued)
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5. Segment information

For management purposes, the Group is organized into lines of business (LOBs) based on its products and services and has reportable segments as mentioned below. The LOBs offer different products and services, and are managed separately because the nature of products and methods used to distribute the services are different. For each of these LOBs, Chief Executive Officer (CEO) reviews internal management reports. Accordingly, the Chief Executive Officer (CEO) is construed to be the Chief Operating Decision Maker (CODM). Segment revenue less service cost from each LOB's are reported and reviewed by the CODM on a monthly basis.

The following summary describes the operations in each of the Group's reportable segments:

1. Air Ticketing: Through internet, mobile based platform and call-centers, the Group provides the facility to book and service international and domestic air tickets to ultimate customers through B2C (Business to Consumer), Business to Enterprise (B2E) and B2B2C (Business to Business to Consumer) channels. All these channels share similar characteristics as they are engaged in facilitation of booking of air tickets. Management believes that it is appropriate to aggregate these channels as one reporting segment due to the similarities in the nature of business.
2. Hotels and Packages: Through an internet and mobile based platform and call-centers, the group provides holiday packages and hotel reservations. For internal reporting purpose, the revenue related to Airline Ticketing issued as a component of group developed holiday package is assigned to Hotel and Package segment and is recorded on a gross basis. The hotel reservations form integral part of the holiday packages and, accordingly, management believes that it is appropriate to aggregate these services as one reportable segment due to similarities in the nature of services.
3. Other services primarily include the income from sale of rail and bus tickets and income from freight forwarding services. The Other services do not meet any of the quantitative thresholds to be a reportable segment for any of the periods presented in these consolidated financial statements. However, management has considered this as the reportable segment and disclosed it separately, since the management believes that information about the segment would be useful to users of the consolidated financial statements.
4. Other operations primarily include the advertisement income from hosting advertisements on our internet web-sites, income from sale of coupons and vouchers and income from facilitating website access to travel insurance companies. The operations do not meet any of the quantitative thresholds to be a reportable segment for any of the periods presented in these consolidated financial statements.

   Until June 30, 2021, for internal reporting purposes, Other Services was included under "Others". Effective July 1, 2021, the Company has changed the composition of its operating segments which has resulted in "Other Services" segment now being reported as one of the reportable segments. Following this change in the composition of its reportable segments, the Company has restated the corresponding items of segment information for earlier periods.

Information about Reportable Segments:

	Air Ticketing			Hotels and Packages			Other Services			Others					
	March 31			March 31			March 31			March 31			Total		
Particulars	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**	**2020**	**2021**	**2022**
Segment revenue	3,957,989	1,487,465	2,211,074	3,707,534	372,806	758,435	86,121	47,178	161,504	994,081	173,406	171,984	8,745,725	2,080,855	3,302,997
Service cost	-	-	-	(2,922,929)	(22,276)	(159,284)	-	-	-	-	-	-	(2,922,929)	(22,276)	(159,284)
Segment results	**3,957,989**	**1,487,465**	**2,211,074**	**784,605**	**350,530**	**599,151**	**86,121**	**47,178**	**161,504**	**994,081**	**173,406**	**171,984**	**5,822,796**	**2,058,579**	**3,143,713**
Other income													159,631	132,045	158,648
Unallocated expenses													(5,719,113)	(2,646,401)	(3,352,962)
Operating loss (before depreciation, amortization, impairment of goodwill and impairment of loan to joint venture)													**263,314**	**(455,777)**	**(50,601)**
Finance cost													(193,287)	(117,252)	(100,453)
Depreciation and amortization													(666,369)	(749,480)	(308,153)
Impairment of goodwill													(221,999)	(264,909)	-
Finance income													58,641	81,604	47,816
Share of loss of joint venture													(10,784)	(3,962)	41,616
Change in fair value of warrants gain													94	378,994	32,756
Listing and related expenses													-	-	(55,818)
Impairment of loan to joint venture													-	-	(72,719)
Loss before taxes													**(770,390)**	**(1,130,782)**	**(465,556)**
Tax expense													(69,805)	(64,096)	(16,906)
Loss for the period													**(840,195)**	**(1,194,878)**	**(482,462)**

Assets and liabilities are not identified to any reportable segments, since the Group uses them interchangeably across segments and, consequently, the Management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities.

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Notes to the consolidated financial statements - (Continued)
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Reconciliation of information on Reportable Segments to IFRS measures:

	Air Ticketing			Hotels and Packages			Other Services			Others			Total		
	March 31			March 31			March 31			March 31			March 31		
Particulars	**2,020**	**2,021**	**2,022**	**2,020**	**2,021**	**2,022**	**2,020**	**2,021**	**2,022**	**2,020**	**2,021**	**2,022**	**2,020**	**2,021**	**2,022**
Segment revenue	3,957,989	1,487,465	2,211,074	3,707,534	372,806	758,435	86,121	47,178	161,504	994,081	173,406	171,984	8,745,725	2,080,855	3,302,997
Less: customer inducement and acquisition costs**	(1,348,471)	(594,426)	(1,060,600)	(105,736)	(199,409)	(237,695)	(32,163)	(15,752)	(15,326)	-	-	-	(1,486,370)	(809,587)	(1,313,621)
Revenue	**2,609,518**	**893,039**	**1,150,474**	**3,601,798**	**173,397**	**520,740**	**53,958**	**31,426**	**146,178**	**994,081**	**173,406**	**171,984**	**7,259,355**	**1,271,268**	**1,989,376**
Unallocated expenses													(5,719,113)	(2,646,401)	(3,352,962)
Less: customer inducement and acquisition costs**													1,486,370	809,587	1,313,621
Unallocated expenses													**(4,232,743)**	**(1,836,814)**	**(2,039,341)**

Notes: **For purposes of reporting to the CODM, certain promotion expenses including upfront cash incentives, loyalty programs costs for customer inducement and acquisition costs for promoting transactions across various booking platforms, which are reported as a reduction of revenue, are added back to the respective segment revenue lines and marketing and sales promotion expenses. For reporting in accordance with IFRS, such expenses are recorded as a reduction from the respective revenue lines. Therefore, the reclassification excludes these expenses from the respective segment revenue lines and adds them to the marketing and sales promotion expenses (included under Unallocated expenses).

Geographical Information:

Given that Company's products and services are available on a technology platform to customers globally, consequently, the necessary information to track accurate geographical location of customers is not available.

Non-current assets are disclosed based on respective physical location of the assets

	Non Current Assets*	
	March 31, 2021	**March 31, 2022**
India	1,362,703	1,003,868
Others	1,519	98
Total	**1,364,222**	**1,003,966**

* Non-current assets presented above represent property, plant and equipment, right-of-use assets and intangible assets and goodwill.

Major Customers:

Considering the nature of business, customers normally include individuals and business enterprises. Further, none of the corporate and other customers account for more than 10% or more of the Group's revenues.

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Notes to the consolidated financial statements - (Continued)
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6. Group information

The consolidated financial statements of the Group includes:

Information about group subsidiaries

			% Equity interest	
Name	**Principal activities**	**Country of incorporation**	**March 31, 2021**	**March 31, 2022**
THCL Travel Holding Cyprus Limited	Investment Company	Cyprus	100	100
Yatra USA Corp	Investment Company	USA	100**	100**
Yatra USA, LLC	Travel & Travel related services	USA	100	100
Asia Consolidated DMC Pte. Ltd.	Travel & Travel related services	Singapore	100	100
Middle East Travel Management Company Private Limited	Travel & Travel related services	India	100	100
Yatra Online Limited (formerly known as Yatra Online Private Limited)	Travel & Travel related services	India	98.63*	98.55*
Yatra Corporate Hotel Solutions P. Ltd.	Travel & Travel related services	India	98.63*	98.55*
TSI Yatra Private Limited	Travel & Travel related services	India	98.63*	98.55*
Yatra TG Stays Private Limited	Travel & Travel related services	India	98.63*	98.55*
Yatra Hotel Solutions Private Limited	Travel & Travel related services	India	98.63*	98.55*
Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited)	Travel & Travel related services	India	98.63*	98.55*
Travel.Co.In Private Limited (formerly known as Travel.Co.In Limited (TCIL))	Travel & Travel related services	India	98.63*	98.55*
Yatra Online Freight Services Private Limited	Freight forwarding services	India	98.63*/***	98.55*/***

* Remaining shares of 1.45% (March 31, 2021: 1.37%) are held by the minority shareholder as at March 31, 2022. Refer to note 29.
** Includes 20.93% (March 31, 2021: 21.08%) Class F Shares owned by Terrapin 3's founder stockholders having no voting right. Terrapin 3's founder stockholders also own Class F Shares in the Company having no economic value and have an exchange right to acquire Ordinary Shares of the Company. During the year ended March 31, 2021, MIHI LLC (Macquarie Group Ltd.), Class F shareholder of Yatra USA Corp has exchanged 1,083,281 Class F Shares with the Ordinary Shares of Yatra Online, Inc. Also, 1,060,781 Class F shares held by MIHI LLC (Macquarie Group Ltd.) in Yatra Online, Inc. have been converted into Ordinary Shares thereof at 0.00001 conversion ratio. During the year ended March 31, 2022, George Brokaw, Class F shareholder of Yatra USA Corp has exchanged 15,000 Class F Shares with the Ordinary Shares of Yatra Online, Inc..Refer to Note 29.
***On August 5, 2020, Yatra Online Freight Services Private Limited was incorporated with principal activity of Freight forwarding services. Yatra Online, Inc. (the "Company"), through its subsidiary, Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited) holds all of the outstanding shares of Yatra Online Freight Services Private Limited.

Joint Venture

The group has a 50% interest in Adventure and Nature Network Pvt. Ltd. (March 31, 2021: 50%). For more detail, refer to Note 14.

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7. Fair value measurement

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements.

Fair values

The management assessed that the fair values of trade receivables, cash and cash equivalent, term deposits, trade payables, borrowings and other liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

	Carrying value		Fair value	
	As at March 31, 2021	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2022**
Financial assets				
Assets carried at amortized cost				
Trade and other receivables	870,452	1,934,713	870,452	1,934,713
Cash and cash equivalents	1,711,589	800,282	1,711,589	800,282
Term deposits	552,129	568,264	552,129	568,264
Other financial assets	139,901	120,385	139,901	120,385
Total	**3,274,071**	**3,423,644**	**3,274,071**	**3,423,644**
Financial liabilities				
Liabilities carried at fair value				
Share warrants	32,391	-	32,391	-
Total	**32,391**	**-**	**32,391**	**-**
Liabilities carried at amortized cost				
Trade and other payables	2,250,363	2,437,317	2,250,363	2,437,317
Borrowings	131,055	358,580	131,055	358,580
Other liabilities	268,663	566,901	268,663	566,901
Total	**2,650,081**	**3,362,798**	**2,650,081**	**3,362,798**

Fair value hierarchy

The table below analysis financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

● Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
● Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
● Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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Notes to the consolidated financial statements - (Continued)
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	March 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets for which fair value is disclosed				
Term deposits	-	552,129	-	552,129
Other financial assets	-	139,901	-	139,901
Total assets	**-**	**692,030**	**-**	**692,030**
Liabilities carried at fair value				
Warrants	31,955	-	436	32,391
Liabilities carried at amortized cost				
Borrowings	-	131,055	-	131,055
Other liabilities	-	268,663	-	268,663
Total Liabilities	**31,955**	**399,718**	**436**	**432,109**

	March 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets for which fair value is disclosed				
Term deposits	-	568,264	-	568,264
Other financial assets	-	120,385	-	120,385
Total assets	**-**	**688,649**	**-**	**688,649**
Liabilities carried at fair value				
Warrants	-	-	-	-
Liabilities carried at amortized cost				
Borrowings	-	358,580	-	358,580
Other liabilities	-	308,702	-	308,702
Total Liabilities	**-**	**667,282**	**-**	**667,282**

There were no transfers between Level 1, Level 2 and Level 3 during the year.

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Valuation Techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring fair values at March 31, 2021 and March 31, 2022 as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
A. Financial Instruments measured at fair value:			
Warrants	Black- Scholes model: The valuation model considers the share price on measurement date, expected term of the instrument, risk free rate (based on government bonds), expected volatility and expected dividend rate.	Expected term: 0.66 years (PY: 1.16 years) Risk free rate : 1.11% (PY 0.08%)	The estimated fair value would increase (decrease) if : ● the expected term were lower/ (higher) ● the risk free rate were lower/ (higher)
Quoted Warrants	Fair market value	-	-
B. Financial Instruments for which fair value is disclosed:			
Borrowings	Discounted cash flows	Prevailing interest rate in market, future payouts.	-
Term deposits	Discounted cash flows	Prevailing interest rate to discount future cash flows	-
Other financial assets	Discounted cash flows	Prevailing interest rate to discount future cash flows	-
Other liabilities	Discounted cash flows	Prevailing interest rate to discount future cash flows	-

Below is reconciliation of fair value measurements categorized within level 1 & level 3 of the fair value hierarchy

	April 1, 2020	Final Payment	Charge to profit or loss	Effects of movements in foreign exchange rates	March 31, 2021	Charge to profit or loss	Effects of movements in foreign exchange rates	March 31, 2022
Macquarie Corporate Holdings Pty Limited - Ordinary Warrants	2		441	(7)	436	(444)	8	-
Quoted Warrants*	418,264		(379,435)	(6,874)	31,955	(32,312)	357	-
Liability for business acquisition (refer to Note 43)	800,000	(800,000)	-	-	-			-
Total	**1,218,266**	**(800,000)**	**(378,994)**	**(6,881)**	**32,391**	**(32,756)**	**365**	**-**

* On December 16, 2021, at 5:00 p.m., New York time, outstanding warrants (the "Warrants") to purchase an aggregate of 17,337,500 Ordinary Shares expired.

(Amount in INR thousands, except per share data and number of shares)

8 Rendering of services

8.1 Disaggregation of revenue

In the following tables, revenue is disaggregated by product type

Revenue by Product types

	March 31,		
	2020	**2021**	**2022**
Air Ticketing	2,609,518	893,039	1,150,474
Hotels and Packages	3,601,798	173,397	520,740
Other Services	53,958	31,426	146,178
	6,265,274	**1,097,862**	**1,817,392**

8.2 *Contract balances*

Contract assets

Contract assets primarily relate to the Group's rights to consideration from travel suppliers in exchange for services that the Company has transferred to the traveler when that right is conditional on the Company's future performance. The contract assets are transferred to receivables when the rights to consideration become unconditional. This usually occurs when the Group issues an invoice to the travel suppliers.

	March 31,	
	2021	**2022**
Contract Assets	**626**	**11**

Changes in contract assets are as follows:

	March 31,	
	2021	**2022**
Balance at the beginning of the year	-	626
Revenue recognised during the year	626	11
Billed during the year	-	(626)
Balance at the end of the year	**626**	**11**

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

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Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

Contract liabilities primarily relate to the consideration received from customers for travel bookings in advance of the Group's performance obligations which is classified as "advance from customers", and consideration allocated to customer loyalty programs and advance received from Global Distribution System ("GDS") provider for bookings of airline tickets in future which is deferred, and which is classified as "deferred revenue".

	March 31,	
	2021	2022
Advance from customer (refer to Note 38)	537,002	531,526
Deferred revenue (refer to Note 35)	387,049	248,177
Total Contract liabilities	**924,051**	**779,703**

As at March 31, 2021, INR 537,002 (March 31, 2020: INR 774,673) of advance consideration received from customers for travel bookings was reported within contract liabilities, INR 238,110 (March 31, 2021: INR 495,432) of which was applied to revenue and INR 12,914 (March 31, 2021: INR 49,088) was refunded to customers during the year ended March 31, 2022. As at March 31, 2022, the related balance was INR 531,526 (March 31, 2021: INR 537,002).

No information is provided about remaining performance obligations at March 31, 2022 and March 31, 2021 that have an original expected duration of one year or less, as allowed by IFRS 15.

9 Other revenue

		March 31,	
	2020	2021	2022
Marketing revenue	994,081	173,406	171,984
Total	**994,081**	**173,406**	**171,984**

Primarily comprising advertising revenue and fees for facilitating website access to travel insurance providers.

10 Other income

		March 31,	
	2020	2021	2022
Liability no longer required to be paid	38,973	87,925	119,708
Government grant	86,810	7,883	-
Gain on termination/rent concession of leases	27,241	33,238	35,847
Gain on sale of property, plant and equipment (net)	4,842	2,480	1,931
Miscellaneous income	1,765	519	1,162
Total	**159,631**	**132,045**	**158,648**

Government grant includes the Company's entitlement to receive duty credit scripts as grant under Service Exports from India Scheme (SEIS) from the Government of India on achievement of certain conditions as notified under the scheme. Such scripts can be utilized against the payment of custom duty at the time of import of goods or services to India. Refer to note 27 for more details.

During the year ended March 31, 2020, Government grant includes the Company's entitlement to receive grant under "Singapore's Resilience Budget" from the Singapore Government on achievement of certain conditions as notified under the scheme. Refer to note 27 for more details.

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Notes to the consolidated financial statements - (Continued)
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Liability no longer required to be paid represent trade payables, that through the expiry of time, the Group has no further legal obligation to vendors.

Gain on termination/ rent concession of leases income include 8,485 (March 31, 2021: INR 22,036) on account of lease concession occurring as a direct consequence of the Covid-19 pandemic.

11 Personnel expenses

	March 31,		
	2020	**2021**	**2022**
Salaries, wages and other short term employee benefits	1,608,958	635,667	741,639
Contributions to defined contribution plans	86,678	30,301	37,880
Expenses related to defined benefit plans (refer to Note 34)	25,642	14,345	13,878
Share based compensation costs	5,135	77,100	209,557
Employee welfare expenses	50,860	21,502	18,927
Total	**1,777,273**	**778,915**	**1,021,881**

12 Other operating expenses

	March 31,		
	2020	**2021**	**2022**
Commission	626,468	31,558	113,947
Communication	169,242	119,844	135,004
Legal and professional fees	471,761	309,027	179,353
Outsourcing fees	190,892	21,336	20,304
Payment gateway and other charges	748,714	151,556	256,353
Advances provision (refer to Note 21)	12,364	15,106	5,326
Trade and other receivables provision (refer to Note 26)	93,000	178,342	26,412
Security deposit and other assets provision (refer to Note 27)	-	6,743	-
Duties and taxes	36,486	16,343	12,178
Rent	55,007	9,418	2,330
Repairs and maintenance	78,797	32,169	31,813
Travelling and conveyance	69,930	3,641	12,705
Insurance	50,891	59,428	76,371
Remeasurement of contingent consideration (refer to Note 43)	(390,009)	-	-
Corporate social responsibility (CSR) expense	8,202	2,620	1,950
Miscellaneous expenses	37,516	21,184	19,267
Total	**2,259,261**	**978,315**	**893,313**

13 Depreciation and amortization

	March 31,		
	2020	**2021**	**2022**
Depreciation	85,509	33,893	14,752
Amortization	502,992	627,651	230,758
Depreciation on right of use assets	77,868	87,936	62,643
Total	**666,369**	**749,480**	**308,153**

Yatra Online, Inc.
Notes to the consolidated financial statements - (Continued)
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14. Investment in joint venture

The Group entered into an agreement with Snow Leopard Pvt. Ltd (SLA) on September 28, 2012 to set up a Joint venture company Adventure and Nature Network Private Limited (ANN) to do business in adventure travel, having its principal place of business in India.

Group contributed during the financial year ended March 31, 2022: Nil (March 31, 2021: Nil and March 31, 2020: 3,500) to maintain its 50% stake in the joint venture company. Both Group and SLA have equal right in management of ANN requiring unanimous decision in board meetings and shareholder's meetings.

Investment in joint venture is accounted for using the equity method in accordance with IAS 28 *Investments in Associates and Joint Ventures* in the consolidated financial statements. Summarized financial information of the joint venture, based on its IFRS financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are set out below:

Summarized statement of financial position of ANN:

	March 31,	
	2021	**2022**
Current assets, including cash and cash equivalents INR 664 (March 31, 2021: INR 1,624)	4,015	2,212
Non-current assets	7,740	-
Current liabilities	(86,431)	(96,895)
Non-current liabilities	(8,556)	(117)
Equity	**(83,232)**	**(94,800)**
Group's carrying amount of the investment (50%)	**(41,616)**	**(47,400)**
Transferred to other liabilities (refer to Note 38)	**41,616**	**-**
True-up of carrying value to group share loss*	**-**	**47,400**
Net carrying amount of investment	**-**	**-**

*The Group has advanced loan amounting to INR 56,200 to the joint venture. The Group has the right to set off the outstanding loan amount given by it to the joint venture against its obligation to contribute toward losses of the joint venture. As at March 31, 2022, the loan outstanding, including interest thereon, amounts to INR 72,719. The Group, considering the status of recovery of the operations of the joint venture post pandemic, has recorded impairment of the entire amount outstanding as at March 31, 2022 in statement of profit and loss under impairment of loan to joint venture.

The Group's share of cumulative loss of the Joint venture in excess of the carrying value of the investment till March 31, 2022, is INR 47,400 is lower than the loan given to the joint venture of INR 72,719, which is fully impaired.

Post impairment of loan, considering that the Group has the right to set off the loan already given to the joint venture with its obligation to contribute towards the losses, the Group has trued-up its obligation to contribute towards the losses of the joint venture as at March 31, 2022, resulting in reversal of INR 47,400 for the year ended March 31, 2022.

Share of loss of joint venture recognised on the face of the statement of profit or loss for the year ended March 31, 2022, comprises the net impact of the reversal of INR 47,400 and Group's share of loss of INR 5,784.

Summarized statement of profit or loss of ANN:

	March 31,		
	2020	**2021**	**2022**
Revenue	8,688	13,649	4,999
Other operating expenses, including depreciation INR 86 (March 31, 2021: INR 1,663 and March 31, 2020: INR 96)	(25,322)	(12,245)	(7,656)
Finance cost	(4,934)	(9,328)	(8,911)
Loss before tax	**(21,568)**	**(7,924)**	**(11,568)**
Income tax expense	-	-	-
Loss for the year	**(21,568)**	**(7,924)**	**(11,568)**
Group's share of loss for the year**	**(10,784)**	**(3,962)**	**(5,784)**

The joint venture had contingent liabilities as at March 31, 2022: 4,458 (March 31, 2021 : 4,278). The joint venture had no capital commitments as at March 31, 2022 and as at March 31, 2021. ANN can't distribute its profits without the consent from the two venture partners.

** Both Group and SLA have an obligation to contribute equally towards the losses of the joint venture, in excess of their respective investments. Accordingly, the Group has recognised its share of such losses for determining the Group's cumulative obligation to contribute towards the losses.

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Notes to the consolidated financial statements - (Continued)
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15 Finance income

	March 31,		
	2020	**2021**	**2022**
Interest income on :			
- Bank deposits recognised at amortised cost	22,594	46,236	25,804
- Others*	26,502	32,529	10,365
Foreign exchange gain (net)	4,322	58	8,346
Unwinding of other financial assets	5,223	2,781	3,301
Total	**58,641**	**81,604**	**47,816**

* Interest income on others include interest income on loan given to joint venture of INR 4,240 (March 31, 2021: INR 7,206 and March 31, 2020: INR 4,810).

16 Finance cost

	March 31,		
	2020	**2021**	**2022**
Bank charges	27,154	10,436	5,546
Foreign exchange loss (net)	-	11,584	-
Interest on borrowings recognised at amortised cost	106,328	18,909	6,946
Interest on lease liabilities	56,394	72,033	43,871
Unwinding of other financial liabilities	3,411	4,290	44,090
Total	**193,287**	**117,252**	**100,453**

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Notes to the consolidated financial statements - (Continued)
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17. Income taxes

Loss for the year before income taxes are as follows:

	March 31,		
	2020	**2021**	**2022**
Domestic	(316,792)	64,737	(145,363)
Foreign operations	(453,598)	(1,195,519)	(320,193)
Total	**(770,390)**	**(1,130,782)**	**(465,556)**

The major components of income tax expense for the years ended March 31, 2020, 2021 and 2022 are:

	March 31,		
	2020	**2021**	**2022**
Current Period	46,924	8,680	14,478
Current income tax expenses	**46,924**	**8,680**	**14,478**
Origination and reversal of temporary differences	22,881	55,416	2,428
Current year losses for which deferred tax is recognised	-	-	-
Deferred tax (benefit)/ expense	**22,881**	**55,416**	**2,428**
Total income tax expenses as reported in statement of profit or loss	**69,805**	**64,096**	**16,906**

Reconciliation of tax expense and accounting profit multiplied by tax rate of each jurisdiction in which the Group operates

	March 31,		
	2020	**2021**	**2022**
Loss for the year	(840,195)	(1,194,878)	(482,462)
Income tax expense/(reversal)	69,805	64,096	16,906
Loss before income taxes	**(770,390)**	**(1,130,782)**	**(465,556)**
Expected tax expense at statutory income tax rate	(37,172)	(193,762)	(1,05,537)
Non-deductible expenses	(118,005)	2,307	17,024
Utilization of previously unrecognised tax losses	-	(1,181)	(13,134)
Current year losses for which no deferred tax asset was recognized	167,129	159,102	174,746
Recognition of previously unrecognised tax losses	17,696	-	-
Reversal of deferred tax assets recognised in earlier years	-	77,636	-
Change in unrecognised temporary differences	27,000	17,297	(58,979)
Effect of change in tax rate	10,339	-	-
Others	2,818	2,697	2,786
	69,805	**64,096**	**16,906**

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The domicile of the Parent Company is Cayman Islands. The Group's two major tax jurisdictions are India and Singapore with tax rates ranging between 25.17% to 31.20% (March 31, 2021: 25.17% to 31.20% and March 31, 2020: 25.17% to 31.20%) in India and 17% (March 31, 2021: 17% and March 31, 2020: 17%) in Singapore, that have been applied to profit or loss of the respective jurisdiction for determination of expected tax expense.

18. Loss per share

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the net loss attributable to ordinary equity holders (after adjusting for loss attributable to convertible Swap shares of non-controlling interest) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic loss per share computations:

	March 31,		
	2020	**2021**	**2022**
Loss attributable to ordinary shareholders - Basic	(833,808)	(1,177,343)	(477,850)
Weighted average number of ordinary shares outstanding used in computing basic/diluted loss per share	46,477,249	57,771,701	62,352,494
Basic loss per share	(17.94)	(20.38)	(7.66)

The following reflects the income and share data used in the diluted loss per share computations:

	March 31,		
	2020	**2021**	**2022**
Loss attributable to ordinary shareholders-Basic	(833,808)	(1,177,343)	(477,850)
Add: Loss attributable to non-controlling interest	-	(17,535)	-
Loss attributable to ordinary shareholders-Dilutive	(833,808)	(1,194,878)	(477,850)
Weighted average number of ordinary shares outstanding used in computing diluted loss per share	46,477,249	58,514,103	62,352,494
Diluted loss per share	(17.94)	(20.42)	(7.66)

Refer to Note 29 for the detailed movement in share capital during the financial year.

Loss attributable to shareholders is allocated equally for each class of share.

At March 31, 2022, 2,025,975 ordinary shares (March 31, 2021: 709,585 and March 31, 2020: 5,258), issuable against employee share options and restricted share, Nil ordinary shares (March 31, 2021: NIL and March 31, 2020: 742,402) issuable against conversion right with subsidiary's equity shares (refer to note 29), were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive. The Company also excludes options with exercise prices that are greater than the average market price from the calculation of diluted EPS because their effect would be anti-dilutive.

For calculation of diluted EPS, since the exercise price of share warrants is greater than fair market value, these are assumed to be out of money and considered not to be exercisable as on balance sheet date. These potential ordinary shares are not considered for calculation of dilutive impact of earning per share.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

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(Amount in INR thousands, except per share data and number of shares)

19. Property, plant and equipment

	Leasehold Improvements	Computer and Peripherals	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross block						
At April 1, 2020	2,150	338,731	7,375	71,278	36,211	**455,745**
Additions	200	-	10	-	82	**292**
Disposals/adjustment	(2,193)	(283)	(5,114)	(11,118)	(7,526)	**(26,234)**
Effects of movements in foreign exchange rates	44	15	13	-	18	**90**
At March 31, 2021	**201**	**338,463**	**2,284**	**60,160**	**28,785**	**429,893**
Additions	-	5,713	-	7,013	41	**12,767**
Disposals/adjustment	-	(17,987)	(120)	(12,736)	(1,822)	**(32,665)**
Effects of movements in foreign exchange rates	6	18	18	-	15	**57**
At March 31, 2022	**207**	**326,207**	**2,182**	**54,437**	**27,019**	**410,052**
Depreciation						
At April 1, 2020	2,149	312,863	4,805	46,079	27,286	**393,182**
Charge for the year	76	19,706	1,226	9,230	3,655	**33,893**
Disposals/adjustment	(2,193)	(13)	(4,138)	(8,394)	(6,873)	**(21,611)**
Effects of movements in foreign exchange rates	44	13	12	-	15	**84**
At March 31, 2021	**76**	**332,569**	**1,905**	**46,915**	**24,083**	**405,548**
Charge for the year	76	5,688	136	6,588	2,264	**14,752**
Disposals/adjustment	-	(17,987)	(120)	(12,370)	(1,822)	**(32,299)**
Effects of movements in foreign exchange rates	4	18	18	-	14	**54**
At March 31, 2022	**156**	**320,288**	**1,939**	**41,133**	**24,539**	**388,055**
Net block						
At March 31, 2021	**125**	**5,894**	**379**	**13,245**	**4,702**	**24,345**
At March 31, 2022	**51**	**5,919**	**243**	**13,304**	**2,480**	**21,997**

The Group has taken bank guarantee facility against which property, plant and equipment of a subsidiary of the Group amounting to INR Nil (March 31, 2021: INR 276,203) are pledged.

The carrying value of vehicles held under vehicle loan have a gross book value of INR 27,518 (March 31, 2021: INR 31,963), depreciation charge for the year of INR 4,630 (March 31, 2021: INR 6,406), accumulated depreciation of INR 14,224 (March 31, 2021: INR 18,866), net book value of INR 13,294 (March 31, 2021: INR 13,097). Vehicles are pledged as security against the related vehicle loan.

In the statement of cash flows, proceeds from vehicle loan of INR 5,161 (March 31, 2021: Nil and March 31, 2020: INR 1,075) has been adjusted against purchase of property, plant and equipment.

(Amount in INR thousands, except per share data and number of shares)

20. Intangible assets and goodwill

	Computer software and Websites	Intellectual property rights	Agent / Supplier/ relationship	Customer relationship	Non compete agreement	Trademarks	Goodwill	Intangible under development #	Total
Gross block									
At April 1, 2020	2,276,915	59,209	222,169	140,336	22,171	271,329	1,015,099	51,920	**4,059,148**
Additions	111,707	-	-	-	-	-	-	86,590	**198,297**
Disposals/adjustment	(21,692)	-	-	-	-	-	-	(121,432)	**(143,124)**
Effects of movements in foreign exchange rates	-	-	-	-	-	-	-	-	**-**
At March 31, 2021	**2,366,930**	**59,209**	**222,169**	**140,336**	**22,171**	**271,329**	**1,015,099**	**17,078**	**4,114,321**
Additions	72,655	-	-	-	-	-	-	92,089	**164,744**
Disposals/adjustment	(110)	-	-	-	-	-	-	(71,763)	**(71,873)**
Effects of movements in foreign exchange rates	-	-	-	-	-	-	-	-	**-**
At March 31, 2022	**2,439,475**	**59,209**	**222,169**	**140,336**	**22,171**	**271,329**	**1,015,099**	**37,404**	**4,207,192**
Amortization and Impairment									
At April 1, 2020	1,742,389	57,436	183,701	25,592	15,956	109,382	221,999	-	**2,356,455**
Charge for the year*	372,450	1,287	17,097	69,849	5,021	13,937	-	-	**479,641**
Disposals	(24,456)	(275)	-	-	-	-	-	-	**(24,731)**
Impairment of intangible assets**	-	-	-	-	-	148,010	-	-	**148,010**
Impairment of goodwill	-	-	-	-	-	-	264,909	-	**264,909**
Effects of movements in foreign exchange rates	-	-	-	-	-	-	-	-	**-**
At March 31, 2021	**2,090,383**	**58,448**	**200,798**	**95,441**	**20,977**	**271,329**	**486,908**	**-**	**3,224,284**
Charge for the year	203,499	761	17,097	8,979	422	-	-		**230,758**
Disposals	(110)	-	-	-	-	-	-	-	**(110)**
Impairment of goodwill	-	-	-	-	-	-	-	-	**-**
Effects of movements in foreign exchange rates	-	-	-	-	-	-	-	-	**-**
At March 31, 2022	**2,293,772**	**59,209**	**217,895**	**104,420**	**21,399**	**271,329**	**486,908**	**-**	**3,454,932**
Net block									
At March 31, 2021	**276,547**	**761**	**21,371**	**44,895**	**1,194**	**-**	**528,191**	**17,078**	**890,037**
At March 31, 2022	**145,703**	**-**	**4,274**	**35,916**	**772**	**-**	**528,191**	**37,404**	**752,260**

The Group has taken bank guarantee facility against which Computer software and Websites & intellectual property rights of a subsidiary of the Group amounting to Nil (March 31, 2021: INR 276,203) are pledged.

*During the year ended March 31, 2021, the Company has re-assessed the useful life of the acquired intangible assets i.e., Customer relationship which resulted in increase in charge for the year by INR 59,457.

**During the year ended March 31, 2021, the Company's operations through its Trademarks in Yatra TG Stays Private Limited & Yatra Hotel Solutions Private Limited CGU, has curtailed significantly. The Company tested the Trademarks of the CGU for recoverability and recognised an impairment loss of INR 148,010.

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Impairment reviews

Goodwill acquired through business combinations having indefinite lives are allocated to the CGUs. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes and which is not higher than the Group's operating segment. Carrying amount of goodwill has been allocated to the respective acquired subsidiaries level as follows:

	March 31,	
	2021	**2022**
TSI Yatra Private Limited	103,670	103,670
Yatra TG Stays Private Limited & Yatra Hotel Solutions Private Limited*	219,163	219,163
Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited) (refer to Note 43)**	205,358	205,358
Total	**528,191**	**528,191**

*The recoverable amount of the CGU as at March 31, 2022, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the increase in demand for products and services. The pre-tax discount rate applied to cash flow projections is 20.12% and cash flows beyond the five-year period are extrapolated using a 5% growth rate that is the same as the long-term average growth rate for the hotel industry. Basis this, it was concluded that the fair value less costs of disposal exceed the value in use. As a result of this analysis, management has recognised an impairment charge of NIL (March 31, 2021: INR 108,834) in the current year against goodwill. The impairment charge is recorded in the statement of profit or loss.

**The recoverable amount of the CGU as at March 31, 2022, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the decreased demand for products and services. The pre-tax discount rate applied to cash flow projections is 18.77% and cash flows beyond the five-year period are extrapolated using a 5% growth rate that is the same as the long-term average growth rate for the air and hotel industry. Basis this, it was concluded that the fair value less costs of disposal exceed the value in use. As a result of this analysis, management has recognised an impairment charge of Nil (March 31, 2021: 102,162) in the current year against goodwill. The impairment charge is recorded in the statement of profit or loss.

The recoverable amount of all CGUs was based on its value in use and was determined by discounting the future cash flows to be generated from the continuing use of the CGU. These calculations use cash flow projections over a period of five years, based on next year's financial budgets approved by management, with extrapolation for the remaining period, and an average of the range of assumptions as mentioned below.

The key assumptions used in value in use calculations:

	March 31,	
	2021	**2022**
Discount rate	17.41%-19.40%	18.77%-20.1%
Terminal Value growth rate	5.0%	5.0%
EBITDA margin over next 5 years (March 31, 2021 : 5 years)	(21.9)%-27.5%	7.5%-25%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of a comparable market participant, which is adjusted for specific risks. These estimates are likely to differ from future actual results of operations and cash flows.

Sensitivity change in assumptions

The calculation of value in use for Yatra TG Stays Private Limited & Yatra Hotel Solutions Private Limited" "Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited)" and TSI Yatra Private Limited is most sensitive to revenue growth, discount rate and long-term growth rate assumptions.

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For the year ended March 31, 2022, an analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, discount rate and long-term growth rate) based on reasonably probable assumptions in TSI Yatra Private Limited, Yatra TG Stays Private Limited & Yatra Hotel Solutions Private Limited" and "Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited)", did not identify any probable scenarios where the CGUs recoverable amount would fall below their carrying amount.

For the year ended March 31, 2021, following the impairment loss recognised in "Yatra TG Stays Private Limited & Yatra Hotel Solutions Private Limited" and "Yatra for Business Private Limited" CGUs, the recoverable amount was equal to the carrying amount. Therefore, any adverse movement in a key assumption would lead to further impairment. Further, an analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, discount rate and long-term growth rate) based on reasonably probable assumptions, in TSI Yatra Private Limited, did not identify any probable scenarios where the CGUs recoverable amount would fall below their carrying amount.

21 Prepayments and other assets

	March 31,	
	2021	**2022**
Current		
Advance to vendors (net of allowance)	439,986	451,217
Advance to joint venture (refer to note 42)	53,700	-
Balance with statutory authorities	50,931	39,906
Prepaid expenses	70,347	112,899
Due from employees	1,429	3,709
Total	**616,393**	**607,731**
Non-current		
Prepaid expenses	4,080	922
Defined benefit plan asset (refer to Note 34)	126	-
	4,206	**922**

Advances to vendor primarily consist of amounts paid to airline and hotels for future bookings.

The movement in the allowance for doubtful advances:

	March 31,	
	2021	**2022**
Balance at the beginning of the year	24,534	19,941
Provisions accrued during the year	15,106	5,326
Amount written off during the year	(14,097)	(2,300)
Provision moved to provision on trade receivables (refer note 26)	(5,602)	-
Balance at the end of the year	**19,941**	**22,967**

22 Other financial assets, Non-current

	March 31,	
	2021	**2022**
Security deposits	23,838	48,320
Total	**23,838**	**48,320**

Security deposit represents fair value of amount paid to landlord for the leased premises. As on March 31, 2022, remaining tenure for security deposits ranges from 1 to 7 years.

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Notes to the consolidated financial statements - (Continued)
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23 Term deposits

	March 31,	
	2021	**2022**
Fixed deposits with banks	552,129	568,264
Total	**552,129**	**568,264**
Non-current	21,346	-
Current	530,783	568,264
Total	**552,129**	**568,264**

Term deposits as on March 31, 2022, include INR 486,134 (March 31, 2021: INR 517,470) pledged with banks against bank guarantees and credit card facility (Refer to Note 32). Tenure for term deposits range from 1 month to 2 years.

24 Other non=financial assets

	March 31,	
	2021	**2022**
Restricted asset	223,618	216,231
Total	**223,618**	**216,231**
Non-current	223,618	216,231
Total	**223,618**	**216,231**

Restricted asset include INR 189,267 (March 31, 2021: 189,267) in respect of mandatory pre-deposit required for service tax and income tax appeal proceedings in India, INR 1,081 (March 31, 2021: 8,468) in respect of refund claim application with the service tax authorities, INR 25,000 (March 31, 2021: INR 25,000) paid in relation to an investigation initiated by Directorate General of Central Excise Intelligence (DGCEI) for certain service tax matters in India and INR 883 (March 31, 2021: 883) in respect of amount paid under protest to Goods and Services Tax (GST) department. The service tax and GST amount has been paid under protest and the Group strongly believes that it is not probable the demand will materialize.

25. Deferred Tax

Unrecognised Deferred Tax Assets

Deferred tax assets have not been recognized in respect of the following items :

	As at March 31,	
Particulars	**2021**	**2022**
Deductible temporary differences	377,756	364,322
Tax loss carry forward and unabsorbed depreciation	3,311,382	3,065,233
Total	**3,689,138**	**3,429,555**

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Notes to the consolidated financial statements - (Continued)
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In the Group, there are few subsidiaries for which no deferred tax assets have been recognised on deductible temporary differences of INR 1,218,983 (March 31, 2021: 1,355,564) and tax losses of INR 7,836,815 (March 31, 2021: 8,851,184) and unabsorbed depreciation of INR 2,344,538 (March 31, 2021: 2,160,477), as it is not probable that taxable profit will be available in near future against which these can be utilized. Tax losses are available as an offset against future taxable profit expiring at various dates through 2030 and unabsorbed depreciation is available indefinitely for offsetting against future taxable profits.

Recognised Deferred Tax Assets and Liabilities

	For the Year Ended March 31,	
	2021	**2022**
Deferred tax assets are attributable to the following -		
Property, plant and equipment, intangible assets, and ROU assets	5,635	3,596
Trade and other receivables	4,656	2,281
Employee benefits	2,531	3,009
Provision for expenses	1,459	25
Loss available for offsetting against future taxable income	-	42
Deferred tax asset	**14,281**	**8,953**
OCI gratuity	1,117	1,043
Total deferred tax asset (A)	**15,398**	**9,996**
Deferred tax liabilities are attributable to the following -		
Property, plant and equipment, intangible assets, and ROU assets	(14,413)	(11,513)
Total deferred tax liability (B)	**(14,413)**	**(11,513)**
Net deferred tax asset (A-B)	**985**	**(1,517)**

Particulars	**Balance as on March, 31 2021**	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Balance as on March, 31 2022**
Property, plant and equipment, intangible assets, and ROU assets	(8,778)	861	-	(7,917)
Trade and other receivables	4,656	(2,375)	-	2,281
Employee benefit	2,531	478	-	3,009
Provision for expenses	1,459	(1,434)	-	25
OCI gratuity	1,117	-	(74)	1,043
Loss available for offsetting against future taxable income	-	42	-	42
Deferred tax assets	**985**	**(2,428)**	**(74)**	**(1,517)**

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Notes to the consolidated financial statements - (Continued)
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26 Trade and other receivables

	March 31,	
	2021	2022
Trade receivables (net of allowance)	772,769	1,897,590
Receivables from joint venture (refer to note 42)	15,418	-
Receivable from other related parties (refer to note 42)	3,317	-
Refund and other receivable (net of allowance)	78,322	37,112
Total	**869,826**	**1,934,702**
Contract Assets (refer to note 8)	626	11
	626	**11**
Total	**870,452**	**1,934,713**

A trade receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The trade receivables primarily consist of amounts receivable from airline's, hotels, corporate's and retail customers pertaining to the transaction value.

The management does not consider there to be significant concentration of credit risk relating to trade, refund and other receivables. Refer to note 40.

The movement in the allowance for expected credit loss and amounts impaired in respect of trade, refund & other receivables and contract assets during the year was as follows:

	March 31,	
	2021	2022
Balance at the beginning of the year	**554,726**	**687,511**
Provisions accrued during the year*	178,342	26,412
Amount written off during the year	(54,486)	(421,693)
Provision moved from allowance for doubtful advances (refer note 21)	5,602	-
Effect of movement in exchange rate	3,327	2,095
Balance at the end of the year	**687,511**	**294,325**

*includes amount of INR 3,837 (March 31, 2021: INR Nil) provision for trade receivable from joint venture.

27 Other financial assets, current

	March 31,	
	2021	2022
Interest accrued on term deposits	1,691	962
Security deposits (net of allowance)	14,897	12,800
Loans to joint venture (net of allowance) (refer to note 42)	-	-
Others (includes Government Grant)	98,046	54,594
Total	**114,634**	**68,356**

Security deposit represents fair value of amount paid to landlord for the leased premises. As on March 31, 2022, remaining tenure for security deposits ranges from 0.5 to 7 years.

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In the statement of cash flows, interest reinvested in term deposits INR 5,547 (March 31, 2021: 13,452) has been adjusted against interest received under investing activities.

The movement in the allowance for doubtful other financial assets:

	March 31,	
	2021	2022
Balance at the beginning of the year	-	5,414
Provisions accrued during the year*	6,743	72,719
Amount written off during the year	(1,329)	-
Balance at the end of the year	**5,414**	**78,133**

*includes amount of INR 72,719 (March 31, 2021: INR Nil) provision for impairment on loans to joint venture (refer note 14).

The movement in the Government Grant during the year was as follows:

	March 31,	
	2021	2022
At 1 April	**218,843**	**98,046**
Recorded/ (true up) in statement of profit or loss	7,883	(14,631)
Received during the year	(128,735)	(28,821)
Effect of movement in exchange rate	55	-
At 31 March	**98,046**	**54,594**

There are no unfulfilled conditions or contingencies attached to these grants.

28 Cash and cash equivalents

	March 31,	
	2021	2022
Cash on hand	472	255
Credit card collection in hand	76,193	167,837
Balances with bank	1,634,924	632,190
Total	**1,711,589**	**800,282**

Credit card collection in hand represents the amount of collection from credit cards swiped by the customers which is outstanding as at the year end and credited to Group’s bank accounts subsequent to the year end.

At March 31, 2022, the Group had available INR 99,051 (March 31, 2021: INR 5,226) of undrawn borrowing facilities.

29. Equity share capital and share premium

	March 31,	
Authorized shares	2021	2022
	Numbers of Shares	Numbers of Shares
Ordinary shares of INR 0.006 ($ 0.0001) each	500,000,000	500,000,000
Ordinary share Class A of INR 0.006 ($ 0.0001) each	10,000,000	10,000,000
Ordinary share Class F of INR 0.006 ($ 0.0001) each	3,159,375	3,159,375
Preference shares of INR 0.006 ($ .0001) each	10,000,000	10,000,000
	523,159,375	**523,159,375**

There is no change in the authorized share capital of the parent company during the financial year ending March 31, 2022

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Notes to the consolidated financial statements - (Continued)
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A reconciliation of the shares outstanding at the beginning and end of the period is presented below:

Ordinary shares

	Numbers of Shares	Share Capital	Share Premium
Balance as at April 1, 2020	**45,641,629**	**714**	**18,889,154**
Exercise of option (Restricted stock units and share-based payments) (refer to Note 30)	2,109,994	15	578,803
Issue of ordinary shares in follow-on public offering, net of issuance costs*	14,375,000	109	772,098
Balance as at March 31, 2021	**62,126,623**	**838**	**20,240,055**
Balance as at April 1, 2021	**62,126,623**	**838**	**20,240,055**
Exercise of option (Restricted stock units and share-based payments) (refer to Note 30)	459,213	**4**	46,419
Balance as at March 31, 2022	**62,585,836**	**842**	**20,286,474**

* On June 17, 2020, the Parent Company completed a follow-on public offering in which the Parent Company offered and sold an aggregate of 14,375,000 ordinary shares, including 1,875,000 ordinary shares sold pursuant to the underwriters' full exercise of their option to purchase additional shares, at a public offering price of INR 60.52 (USD 0.80) per share and INR 55.98 (USD 0.74) per share to underwriters. The aggregate price of the offering amount registered and sold was INR 861,464 (USD 11,388) of which we received net proceeds of INR 772,207 (USD 10,208). The Parent Company incurred expenses of INR 89,257 (USD 1,180) including the underwriters' commission expense amounting INR 56,738 (USD 750), for the issuance of the shares which has been adjusted against the share premium. The amount in USD is converted at transaction date exchange rate of 75.65 INR per USD.

Terms/ rights attached to Ordinary Shares

The Parent Company has three class of ordinary shares outstanding, which entitles the holders with the following rights:

Ordinary shares

A holder of an ordinary share has one vote for each share of ordinary share held and entitled to receive dividends when declared by the board of directors.

Ordinary shares Class A

Class A shares have identical rights to the Parent Company ordinary shares, except the right to receive notice of, attend or vote as a member at any general meeting of shareholders, but may vote at a separate Class A shareholders' meeting convened in accordance with the Parent Company Articles of Association.

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Ordinary shares Class F

Class F shares shall have the right to receive notice of, attend at and vote as a member at any general meeting of shareholders, but shall have no other rights.

In the event of liquidation of the Parent Company, the holders of Ordinary and Class A ordinary shares are entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares reserved for issuance against equity instruments

The Parent Company reserved 1,844 shares (March 31, 2021 - 1,844, March 31, 2020- 1,844) for issuance at exercise price of INR 75.87 ($ 1). These shares are considered as equity instrument and are recorded at fair value at the date of transaction under IAS 32, refer to Note 30.1.

Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Parent Company, refer to Note 30.2.

Shares reserved for issue under warrant arrangement/agreement

Yatra Online, Inc. (the Parent Company) and Yatra Online Limited (Yatra India), entered into share subscription cum shareholders' agreement dated May 7, 2014, and share subscription cum shareholders' agreement dated April 29, 2015 (together referred to as SHA), with IL&FS Trust Company Limited, Now, Vistra ITCL(India) Limited (in its capacity as a trustee for Pandara Trust – Scheme I("Pandara Trust")) and Capital18 Fincap Private Limited, now Network18 Media and Investments Limited("Capital18"/"NW18"), (collectively the "Investors").

Pursuant to SHA, NW18 and Pandara Trust, were entitled to swap their Equity Shares into 569,768 (March 31, 2021: 569,768) and 172,634 (March 31, 2021: 172,634) Ordinary Shares of the Parent Entity, respectively.

Pursuant to the Waiver and Termination Agreement dated March 23, 2022 ("SHA Amendment Agreement"), the NW18 and Pandara Trust, have inter alia agreed to waive their swap rights contained under the SHA.

Further, the parties to SHA Amendment Agreement have agreed, that said Amendment Agreement shall ipso facto terminate, without any further acts of the parties and without any liabilities or obligations whatsoever, upon the earlier of the following dates:

(a) the date on which the Equity Shares of Yatra India are allotted pursuant to the Offer (as defined under the SHA Amendment Agreement) ; or

(b) if the bid/offer opening date in the Offer does not occur prior to September 30, 2023 or such other date as mutually agreed in writing between Parties; or

(c) the date on which the Board of the Yatra India decides not to undertake the Offer.

For details of shares reserved for issuance under the warrant agreement with Innoven, a non banking finance company and Macquarie Corporate Holding Pty Limited, refer to Note 32.

Treasury shares

	Numbers of Shares	Amount
Balance as at April 1, 2020	**999**	**11,219**
Exercise of options	-	-
Balance as at March 31, 2021	**999**	**11,219**
Balance as at April 1, 2021	**999**	**11,219**
Exercise of options	-	-
Balance as at March 31, 2022	**999**	**11,219**

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Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

30. Other capital reserve

	Share-based payments	Equity Instruments	Warrant (Refer Note 36)	Total
April 1, 2020	**665,696**	**341**	**23,258**	**689,295**
Share-based payments expense during the year	79,721	-	-	79,721
Exercised during the year	(578,818)	-	-	(578,818)
Forfeited during the year	(2,622)	-	-	(2,622)
Expired during the year	(65,468)	-	-	(65,468)
March 31, 2021	**98,510**	**341**	**23,258**	**122,109**
Share-based payments expense during the year	209,557	-	-	209,557
Exercised during the year	(46,423)	-	-	(46,423)
Forfeited during the year	(440)	-	-	(440)
Expired during the year	(21,272)	-	-	(21,272)
March 31, 2022	**239,932**	**341**	**23,258**	**263,531**

30.1 Equity instruments

The Parent Company reserved 1,844 shares for the issuance at exercise price of INR 75.87 ($ 1). These shares are considered as equity instrument and are recorded at fair value at the date of transaction under IAS 32

30.2 Share based payments

2006 Share Plan and 2006 India Share Plan

The Parent Company has reserved an aggregate of 1,316,765 ordinary shares as at March 31, 2022 (1,316,765 ordinary shares as at March 31, 2021) for issuance to officers, directors and employees of the Company pursuant to its 2006 Share Plan and 2006 India Share Plan, both of which have been adopted by the board of directors (and the board of directors of Yatra India, in relation to the 2006 India Share Plan) and approved by the Parent Company shareholders (and the shareholders of Yatra India, in relation to the 2006 India Share Plan) (collectively, the "Plan"). Out of such reserved shares, options to purchase 204,777 ordinary shares have been granted and are outstanding as at March 31, 2022 (March 31, 2021: 219,986 ordinary shares).

The share-based payment awards have the following vesting period under the same plan:-

1) 60 months, the first tranche vests after two years, while the remaining awards vest in equal installments on quarterly basis over the remainder of the vesting period.
2) 12 equal installments over 12 months.
3) 50% vest over 16 equal quarterly installments starting Dec 1, 2013; 25% vest if the "2015 Milestones" are met and then in eight quarters starting July 1, 2015; 25% vest if the "2016 Milestones" are met and then in four quarters starting July 1, 2016.

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The Parent Company estimates the expected term of stock grants equivalent to its vesting period. The Parent Company has used the volatility of stocks of comparative companies with estimated life of options similar to its grants. The risk-free interest rate that is used in the option valuation model is based on U.S. treasury zero coupon bonds with a remaining term similar to the expected term of the options. The Parent Company does not anticipate paying any cash dividends in the foreseeable future and therefore has used an expected dividend yield of zero in the option valuation model. The Parent Company is required to estimate forfeitures at the time of grant and revise those estimates in subsequent periods if actual forfeitures differ from those estimates. All stock-based payment awards are amortized on a graded-vesting basis over the requisite service periods of the awards, which are generally the vesting periods.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	March 31,			
	2021		2022	
	No. of shares	Weighted average EP per share	No. of shares	Weighted average EP per share
Number of options outstanding at the beginning of the year	458,912	328.12	219,986	318.33
Granted during the year	-	-	-	-
Forfeited during the year	238,926	317.79	-	-
Expired during the year	-	-	15,762	351.37
Exercised during the year	-	-	-	-
Number of options outstanding at the end of the year	219,986	318.33	204,224	329.23
Vested/exercisable	219,986	318.33	204,224	329.23

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 2.33 years (March 31, 2021: 3.29 years).

The range of exercise prices for options outstanding at the end of the year was INR 329.23 to INR 411.54 (March 31, 2021: INR 317.38 to INR 396.73).

During the year ended March 31, 2022, share based payment expense for these options was recognized under personnel expenses (refer to Note 11) amounted to INR Nil (March 31, 2021: INR Nil and March 31, 2020: INR Nil).

The Parent Company did not grant any options during the fiscal year ended March 31, 2022 and March 31, 2021.

2016 Stock Option and Incentive Plan (the "2016 Plan")

On December 13, 2016, the Parent Company's board of directors approved the 2016 Plan and on December 15, 2016, the Parent Company shareholders approved the 2016 Plan. The 2016 Plan enables the Parent Company to make equity-based awards to its officers, employees, non-employee directors and consultants. The 2016 Plan provides for the grant of incentive share options, non-qualified share options, share appreciation rights, restricted share awards, restricted share units, unrestricted share awards, cash-based awards, performance share awards and dividend equivalent rights. The Parent Company has reserved for issuance 7,754,936 authorized but unissued ordinary shares under the 2016 Plan as on March 31, 2022, which shares are subject to an annual increase on January 1 of each year equal to three percent of the number of shares issued and outstanding on the immediately preceding December 31 or such lesser number of shares as determined by the administrator of the 2016 Plan. The 2016 Plan limits the number or value of shares that may be granted to any participant in any one calendar year, among other limits.

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During the year ended March 31, 2022, the Parent Company pursuant to the “2016 Plan”, options to purchase Nil (March 31, 2021: 466,100) ordinary shares have been granted and 407,323 (March 31, 2021: 681,227) are outstanding as at March 31, 2022.

The share-based payment awards have the following vesting period under the same plan:-

1) 197,749 share options will vest over a period of four years in equal quarterly installments, with first such vesting on February 1, 2018 equivalent to 1/16th of the total number of stock options and with the last such vesting on November 1, 2021

2) 140,000 share options will vest over a period of two years in equal monthly installments commencing from first vesting on March 1, 2018 equivalent to 1/24th of the total number of stock options, with the last such vesting on February 1, 2020

3) 21,769 share options will vest over a period of one year and four months in equal monthly installments commencing from first vesting on September 1, 2018 equivalent to 1/16th of the total number of stock options, with the last such vesting on June 1, 2022

4) 7,500 share options will vest over a period of one year in equal monthly installments commencing from first vesting on January 31, 2019 equivalent to 1/12th of the total number of stock options, with the last such vesting on December 31, 2019

5) 466,100 share options will vest over a period of four years in equal quarterly installments, with first such vesting on January 1, 2021 equivalent to 1/16th of the total number of stock options and with the last such vesting on October 01, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	March 31, 2021		March 31, 2022	
	No. of shares	**Weighted average EP per share**	**No. of shares**	**Weighted average EP per share**
Number of options outstanding at the beginning of the year	235,247	640.98	681,227	293.23
Granted during the year	466,100	146.28	-	-
Forfeited during the year	6,420	731.40	115,257	154.20
Expired during the year	13,700	731.40	158,647	560.80
Number of options outstanding at the end of the year	681,227	293.23	407,323	246.66
Vested/exercisable	231,250	547.43	191,988	352.82

(Amount in INR thousands, except per share data and number of shares)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 6.18 years (March 31, 2021: 5.98).

The range of exercise prices for options outstanding at the end of the year was INR 151.74 to INR 758.70 (March 31, 2021: INR 146.28 to INR 731.40).

During the year ended March 31, 2022, share based payment expense for these options was recognized under personnel expenses (refer to Note 11) amounted to INR 11,192 (March 31, 2021: 10,987 and March 31, 2020: 2,309).

The following tables list the inputs to the model used for the years then ended:-

	March 31, 2021	March 31, 2022
Weighted average Fair value of ordinary share at the measurement date (USD)	1.96	-
Risk–free interest rate (%)	0.44%	-
Expected volatility (%)	74.58%	-
Expected life of share options	5.06	-
Dividend Yield	0.00%	-
Model used	Black-Scholes Valuation	-

The expected life of share options has been taken as mid-point between first and last available exercise date.

The expected volatility reflects the assumption based on historical volatility on the share prices of similar entities over a period.

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Restricted Stock Unit Plan (RSU) and Performance Stock Units (PSU) "2016 Plan"

The Parent Company pursuant to the "2016 Plan" had approved a grant of 2,093,188 RSUs and PSU's (March 31, 2021: 2,417,338) and 2,762,509 are outstanding as at March 31, 2022 (March 31, 2021: 1,222,271).

The stock units have the following vesting period:-

1. 7,277 RSUs granted, these RSUs would vest over a period of four years in equal quarterly installments, vesting period of which will commence from July 01, 2017 with first such vesting on September 30, 2017 equivalent to one-sixteenth of these RSAs and with the last vesting to be done on or before June 30, 2021.

2. 20,000 RSUs granted, these RSUs would vest over a period of time with first such vesting commencing from February 1, 2018 equivalent to 1/10th of the RSUs and rest of the RSUs vesting subsequently, in equal lots of 1/12th of such RSUs, at the end of every quarter commencing from February 1, 2018, with the last one twelfth vesting on February 1, 2021.

3. 479,336 RSUs granted, these RSUs would vest over a period of one year in equal quarterly installments with first such vesting commencing from April 1, 2018 equivalent to 1/4th of these RSUs and with the last vesting effectuating on January 1, 2019.

4. 5,000 RSUs granted, vesting of these RSAs would commence from April 1, 2018 with first vesting equivalent to 1/4th of the Balance RSAs for the employee and 1/16th getting vested at the end of each subsequent quarters till April 1, 2021

5. 687,857 RSUs granted, vesting of these RSUs would commence from July 1, 2020 with first vesting equivalent to equal monthly installments over a period of four years, with last such vesting on June 30, 2024.

6. 1,609,934 PSUs granted, vesting of these PSUs is linked to the performance of the Yatra share price and the trigger price points range from $1.80 to$10.00.

7. 692,000 RSUs granted, vesting of these RSUs would commence from June 4, 2021 with first vesting equivalent to equal monthly installments over a period of four years, with last such vesting on March 1, 2025. Out of these 29,793 RSUs have been considered vested on grant date.

8. 1,280,154 PSUs granted, vesting of these PSUs is linked to the performance of the Yatra share price and the trigger price points range from $2.50 to $4.00.

9. 121,034 RSUs granted to directors on quarterly basis in lieu of compensation for the financial year ended March 31, 2022. During the Financial Year 2021, 119,547 RSUs granted to directors in lieu of compensation with first vesting equivalent of 3/4th on December 31, 2020 and remaining 1/4th on March 31, 2021.

	March 31, 2021	March 31, 2022
	No. of shares	No. of shares
Number of RSU/PSU's outstanding at the beginning of the year	271,780	1,222,271
Granted during the year	2,417,338	2,093,188
Forfeited during the year	-	-
Expired during the year	-	93,737
Vested/exercised during the year	1,466,847	459,213
Number of RSU/PSU's outstanding at the end of the year	1,222,271	2,762,509
Vested/exercisable and not exercised	-	-

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The weighted average remaining contractual life for RSU's outstanding as at March 31, 2022 was 2.24 years (March 31, 2021: 2.45).

The range of exercise prices for RSU's outstanding at the end of the year is Nil (March 31, 2021: Nil).

During the year ended March 31, 2022, share based compensation cost for these RSU's is recognized under personnel expenses amounting to INR 198,366 (March 31, 2021: 66,113 and March 31, 2020: 2,826). Refer to Note 11.

The following tables list the inputs to the model used for the years then ended

	31-Mar-21		31-Mar-22	
	PSU's	**RSU's**	**PSU's**	**RSU's**
Weighted average Fair value of ordinary share at the measurement date (USD)	0.77	0.77-1.15	2.12	2.12
Risk-free interest rate (%)	4.83%	3.63%-4.83%	0.61%	0.61%
Expected volatility (%)	54.92%	54.92%	56.27%	56.27%
Expected life	4 years	1 to 4 years	4 years	4 years
Dividend Yield	0%	0%	0%	0%
Model used	Monte Carlo Simulation	Black-Scholes Valuation	Monte Carlo Simulation	Black-Scholes Valuation

The expected life of RSU's and PSU's options has been taken as the vesting period.

The expected volatility reflects the assumption based on median of historical volatility on the share prices of the similar entities over a period.

31. Components of Other Comprehensive Loss

The following table summarizes the changes in the accumulated balance for each component of accumulated other comprehensive loss attributable to the Company.

	March 31,		
	2020	**2021**	**2022**
Actuarial (loss)/ gain on defined benefit plan:			
Actuarial (loss)/ gain on obligation	25,396	2,009	(321)
Income tax expense	(881)	215	74
Total	**24,515**	**2,224**	**(247)**
Foreign currency translation:			
Foreign currency translation differences	(28,658)	(4,552)	(5,640)
Balance at the end of period	**(28,658)**	**(4,552)**	**(5,640)**

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32. Borrowings

	Term	March 31, 2021	March 31, 2022
Current			
Vehicle loan	Less than 1 year	3,754	2,977
Factoring	Less than 1 year	124,124	351,399
Total		**127,878**	**354,376**
Non-Current			
Vehicle loan	More than 1 year	3,177	4,204
Total		**3,177**	**4,204**

	Currency	Interest Rate	Year of Maturity	Carrying amount March 31, 2021	Carrying amount March 31, 2022
Vehicle loan	INR	7.25 to 9.50%	2021-2027	6,931	7,181
Factoring	INR	Floating rate*	On demand	124,124	351,399
				131,055	**358,580**

** 3M MCLR + 1% spread*

Bank overdrafts

The overdraft facility of INR 450 (March 31, 2021: INR 450) is taken from the Canara bank by the Group. The facility is secured by the fixed deposits.

Factoring

This facility of INR 450,000 (March 31, 2021: INR 600,000) is taken from ICICI bank by the Group. The facility is fully secured against the fixed deposits. For the previous year, this facility was secured by the fixed deposits and first pari passu charges by way of hypothecation of all fixed assets and current assets (excluding one customer account), both existing and future, including intellectual property and intellectual property rights. As on March 31, 2022, the Company has utilised INR Nil (March 31, 2021: INR 72,600) out of the above facility for issuance of bank guarantees for "International Air Transport Association"

Vehicle Loan

This includes the vehicles taken on loan by the company. Refer to Note 19.

33 Trade and other payables

	March 31, 2021	March 31, 2022
Trade payables	9,12,929	13,06,204
Accrued expenses	2,40,809	2,95,067
Related parties (refer to Note 42)	7,959	-
Refund and other payables	10,88,666	8,36,046
Total	**22,50,363**	**24,37,317**
Current	22,15,425	23,94,712
Non-current	34,938	42,605
Total	**22,50,363**	**24,37,317**

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Non-current portion pertains to the expenditure incurred towards advertisements made as per the advertisements contract entered with BCCL (refer note 39)

For explanations on the Group's liquidity risk management processes, refer to Note 40

34. Employment benefit plan

	March 31,	
	2021	**2022**
Defined benefit obligation	70,513	69,729
Liability for compensated absences	36,384	33,224
Total liability	**1,06,897**	**1,02,953**
Defined benefit plan asset (refer to note 21)	126	-
Total asset	**126**	**-**
Net Unfunded liability	**70,387**	**69,729**

The Group's gratuity scheme for its employees in India, is a defined benefit plan. Gratuity is paid as a lump sum amount to employees at retirement or termination of employment at an amount based on the respective employee's eligible salary and the years of employment with the Group. The benefit plan is partially funded. The following table sets out the disclosure in respect of the defined benefit plan.

Movement in obligation

	March 31,	
	2021	**2022**
Present value of obligation at beginning of year	99,877	82,330
Interest cost	4,876	3,889
Current service cost	10,806	10,639
Past service cost	-	-
Actuarial loss on obligation		
-economic assumptions	646	-
-demographic assumptions	-	(719)
-experience assumptions	(2,955)	1,103
Benefits paid	(30,920)	(17,648)
Present value of obligation at closing of year	**82,330**	**79,594**

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Movement in plan assets*

	March 31,	
	2021	**2022**
Fair value of plan assets at beginning of the year	23,055	11,943
Employer contributions	37	-
Benefits paid	(12,186)	(2,791)
Earning on assets	1,337	651
Actuarial (gain)/loss on plan assets	(300)	62
Fair value of plan assets at end of the year	**11,943**	**9,865**

* plan assets represents investment made by the Company in LIC funds

Unfunded liability

	March 31,	
	2021	**2022**
Current	18,376	35,621
Non-current	52,137	34,108
Unfunded liability recognized in statement of financial position	**70,513**	**69,729**
Funded asset		
Prepayment and other assets - Non-Current	126	0
	126	**0**

Components of cost recognized in profit or loss

	March 31,		
	2020	**2021**	**2022**
Current service cost	19,887	10,806	10,639
Net interest cost	5,755	3,539	3,239
	25,642	**14,345**	**13,878**

Amount recognised in other comprehensive income

	March 31,		
	2020	**2021**	**2022**
Actuarial loss/ (gain) on obligation*	(25,396)	(2,009)	321

* Refer to Note 31 for the movement during the year.

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The principal actuarial assumptions used for estimating the group's defined benefit obligations are set out below:

	March 31,	
	2021	**2022**
Discount rate	5.45%	5.45%
Future salary increase	5.00%	5.00%
Average expected future working life (years)	2.58-4.31	1.56 - 5.85
Retirement age (years)	58	58
Mortality table	IALM* (2012-14) Ultimate	
Withdrawal rate (%)		
Ages		
Upto 30 years	70%	22% - 26%
From 31 to 44 years	30%	57% - 65%
Above 44 years	3%	9% - 21%

* Indian Assured Lives Mortality (2012-14) Ultimate represents published mortality table used for mortality assumption.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	March 31,	
	2021	**2022**
a) Impact of the change in discount rate		
a) Impact due to increase of 0.50 %	1,849	920
b) Impact due to decrease of 0.50 %	(1,870)	(952)
b) Impact of the change in salary increase		
a) Impact due to increase of 0.50 %	(1,789)	(1,018)
b) Impact due to decrease of 0.50 %	1,792	1,105

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. These analyses are based on a change in a significant assumption, keeping all other assumptions constant and may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

The following payments are expected contributions to the defined benefit plan in future years:

	March 31,	
	2021	**2022**
Year 1	21,924	40,306
Year 2	12,175	15,206
Year 3	11,700	7,370
Year 4	7,555	4,080
Year 5	6,809	3,495
Year 6-10	19,235	13,351
Total expected payments	**79,398**	**83,808**

CODE ON SOCIAL SECURITY, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(Amount in INR thousands, except per share data and number of shares)

35 Deferred Revenue

	March 31,	
	2021	**2022**
Global Distribution System provider	381,736	244,101
Loyalty program	5,313	4,076
Total	**387,049**	**248,177**
Non-current	266,920	64,965
Current	120,129	183,212
Total	**387,049**	**248,177**

"Global Distribution System providers" represents the amount received upfront by the group as a part of commercial arrangement with the Global Distribution System ("GDS") providers for facilitating the booking of airline tickets on our websites or other distribution channels. The same is recognized as revenue for actual airline tickets sold over the total number of airline tickets to be sold as per the term of the agreement, in both cases sold on such GDS platforms, and the balance amount is recognized as deferred revenue.

	March 31,	
	2021	**2022**
At April, 1	357,916	387,049
Deferred during the year	229	-
Recorded in statement of profit or loss	62,060	(138,872)
Transferred to other financial liability (deposits)	(33,156)	-
March 31,	**387,049**	**248,177**

36 Other financial liabilities

	March 31,	
	2021	**2022**
Non-current		
Share warrants (refer to note 7)	436	-
Deposits*	269,844	-
	270,280	**-**
Current		
Due to employees	62,230	120,756
Share warrants (refer to note 7)	31,955	-
Deposits*	-	308,701
Total	**94,185**	**429,457**

* Deposit received from the Global Distribution System provider (GDS), which is repayable at the end of the contract and interest free nature was initially recognised at fair value. The difference between the deposit received and fair value initially recognised is treated as deferred consideration under Note 37. Deposits are subsequently measured at amortised cost and unwinding is recognised under finance cost. The deferred consideration recognised is amortised over the tenure of deposit on straight line basis and amortisation is recognised as revenue.

Warrants—Macquarie

In conjunction with various financing transactions, the Company issued warrants (except quoted warrants) to purchase the Company's common stock and preference shares. These warrants are classified to be derivative instruments and as such, are recorded at fair value through profit and loss account. The Company estimates the fair values of the warrants at each reporting period using a Black-Scholes option-pricing model.

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The Company will continue to adjust the fair value of the warrant liability at the end of each reporting period for changes in fair value from the prior period until the earlier of the exercise or expiration of the applicable warrants or until such time that the warrants are no longer determined to be derivative instruments.

Warrants—Innoven

During the financial year ending March 31, 2018, the Company had further allotted warrants against the loan facility, the fair values of the warrants was taken using a Black-Scholes option-pricing model as on the date of the allotment. These warrants are classified to be equity instruments and accounted for on the same basis.

Warrants give the holder the right to purchase ordinary shares from the Company at a specific price within a certain time frame. The details of the warrants issued is as follows:

	Number of shares	Date of issue	Exercise price	Expiration date
Macquarie Corporate Holdings Pty Limited - Ordinary shares*	46,458	24-Jul-15	INR 2,040.90 ($26.90)	24-Jul-23
Innoven Capital - Ordinary shares	154,000	12-Sep-17	INR 910.44 ($12)	12-Sep-22

* On December 16, 2016, the Parent Company converted its preference shares into ordinary shares and effectuated a reverse 5.4242194-for-one share split of its ordinary shares as well as a 5.4242194-for-one adjustment with respect to the number of ordinary shares underlying its share options and a corresponding adjustment to the exercise prices of such options**.**

Refer to Note 7 (considered derivative instruments) and Note 30 (considered equity), for movement in warrants during the year.

37 Other non financial liability, non-current

	March 31, 2021	March 31, 2022
Deferred Consideration (refer to note 36)	44,453	-
Total	**44,453**	**-**

38 Other current liabilities

	March 31, 2021	March 31, 2022
Advance from customers	537,002	531,526
Statutory liabilities	106,317	79,368
Other liabilities	100,113	58,075
Deferred Consideration	38,858	41,656
Total	**782,290**	**710,625**

Advances from customers primarily consist of amounts for future bookings of Airline tickets, Hotel bookings, Packages and freight forwarding services.

39. Commitment and contingencies

a) Capital and other commitments:

Contractual commitments for revenue expenditure* pending execution were INR 106,920 as at March 31, 2022 (INR 105,000 as at March 31, 2021). Contractual commitments for revenue expenditure are relating to advertisement services.

*Includes Advertisement and Debenture agreement with BCCL

● Contractual commitments for capital expenditure pending execution were INR 1,450 as at March 31, 2022 (INR Nil as at March 31, 2021). Contractual commitments for capital expenditure are relating to acquisition of computer software and websites, office equipment, furniture and fixtures.

b) Contingent liabilities

i) Claims not recognised as liability were INR 87,106 as at March 31, 2022 (INR 87,889 as at March 31, 2021).

These represents claim made by the customers due to service-related issues, which are contested by the Company and are pending in various district consumer redressal forums in India. The management does not expect these claims to succeed and, accordingly, no provision has been recognised in the financial statements.

ii) INR 310,095 as at March 31, 2022 (INR 310,105 as at March 31, 2021), represents show cause cum demand notices raised by Service Tax authorities over subsidiaries in India. Based on the Group’s evaluation, it believes that is is not probable that the demand will materialise and therefore no provision has been recognised.

iii) INR 1,268 as at March 31, 2022 (INR 96,608 as at March 31, 2021), represents show cause cum demand notices raised by Income Tax authorities over subsidiaries in India. Based on the Group’s evaluation, it believes that it is not probable that the demand will materialise and, therefore, no provision has been recognised.

c) Lease commitment -Group as lessee

As lessee, the Group’s obligation arising from non-cancellable leases are mainly related to lease arrangements for real estate.

There were no short term non-cancellable lease contract outstanding as at March 31, 2021 and March 31, 2022.

During the year ended March 31, 2022, INR 2,330 was recognized as rent expense under other operating expenses in statement of profit and loss in respect of operating leases (March 31, 2021: INR 9,418 and March 31, 2019: INR 55,007).

40. Financial risk management, objective and policies

The Group’s activities are exposed to variety of financial risk: credit risk, liquidity risk and foreign currency risk. The Group’s senior management oversees the management of these risks. The Group’s senior management ensures that the Group’s financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives. The Group reviews and agrees on policies for managing each of these risks which are summarized below:

a) 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. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	March 31,	
	2021	2022
Trade and other receivables	870,452	1,934,713
Other financial assets	692,030	688,649
Total	**1,562,482**	**2,623,362**

The age of Trade and other receivables at the reporting date was:

	March 31,	
	2021	2022
0 - 30 days	538,959	1,512,534
31 - 90 days	210,569	304,480
91 - 180 days	46,222	97,579
More than 180 days	74,702	20,120
Total	**870,452**	**1,934,713**

Allowances for doubtful debts mainly represent amounts due from airlines, hotels and customers. Based on historical experience, the Group believes that no impairment allowance is necessary, except for as disclosed in Note 26, in respect of trade receivables.

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the consolidated entity aims to maintain flexibility in funding by keeping committed credit lines available.

The Group manages liquidity by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

The following tables set forth Company's financial liabilities based on expected and undiscounted amounts as at March 31, 2021 and 2022.

As at March 31, 2021

	Carrying Amount	Contractual Cash Flows *	Within 1 year	1 -5 Years	More than 5 years
Vehicle loan	6,931	7,579	4,283	3,296	-
Lease liabilities	502,968	783,070	141,788	403,298	237,984
Trade and other payables	2,250,363	2,250,363	2,215,425	34,938	-
Factoring	124,124	124,124	124,124	-	-
Other Current liabilities	452,738	536,048	182,893	353,155	-
Total	**3,337,124**	**3,701,184**	**2,668,513**	**794,687**	**237,984**

(Amount in INR thousands, except per share data and number of shares)

As at March 31, 2022

	Carrying Amount	Contractual Cash Flows *	Within 1 year	1 -5 Years	More than 5 years
Vehicle loan	7,180	7,988	3,426	4,562	-
Lease liabilities	269,659	398,659	74,457	239,584	84,618
Trade and other payables	2,437,317	2,437,317	2,394,712	42,605	-
Factoring	351,399	351,399	351,399	-	-
Other Current liabilities	512,877	512,877	512,877	-	-
Total	**3,578,432**	**3,708,240**	**3,336,871**	**286,751**	**84,618**

* Represents Undiscounted cash flows of interest and principal

Based on the past performance and current expectations, the Group believes that the cash and cash equivalent and cash generated from operations will satisfy the working capital needs, funding of operational losses, capital expenditure, commitments and other liquidity requirements associated with its existing operations through at least the next 12 months. In addition, there are no transactions, arrangements and other relationships with any other person that are reasonably likely to materially affect or the availability of the requirement of capital resources.

c) Foreign currency risk

Foreign currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of the changes in foreign exchange rates. The Group operates through subsidiaries in India, Singapore and United States. The functional currency of these subsidiaries is the local currency in the respective countries and accordingly there are no related significant foreign currency exposures.

The Company currently does not have any hedging agreements or similar arrangements with any counter-party to cover its exposure to any fluctuations in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating transactions which are denominated in currency other than subsidiary's functional currency (foreign currency denominated receivables and payables).

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates. Any change in the exchange rate of USD, Euro, GBP and SGD against currencies other than INR is not expected to have significant impact on the Group's profit or loss. Accordingly, a 5% appreciation/depreciation of the USD, Euro, GBP and SGD currency as indicated below, against the INR would have decreased/increased the loss/gain by the amount shown below; this analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of reporting period. The analysis assumes that all other variables remain constant.

(Amount in INR thousands, except per share data and number of shares)

	March 31,	
	2021	2022
5% strengthening/weakening of USD against INR	5,213	1,339
5% strengthening/weakening of Euro against INR	101	1,157
5% strengthening/weakening of GBP against INR	436	932
5% strengthening/weakening of SGD against INR	269	121

41. Capital management

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder's value.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to its interest-bearing loans and borrowings that form part of its capital structure requirements. Breaches in the financial covenants would permit the bank to immediately call interest-bearing loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

During the year ended March 31, 2021, the Company had raised additional capital through follow-on public offering (refer to Note 29). During the financial year March 31, 2022 and March 31, 2021, the company had taken a factoring facility from ICICI Bank (refer to Note 32).

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended March 31, 2022 and March 31, 2021.

	March 31,	
	2021	2022
Borrowings (Note 32)	131,055	358,580
Less :cash and cash equivalents (Note 28)	(1,711,589)	(800,282)
Net debt	**(1,580,534)**	**(441,702)**
Share warrants (Note 36)	32,391	-
Equity	1,157,828	890,258
Total Equity	**1,190,219**	**890,258**
Gearing ratio (Net debt / total equity + net debt)	404.94%	-98.47%

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42. Related party disclosures

For the purpose of the consolidated financial statements, parties are considered to be related to the group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties and nature of related party relationship:

Nature of relationship	Name of related party	
Key Management Personnel	Mr. Dhruv Shringi	Co-founder, CEO and Director
	Mr. Alok Vaish (resigned on October 11, 2019)	Chief Financial Officer
	Mr. Anuj Kumar Sethi (appointed from October 18, 2019)	Principal Accounting Officer
	Mr. Murlidhara Laxmikantha Kadaba	Non-executive Director
	Mr. Sanjay Arora (resigned from the Board effective April 30, 2021)	Non-executive Director
	Mr. Sean Agarwal (resigned from the Board effective January 18, 2022)	Non-executive Director
	Mr. Sudhir Kumar Sethi (resigned from the Board effective June 30, 2020)	Non-executive Director
	Ms. Neelam Dhawan (appointed from January 1, 2019)	Non-executive Director
	Mr. Roshan Mendis (appointed from January 17, 2022)	Non-executive Director
	Mr. Stephen Schifrin (appointed from May 1, 2021)	Non-executive Director
Entities having significant influence	E-18 Limited (till March 31, 2021)	
	IDG Ventures India Advisors Private Limited (till March 31, 2021)	
Group Companies of entities having significant influence	**Terrapin Partners, LLC**	
	E-18 Limited (till March 31, 2021)	
	Reliance Retail Limited	
	Reliance Industries Limited	
	Reliance Jio Infocomm Limited	
	Reliance Payment Solutions Limited	
Joint Venture Company	Adventure and Nature Network Private Limited	

During the year, the Group entered into the following transactions, in the ordinary course of business on an arm’s length basis, with related parties:

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Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

	March 31,		
	2020	**2021**	**2022**
Group Companies of entities having significant influence			
Advertisement expense	(300)	-	-
Interest expense	(6,400)	-	-
Communication expense	698	649	-
Joint venture company			-
Rendering of services	-	(21)	-
Recovery of expenses	944	741	824
Loan given	4,200	19,500	2,500
Interest income	4,819	7,206	4,240
Commission expense	45	(1)	-
Investment in shares	3,500	-	-

	March 31,	
	2021	**2022**
Group Companies of entities having significant influence		
Trade payable	7,959	-
Trade receivable	3,317	-
Joint venture company		
Prepayment and Other asset*	53,700	-
Trade receivable**	15,418	-
Other financial assets**	-	-

**Provision for impairment on trade receivables have been recorded for INR 3,837 (March 31, 2021: INR Nil). Closing balance of trade receivables (net of allowance) as of March 31, 2022 is INR Nil (March 31, 2021: INR 15,418), refer to note 26.

**Provision for impairment on loans to joint venture have been recorded for INR 72,719 (March 31, 2021: INR Nil). Closing balance of loans to joint venture (net of allowance) as of March 31, 2022 is INR Nil (March 31, 2021: INR Nil), refer to note 27.

The sales to and purchases from related parties are made on terms equivalent to those that prevails in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables.

	March 31,		
	2020	**2021**	**2022**
Compensation of key management personnel of the Group			
Short-term employee benefits	46,342	27,462	35,019
Contributions to defined contribution plans	180	259	340
Profit linked bonus	18,487	16,130	-
Directors Sitting fee's	8,886	10,846	10,516
Share based payment	2,277	53,330	157,715
Total compensation paid to key management personnel	**76,172**	**108,027**	**203,590**

Provision for gratuity and compensated absences has not been considered, since the provisions are based on actuarial valuations for the Group's entities as a whole.

The amount disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel.

Yatra Online, Inc.
Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

43. Business Combination

Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited)

On July 20, 2017, Yatra India agreed to acquire all of the outstanding shares of Yatra for Business Private Limited (formerly known as Air Travel Bureau Private Limited) ("ATB") pursuant to a Share Purchase Agreement by and among Yatra India, ATB and the sellers party thereto (the "Share Purchase Agreement").

Pursuant to the terms of the Share Purchase Agreement, we: (a) acquired a majority of the outstanding shares of ATB on August 4, 2017 in exchange for a payment of approximately INR 510 million and (b) agreed to acquire the balance of the outstanding shares of ATB in exchange for a final payment (the "Final Payment") to be made at a second closing (the "Second Closing). To date the Second Closing has not occurred, as Yatra India and the Sellers have not yet agreed on the computation for the Final Payment.

This acquisition significantly strengthens the Company's position in the large and growing corporate travel market in India. As a combined entity, Yatra became the largest corporate travel services platform in India by Gross Bookings. Through this acquisition, the Company had delivered best-in-class experiences to an even wider set of corporate clients and their employees, through the Company web and mobile app platforms and enhancing its reach to cross-sell its entire product suite, including hotels, to this customer base.

The operations of ATB have been consolidated in the financial statements of the Group from July 31, 2017. ATB contributed net revenue of INR 560,968 and profit of INR 7,586 to the Group's result for the year ended March 31, 2018.

Acquisition-related costs

The Group incurred acquisition related costs of INR 5,943 relating to external legal fees and due diligence cost. These amounts have been included in other operating expenses in the consolidated statement of profit or loss and other comprehensive loss for the year ended March 31, 2018.

Purchase consideration

Purchase consideration had been fair valued at INR 1,120,510 as at July 31, 2017 out of which INR 509,999 had been paid and balance had been shown under other current financial liabilities.

The purchase price of INR 1,120,510 as on the date of acquisition had been allocated to the acquired assets and liabilities as follows:

Net working capital (including cash)	1,245,235
Tangible assets	71,016
Long term liabilities	(695,088)
Customer base and relationships	134,681
Non-compete agreements	16,861
Goodwill	400,254
Deferred tax liability	(52,449)
Total purchase consideration	**1,120,510**

Yatra Online, Inc.
Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

The net assets recognized on July 31, 2017, were based on the provisional assessment of the Performance Linked Bonus ("PLB"), trade payables and trade receivables. Based on the revised assessment of the PLB income, trade payables and trade receivables, there was an increase in the net assets of INR 92,734 and there was also a corresponding decrease of goodwill of INR 92,734, resulting in INR 307,520 of total goodwill arising on the acquisition.

After taking the impact of the above adjustment on the date of the acquisition, the fair value of the trade receivables was INR 1,425,036. The gross amount of trade receivables was INR 1,442,300. The difference between the fair value and the gross amount is the result of an adjustment for counterparty credit risk. At March 31, 2018, INR 18,141 of the trade receivables has been impaired.

Gross carrying amount

	Goodwill
At April 1, 2017	653,666
Acquisition of a subsidiary—Air Travel Bureau Limited ("ATB")	307,520
At March 31, 2018	**961,186**

Analysis of cash flows on acquisition:

Net cash acquired with the subsidiary	156,543
Cash paid	(510,000)
Net cash flow on acquisition	**(353,457)**

The table below shows the values and lives of intangibles recognised on acquisition:-

	Life (years)	
Customer base and relationships	15	134,682
Non-compete agreements	3.5	16,861
Total Intangibles		**151,543**

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of ATB with those of the Group. The goodwill is not deductible for income tax purposes.

Contingent consideration

As part of the share purchase agreement with the previous owner of ATB, a contingent consideration is to be paid based on certain performance conditions of the acquired business. As at the acquisition date, the fair value of the contingent consideration was estimated to be INR 1,120,510.

During the year ended March 31, 2019, it was estimated that the performance condition will be achieved due to change in business conditions and better cash flow management. The fair value of the contingent consideration determined during the year ended March 31, 2019 reflects this development, amongst other factors and a remeasurement charge has been recognised through profit or loss.

Yatra Online, Inc.
Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

A reconciliation of fair value measurement of the contingent consideration liability is provided below:

As at March 31, 2018	**904,727**
Unrealised fair value changes recognised in profit or loss	485,282
Advance paid	(200,000)
As at March 31, 2019	**1,190,009**
Unrealised fair value changes recognised in profit or loss	(390,009)
As at March 31, 2020	**800,000**
Final payment*	(800,000)
As at March 31, 2021	**-**

* On October 14, 2019, Yatra India and ATB entered into a Settlement and Amendment Agreement, or Settlement Agreement, with Mr. Sunil Narain, or Mr. Narain, and ATB Finance and Investment Private Limited, or ATB Finance and, together with Mr. Narain, the Sellers, pursuant to which Yatra India, ATB and the Sellers, or collectively, the Parties, have agreed, subject to the conditions set forth in the Settlement Agreement, to settle any and all disputes and claims arising from or relating to the ATB Share Purchase Agreement and also to amend certain terms of the ATB Share Purchase Agreement.

Pursuant to the Settlement Agreement, in October 2019, the Parties filed a joint application for disposal, in terms of the Settlement Agreement, of the arbitration proceedings that had previously been initiated by Yatra India against Mr. Narain and a related appeal previously filed by Mr. Narain with the High Court of Delhi. In October, 2019, the arbitration proceedings terminated and a consent award was passed by the arbitrator. Also in October, 2019 the related appeal was disposed of by the High Court of Delhi, in terms of the Settlement Agreement. In addition, pursuant to the Settlement Agreement, in October 2019, the Parties filed a joint petition with the High Court of Delhi to quash a First Information Report and all proceedings arising therefrom, which the High Court granted in December 2019, subject to certain costs imposed on Yatra India, however, following an appeal filed by Yatra India, the Supreme Court of India, issued an order in February, 2020, in which it, inter alia, reversed the cost. Finally, pursuant to the Settlement Agreement, each Party appointed an accounting firm to proceed with the calculation of the final purchase price adjustments necessary to determine the amount of a final payment to be made by Yatra India to Sellers under the ATB Share Purchase Agreement, as amended, and that process was concluded on July 29, 2020.

The final payment paid by Yatra India to Sellers under the ATB share purchase agreement was determined INR 800 million, which is INR 390 million lower as against the earnout contingency provision of INR 1,190 million as per balance sheet dated March 31, 2020. Post this settlement, ATB has become a 100% subsidiary of Yatra, which will allow for greater integration of the business going forward.

44. Leases

The Group has lease contracts for various items of buildings, vehicles and other equipment used in its operations. Leases of buildings generally have lease terms between 3 and 9 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Group also has certain leases of buildings with lease terms of 12 months or less and do not contain a purchase option. The Group applies the ‘short term leases’ recognition exemptions for these leases. The Group’s obligations under its leases are secured by the lessor’s title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

Set out below are the carrying amounts of right-of-use assets recognized and the movement during the period;

	Buildings	Motor vehicles	Others	Total
Balance as of April 1, 2020	**521,534**	**950**	**15,938**	**538,422**
Additions	21,428	-	-	21,428
Deletions	(21,110)	(974)	-	(22,084)
Depreciation (Refer note 13)	(79,967)	-	(7,969)	(87,936)
Effects of movements in foreign exchange rates	(14)	24	-	10
Balance as of March 31, 2021	**441,871**	**-**	**7,969**	**449,840**
Additions	-	-	-	-
Deletions#	(157,509)	-	-	(157,509)
Depreciation (Refer note 13)	(54,674)	-	(7,969)	(62,643)
Effects of movements in foreign exchange rates	22	-	-	22
Balance as of March 31, 2022	**229,710**	**-**	**-**	**229,710**

Yatra Online, Inc.
Notes to the consolidated financial statements - (Continued)
(Amount in INR thousands, except per share data and number of shares)

The following are the amounts recognised in profit or loss:

	March 31,	
	2021	2022
Depreciation expense of right-of-use asset (Refer note 13)	87,936	62,643
Interest expense on lease liabilities (Refer note 16)	72,033	43,871
Expense relating to short-term leases (Refer note 12)	9,418	2,330
Total amount recognised in profit or loss	**169,387**	**108,844**

The following is the break-up of current and non-current lease liabilities as of March 31, 2021 and March 31, 2022:

	March 31,	
	2021	2022
Current lease liabilities	75,182	38,991
Non-current lease liabilities	427,786	230,668
Total	**502,968**	**269,659**

The following is the movement in lease liabilities during the year ended March 31, 2021 and March 31, 2022:

	March 31,	
	2021	2022
Balance as of April 1	539,628	502,968
Additions	20,250	-
Finance cost accrued during the period (Refer note 16)	72,033	43,871
Deletions#	(25,251)	(174,505)
Payment of lease liabilities*	(81,656)	(94,213)
Leases/rent concession (refer note 10)	(22,036)	(8,485)
Effects of movements in foreign exchange rates	-	23
Balance as of March 31	**502,968**	**269,659**

* During the current year, payment of lease liabilities has been adjusted with security deposit of INR 13,798 due to termination of some lease contracts.

During current year, the Company has rationalized the space of its office premises in Gurugram, Haryana. On June 8, 2021, the Company has entered into a Memorandum of understanding to surrender part of its office space. Out of the total space of 83,988 square feet, the Company has surrendered 36,229 square feet. As a result of the same, the ROU and lease liability would be decreased by INR 136,738 and by INR 156,778 respectively.

The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2021 and March 31, 2022 on an undiscounted basis:

	March 31,	
	2021	2022
Less than one year	141,788	74,457
One to five years	403,298	239,584
More than five years	237,984	84,618
Total	**783,070**	**398,659**

45. Listing and related expenses

One of our subsidiary, Yatra India is contemplating an initial public offering (the "Indian IPO") of its equity shares ("Equity Shares") in India and has filed a Draft Red Herring Prospectus on March 25, 2022 with the Securities and Exchange Board of India ("SEBI"). The Group is expected to continue controlling the subsidiary even after Indian IPO. Yatra Online Limited has incurred costs in connection with the Indian IPO.

Incremental costs directly attributable to a probable future equity transaction related to Indian IPO that otherwise would have been avoided are treated as transaction costs and are recognised as a prepayment and other assets. These costs recognised as a prepayment and other assets will be recognised in equity when the equity transaction is recognised, or recognised in profit or loss if the issue is no longer expected to be completed. The remaining costs incurred are recognised in profit or loss under head listing and related expenses.

During the year ended March 31, 2022, the Company has incurred INR 85,809 out of which INR 29,919 was recorded in the prepayment and other assets, and the remaining INR 55,818 is recognised to the profit and loss under head listing and related expenses.

46. Impact of COVID-19

Toward the end of the fourth quarter of fiscal year 2021, a severe second wave of COVID-19 infections emerged in India that has been more severe than the first wave that occurred in 2020. Further, on November 26, 2021, WHO designated a new variant B.1.1.529, as a variant of concern, named Omicron, which due to its wide-spread in India has resulted in third wave of COVID-19 infections. This has led to re-imposition of states-wide travel restrictions, lock downs and curfews across India. As a result, the Indian travel industry is experiencing a delayed recovery of business and international travel to pre-pandemic levels. However, it is difficult for the management to predict how long pandemic will continue and what impact this may have on the travel sector and the Group's business. The extent of the effects of the COVID-19 pandemic on the Group's business, results of operations, cash flows and growth prospects remain uncertain and would be dependent on future developments. These include, but are not limited to, the severity, extent and duration of the pandemic, its impact on the travel industries and consumer spending, rates of vaccination and the effectiveness of vaccinations against various mutations or variants of the COVID-19 pandemic.

The management continues to implement certain measures and modified certain policies in light of the COVID-19 pandemic. For example, the management have largely automated its re-scheduling and cancellation of bookings and provided customers greater flexibility to defer or cancel their travel plans. In addition, the management has also undertaken certain cost reduction initiatives, including implementing salary reductions and freezes and work from home policies, renegotiating fixed costs such as rent, deferring non-critical capital expenditures, reducing marketing expenses and renegotiating supplier payments and contracts.. The management believe these cost control measures have helped mitigate the economic impact of the COVID-19 pandemic on the business. The management expect to continue to adapt policies and cost reduction initiatives as the situation evolves and is confident of realizing its current assets and does not consider any impairment in the carrying value as at March 31, 2022.

Management believes that the estimates used in the preparation of these consolidated financial statements are reasonable, and management has made assumptions about the possible effects of the COVID-19 pandemic on critical and significant accounting estimates. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any changes in estimates are adjusted prospectively in the Group's consolidated financial statements.

47. Subsequent event

a) One of the subsidiaries of the Company, namely Yatra Freight had signed a term sheet on June 3, 2022 with N+1 Capital, a SEBI approved Fund, for availing the facility of upto INR 150,000 against the issuance of 1,500 Nos. of Non-Convertible Debenture (“NCD”) at face value of INR 1,00,000/- each. The entire NCDs shall be redeemed proportionately with Interest @ 14% p.a. with Quarterly Coupon payment of INR 1,200 in each quarter for a period of twenty-four months.

The NCDs have been secured against the first pari-passu charge over the current assets (both present and future) and exclusive first charge on Intangible Assets (both present and future) of Yatra Freight and a corporate guarantee from Yatra India.

The amount against issuance of NCDs have been received by Yatra Freight on July 1, 2022 whereas the first repayment of Principal and interest shall commence from July 31, 2022 and last payment of Interest and Principal shall be made on June 30, 2024 as per the Term Sheet dated June 3, 2022.

b) Subsequent to the end of fiscal year 2022, two step down subsidiaries of the Company namely “Yatra India” and “Yatra For Business Private Limited” have taken aggregate amount of credit facilities of INR 550,000 from Axis Bank Limited. Such facilities are secured against exclusive charge on the receivables, pari passu charges on the entire other current assets and all movable fixed assets of such Companies, both present and future and cash margin in the form of fixed deposits for 20% of the facility.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

Date: August 1, 2022

YATRA ONLINE, INC.

By:	*/s/ DHRUV SHRINGI*
Name:	Dhruv Shringi
Title:	*Chief Executive Officer*

Agreement Award

Indian-Non Judicial Stamp
Haryana Government

Date : 23/03/2022

Certificate No. G0W2022C2582

GRN No. 88574418

Stamp Duty Paid : ₹ 700
(Rs. Only)

Penalty : ₹ 0
(Rs. Zero Only)

Seller / First Party Detail

Name: Yatraonlineltd
H.No/Floor : 272
Sector/Ward : 20
LandMark : Gulfabida
City/Village : Udhyogvihar
District : Gurugram
State : Haryana
Phone: 99******80

Buyer / Second Party Detail

Name : Networkmil
H.No/Floor : 1
Sector/Ward : 0
LandMark : Empire complex 414 senapati bapat
City/Village: Mumbai
District : Lower parel
State : Maharashtra
Phone : 99******99

Purpose : WAIVER AND TERMINATION AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website https://egrashry.nic.in

Agreement Award

Indian-Non Judicial Stamp
Haryana Government

Date : 23/03/2022

Certificate No. G0W2022C3541

GRN No. 88586855

Stamp Duty Paid : ₹ 700
(Rs. Only)

Penalty : ₹ 0
(Rs. Zero Only)

Seller / First Party Detail

Name: Yatraonlineltd
H.No/Floor : 272
Sector/Ward : 20
LandMark : Gulfabida
City/Village : Udhyogvihar
District : Gurugram
State : Haryana
Phone: 99******80

Buyer / Second Party Detail

Name : Networkmil
H.No/Floor : 1
Sector/Ward : 0
LandMark : Empire complex 414 senapati bapat
City/Village: Mumbai
District : Lower parel
State : Maharashtra
Phone : 99******99

Purpose : WAIVER AND TERMINATION AGREEMENT

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WAIVER AND TERMINATION AGREEMENT

DATED

MARCH 23, 2022

AMONG

YATRA ONLINE LIMITED

VISTRA ITCL (INDIA) LIMITED (*FORMERLY KNOWN AS IL & FS TRUST LIMITED*) (ACTING AS TRUSTEE FOR PANDARA TRUST SCHEME I)

NETWORK18 MEDIA AND INVESTMENTS LIMITED

AND

YATRA ONLINE, INC.

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE WAIVER AND TERMINATION AGREEMENT DATED MARCH 23, 2022 AMONG YATRA ONLINE LIMITED, VISTRA ITCL (INDIA) LIMITED (*FORMERLY KNOWN AS IL & FS TRUST LIMITED*) (ACTING AS TRUSTEE FOR PANDARA TRUST SCHEME I), NETWORK18 MEDIA AND INVESTMENTS LIMITED AND YATRA ONLINE, INC.

WAIVER AND TERMINATION AGREEMENT

This **WAIVER AND TERMINATION AGREEMENT** (the **"Waiver and Termination Agreement"**) is executed at Gurgaon on the 23rd day of March, 2022 by and amongst:

1. **YATRA ONLINE LIMITED,** a limited company incorporated under the Companies Act, 1956 and having its registered office at B2/101, 1st Floor, Marathon Innova, Marathon Nextgen Complex B Wing, G. Kadam Marg, Opp. Peninsula Corp Park, Lower Parel (W), Mumbai – 400013, Maharashtra, India (hereinafter referred to as the **"Company"**), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **FIRST PART**;

   AND

2. **VISTRA ITCL (INDIA) LIMITED (FORMERLY KNOWN AS IL & FS TRUST LIMITED) (ACTING AS TRUSTEE FOR PANDARA TRUST SCHEME I),** a trust created under the provisions of the Indian Trusts Act, 1882, having its registered office at H. No. 632, 5th Cross, 12th 'A' Main, 4th Block, Kormangla, Bangalore – 560034, Karnataka, India (hereinafter referred to as the **"Pandara Trust"**), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **SECOND PART**;

   AND

3. **NETWORK18 MEDIA AND INVESTMENTS LIMITED,** a limited company incorporated under the Companies Act, 1956 and having its registered office at First floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India (hereinafter referred to as the **"Network18"**), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **THIRD PART;**

   AND

4. **YATRA ONLINE, INC.,** a Cayman Islands exempted company and having its registered office at Maples Corporate Services Limited, PO Box-309, Ugland House, Grand Cayman, Cayman Island (hereinafter referred to as the **"YOI"**), which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **LAST PART;**

In this agreement, (i) Pandara Trust and Network18 are hereinafter referred to individually as an **"Investor"** and jointly as **"Investors"** (ii) the Company, Investors and YOI are hereinafter referred to individually as a **"Party"** and jointly as **"Parties"**.

WHEREAS:

A. The Parties have entered into the SHA (as defined below) to record their *inter-se* rights and obligations in respect of the Company and other matters in relation to the investments of the Investors in the Company.

B. The Company is now desirous of undertaking an initial public offering of equity shares having a face value of ₹1 each of the Company (the **"Equity Shares"**), comprising a fresh issue of Equity Shares (the **"Fresh Issue"**) and an offer for sale by certain shareholders of the Company (the **"Offer for Sale"**, and together with the Fresh Issue, the **"Offer"**) in accordance with the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and other applicable laws.

C. In furtherance of the Offer, it had been agreed upon amongst the Parties that from the Effective Date (as defined below), all the rights of the Investors, that are otherwise available to them under the SHA shall stand terminated (except as stated in this Waiver and Termination Agreement).

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D. Following the Effective Date, except: (i) as provided herein; or (ii) as may be mutually agreed in writing between the Parties, the Investors' rights shall be *pari passu* with that of the other equity shareholders of the Company in accordance with applicable laws.

NOW THEREFORE, in consideration of the premises and the mutual covenants set forth herein, the Parties hereby agree as follows:

1. DEFINITIONS

Words and expressions defined in the SHA shall have the same meaning in this Waiver and Termination Agreement (wherever such words and expressions are used in this Waiver and Termination Agreement but not defined) save as otherwise such terms which are defined below:

"**Business Day**" means a day (excluding Saturdays and Sundays) on which banks generally are open in Mumbai and Delhi for the transaction of normal banking business;

"**Company**" shall have the meaning set forth in the Preamble hereof.

"**Effective Date**" shall be such date on which the Equity Shares are Allotted pursuant to the Offer.

"**Equity Shares**" shall have the meaning set forth in Recital B hereof.

"**Fresh Issue**" shall have the meaning set forth in Recital B hereof.

"**Long Stop Date**" shall mean September 30, 2023.

"**Investors**" shall have the meaning set forth in the Preamble hereof.

"**Offer**" shall have the meaning set forth in Recital B hereof.

"**Offer for Sale**" shall have the meaning set forth in Recital B hereof.

"**Party**" or "**Parties**" shall have the meaning set forth in the Preamble hereof.

"**SHA**" shall mean collectively the share subscription cum shareholders agreement dated May 7, 2014 and share subscription cum shareholders agreement April 29, 2015, executed amongst the Company, Investors and YOI;

"**Stock Exchanges**" shall mean the BSE Limited and the National Stock Exchange of India Limited or any other recognized stock exchange as decided by the Parties.

"**Selling Shareholders**" shall have the same meaning as set forth in the draft red herring prospectus to be filed by the Company in relation to the Offer.

"**Waiver and Termination Agreement**" shall mean this agreement for waiving certain rights and terminating the SHA on the terms and conditions set out herein, as amended from time to time.

The rules of interpretation applicable in the SHA shall *mutatis mutandis* apply to this Waiver and Termination Agreement as if they were set out herein with each reference to the 'Agreement' under the SHA being deemed to be a reference to this Waiver and Termination Agreement.

2. TERMINATION AND CONSENTS

2.1 Notwithstanding anything contained in the SHA, the Parties hereby agree to terminate the SHA, as amended by this Waiver and Termination Agreement on and from the Effective Date, and the SHA read with the

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Waiver and Termination Agreement shall stand automatically terminated on the Effective Date, without any further act or deed required on the part of any Party The Parties agree that, except as otherwise agreed in this Waiver and Termination Agreement in relation to the Offer, the SHA shall continue to be in full force and effect until the Effective Date and that the termination under this Clause 2.1 shall be without prejudice to accrued rights and obligations of the Parties until such termination, including those accrued between the date of this Waiver and Termination Agreement and the Effective Date.

2.2 The Investors acknowledge that (i) the Board of Directors of the Company, if required, shall be reconstituted and (ii) the committees or sub-committees, if required, shall be constituted or reconstituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, prior to filing of the draft red herring prospectus (**"DRHP"**) by the Company with the Securities and Exchange Board of India (**"SEBI"**) in connection with the Offer.

2.3 The Parties agree that decisions in relation to the Offer including in relation to valuation, Offer size, price band, the Offer price, the Offer opening date and the Offer closing date, appointment of intermediaries etc. shall be determined by the Company in a meeting of its Board or a committee thereof or as ratified in a meeting of its Board or a committee thereof, in consultation with the BRLMs appointed in relation to the Offer.

2.4 The Parties agree that this Waiver and Termination Agreement shall *ipso facto* terminate, without any further acts of the Parties and without any liabilities or obligations whatsoever, upon the earlier of the following dates: (a) Effective Date; or (b) if the bid/offer opening date in the Offer does not occur prior to September 30, 2023 or such other date as mutually agreed in writing between Parties (**"Long Stop Date"**);or (c) the date on which the Board of the Company decides not to undertake the Offer.

2.5 In case of termination of this Waiver and Termination Agreement in accordance with Clause 2.4 above, the Parties agree that provisions of the SHA (as existing prior to the execution of this Waiver and Termination Agreement) (i) shall continue without any prejudice whatsoever thereto, (ii) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any Party; and (iii) be deemed to have been in force during the period between date of execution of this Waiver and Termination Agreement and the date of termination of this Waiver and Termination Agreement, without any break or interruption whatsoever. It is clarified that the Parties shall take all such actions, and do all such things, necessary to ensure that the Parties are placed in the same position and possess the same rights as if this Waiver and Termination Agreement had never been executed and implemented. To the extent any specific actions cannot be reversed to *status quo ante*, the Parties will mutually engage in good faith discussions to ensure that, to the fullest extent possible under applicable law, all of the rights and privileges of the Parties are reinstated to the position they would have been without such actions. However, the Investors acknowledge that the Company may continue to be a public limited company, at its own discretion, pursuant to the conversion undertaken by the Company for the purposes of the Offer.

3. WAIVERS AND AMENDMENTS

3.1 In order to facilitate the Offer and to the extent that they relate to transfer of Equity Shares by the Shareholders pursuant to the Offer, the Parties, as may be applicable, hereby agree to waive their respective rights under Clause 8 (*Exit/ transfer of Shares by the Investors*) and Clause 9.3 (*Permitted Transfers*) of the SHA, with effect from the execution of this Waiver and Termination Agreement.

3.2 Each Party consents to the proposed issuance by the Company through the Fresh Issue and transfer of the Equity Shares by the Selling Shareholders through the Offer for Sale in the Offer, notwithstanding anything stated to the contrary in the provisions of the SHA.

3.3 Each Party consents to the disclosure of its name the contents of the SHA including any related agreements and this Waiver and Termination Agreement, as may be required, to be disclosed under Applicable Law in the draft red herring prospectus, red herring prospectus, prospectus and other documents in connection with the Offer. Each Party consents to any details contained in the SHA including any related agreements and this

Waiver and Termination Agreement, including their copies thereof, to be submitted to any regulatory or statutory authority as required in relation to the Offer and provide them as material documents for inspection at the office of the Company or electronically, to the extent required under Applicable Law.

3.4 Clause 10.6 of the SHA shall be amended, upon and from the date of execution of this Waiver and Termination Agreement, to be read as stated herein below:

"Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon delivery, when delivered personally or by overnight courier or sent by email, telegram or fax, or 48 hours after being deposited as certified or registered mail, with postage prepaid, addressed to the Party at such Party's address, email address or fax number as set forth below, or as subsequently modified by written notice.

To the Company

YATRA ONLINE LIMITED
B2/101, 1st Floor
Marathon Innova, Marathon Nextgen Complex B Wing
G. Kadam Marg, Opp. Peninsula Corp Park
Lower Parel (W), Mumbai – 400013
Maharashtra, India
E-mail: legal@yatra.com
Contact person: Legal Department/ Mr. Darpan Batra

To the Investors

NETWORK18 MEDIA AND INVESTMENTS LIMITED
Express Trade Towers, Plot Numbers 15 & 16,
Sector 16A, Noida 201 301
Email: Kshipra.jatana@nw18.com
Contact person: Kshipra Jatana

PANDARA TRUST SCHEME I, represented by its trustee Vistra ITCL (India) Limited
H. No. 632, 5th Cross, 12th 'A' Main, 4th Block,
Kormangla, Bangalore - 560034
Karnataka, India
Email: tcm@chiratae.com; finance@chiratae,com
Contact person: T C Meenakshisundaram

To YOI

Plot No. 272, 4th Floor
Gulf Adiba Phase II
Udyog Vihar, Gurugram – 122008
Haryana, India
Email: dhruv.shringi@yatra.com, with a copy to: legal@yatra.com
Contact person: Mr. Dhruv Shringi"

4. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

4.1 Each Party represents and warrants to the other Parties, that such Party has the power and authority and is competent to enter into, and execute, this Waiver and Termination Agreement and to perform the transaction and obligations hereunder and is not restrained or prevented by any contract or arrangement to which it is a party, from entering into this Waiver and Termination Agreement or other deeds and writing incidental hereto and undertaking the obligations herein mentioned.

Kuy

5. GENERAL PROVISIONS

5.1 **Amendments**: No changes or additions to, or modifications of, this Waiver and Termination Agreement shall be valid unless made in writing and signed by all the Parties hereto. In the event of any ambiguity or discrepancy between the provisions of this Waiver and Termination Agreement and the SHA, the provisions of this Waiver and Termination Agreement shall prevail.

5.2 **Severability:** Any term or provision of this Waiver and Termination Agreement that is invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Waiver and Termination Agreement.

5.3 **Governing Law and Dispute Resolution**: The Parties hereby agree that provisions of the SHA shall apply *mutatis mutandis* to this Waiver and Termination Agreement as if they were set out herein with each reference to the 'Agreement' under the SHA being deemed to be a reference to this Waiver and Termination Agreement.

5.4 **Counterparts**: This Waiver and Termination Agreement shall be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which will constitute one and the same instrument. The delivery of signed counterparts by electronic mail in "portable document format (.pdf)" shall be as effective as signing and delivering the counterparts in person.

5.5 The provisions of clauses 10.14 (*Indemnification; Contribution*), and 10.12 (*Confidentiality*) of the SHA shall apply to this Waiver and Termination Agreement and are hereby incorporated by reference in their entirety herein, mutatis mutandis.

5.6 The SHA read in conjunction with the Waiver and Termination Agreement shall constitute the entire understanding and agreement between the Parties with respect to the subject matter hereof.

5.7 Each Party shall from time to time and at its own cost, do, execute and deliver or procure to be done, executed, and delivered, all such further acts, documents and things, as may be reasonably required to give full effect to this Waiver and Termination Agreement and the respective rights, powers and remedies of the Parties under this Waiver and Termination Agreement.

[*Remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the Parties hereto have caused this Waiver and Termination Agreement to be executed by their duly authorized representatives as of the date herein mentioned.

For or on behalf of **YATRA ONLINE LIMITED**

Name: Dhruv Shringi
Designation: Whole Time Director cum CEO
Date:

IN WITNESS WHEREOF, the Parties hereto have caused this Waiver and Termination Agreement to be executed by their duly authorized representatives as of the date herein mentioned

For or on behalf of **PANDARA TRUST – SCHEME I (REPRESENTED BY ITS TRUSTEE VISTRA ITCL (INDIA) LIMITED)**

Authorised Signatory

Name: T C Meenakshisundaram

Designation: Designated Partner

IN WITNESS WHEREOF, the Parties hereto have caused this Waiver and Termination Agreement to be executed by their duly authorized representatives as of the date herein mentioned

For or on behalf of **NETWORK18 MEDIA AND INVESTMENTS LIMITED**

____

AUTHORISED SIGNATORY

NAME: KARANVIR GILL

IN WITNESS WHEREOF, the Parties hereto have caused this Waiver and Termination Agreement to be executed by their duly authorized representatives as of the date herein mentioned

For or on behalf of **YATRA ONLINE, INC.**

Name: Dhruv Shringi
Designation: Director and CEO
Date:

Exhibit 4.11

Exhibit 10.2

AMENDMENT NO. 1 TO EXCHANGE AND SUPPORT AGREEMENT

THIS AMENDMENT TO EXCHANGE AND SUPPORT AGREEMENT (the "Amendment") is made by and among, Yatra Online, Inc., a Cayman Islands exempted company limited by shares ("Parent"), Yatra USA Corp. (f/k/a Terrapin Acquisition 3 Corporation), a Delaware corporation (the "Company"), and the holders of the Class F Common Stock of the Company (each an "Exchanging Shareholder" and, collectively, the "Exchanging Shareholders"). This Amendment amends the Exchange and Support Agreement, dated December 16, 2016, by and among the Parent, the Company and the Exchanging Shareholders (the "Agreement"). This Amendment shall be effective as of December 16, 2021. Capitalized terms which are not defined herein shall be defined as set forth in the Original Agreement.

WHEREAS, pursuant to Section 7.1 of the Agreement, the Agreement is due to terminate on December 16, 2021;

WHEREAS, the Company, the Parent and each of the Exchanging Shareholders desire to amend the Agreement to delay termination of the Agreement;

WHEREAS, Section 7.5 of the Agreement permits modification or amendment of the Agreement pursuant to an agreement in writing signed by each of by the Company, the Parent and each of the Exchanging Shareholders;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree to make the following changes to the Agreement:

1. Amendment to Agreement. The Agreement is hereby amended as follows

(a) Section 7.1 of the Agreement is deleted in its entirety and replaced with the following:

Section 7.1 Termination. This Agreement shall terminate upon the earlier of (i) the date that no shares of Class F Common Stock remain outstanding (whether such obligation is absolute or contingent) or (ii) the mutual written consent of Parent, the Company and each of the Exchanging Shareholders; provided, however, that Article V, Article VI and this Article VII shall survive such termination.

2. Effect of Amendment. Except as expressly set forth herein, the Agreement shall not by implication or otherwise be deemed supplemented or amended by virtue of this Amendment, and shall remain in full force and effect, as amended hereby. This Amendment shall be construed in accordance with and as a part of the Agreement, and all terms, conditions, representations, warranties, covenants and agreements set forth in the Agreement and each other instrument or agreement referred to therein, except as herein amended, are hereby ratified and confirmed. Any reference in the Agreement to the "Agreement" shall refer to the Agreement as amended by this Amendment.

3. Governing Law. This Amendment shall be construed according to and governed by the laws of the State of New York without regard to principles of conflict of laws.

4. Counterparts. This Amendment may be executed (including by facsimile or other electronic transmission) in one or more separate counterparts, each such counterpart being deemed an original instrument, and all such counterparts will together constitute the same agreement.

[*Remainder of Page Intentionally Left Blank.*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

YATRA USA CORP.

By: */s/ Dhruv Shringi*
Name: Dhruv Shringi
Title: Director, President and CEO

YATRA ONLINE, INC.

By: */s/ Dhruv Shringi*
Name: Dhruv Shringi
Title: Director and CEO

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

APPLE ORANGE LLC

By: */s/ Nathan Leight*
Name: Nathan Leight
Title: Managing Member

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

GUY BARUDIN

/s/ Guy Barudin
Guy Barudin

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

IRINA CARPOV

/s/ Irina Carpov
Irina Carpov

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

GINA DELGIUDICE

/s/ Gina DelGiudice
Gina DelGiudice

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

LAWRENCE HURVICH

/s/ Lawrence Hurvich

Lawrence Hurvich

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

JONATHAN KAGAN

/s/ Jonathan Kagan

Jonathan Kagan

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

JAMES KIM

/s/ James Kim

James Kim

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

VICTOR MENDELSON

/s/ Victor Mendelson

Victor Mendelson

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

NOYAC PATH LLC

By: */s/ Stephen Schifrin*
Name: Stephen Schifrin
Title: Manager

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

PERISCOPE, LLC

By: */s/ Guy Barudin*
Name: Guy Barudin
Title: Managing Member

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

CHRISTOPHER PETERS

/s/ Christopher Peters

Christopher Peters

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

ROBERT PLOTKIN

/s/ Robert Plotkin

Robert Plotkin

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

STEPHEN SCHIFRIN

/s/ Stephen Schifrin

Stephen Schifrin

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

GERASOMOU SILIVERDES

/s/ Gerasomou Siliverdes
Gerasomou Siliverdes

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

ANDREW SKLAR

/s/ Andrew Sklar

Andrew Sklar

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

STEPHEN SPENCE

/s/ Stephen Spence

Stephen Spence

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

EXCHANGING SHAREHOLDER:

TERRAPIN PARTNERS EMPLOYEE PARTNERSHIP 3 LLC

By: */s/ Nathan Leight*
Name: Nathan Leight
Title: Authorized Person

EXCHANGING SHAREHOLDER:

TERRAPIN PARTNERS GREEN EMPLOYEE PARTNERSHIP LLC

By: */s/ Nathan Leight*
Name: Nathan Leight
Title: Authorized Person

[*Signature Page to Amendment No. 1 to Exchange and Support Agreement*]

Non Judicial

Indian-Non Judicial Stamp
Haryana Government

Date : 10/06/2022

Certificate No.	G0J2022F1282	Stamp Duty Paid : (Rs. Only)	₹ 1300
GRN No.	91317436	Penalty : (Rs. Zero Only)	₹ 0

Seller / First Party Detail

Name: Yatra for business Pvt ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village : Gurugram District : Gurugram State : Haryana

Phone: 93******66

Buyer / Second Party Detail

Name : Axis bank ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village: Gurugram District : Gurugram State : Haryana

Phone : 93******66

Purpose : WORKING CAPITAL LOAN

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website https://egrashry.nic.in

This non judicial stamp paper is a part and parcel of working Capital Loan Agreement

For Yatra for Business Private Limited

Authorised Signatory

For Yatra for Business Private Limited

Authorised Signatory

WORKING CAPITAL LOAN AGREEMENT

This agreement is made at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between such persons, whose name(s) and address(es) are as specified in Sr. No. 3 of the Schedule I (hereinafter referred to as the "**Borrower**" which expression shall unless repugnant to the context or meaning thereof shall include its successors and permitted assigns); **AND**

AXIS BANK LIMITED, a company, incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at 'Trishul', 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and one of the branch offices at the place as specified in Sr. No. 4 of the Schedule I (hereinafter referred to as the "**Bank**" which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns).

(The Borrower and the Bank, wherever the context so admits, are hereinafter individually referred to as "**Party**" and collectively as "**Parties**")

WHEREAS the Borrower has requested the Bank and the Bank has agreed to provide Facility Products up to the limit(s) as specified in Sr. No. 5 of the Schedule I, with full power to the Bank from time to time to renew or reduce or enhance or rollover the limit or altogether withdraw the Facilities at its sole discretion, on the terms and conditions appearing herein and the Sanction Letter details of which are specified in Sr. No. 6 of the Schedule I.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the capitalised terms shall have the following meanings:

"**Affiliate**" of any specified person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any "Relative" (as such expression is defined in the Companies Act, 2013) of such natural person.

"**Agreement**" means this loan agreement for grant of the Facilities executed at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time and shall include the sanction letters subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limit and duly acknowledged by the Borrower.

"**Applicable Law**" shall include any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, authorization, approval, directive, guideline, policy, requirement, governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or judicial or regulatory authority, whether in effect as of the date of this Agreement or thereafter and in each case as amended, modified or substituted from time to time.

"**Availability Period**" shall have the meaning ascribed to the term in Sr. No. 23 of the Schedule I.

"**Business Day**" means a day on which the Lending Office in respect of the Facilities or through which the Borrower has to make payment or repayment in respect of the Facilities, is open for normal business transactions.

"**CIC**" shall mean and refer to Credit Information Companies as defined under the Credit Information Companies (Regulation) Act, 2005, as amended from time to time.

"**Credit Rating Agency**" shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited [CARE], CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moodys and Standard & Poor's and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

"**Default Rate**" shall have the meaning ascribed to the term in Clause 5.3(a).

"**Drawdown Schedule**" shall have the meaning ascribed to the term in Sr. No. 22 of the Schedule I.

"**Drawing Power**" in connection with the Facilities, means the drawing power of the Borrower to make drawals from time to time under each Facility up to the amount of the respective Limits but not exceeding the value of the current assets, if any, provided as security to the Bank for such of the Facilities as drawn by the Borrower, less the corresponding Margin.

"**Event(s) of Default**" means any of the events or circumstances as specified in Clause 10.1.

"**Facilities**" means the Facility Products, up to the limit(s) specified in Sr. No. 5 of the Schedule I, granted by the Bank to the Borrower in accordance with the terms of this Agreement and shall include any amount converted into another currency and/or reconverted into Indian rupees in accordance with Clause 4 of this Agreement.

"**Facility Product**" or "**FC Products**" means the facility under this Agreement and the diverse products detailed as per Schedule II of this Agreement.

"**Financing Documents**" means this Agreement, the Sanction Letter, the Security Documents and such other documents as may be executed in connection with the Facilities and shall include any other document designated as such by the Bank.

"**Guarantor(s)**" shall mean all persons who have provided/shall provide a guarantee in favour of the Bank in connection with the Facilities in terms of the Financing Documents.

For Yatra for Business Private Limited

Authorised Signatory

For Yatra for Business Private Limited

Authorised Signatory

"**Governmental Authority**" shall mean the Government of India, the government of any state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect control of the Government of India or any the state government or any subdivision of any of them or owned or controlled by the Government of India, the state governments or any of their subdivisions, or any court, tribunal or judicial body within India.

"**Interest Rate**". shall mean the rate of interest as set out in Sr. No. 11 of the Schedule I and as may be reset from time to time in accordance with this Agreement on every Interest Reset Date and shall include the interest rate stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit whether in one single account or multiple accounts

"**Interest Reset Date**" shall mean:-

(a) in case of reset on a monthly basis, the first day falling after one month from the date of the relevant drawdown and every 1 month thereafter;
(b) in case of reset on a quarterly basis, the first day falling after three months from the date of the relevant drawdown and every 3 months thereafter;
(c) in case of reset on a half yearly basis, the first day of the month falling after six months from the date of relevant drawdown and every 6 months thereafter; and
(d) in case of reset on a yearly basis, the first day of the month falling after twelve months from the date of relevant drawdown and every 12 months thereafter.

"**Leading Office**" shall mean the branch of the Bank as specified in Sr. No. 4 of the Schedule I and shall include any other office or branch of the Bank through which the Facilities is provided by the Bank and such other office or branch as the Bank may nominate.

"**Limits**" shall have the meaning ascribed to it in Sr. No. 5 of Schedule I.

"**Loan**" means the principal amount outstanding for the time being under the Facilities.

"**Loan Obligations**" shall mean all amounts owing, due or payable to the Bank pursuant to the terms of the Financing Documents, including without limitation:

(a) the Loan and all interest on the Loan, the Default Interest, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Borrower, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with any Financing Document;
(b) any and all sums advanced by the Bank in order to preserve the Security or preserve any of the assets forming part of the Security including but not limited payment of stamp duty, insurance premium, statutory levies; and
(c) in the event of any proceeding for the collection or enforcement of the Loan Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, all costs and charges incurred by the Bank in case of any proceedings initiated under the Insolvency and Bankruptcy Code 2016, or of any exercise by the Bank of the rights under the Security Documents and/or the other Financing Documents, together with legal fees and court costs.

"**Margin**" shall have the meaning ascribed to it in Clause 4.6 (e) hereof.

"**Material Adverse Effect**" shall mean the effect or consequence of an event or circumstance which in the opinion of the Bank is or likely to have a material and adverse effect on:

(a) the financial condition, business or operation of the Borrower or any other Obligor;
(b) the ability of the Borrower or any other Obligor to perform its obligations or exercise its rights under the Financing Documents; or
(c) the validity or enforceability of any of the Financing Documents (including the ability of the Bank to enforce any of its remedies under any of them).

"**Obligors**" shall mean collectively the Borrower, the Guarantor(s) and the Security Providers.

"**Overall Limits**" shall have the meaning ascribed to it in Sr. No 5 of Schedule I.

"**RBI**" means Reserve Bank of India.

"**Restricted Payments**" shall mean any of the payment(s) as listed in Sr. No. 24 of the Schedule I

"**Sanction Letter**" shall have the meaning ascribed to the term in Sr. No. 6 of the Schedule I, which expression shall include any amendments or modifications made from to time and shall include the sanction letters or any other communication by physical or electronic means subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limits which has the effect of amending or modifying the terms.

"**Security**" shall have the meaning ascribed to the term in Clause 7 hereof.

"**Security Documents**" shall mean each of the documents and agreements entered into/ to be entered into by the Security Providers for creating, maintaining and perfecting the Security Interest as contemplated under this Agreement and includes any other instrument, document or deed executed and/or to be executed in connection with or pursuant to any of the foregoing and any other document designated as such by the Bank.

"**Security Interest**" means a mortgage, charge, hypothecation, assignment, pledge, guarantee, , Security Interest, encumbrance, of any kind or nature whatsoever or other security interest or any other security agreement or any other form of security of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract.

"**Security Providers**" means all persons who have created/shall create any Security Interest in favour of the Bank in connection with the Facilities in terms of this Agreement or the Security Documents.

"**Security Undertakings**" means lien (including any statutory or negative lien) deposit arrangement, letter of comfort, preference, priority of any kind or nature whatsoever or other undertakings of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any conditional sale or other title retention agreement

"**Related Party**" shall have the meaning ascribed to it under the Insolvency and Bankruptcy Code, 2016, as amended from time to time.

For Yatra for Business Private Limited

Authorised Signatory

For Yatra for Business Private Limited

Authorised Signatory

"**Tax**" shall mean any tax, levy, impost, duty or other charge or withholding of a similar nature (including any interest payable in connection with any failure to pay or any delay in paying any of the same) including without limitation, any stamp duty, registration charges or similar costs.

1.2 In this Agreement, unless the context otherwise requires:

(a) singular shall include plural and the masculine gender shall include the feminine and neutral gender;
(b) a "**Financing Document**" or any other agreement or instrument is a reference to that Financing Document or other agreement or instrument as amended, supplemented, extended or restated;
(c) a "**person**" includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
(d) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
(e) a "**Clause**" or "**Schedule**", is a reference to a clause in, or Schedule to, this Agreement;
(f) a "**party**" to this Agreement or a "**person**" shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the Financing Documents);
(g) an "**amendment**" includes a supplement, modification, novation, replacement or re-enactment and "**amended**" is to be construed accordingly;
(h) an "**authorised signatory**" means a person that has been duly authorised by another person (the "**other person**") to execute or sign any Financing Document (or other document or notice to be executed or signed by the other person under or in connection with any Financing Document) on behalf of that other person;
(i) "**control**" includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
(j) a provision of law is a reference to that provision as amended or re-enacted;
(k) words and abbreviations, which have well known technical or trade or commercial meanings are used in the Agreement in accordance with such meanings;
(l) a reference to a "month" is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month; and
(m) in the event of any disagreement or dispute between the Bank and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank, as to the materiality or reasonableness of any of the foregoing, shall be final and binding on the Borrower.

2. BANK'S AGREEMENT TO LEND AND BORROWER'S AGREEMENT TO BORROW

2.1 The Bank agrees, based on the disbursement request, representations, warranties, covenants and undertakings as contained herein and in the application for availing the Facilities and other documents executed or tendered by the Borrower in relation to the Facilities, to lend at its sole discretion, to the Borrower and the Borrower agrees to borrow from the Bank, the Facilities for an aggregate amount not exceeding the Overall Limits specified in Sr. No. 5 of the Schedule I on the terms and conditions as fully contained in this Agreement.

2.2 The Borrower agrees and acknowledges that the Facilities shall be utilised for the purpose specified in Sr. No. 8 of the Schedule I. Under no circumstances shall the Facilities be utilised by the Borrower for, directly or indirectly (a) subscribing to or purchasing any shares/debentures; (b) extending loans to its Affiliates or making any inter-corporate deposits; (c) entering into any speculative transactions or activities; and (d) carrying out any activities not eligible for bank credit as per RBI Guidelines.

2.3 The Bank shall have the right to revise / vary the limits (and any sub-limits thereunder, including interchangeability of the respective sub-limits), Margin, interest rate, concessions etc. from time to time, and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement. All outstanding amounts of interest, commission, discount, exchange, service charges and other costs, charges and monies in respect of the respective Facilities, whether debited to the cash credit account or not, shall also be included in determining the availability of the Overall Limits.

2.4 In the event any monies are remaining due and payable by the Borrower to the Bank, under the Financing Documents or otherwise, the Bank may, at its sole discretion, reduce the availability of the amounts of the Overall Limits and / or adjust such monies against the respective available Limits and all such adjustments shall be treated as drawals by the Borrower under the Facilities.

2.5 The Borrower shall at all times confine the drawals out of the relevant Facilities within the respective sanctioned Limits / Drawing Power, whichever is less. In case of any excess drawal the Borrower shall regularise the accounts forthwith or within such period as may be stipulated by the Bank in its absolute discretion. Provided, however, the Bank may at the specific request of the Borrower and at its own discretion, allow drawals beyond such Drawing Power (provided the Drawing Power is less than the sanctioned Limits) for such period as may be permitted by the Bank. Provided, further, the grant of such excess drawings to the Borrower can be liable to be suspended / discontinued / revoked at any time by the Bank without any notice to the Borrower. The Borrower shall repay all such excess drawings on demand unless otherwise specified by the Bank. Till repayment of such excess drawings, the excess drawn amounts, or the entire outstanding, shall carry Default Interest at the discretion of the Bank. All the provisions of the Financing Documents and all securities created, if any, pursuant to the Agreement will extend to cover such excess drawings.

2.6 In the event, any of the Facilities are granted on revolving basis then the Borrower shall be entitled, subject to the Availability Period, the available Limits, and that no Event of Default has occurred and is continuing and at the discretion of the Bank, to redraw any amount so repaid.

3. FEES, CHARGES, COMMISSION, COSTS AND CLAIMS

3.1 The Borrower, shall bear all charges/fees, including Tax, if any, as mentioned in Sr. No. 16 A of the Schedule I, which the Borrower agrees to reimburse to the Bank separately within 7 (seven) Business Days of demand by the Bank.

3.2 Without prejudice to the provisions of Clause 3.1 above, the Borrower shall forthwith pay or cause to be paid, all present and future imposts, costs, duties, Taxes, levies, fees insurance premia and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Facilities, the Financing Documents. In the event the Borrower fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower and the Borrower shall forthwith reimburse the same together with interest at the Default Rate.

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3.3 The Bank shall be entitled to debit all amounts due and payable by the Borrower under this Agreement to the Borrower's loan account maintained with the Bank, unless separately reimbursed to the Bank by the Borrower.

3.4 All payments by the Borrower under any Transaction Document shall be made free and clear of and without any deduction of Tax or levy, except to the extent that the Borrower is required by Applicable Law.

3.5 The Borrower agrees that in relation to the non fund based Facility Products which are being provided by the Bank to the Borrower under this Agreement, the Borrower shall pay commission for such Facilities, at such time and at such rate as specified in Sr. No. 5 of Schedule I hereof or at such other rate as may be intimated by the Bank in writing from time to time.

3.6 In the event of any drawals by the Borrower exceeding the Drawing Power / Limits without approval of the Bank, the Bank shall also be entitled to charge at its own discretion such enhanced rates of interest on the entire outstanding or on a portion thereof as it may fix.

4. DISBURSEMENT AND SUB-LIMITS

4.1 The Bank shall at its sole discretion disburse the Facilities, in accordance with the terms and conditions of this Agreement, including compliance of the provisions of this Clause 4 to such account as specified in the disbursement request. The Bank at the request of the Borrower make/allow disbursements/drawls under the facilities by issuance of BGs and/or LCs and/or other Facility Products.

4.2 The Facilities (either in full or in parts) may be disbursed by the Bank in such currency as specified in Sr. No. 5 of the Schedule, subject to the norms laid down by Reserve Bank of India (RBI) from time to time and the other terms and condition agreed between the Parties, if any. Further, during the tenure of the Facilities, the Bank may, at the request of the Borrower, but however, at its sole discretion, convert any Facilities, either in full or part into any other currency and/or reconvert it into Indian Rupees on such terms and conditions as are acceptable to the Bank and the Borrower. It is clarified and agreed that such conversion /re-conversion shall be governed by the terms and condition as contained in this Agreement unless otherwise agreed in writing between the Bank and the Borrower. The Borrower shall duly indemnify the Bank for any loss suffered by the Bank on account of fluctuation that may take place in the value of foreign currency in which the Facilities is availed and such loss on account of the fluctuation shall form a part of the Loan Obligations. In the event the Loan is converted into any other currency, the Borrower shall hedge the foreign currency exposure, if any through the Bank.

4.3 In case any Loan or part thereof is disbursed or converted into foreign currency , the Borrower agrees and confirms that, Bank may on request being made by the Borrower, at its sole discretion, roll over the foreign currency loan from time to time on such terms and conditions as it may deem fit and such roll over may be effected by the Bank by way of a letter issued by the Bank, carrying such Terms and conditions and accepted by the Borrower, shall be valid and binding on the Borrower at each renewal and such renewal and roll over will be governed by this Agreement mutatis mutandis, except to the extent as amended and modified by such letter referred to in this clause.

4.4 In the event the Bank is providing any facilities under this Agreement which are in a currency other than Indian Rupees, the same shall be governed by the terms of this Agreement including additional terms and conditions, if any, specified in Schedule II of this Agreement.

4.5 The Bank is entitled to disburse the Facilities granted/to be granted to the Borrower to in a single account or multiple accounts of any Facility Products and this agreement would be valid and binding for all such accounts. It is agreed between the parties that the facilities disbursed in such multiple loan accounts may have a varied rate of interest as may be agreed mutually between the parties at the time of each disbursement and as stipulated in the in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limits.

4.6 Sub-Limits

(a) The Facility or Facilities constituting sub-Limit within the available Limit of the Facility (hereinafter called the "**Principal Facility**") under the Agreement shall, to the extent of utilisation, be governed by the terms and conditions applicable to corresponding Facility Product(s), as detailed in Schedule II hereof. Provided where the Facility or Facilities constituting sub-Limit does / do not correspond to any of the Facility Product(s) as detailed in Schedule II hereof , then the same shall be governed by such terms and conditions as may be stipulated herein or as may be stipulated by the Bank while sanctioning such sub-Limit or from time to time thereafter.

(b) The Bank may, during the currency of the Agreement, at the request of the Borrower and at its absolute discretion, within the available Limit of the Principal Facility, grant / extend and disburse to the Borrower some other Facility Product(s) of such Limit (hereinafter called "**sub-Limit**"), in part or whole, from any of its Lending Office, on such terms and conditions set out in the Agreement and subject to the Borrower complying with the provisions of the Financing Documents and such further terms and conditions as may be stipulated by the Bank while granting / extending such sub-Limit and from time to time. The Bank shall have the right to revise / vary / rollover the limits (and any sub-limits thereunder, including interchangeability the respective sub-Limits), Margin, interest rate, concessions etc. from time to time, in compliance of the applicable regulatory guidelines and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement.

(c) The Borrower further undertakes to execute a 'Letter of Acknowledgement of Debt' in favour of the Bank, whenever the Bank may call upon the Borrower to do so, in such manner and form as the Bank may deem fit.

(d) At any time, to the extent of utilisation and outstanding of Facilities or Facilities under respective sub-Limit, the Limit under the Principal Facility shall stand reduced accordingly.

(e) The Borrower shall, if so required by the Bank, maintain such margin(s) (the "Margin") in respect of the Facilities as specified in Sr. No. 12 of Schedule I, during the subsistence of the Facilities. The Bank shall be entitled to, at its sole discretion, vary the Margin and the Borrower shall thereafter be bound to maintain such Margin as varied, notwithstanding any Margin earlier agreed.

(f) The Borrower shall at all times confine the drawals out of the relevant Facilities within the respective sanction limits/Sub-limits.

4.7 Conditions precedent to the initial disbursement under the Facilities

Any disbursement by the Bank under this Agreement shall be at its sole discretion. Without prejudice to the foregoing, the Bank may not, disburse any amount under the Facilities if:

(a) any Event of Default has occurred and is continuing or will result from the proposed disbursement; or

(b) the Borrower has availed facilities from a Related Party and has not submitted an undertaking from the Related Party to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than another Related Party or a bank or a financial institution.

4.8 Adjustment of Amounts Payable by Borrower

The Bank may deduct from the sums to be lent to the Borrower any imposts, costs, duties, Taxes, levies, fees, insurance premia and other charges and expenses (including any penalty thereon, if applicable) then remaining due and payable by the Borrower to the Bank pursuant to this Agreement. The

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Borrower hereby authorises the Bank to deduct such sums from the amount of the Loan to be disbursed and adjust the amounts deducted against the monies then remaining due and payable by the Borrower to the Bank under or pursuant to this Agreement.

5. INTEREST & LOAN ACCOUNT

5.1 Interest

(a) The Borrower shall, during the tenor of the Facilities, pay to the Bank, interest on the Facilities, on the dates as specified in Sr. No. 13 of the Schedule I to this Agreement, at such interest rate as more particularly described in Sr. No. 11 of the Schedule I at the prevailing Interest Rate or as may be stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit in multiple accounts. If the Facility(ies) is/are disbursed in multiple tranches in multiple accounts in terms of Clause 4.5 above, the Interest Rate applicable to each of such tranche will be decided at the time of disbursement of such tranche, as may be stipulated in the Sanction Letter.

(b) The Bank shall have the right to alter the Interest rate or the spread in accordance with change in Applicable Law. Without prejudice to the above, the Bank shall also have the right to alter the Interest rate or the spread or the Interest Reset Date upon occurrence of any of the following:
 (i) RBI revising the standard provisioning requirements for banking assets; or
 (ii) RBI enhancing the risk weightage norms for banking assets; or
 (iii) RBI changing the norms for classification of banking assets; or
 (iv) downward revision in the credit rating of any of the Obligors by a Credit Rating Agency, if applicable and/or internal ratings; or
 (v) occurrence of an Event of Default or potential event of default; or
 (vi) Bank's internal reviews and/or changes in externally prevailing directives of regulatory authorities; or
 (vii) RBI changing the methodology for computation of Interest from time to time; or
 (viii) If determined by the Bank upon annual review of the Borrower

(c) Upon reset of the Interest Rate or the spread in accordance with this Agreement, the Bank shall notify to the Borrower of such reset and the revised Interest Rate and the Borrower shall, from such date, pay to the Bank interest on the Facilities under the Financing Documents the revised Interest Rate.

(d) If any interest remains unpaid on the due date, then the unpaid interest shall be compounded monthly

(e) The Borrower is aware and confirms that the Bank shall be entitled to review and revise the rate of interest at such intervals and/or upon occurrence of such events as mutually agreed between the Parties, and such revised rate of interest shall always be construed as agreed to be paid by the Borrower and shall form part of the Loan Obligations. The Borrower shall be deemed to have notice of change in the rate of interest whenever the change in the rate of interest is displayed/notified at/by the branch of the Bank as specified in Sr. No. 4 of the Schedule I. The Borrower shall be entitled to repay/prepay all amounts outstanding under the Facilities without any prepayment premium in the event of any such change in the rate of interest is not acceptable to the Borrower.

(f) In case the Loan is disbursed/converted in foreign currency, the Borrower agrees to pay interest on the Loan as mutually agreed between the Parties. The Loan will carry interest linked to **LIBOR**. The spread over **LIBOR** shall be decided as per the prevailing market conditions, calculated and payable with monthly rests, or such other rests and rate as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower

(g) The interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 (three hundred and sixty five) days irrespective of leap year.

5.2 Upfront Fees and Other Fees

The Borrower shall pay to the Bank an upfront fee and such other fees as set forth in Sr. No. 16 A/ Sr. No. 16 B of the Schedule I on such dates as specified therein.

5.3 Default Interest

(a) Without prejudice to the obligations of the Borrower under this Agreement and the other Financing Documents, the Borrower shall pay default interest at such rate as specified in Sr. No. 14 of the Schedule I or any other rate as may be communicated by the Bank to the Borrower ("**Default Rate**") over and above the rate of interest as specified in Sr. No. 11 of the Schedule I on all amounts outstanding under the Facilities upon the failure by the Borrower to pay any Loan Obligations or to comply with any terms and conditions specified in this Agreement. Such Default Interest will be computed from the respective due date of payment or from the date of noncompliance of the terms of this Agreement, as the case may be until the date on which the Borrower has repaid /reimbursed such amounts or complied with such terms of this Agreement for which the default had occurred, and shall become payable upon the footing of compound interest with monthly rests as provided in this Agreement and shall be payable by the Borrower immediately on demand by the Bank.

(b) Provided however, such Default Interest under this Agreement shall not prevent the Bank from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Bank upon the occurrence of an Event of Default.

5.4 Increased Costs

(a) The Borrower agrees that upon a demand by the Bank, it shall pay, within such time period as may be required by the Bank in this regard, the amount of any Increased Costs incurred by the Bank as a result of:
 (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation;
 (ii) compliance with any law or regulation made before or after the date of this Agreement (including any law or regulation concerning capital adequacy, prudential norms, liquidity, reserve assets or Tax); or
 (iii) in the event of the Bank being called upon to pay any additional amount by the foreign lending agency in terms of their respective financing agreements; or
 (iv) on account of factors beyond the control of the Bank.

(b) The Borrower acknowledges that the Bank shall have the right to demand and recover any costs from the Borrower which may arise pursuant to provisions of Applicable Law (including capital adequacy or prudential norms).

(c) For the purposes of this Clause, "**Increased Costs**" shall mean:
 (i) a reduction in the rate of return for the Facility or on the Bank's overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by the Bank);
 (ii) any additional or increased cost including provisioning as may be required under or as may be set out under Applicable Law; or
 (iii) a reduction of any amount due and payable under this Agreement,
 which is incurred or suffered by Bank to the extent that it is attributable to the undertaking, funding or performance by the Bank of any of its obligations under this Agreement.

5.5 The Borrower acknowledges that the Facilities provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Bank.

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6. **REPAYMENT**

6.1 The Borrower shall repay the Loan on demand and in accordance with the terms of this Agreement. Credit for all payments by cheque, bank draft, RTGS will be given on realisation of the amount or the relative due date, whichever is later. Any payment which is due to be made on a day that is not a Business Day shall be made on the immediately preceding Business Day.

6.2 The Borrower agrees to accept the statement of account sent by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any sum claimed to be due by the Bank from the Borrower unless any discrepancy is highlighted by the Borrower within 7 Business Days of receipt the statement.

6.3 The Bank may, in its discretion and subject to no Event of Default having occurred and is continuing and at the request of the Borrower, rollover/extend/continue the Facilities or any part thereof for such period and in such event all terms as applicable for such Facilities shall mutatis mutandis apply for the rollover/extended portion of the Facilities.

6.4 The Bank may at any time and from time to time, at its sole discretion, review the Facilities or any part thereof and demand repayment along with all interest due and payable and all liabilities and other obligations of the Borrower thereunder to the Bank including interest, and other charges shall become due and payable by the Borrower immediately to the Bank.

6.5 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower shall, as may be required by the Bank, repay the Loan or any part thereof so disbursed or converted, in the same currency in which it has been disbursed/converted, as the case may be, or in the Indian Rupee equivalent of the amount disbursed/converted, as the case may be, under the Loan, as on the date of such repayment.

7. **SECURITY**

7.1 The repayment of the Loan Obligations to the Bank shall be secured in such manner as specified in Sr. No. 18 of the Schedule I.

7.2 The Borrower agrees and undertakes that it shall create and perfect or cause to be created and perfected the security as specified in Sr. No. 18 of the Schedule I and Security Undertakings as specified in Sr. No. 19 of Schedule I (collectively "**Security**"), in such form and manner as may be required by the Bank, having such ranking as specified in Sr. No. 18 of the Schedule I and within such time lines as specified in Sr. No. 18 of the Schedule I.

7.3 The Borrower has good and marketable title to the properties proposed to be secured in favour of the Bank, and comply with all such procedures for creation and perfection of the Security as may be necessary under Applicable law.

7.4 Without prejudice to the rights of the Bank under this Agreement, in the event the Bank is of the view that there is a substantial deterioration in the value of the security which has been provided to the Bank, the Bank may call upon the Borrower to furnish such additional/alternate security as may be required by the Bank and the Borrower agrees and undertakes that it shall create and perfect the security interest over such additional/alternate security, in a form and manner to the satisfaction of the Bank within such time period as may be specified by the Bank in this regard.

7.5 In respect of the non-fund based Facility Products which are granted under this Agreement, the Borrower shall deposit sufficient cash or other security as may be acceptable to the Bank as Margin as stipulated in Sr. No. 12 of Schedule I hereof or as may be stipulated, from time to time, by the Bank.

7.6 The Borrower agrees that the Bank shall have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in its capacity as "Loss Payee", in relation to the assets of the Borrower, towards the Loan obligations under this agreement.

7.7 Security Unaffected

(a) Security created by the Borrower shall continue to remain unaffected by reason of the Facilities Account being brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower at any time or of its being drawn upon to the full extent and afterwards being brought to credit, and shall continue to be in full force and effect until the payment of all monies due under the Facilities and the Facilities are terminated.

(b) This Agreement shall be operative for the balance from time to time due by the Borrower to the Bank in the Facilities Account relating to the relevant Facilities and such Facilities Account shall not be considered as closed by reason of such Facilities Account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower and this Agreement will continue to be operative and unaffected until such relevant Facilities are terminated and all monies in respect thereof are repaid in full to the Bank.

8. **CANCELLATION OF THE FACILITIES**

8.1 Illegality

If after the date of this Agreement, it is or will become unlawful or contrary to any directive of any applicable agency in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by this Agreement or to fund or maintain any Loan:

(a) the Bank will notify the Borrower upon becoming aware of that event;
(b) upon the Bank notifying the Borrower, the undisbursed part of the Facilities will be immediately cancelled; and
(c) the Borrower shall forthwith repay the Loan Obligations under the Financing Documents.

8.2 Automatic Cancellation

Any part of the Facilities which remains undrawn at the end of the Availability Period shall be automatically and immediately cancelled, unless otherwise agreed by the Bank.

8.3 Unconditional Cancellation

The Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Facilities at any time during the subsistence of the Facilities, without any prior notice to the Borrower, for any reason whatsoever. In the event of any such cancellation, all the provisions of this Agreement and all other Financing Documents shall continue to be effective and valid and the Borrower shall repay the Loan Obligations in accordance with the terms of this Agreement.

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9. BORROWER'S REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS:

9.1 The Borrower makes the following representations and warranties as of the date hereof and which representations shall continue to be made and remain true and correct on each day other than those made as of a particular date, which representations and warranties shall survive the execution of this Agreement and the making of the disbursement as provided under this Agreement till all the Loan Obligations have been repaid in full by the Borrower to the satisfaction of the Bank:

(a) It has the power and authority to execute deliver and perform its obligations under the Financing Document.

(b) It is in compliance with all applicable laws and has obtained all clearances and authorisations.

(c) Each of the Financing Document when executed by the Borrower constitutes legal, valid and binding obligations of the Borrower, enforceable in accordance with its terms.

(d) The execution and performance of the financing documents do not conflict any other agreements / applicable laws/ its constitutional documents.

(e) Save as permitted under the Financing Documents, no encumbrance or Security Interest exists or will exist over any of the assets secured/to be secured by the Borrower.

(f) No event of default has occurred or will occur upon execution of / disbursement under the financing documents.

(g) All information provided to the Bank is true and correct.

(h) Save and except as otherwise provided in the Financing Documents, its Loan Obligations under the Financing Documents rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law.

(i) It does not have any right of immunity from legal proceedings or under contract.

(j) No action has been taken (voluntary or involuntary) for its liquidation / insolvency/restructuring, including under the Insolvency and Bankruptcy Code, 2016.

(k) It has obtained and is validly maintaining all insurances and reinsurances in respect of all its assets in accordance with the Applicable Law.

(l) It hereby agrees and undertakes that no such person whose name is appearing in the list of Wilful defaulters by RBI/CIC/ in any caution list, shall be inducted on its board and that in case, such a person is found to be on its Board, it would take expeditious and effective steps for removal of such person from its Board.

(m) No director of the Bank is a director, manager, managing agent, employee or guarantor of the Borrower, or of a subsidiary or holding company or other group companies of the Borrower or holds substantial interest, in the Borrower or a subsidiary or the holding company or any other group company of the Borrower. No directors / relative of any other banks or financial institutions holds substantial interest or is interested as director or as a guarantor of the Borrower.

(n) The Borrower is in compliance with the RBI circular date December 05, 2018 (Guidelines on Loan System for Delivery of Bank Credit) as amended from time to time.

9.2 <u>Financial Covenants</u>

The Borrower undertakes that it shall strictly adhere to such financial covenants as specified in Sr. No. 20 of the Schedule I.

9.3 <u>Information Covenants</u>

(a) The Borrower shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 9.3, as applicable, and in all cases within 2 (two) Business Days after the Borrower obtains knowledge thereof, the Borrower shall provide the information/ notice to the Bank of the following:

(i) any change in the shareholding of the Borrower or any change in the constitution of the, as the case may be, or any appointment or removal of key managerial personnel of the Borrower;

(ii) details of any event, of any litigation, arbitration or administrative proceedings which is likely to result in the occurrence of Material Adverse Effect;

(iii) the details of any notice of any application made in relation to the Borrower under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Borrower, or for appointment of a receiver in relation to any of assets or business or undertaking of the Borrower;

(iv) the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);

(v) in the event the Borrower or any of its partners or directors or trustees, as the case may be, become a specified near relative of a director of a banking company/ financial institution, the Borrower shall, notify the Bank of such an event and provide such other details including details of the relationship of the Borrower or any of its partners or directors or trustees, as the case may be, with the director of the banking company/ financial institution, as may be required by the Bank;

(vi) any change in the accounting method or policies or any change in its financial year-end from the date it has currently adopted; and

(vii) the occurrence or likely occurrence of a Material Adverse Effect.

(b) The Borrower shall also submit the following information from time to time in such form and manner as may be required by the Bank:

(i) its duly audited annual accounts, within 6 months from the close of its accounting year or as soon as the same are available, whichever is earlier, and its unaudited accounts/provisional financial statements within 90 days year end;

(ii) such information, documents or reports (financial or otherwise) as may be required by the Bank from time to time including any information required by the Bank to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available with Bank;

(iii) submit the following information as required vide RBI circular No. DBOD.No.BP.BC.94/08.12.001/2008-09 dated December 8, 2008 (as may be amended, modified, supplemented from time to time): (i) under Annexure I of the abovementioned circular; (ii) exchange of information with other lenders as required under Annexure II of the abovementioned circular; and (iii) submit a certificate from a company secretary / chartered accountant, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annexure III of the abovementioned circular;

(iv) a certificate as evidence that the loans availed / to be availed by the Borrower is in compliance with the RBI circular date December 05, 2018 (Guidelines on Loan System for Delivery of Bank Credit) as amended from time to time as and when required by the Bank; and

(v) any other information as may be required by the Bank.

9.4 <u>Positive Covenants</u>

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all Loan Obligations to the satisfaction of the Bank, the Borrower shall:

(a) maintain proper books of accounts to accurately reflect its financial condition;

(b) maintain all its property (including its property and assets forming part of the Security) in good working order and habitable condition and adequately insured;

(c) ensure that the name of the Bank is duly endorsed as the "Beneficiary"/"Loss Payee" on such insurance policies and all renewals thereof in relation to the property and assets forming part of the Security;

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(d) utilise the Facilities only for the purpose it is sanctioned;
(e) permit the Bank/its employees/consultants to inspect its assets and premises at any time;
(f) execute or procure the execution of all such documents as the Bank may reasonably consider necessary for giving full effect to each of the Financing Documents; and
(g) co-operate with such auditors as may be appointed by the Bank with a view to obtain specific certificate regarding utilization/diversion/siphoning of funds, provide the necessary information and/or documents as may be required by such auditors, and bear all the expenditure in respect of obtaining the said certificate and agrees to indemnify and keep the Bank indemnified in this regard.

9.5 Negative Covenants

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all the Loan Obligations to the satisfaction of the Bank, the Borrower shall not, without the prior written consent of the Bank:
(a) enter into any scheme of merger, amalgamation, or do a buyback;
(b) make any Restricted Payments other than permitted under Sr. No. 24 of the Schedule I;
(c) shall not declare or pay any dividend or authorise or make any distribution to its shareholders: (i) unless it has paid all the dues in respect of the Facility up to the date on which the dividend is proposed to be declared or paid, or has made satisfactory provisions therefor, or (ii) if an Event of Default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorisation or making of distribution;
(d) wind up, liquidate or dissolve its affairs or take any steps for its voluntary winding up or liquidation or dissolution;
(e) agree, authorise or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a Material Adverse Effect;
(f) permit any change in the general nature of the business of the Borrower;
(g) permit any change in the ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);
(h) make any amendments in the Borrower's constitutional documents;
(i) avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation save as permitted under the Sanction Letter;
(j) encumber or create any Security Interest over the assets of the Borrower, save as permitted under the Sanction Letter;
(k) prepay any principal or interest on any loans availed by the Borrower from the shareholders/directors;
(l) enter into any contract or similar arrangement whereby its business or operations are managed or controlled, directly or indirectly, by any other person; and
(m) obtain any facilities from a Related Party unless the Borrower cause such Related Party to submit an undertaking to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than another Related Party or a bank or a financial institution.

10. EVENTS OF DEFAULT

10.1 The occurrence or likely occurrence of any of the following events and/or circumstances (in the sole decision of the Bank) shall constitute event(s) of default ("**Event(s) of Default**"):
(a) the Borrower commits any default in the payment of the Loan Obligations or any amount due or any part thereof;
(b) any Obligor commits any default in the payment of any amount to any person when due or any person demands repayment of the loan or dues of the Obligors ahead of its repayment terms or a moratorium is declared in respect of any indebtedness of the Obligors;
(c) the Borrower and/or any of the other Obligors defaults in performing any of its obligations under this Agreement or any of the Financing Documents or breaches any of the terms or conditions of this Agreement or any other Financing Documents;
(d) the Obligors default in performing any of their respective obligations under any agreement between the Obligors and the Bank (excluding the Financing Documents) or between Obligors and any third party;
(e) any notice / action in relation to actual or threatened liquidation/dissolution/bankruptcy/insolvency/ceasing to carry on business of Borrower / any Obligor (voluntary or involuntary);
(f) if the Borrower and/or any of the other Obligors changes or threatens to change the general nature or scope of the business;
(g) any of the information provided by the Borrower is incorrect or untrue;
(h) failure by the Borrower and/or any of the other Obligors to create and perfect Security as stipulated in the Agreement;
(i) any of the Security Documents fails to create the Security Interest or fails to have the priority as stipulated or ceases to be in full force and effect;
(j) if any circumstance or event occurs which is or is likely to prejudice, impair, imperil, depreciate or jeopardise any security or any part thereof;
(k) the value of the any security depreciates entitling the Bank to call for further security and failure of the Borrower and/or any of Security Providers to provide such additional security;
(l) upon occurrence of any event that has a Material Adverse Effect;
(m) the Borrower and/or any of the Security Provider fails to create the security as provided herein in accordance with the terms of this Agreement;
(n) appointment of Receiver in respect of the property/assets of the Obligors or if any attachment, distress, execution or other process against the any of the Obligors, or any of the Security Interest is enforced or levied upon by any third party (if applicable);
(o) if the Loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Borrower and sanctioned by the Bank;
(p) if the Borrower and/or any of the Security Providers, attempts or purports to create any Security Interest (other than as permitted under the Financing Documents) over any of its assets which are charged in favour of the Bank;
(q) there is any change in the control of the Obligors (directly or indirectly) without the prior consent of the Bank;
(r) if the Borrower fails to furnish to the Bank detailed end use statement of the Loan as and when so required by the Bank within the time prescribed by the Bank;
(s) any of the Financing Documents ceases to exist, to be valid, effective, enforceable or is terminated in a manner not in accordance with the terms of that Financing Document;
(t) any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Borrower and/or any of the Security Providers or any of their assets which has or could reasonably be expected to have a Material Adverse Effect; and
(u) any person makes or threatens to make any application under the Insolvency and Bankruptcy Code, 2016 and/or any notice is received in relation to the same.

10.2 Notice on the happening of an Event of Default

If any event of default or any event which after the notice or lapse of time or both would constitute an event of default shall have happened, the Borrower shall forthwith give the Bank notice thereof in writing specifying such event of default, or such event.

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10.3 Consequences of an Event of Default

(a) On and at any time after the occurrence of an Event of Default the Bank shall have the right to forthwith:
   (i) to declare that all or part of the Loan Obligations be immediately due and payable and to recover such Loan Obligations;
   (ii) to cancel the undrawn commitment and suspend withdrawals under the Facilities;
   (iii) to enforce the Security;
   (iv) to exercise such other rights as may be available to the Bank under the Financing Documents and under Applicable Law;
   (v) to review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;
   (vi) to appoint a nominee and/or observer on the Board as may be required by the Bank;
   (vii) to appoint an observer on the Borrower's Board;
   (viii) appoint any Person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and/or the assets, including its premises, factories, plants and units, and to report to the Bank;
   (ix) appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower; and
   (x) to convert the outstanding loan obligations into equity or other securities. The Borrower shall provide shareholder resolution/ authorization allowing Bank the right to facilitate such conversions.

(b) The Borrower agrees and undertakes not to prevent or obstruct the Bank from taking possession of the assets comprising Security and that the Bank's representatives will be entitled to sell, give on rent, or otherwise deal with the assets comprising Security by public or private auction or private treaty, without being liable for any loss, and to apply the net proceeds thereof as specified in the Financing Documents.

(c) Nothing contained in this clause shall oblige the Bank to sell, hire or deal with any of the assets comprising the Security and or proceed against any of the other Obligors and the Bank shall be entitled to first proceed against the Borrower independent of such other Security or other Obligor. In case of any deficit, the Bank shall be entitled to forthwith recover the deficit amount from the Borrower.

11. APPOINTMENT OF THE BANK AS THE BORROWER'S ATTORNEY

The Borrower hereby appoints the Bank as its true and lawful attorney to do and execute for and in the name and on behalf of the Borrower and where the Borrower is more than one individual, jointly and severally, all or any of the acts, deeds and things, specified herein.

12. ASSIGNMENT AND TRANSFER

12.1 The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) whole or part of the Loan or any other rights and obligations of the Bank under this Agreement or any other Financing Document to any person/entity (including but not limited to a bank, financial institution, special purpose vehicle or a trust), in a manner or under such terms and conditions as the Bank may decide in its sole discretion without consent of, or prior intimation to, the Borrower.

12.2 The Borrower expressly agrees that in the event of sale or transfer as aforesaid, it shall accept such person to whom the Loan is sold or transferred or assigned as the lender under this Agreement and make the repayment of the Loan to such person as may be directed by the Bank, to the extent of the portion of the Loan which has been sold/transferred/assigned.

12.3 The Borrower shall not be entitled to directly or indirectly assign, transfer or novate its rights or obligations under this Agreement in part or in whole to any person.

13. MISCELLANEOUS

13.1 Notices

(a) *Communications in writing*

Any communication to be made under or in connection with the Financing Documents shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier

(b) *Addresses*

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:
   (i) in case of the Borrower: As detailed in Sr. No. 3 of the Schedule I,
   (ii) in case of the Lender: As detailed in Sr. No. 4 of the Schedule I,
   or any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

(c) *Delivery*

All such notices and communications made or delivered by the Bank to the Borrower under or in connection with this Agreement shall be effective (i) if sent by person, when delivered, (ii) if sent by courier, (a) 2 (two) Business Day after deposit with an overnight courier if for inland delivery and (b) 7 (seven) Business Days after deposit with an international courier if for overseas delivery; and (iii) if sent by registered letter when the acknowledgement of delivery is received.

13.2 Set Off

(a) The Borrower agrees and acknowledges that the Bank has an absolute right to settle any indebtedness whatsoever owed by the Borrower to the Bank under this Agreement or under any other document/agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower with the Bank without giving prior notice to the Borrower. However, the Bank will intimate the Borrower of such exercise of rights under this Clause 13.2(a). The Bank's rights hereunder shall not be affected by the Borrower's bankruptcy, death or winding-up.

(b) In addition to Clause 13.2 (a) above, notwithstanding the payment of any of the Loan Obligations under the Facilities, the Borrower hereby expressly gives the Bank the power to appropriate proceeds out of any and all Security Interest created in favour of the Bank

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under the Security Documents or deposited with it or under its possession or control towards satisfaction of any amounts due to the Bank on account of another agreement or transaction entered into by the Borrower or any of the Affiliates of the Borrower with the Bank.

13.3 Severability

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

13.4 Waiver and Amendments

(a) No failure to exercise, nor any delay in exercising, on the part of the Bank, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy of the Bank in respect of any other default. The rights and remedies provided in this Agreement are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the Bank's sole discretion.
(b) No waiver of any provision of, or right, remedy or power under, this Agreement shall be effective unless it is in writing signed by the authorised representative of the relevant party.
(c) This Agreement (including the Schedules) may be amended only by mutual written agreement between the Parties.

13.5 Governing Law and Jurisdiction

(a) This Agreement shall be governed by and construed in accordance with Indian law.
(b) The Borrower agrees that the courts as specified in Sr. No. 27 of the Schedule I shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
(c) Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

13.6 Indemnity

The Borrower shall indemnify and keep the Bank and each of its officers, directors, employees, representatives, legal counsels and agents indemnified, against all actions, suits, proceedings and all costs, charges, expenses, losses, or damages which may be incurred or suffered by the Bank by reason of any false or misleading information given by the Borrower to the Bank hereunder or any breach/default/contravention/non-observance/non-performance by the Borrower of any terms, conditions, agreements and provisions hereunder or under any of the Financing Documents. The amounts payable by the Borrower under this Clause 13.6 shall form part of the Loan Obligations and shall be secured by the Security provided in favour of the Bank.

13.7 Disclosure

The Borrower also agrees, undertakes and confirms as under:
(a) The Borrower understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Bank requires the Borrower's consent for the disclosure by the Bank of, information and data relating to the Borrower, of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
(b) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by Bank of all or any such:
   (i) information and data relating to the Borrower;
   (ii) the information of data relating to the Facilities/Financing Documents; and
   (iii) default, if any, committed by the Borrower, in discharge of the Borrower's obligations under the Facilities,

   as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies ("**CIC**") and any other agency authorised in this behalf by Reserve Bank of India ("**RBI**") and/or to Information Utilities or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).
(c) The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct and hereby specifically agrees to promptly authenticate the 'financial information submitted by the Bank, as and when requested by the concerned Information Utility.
(d) The Borrower also undertakes that:
   (i) any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
   (ii) ny CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
(e) The Borrower agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 13.7 (e) and also the information relating to the conduct of the Borrower's accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Borrower shall not hold the Bank liable in any manner for use of such information.
(f) The Borrower agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facilities, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

13.8 Office of Foreign Assets Control (OFAC) Sanctions

(a) The Borrower acknowledges that the OFAC Sanctions may become applicable with respect to the Facilities and/or transactions thereunder, including to any documentary credits and/or guarantees issued and/or disbursements and/or payments made by the Bank pursuant to the Agreement. The OFAC Sanctions may pertain, inter alia, to the purpose and end use of the Facilities, goods manufactured in or originated from/through certain countries, shipment from/to/using certain countries, ports, vessels, liners and/or due to involvement of certain persons and entities (including correspondent banks). Consequently, disbursement, issuance, payment and/or processing under the Facilities by the Bank may become subjected to the OFAC Sanctions and the Bank shall have the unconditional right to refuse to process any transactions that violate/may violate any OFAC Sanctions as it exists from time to time.

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(b) The Borrower agrees to ensure that the transactions entered into pursuant to the Agreement do not violate any OFAC Sanctions and that no Persons, currently subject to any OFAC Sanctions, are involved in any transactions thereunder. The Borrower agrees that it shall not avail of the Facilities or use the proceeds of the Facilities in any transaction with, or for the purpose of financing the activities of, any Person currently subject to any OFAC Sanctions as aforesaid.

(c) The Borrower shall indemnify and hold harmless the Bank and shall, immediately on demand, pay for / reimburse to the Bank for all losses and liabilities (including due to claims by a third party), incurred by the Bank as a result of any breach by the Borrower of its representations and undertakings contained herein pertaining to the OFAC Sanctions and/or due to any action taken by the Bank pursuant to the OFAC Sanctions.

13.9 Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)

(a) Borrower is aware that the RBI has issued a circular bearing no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 on *'Prudential Norms on Income Recognition, Asset Classification and Provisioning, pertaining to Advances – Clarifications'* dated 12-11-2021, and the Borrower agrees, undertakes and confirms that the Bank has brought the following clarifications to the notice of the Borrower and the Borrower confirms of having apprised of as follows:

(i) **Dues:** shall mean the principal / interest / any charges levied on the loan account which are payable within the period stipulated as per the terms of sanction of the credit facility.

(ii) **Overdue:** shall mean the principal / interest / any charges levied on the loan account which are payable, but have not been paid within the period stipulated as per the terms of sanction of the credit facility. In other words, any amount due to the bank under any credit facility is 'overdue' if it is not paid by the due date fixed by the bank.

(iii) **Relevance of the principle of 'First In First Out' (FIFO) in appropriation of payments into the Borrower's account:** The principle of FIFO i.e. 'First In, First Out' accounting method is relevant to arrive at the number of days overdue for determining the SMA/NPA status. The FIFO principle assumes that the oldest outstanding dues in the loan account needs to be cleared first. The FIFO method thus requires that what is due first must be paid by the Borrower first. For example, if in any loan account as on 01-02-2021, there are no overdues and an amount of INR X is due for payment towards principal instalment / interest / charges, any payment being credited on or after 01-02-2021 in the loan account will be used to pay off the dues outstanding on 01-02-2021.

Assuming that nothing is paid / or there is partial payment (INR Y) of dues during the month of February, the overdue as on 01-03-2021 will be INR X - INR Y.

Additionally, an amount of INR Z becomes due as on 01-03-2021. Now any payment partial payment into the account on or after 01-03-2021 will be first utilized to pay off the partial due of 01-02-2021 (INR X - INR Y). If there is more recovery than the INR X - INR Y, then after recovering dues of 01-02-2021, the remaining amount will be appropriated towards full or partial recovery, as the case may be, of dues of 01-03-2021 and so on and so forth.

(iv) **Age of oldest dues:**

The age of oldest dues is reckoned in days from the date on which the oldest payment is due and continues to remain unpaid. In the aforesaid illustration, if the dues relating to 01-02-2021 remain unpaid till 01-03-2021, the age of the oldest dues is reckoned as 29 days on 02-03-2021.

(b) **Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)**

Lending institutions will recognize the incipient stress in loan accounts, immediately on default, by classifying them as Special Mention Accounts (SMA). The basis of classification of SMA / NPA category shall be as follows:

Loans other than revolving facilities		**Loans in the nature of cash credit / overdraft**	
SMA Sub categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue	SMA Sub-categories	Basis for classification – Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of:
SMA 0	Up to 30 days	NA	NA
SMA 1	More than 30 days and Up to 60 days	SMA 1	More than 30 days and Up to 60 days
SMA 2	More than 60 days and Up to 90 days	SMA 2	More than 60 days and Up to 90 days

(c) **Non-performing Asset:**

Non-Performing Asset (NPA) is a loan or an advance where:

(i) Interest and/or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan,
(ii) The account remains 'out of order' as indicated below, in respect of an Overdraft / Cash Credit (OD / CC),
(iii) The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
(iv) The instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops
(v) The instalment of principal or interest thereon remains overdue for one crop season for long duration crops.

(d) **'Out of Order' Status:**

An account shall be treated as 'out of order' if:

(i) The outstanding balance in the CC / OD account remains continuously in excess of the sanctioned limit / drawing power for 90 days, or
(ii) The outstanding balance in the CC / OD account is less than the sanctioned limit / drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit / drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

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Illustrative movement of an account to SMA category to NPA category based on delay / non-payment of dues and subsequent upgradation to Standard category at day end process is provided in Schedule hereof.

(e) The Borrower agrees and acknowledges that the manner of classification and illustrations of SMA and NPA as provided in sub-clauses (a) to (d) above are only one of the various manners in which the Bank is required to classify accounts as SMA / NPA as per the various applicable regulations and guidelines issued by RBI from time to time and:

(i) the same is liable to change / modification as per the requirements of the aforesaid regulations and guidelines. Any such change shall be intimated by the Bank to the Borrower from time to time and the Borrower agrees and acknowledges that such intimation shall accordingly modify the manner and illustrations provided herein without a need for further amendment to the Agreement or require specific acknowledgment of the Borrower; and

the Bank shall have the right to classify the account of the Borrower with the Bank as SMA / NPA as per the applicable regulations / guidelines issued by RBI from time to time even though the manner of classification and the illustrations thereof are not set forth in this Agreement or the Sanction Letters.

13.10 Entire Agreement

This Agreement shall supersede all prior discussions and representations between the Parties, save with respect to any terms and conditions contained in the Sanction Letter, which (i) are not expressly included in this Agreement; and/or (ii) are more stringent in comparison to the condition(s) contained in this Agreement, in which case such condition(s) in the Sanction Letter shall be binding on the Parties and shall also be deemed to be included in this Agreement by reference.

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SCHEDULE I

[*Note: The Schedule I to be suitably modified based on the capacity of the Borrower and the terms of the Sanction Letter. The terms which are not applicable to the Borrower should be marked as 'Not Applicable'.*]

<table>
<tr><th>Sr. No.</th><th>Title</th><th>Details</th></tr>
<tr><td>1.</td><td>Place of Execution</td><td>Gurgaon</td></tr>
<tr><td>2.</td><td>Date of the Agreement</td><td>10.06.2022</td></tr>
<tr><td>3.</td><td>Name and Address of the Borrower[1]</td><td>(b) In case the Borrower is a company:

Yatra For Business Private Limited, a company incorporated in India under the Companies Act, 1956, with corporate identification number U72900DL1962PTC003735 and having its registered office at Unit No. 1 Sect – B, PKT-7, Vasant Kunj , New Delhi- 110070, which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.

• Designation: Director
• E-mail : anuj.sethi@yatra.com
•</td></tr>
<tr><td>4.</td><td>Name and address of the Branch of the Bank/Lending Office</td><td>Axis Bank Ltd. First Floor, Dss No 77, HUDA Market Sector 40, Gurgaon, Haryana 122003</td></tr>
<tr><td>5.</td><td>Overall Limit & Details of the Facility Products & Currency</td><td>A. Overall Limit : Rs.25,00,00,000.00 (Rupees Twenty Five Crore only)

B. Details of Facilities / Break-Up of Overall Limit:
<table>
<tr><th>Working Capital Product Type</th><th>Amount (Rs. in Crore)</th><th>Limits /Sub-Limit / Inter-changeability details</th><th>Impost/Commission</th><th>Due Date/On Demand</th><th>Frequency</th></tr>
<tr><td>Bill Discounting (Bills)</td><td>25.00</td><td>Main Limit</td><td>Interest</td><td>Due Date</td><td>--</td></tr>
</table></td></tr>
<tr><td>6.</td><td>Sanction Letter</td><td>Reference no. AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof</td></tr>
<tr><td>7.</td><td>Nature of the Facilities</td><td>Working Capital Loan</td></tr>
<tr><td>8.</td><td>Purpose of the Facilities</td><td>To meet the working capital requirements</td></tr>
<tr><td>9.</td><td>Conditions Precedent to First Disbursement</td><td>The Borrower shall complete all documentation, to the satisfaction of the Bank.</td></tr>
<tr><td>10.</td><td>Tenure of the Facilities</td><td>
<table>
<tr><th>Facility Product Type</th><th>Tenure / Usance Period</th></tr>
<tr><td>Bills Discounting</td><td>Maximum up to 60 days.</td></tr>
</table></td></tr>
<tr><td>11.</td><td>Interest Rate and Interest Reset & Commission</td><td>
<table>
<tr><th>Facility Product Type</th><th>Interest Rate</th><th>Interest Reset Date</th><th>Commission</th></tr>
<tr><td>Bills Discounting</td><td>3M MCLR + 1.0% for actual no. Of days, to be paid upfront.</td><td>Interest is to be reset at 3 months intervals**</td><td>As per Bill or as per Bank's Standard charges</td></tr>
</table>
** In case of the Rupee Loan, the rate of Interest to be linked to MCLR on the date of first disbursement and reset at intervals equivalent to tenure of the MCLR</td></tr>
<tr><td>12.</td><td>Margin</td><td>10%</td></tr>
<tr><td>13.</td><td>A) Interest Payment Date</td><td>
<table>
<tr><th>Facility Product Type</th><th>Interest Payment Date</th></tr>
<tr><td>Bills Discounting</td><td>Monthly</td></tr>
</table></td></tr>
<tr><td></td><td>(B) Periodicity of Interest Compounding</td><td>Monthly.</td></tr>
<tr><td>14.</td><td>Default Rate</td><td><u>14. A : Default Rate for delay in creation of Security :</u> As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.
<u>14. B : Default Rate for breach of following conditions:</u> As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.
<u>14. C: Default Rate for breach of all other conditions (excluding 14. A and 14. B above):</u> As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.</td></tr>
<tr><td>15.</td><td>Prepayment Charges and other terms applicable in relation to prepayment of the Loan</td><td>NOT APPLICABLE</td></tr>
<tr><td>16</td><td>Fees / Charges</td><td>16.A
<u>Upfront / Processing Fees:</u> As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.

16. B
<u>Other Charges / Fees :</u> As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.</td></tr>
<tr><td>17.</td><td>Repayment</td><td>The exact due dates for repayment of the principal/interest, if applicable, shall be in accordance with the communication issued by the Bank to the Borrower immediately upon first disbursement.</td></tr>
</table>

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[1] To be suitably modified based on the capacity of the Borrower

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Sr. No.	Title	Details			
18.	Details of the Security, including the ranking and timelines for creation of Security	S. No.	Security	Ranking	Time period
		(a)	Charge on Receivables under Bills Discounted	Exclusive	Upfront
		(b)	Hypothecation of Entire Current assets and Movable Fixed Assets of the Borrower, both present and future.	First Pari Passu	30 days from first disbursement.
19.	Security Undertakings	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
20.	Financial Covenants	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
21.	Commitment Fees	[Not Applicable]			
22.	Drawdown Schedule	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
23.	Availability Period	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
24.	Restricted Payments & Conditions	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
25.	Minimum Insurance Cover	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
26.	Time Period for Utilization Certificate	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/004, dated May 6, 2022 and any modifications thereof.			
27.	Jurisdiction for Borrower**	**Courts/Tribunals in Delhi.**			

Note : Jurisdiction For **Borrower** (i) If under Sr. No 1 above, 'Place of Execution' is within **North Zone** : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within **South Zone** : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within **East Zone** : Courts/Tribunals in Kolkata; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in **Mumbai

Illustrative movement of an account to SMA category to NPA category based on delay / non-payment of dues and subsequent upgradation to Standard category at day end process is provided:

Due date of payment	Payment date	Payment covers	Age of oldest dues in days	SMA /NPA categorisation	SMA since date / SMA class date	NPA categorization	NPA Date
01.01.2022	01.01.2022	Entire dues upto 01.01.2022	0	NIL	NA	NA	NA
01.02.2022	01.02.2022	Partly paid dues of 01.02.2022	1	SMA-0	01.02.2022	NA	NA
01.02.2022	02.02.2022	Partly paid dues of 01.02.2022	2	SMA-0	01.02.2022	NA	NA
01.03.2022		Dues of 01.02.2022 not fully paid 01.03.2022 is also due at EOD 01.03.2022	29	SMA-0	01.02.2022	NA	NA
		Dues of 01.02.2022 fully paid, Due for 01.03.2022 is not paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
		No payment of full dues of 01.02.2022 and 01.03.2022 at EOD 03.03.2022	31	SMA-1	01.02.2022/ 03.03.2022	NA	NA
		Dues of 01.02.2022 fully paid, due for 01.03.2022 not fully paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
01.04.2022		No payment of dues of 01.02.2022, 01.03.2022 and amount dues on 01.04.2022 at EOD 01.04.2022	60	SMA-1	01.02.2022/ 02.04.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.04.2022 at EOD02.04.2022	61	SMA 2	01.02.2022 / 02.04.2022	NA	NA
01.05.2022		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 01.05.2022	90	SMA 2	01.02.2022 / 02.04.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 02.05.2022	91	NPA	NA	NA	02.05.2022

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01.06.2022	01.06.2022	Fully paid dues of 01.02.2022 at EOD 01.06.2022	93	NPA	NA	NPA	02.05.2022
01.07.2022	01.07.2022	Paid entire dues of 01.03.2022 & 01.04.2022 at EOD 01.07.2022	62	NPA	NA	NPA	02.05.2022
01.08.2022	01.08.2022	Paid entire dues of 01.05.2022 & 01.06.2022 at EOD 01.08.2022	32	NPA	NA	NPA	02.05.2022
01.09.2022	01.09.2022	Paid entire dues of 01.07.2022 & 01.08.2022 at EOD 01.09.2022	1	NPA	NA	NPA	02.05.2022
01.10.2022	01.10.2022	Paid entire dues of 01.09.2022 & 01.10.2022	0	Standard Account with No Overdues	NA	NA	STD from 01.10.2022

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SCHEDULE II

ADDITIONAL PROVISIONS RELATING TO SPECIFIC FACILITY PRODUCTS

ADDITIONAL PROVISIONS RELATING TO BILLS FACILITIES

Definitions

In this Part, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings viz.:

"**Documents of Title**" means any or each of railway receipts, shipping documents, bills of lading, airway bills, motor transport receipts / lorry receipts or receipt notes, take delivery notes, receipted challans or inspection notes, multimodal transport receipts, combined transport documents or any other documents of title or any combination thereof evidencing title to the Goods, as the context may permit or require.

"**FEDAI**" means Foreign Exchange Dealers Association of India.

"**Goods**" means the relevant goods in respect of payment for which Bills of Exchange was drawn and accepted.

"**Supplier**" means the supplier(s) of Goods.

"**Usance Bills**" means the bills of exchange which provides for payment by the Bank on maturity as per the terms of the bills of exchange.

Facilities in the nature of Purchase/Discounting/Negotiation of Bills

The Bank may grant to the Borrower facilities by way of discounting / purchasing / negotiation (the "**Bills Facilities**") from time to time, of cheques / bills of exchange / hundies / sight drafts and / or other negotiable instruments whether inland and / or foreign and whether clean, documentary, usance and / or demand (all of which are hereinafter referred to as "**the Bills**", which expression shall, as the context may permit or require, mean any or each of such Bills), with or without Documents of Title, upto the Limits specified in Sr. No. 19 of the Schedule I, at any one time. All amounts paid by the Bank under the Bills Facilities shall be treated as advances made to the Borrower by the Bank and may be debited to the Facilities Account or any other account as permitted by the Bank ("**Drawal Account**").

Borrower's Obligations

The bills of exchange that may be negotiated and/or discounted by the Bank as aforesaid shall be promptly paid to the Bank together with all interest, costs, charges, commission, expenses and all other sums due and payable thereon by the drawee(s) thereof (collectively the "**Amounts**"). The Borrower hereby agrees that in the event of non-payment of the Amounts for any reason whatsoever by the drawee(s), the same shall be duly paid by the Borrower to the Bank on demand and shall carry additional interest as may be stipulated by the Bank from time to time.

The Borrower hereby authorizes the Bank to debit the Drawal Account or any other account of the Borrower with the Bank to the extent of the Amount without serving a notice of dishonour or non- payment of the said bills of exchange and/or Amounts thereunder on the Borrower.

In the event of default by the drawee(s) to make payment to the Bank or in case of breach or non-performance or non-observance of the obligations on the part of the drawee(s) of the bills of exchange, the Borrower hereby irrevocably and unconditionally agrees and undertakes to indemnify and keep indemnified the Bank against all losses, costs, charges, claims and expenses together with all legal charges (on actual basis) occasioned to the Bank from time to time.

The bills of exchange constitute genuine trade transaction.

The bills of exchange discounted through the Bank have not been discounted through any other banks/financial institutions.

Terms applicable to Bills generally

The following terms shall be applicable to Bills, whether drawn by the Borrower on the Suppliers and accepted by

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the Suppliers or drawn by the Suppliers on the Borrower and accepted by the Borrower:

It shall be the sole discretion of the Bank whether or not to purchase / negotiate / discount any Bill which may be lodged with the Bank even though the respective Limits granted to the Borrower in respect of the Bills Facilities is available, nor shall it be obligatory on the Bank to assign any reason for its refusal to purchase / discount / negotiate a particular Bill;

The Bank shall, at its sole and absolute discretion, discount the Usance Bills with usance ordinarily not exceeding 180 days for an amount, at any time, not exceeding the Limits under the respective Bills Facilities;

The Bills shall be discounted by the Bank at the rate indicated in the Sanction Letter or such other rate as may be indicated by the Bank for the period of Usance;

The Borrower, unless agreed to by the Bank, shall not collect upcountry or local Bills through other banks;

Where Bills are not honoured and paid at their maturity or paid short on maturity, the Borrower shall pay to the Bank, on such amount outstanding, Default Interest.

In the event of default in payment of the outstanding amount, the Borrower shall be liable to pay Default Interest.

The liability of the Borrower to the Bank under the Financing Documents shall be independent of the liability of the drawee or acceptor of the Bills and the Bank's rights against the Borrower shall not be prejudiced or affected by inaction on the part of the Bank in initiating proceeding for recovery of the monies from the drawee / acceptor endorser thereof nor due to failure of the foreign correspondent banks or agents appointed by the Bank in prompt presentment or in noting and protesting the Bills on dishonour thereof or any act which may prejudice the Borrower's rights against the drawee or acceptor endorser nor shall the Bank be obliged to give any notice of dishonour by the drawee / acceptor to the Borrower, which notice stands expressly waived by the Borrower.

The Borrower shall indemnify the Bank and keep the Bank harmless and indemnified at all times against all losses, damages, actions, costs, charges or expenses which may be made against or sustained or incurred by the Bank and whether paid by the Bank or not as a result of or in consequence of the Bank having agreed to purchase / negotiate / discount the Bills as also as a result of or in consequence of the Bank, through any of its offices or correspondents in India and elsewhere, guaranteeing any irregularities or discrepancies that may be existing in the documents relating to the Bills in connection therewith.

The Bank shall be entitled to charge:

a. Service charges at the rates prescribed by the Bank, from time to time, and out-of-pocket expenses such as telex, telephone registration and postal charges etc;

b. Additional interest at such rate as may be determined by the Bank from time to time from the Due Date of payment and in case of returned bills of exchange from the Due Date to the date of reimbursement; provided always the Bank at its discretion shall be entitled to revise the aforesaid charges from time to time;

c. That where at the request of the Borrower the Bank has agreed to include in the Bills Facilities credit sales made by the Borrower to the customers of the Borrower whereby finished goods are directly sent to the customers at their request and copies of the relative invoices with or without receipted challans or accepted delivery notes, receipt notes, inspection notes, are tendered by the Borrower to the Bank as evidencing dispatch of finished goods and where under such circumstances or any other circumstances the Borrower receives payment of the bills of exchange, the Borrower shall immediately deposit the proceeds of the bills of exchange and the sale proceeds of the goods covered by invoices directly received by the Borrower or the agents of the Borrower whether in cash or by cheque or by any other mode of payment in the Drawal Accounts with the Bank towards payment of the outstandings in respect of the advances granted on the evidence of such invoices;

d. The Bank shall have first and paramount lien on the bills of exchange and the moneys received thereunder and the goods in course of transit covered by the Documents of Title to Goods or other documents which purport

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Authorised Signatory   Authorised Signatory to represent rights of title to Goods accompanying the bills of exchange shall remain pledged to the Bank and irrespective of the rights of the Bank as pledgees of such goods in case of any dispute, the Bank shall also have the banker's lien on all bills of exchange, goods securities, documents and moneys belonging or purporting to belong to the Borrower for all moneys, claims and demands due or to become due from the Borrower to the Bank.

Additional Provisions relating to Bills drawn by the Borrower

In respect of advances granted by the Bank to the Borrower by way of purchase / negotiation / discounting of clean / documentary / demand / usance Bills drawn by the Borrower on its various customers and expressed in foreign currency or Indian rupees and whether under letter(s) of credit or otherwise, the Borrower shall further agree, confirm and undertake as follows:

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The Bills shall bear necessary adequate stamp duty before purchase / negotiation / discounting and shall be drawn by the Borrower in conformity with the proforma prescribed under the relevant scheme / regulations of RBI or any other scheme / regulation in operation from time to time or acceptable to the Bank, indicating on the face thereon the description and quantity of Goods sold and the number and date of the carrier's receipt and any other details as may be required by the Bank;

The Bills pertaining to supplies made to Government departments and quasi-Government bodies as well as statutory corporations and Government companies shall be drawn in conformity with the proforma prescribed under the Reserve Bank of India Scheme;

Where such Bills are accepted by the Bank for purchase / negotiation / discounting, the same shall be accompanied by appropriate Documents of Title;

The Borrower declares that the Bills shall not be drawn on any of the Borrower's branches nor on any firm or other Person in which the Borrower has any proprietory, partnership or other interest or any of the Affiliates of the Borrower and that if on any occasion(s) that the Bank, at its sole discretion, accepts such Bills for purchasing / discounting / negotiation, the same shall not be deemed as the Bank having agreed to accept thereafter other Bills of such nature;

The Borrower shall confirm that all Bills and documents tendered / submitted by the Borrower to the Bank represent genuine sales transactions covering movement of Goods represented by the Documents of Title accompanying such Bills and that the amounts of such Bills truly represent the value of the Goods so transported / shipped and that every such Bill tendered by the Borrower to the Bank is in respect of execution of definite orders received by the Borrower. Even where the Bank at its discretion waives the submission of such documents of evidence of transport of Goods sold, the Borrower shall confirm that the Bills represent genuine sale of Goods;

In case of Usance Bills, the Documents of Title will be delivered to the drawees only after the Bills are accepted by the drawees. The Bank shall, in its sole discretion, be entitled to accept payment of Bills before maturity from the drawees thereof by allowing such discount / deduction in consideration of such premature payment. Such Bills shall be accompanied by appropriate Documents of Title together with relative original invoices. The Borrower shall ensure that such Bills are accepted by the drawees on presentation and retired on Due Dates. In the event of the Bills remaining unaccepted on presentation or unpaid on Due Dates thereof, the Bank shall be entitled to recover the amount of such Bills along with Default Interest, at its discretion, can debit such amount and other incidental charges to the Drawal Account or otherwise;

The Borrower confirms that the Bank is entitled to treat every Documents of Title handed in by the Borrower as genuine without any further inquiry and the Borrower agrees to indemnify and keep the Bank indemnified against any loss caused to the Bank by reason of the Documents of Title subsequently turning out to be forged and not genuine and also against any loss caused to the Bank by the mis-delivery or wrong delivery by the railway, port, airways and postal authorities of the securities, documents and goods comprised in the Documents of Title for any reason whatsoever;

The Borrower confirms that the delivery of the Documents of Title to Goods by the Bank to the drawees or acceptors shall not prejudice the rights of the Bank on any of such Bills, in case of dishonour, nor shall any recourse taken thereon affect the Bank's title to such Documents of Title to Goods to the extent of the Borrower's liability to the Bank under the Bills and that, notwithstanding any change by death, retirement, insolvency, dissolution or bankruptcy of the Borrower, the powers and authorities hereby given are to hold good as against the Borrower till all the amounts due under the Financing Documents are repaid / paid in full. It is also agreed that the Bank shall not be responsible for the default of any agent, broker or auctioneer employed by it for any purpose;

Where the Bills accepted for collection are drawn on Central/State Government Departments/Agencies and/or Public Sector Undertakings and/or Railways and/or other parties and/or Borrower's customers accompanied by Documents of Title and in cases where the Documents of Title have been forwarded direct to the concerned drawees /consignees, and the Bills are offered by the Borrower to the Bank for collection and where the Bank, in its sole discretion, agrees to extend the Bills Facilities for such Bills, the Borrower shall deposit with the Bank copies or the relevant Documents of Title along with the Bills signed by the Borrower and invoices evidencing despatch of Goods to the parties mentioned therein;

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Where at the request of the Borrower, the Bank agrees to purchase / negotiate / discount Bills in respect of sales made by the Borrower to its customers, whereby finished Goods are directly sent to the customers at customers' requests and copies of the relative invoices with or without receipted challans or accepted delivery notes, receipt notes, inspection notes are tendered by the Borrower to the Bank as evidencing despatch of finished Goods alongwith the accepted Bills and where under such circumstances or any other circumstances the Borrower receive(s) payment of the Bills directly from the drawees of such Bills, the Borrower shall immediately deposit the proceeds of the Bills and the sale proceeds of the Goods covered by such Bills, directly received by the Borrower or the agent(s) of the Borrower, whether in cash or by cheques or by any other mode of payment, towards repayment / payment of all outstandings in respect of the advances granted by the Bank.

The Bank shall be at liberty not to accept cheques drawn on local banks from the drawees in payment of Bills drawn on them, unless such cheques are tendered at the Bank before clearing hours on Due Dates. In the event of cheques being received late after clearing hours on Due Dates, the Bank may treat such Bills as unpaid and may debit the amounts thereof to the Drawal Account of the Borrower on Due Dates;

The Bank may, at its option but at the cost, risk and responsibility of the Borrower, appoint an agent (including agent / bank) for collection;

The Borrower agrees that the Bank and the agents shall be exempt from all liabilities for any loss or damages caused to the Borrower arising from any telegraphic or cable error, irregularity, delay, mistake, omission or misinterpretation, or otherwise howsoever;

The Bank or the agent may, at its or agent's option:

send the Bills for collection or payment or discount on Borrower's account at Borrower's entire costs, risk and responsibility either by registered post with acknowledgement due or registered post or ordinary post or by any courier service, as is decided by the Bank or the agent, as the case may be, in its discretion to any of its own offices or to any of the scheduled banks (reference being to Schedule II of the Reserve Bank of India Act, 1934) or other commercial bank and/or co-operative bank or to another agent or directly to the drawees / acceptor, at the Borrower's risk and responsibility as to the losses, if any, of the Bills or the proceeds of the Bills due to any cause whatsoever and the Borrower shall hold the Bank harmless and indemnified from and against all consequences that may arise from its doing so and from and against all losses, charges and expenses in sending the Bills;

receive in exchange for Bills or other mandates, for payment in lieu of cash. Should the Bank or the agent receive, in exchange, for such Bills payment by another instrument which the Bank or the agent cannot conveniently collect through normal channels, it is clearly understood that such instruments may be collected in any manner and through any agency including despatch to the drawee himself at the entire risk and responsibility of the Borrower;

The receipt by the Bank or its agents of the Bills or other mandates for payment as above and the loss / delay, mutilation or dishonour thereof and / or other securities of any description, is not to prejudice the Bank's rights against the Borrower on any Bills returned unpaid by reason of non-acceptance or non-payment, as the case may be, nor shall any proceeding taken thereon or the Bank's granting time or entering into any arrangements with any parties to such Bills prejudice or affect the Bank's absolute recourse to the Borrower under the arrangement and the Borrower consents to the Bank so granting time or entering into such arrangement;

The Borrower confirms that, as between them and the Bank, the Bills shall be deemed to be paid, realized or collected only on the amount thereof being received by the concerned branch / office of the Bank and, until then, the same and any money, cheques, bank drafts or mandates for payment received in respect thereof shall be at the risk of the Borrower in all respects, and that the liability of the Borrower in respect of any Bills will cease only on the amount thereof coming into the Drawal Account;

The Borrower shall furnish to the Bank, in advance, a list of local parties on whom the Borrower intends to draw Usance Bills for prior approval of the Bank; such Bills shall be accompanied by copies of invoices bearing acknowledgments of the purchasers in token of their having received the Goods and shall be offered for discount only after acceptance of Bills by the drawees and the Bills will not be collected by the Borrower through other banks;

The Borrower:

confirms and assures the Bank that the Bills that may be negotiated / discounted / purchased by the Bank will be

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promptly paid together with interest, costs (including those as between attorney and client), charges and expenses, if any, due thereon by the drawees thereof and, on default in payment thereof by the drawee for whatever reason or in the case of an advance against Documents of Title without Bills attached thereto, the Borrower irrevocably and unconditionally shall make good to the Bank, on demand, all losses occasioned to the Bank by reason of non-payment of the amount of the Bills or breach or non-observance of the obligations on the part of the drawees of the Bills;

further agrees irrevocably and unconditionally, that in the event of the non-payment, or payment of a reduced amount of the amounts due on the Bills, together with interest, costs (including those as between Attorney and Client), charges and expenses as aforesaid, to make payment thereof, or shortfall thereof, as the case may be, to the Bank on demand with Default Interest and the Bank, at its discretion, can debit such amount and other incidental charges to the Facilities Account or any other account with the Bank with all such monies as the Borrower may be liable to pay in respect thereof.

Where the drawees return unpaid the Bills to the Bank or to the Borrower directly, in which case the Borrower shall immediately, on receipt thereof, return the Bills together with Documents of Title to the Bank, and the Bank's receipt thereof shall be without prejudice to the right of recovery by the Bank from the Borrower of the amounts covered by the Bills together with Default Interest together with costs, charges, expenses and monies whatsoever stipulated in or payable under the Financing Documents;

In case of loss of Goods insured at any time, the Borrower authorizes the Bank to realize the policy or policies and charge the same and apply the proceeds in the like manner as upon a sale of Goods;

Notwithstanding any of the provisions of the Indian Contract Act, 1872 or any other law in respect of advances against accepted Usance Bill, where the Bills are drawn by the Borrower and accepted by the drawees, the Borrower agrees that the subsequent credit to the Drawal Account, unless specifically apportioned by the Borrower or the Bank to the discharge of a particular Bill, will not discharge the debt represented by such Bills;

Additional Terms applicable to Foreign Bills drawn by the Borrower:

In case of Foreign Bills, the Borrower agrees that for the purpose of granting the Bills Facilities, the Bank may convert the amount of the relative Bill into local currency at a notional rate of conversion as the Bank may, in the Bank's absolute discretion, decide. The exchange risk till the date of realisation on such Bill will be borne by the Borrower. Upon realisation of the foreign currency proceeds, the foreign currency amount received will be converted into rupees at the prevailing spot Telegraphic Transfer buying rate on the date of realisation and the net surplus proceeds, if any, after adjustment of the advance and the Bank's other charges will be paid to the Borrower. In case, however, the Borrower has booked a forward contract in respect of any such Foreign Bill, the rate for conversion purpose shall be the exchange rate at which the forward contract may have been made by the Borrower;

The Borrower shall be bound by the rules prescribed by the FEDAI with respect to advances in respect of Foreign Bills as also any other laws, rules or regulations applicable thereto which may be in force at the relevant time. The Bank will not be liable to grant any such advance unless the Borrower certifies and satisfies the Bank that all relevant exchange control regulations and any other regulations, such as those relating to export, have been duly complied with. The Bank shall not be responsible for any loss of documents handed over to the Bank by the Borrower for the purpose of availing of such advance, whether during transit or subsequently, and any party employed by the Bank for the purpose of forwarding the documents or presentation thereof shall be deemed to be agent of the Borrower. If the Bank is unable to realise the amount of any Foreign Bill by reason of such loss, the Borrower agrees and undertakes to repay the amount of the relative advance with Default Interest, to the Bank forthwith on demand and without demur. The Borrower further agrees that if by reason of any governmental or other action in the country of the buyer of the Goods, the buyer of the Goods is prevented from making payment of the amount of the Bill drawn by the Borrower on the buyer and accepted, the Borrower shall, upon receipt of intimation in that behalf from the Bank and a demand for payment, forthwith make payment to the Bank of the amount of the advance together with Default Interest, without demur. In case of failure by the Borrower to pay the amount demanded, the Borrower irrevocably authorise the Bank to recover the same by debit to the Facilities Account or any other account(s) of the Borrower;

In the case of Foreign Bills, such Bills shall be purchased / negotiated / discounted at such Bills buying rate quoted by the Bank at the time of purchase / negotiation / discounting and interest on the rupee portion thereof for the Usance period, if any, as well as for the transit period and grace period for maturity, wherever applicable, as may be prescribed by competent authority or the Bank, shall be recoverable by the Bank from the Borrower simultaneously while paying the amount of such Bills. If the Bills are for any reason not realized on or before the notional Due Date calculated on the basis of usance and transit period, as aforesaid, then the recovery of

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the amount of such Bills from the Borrower shall be kept pending for a further grace period of 30 days from the notional Due Date. If the Bills are realized within the aforesaid grace period of 30 days, Default Interest for the overdue period shall be recovered from and paid by the Borrower;

If for any reason the Foreign Bills are not realized on or before the expiry of the grace period of 30 days mentioned above, then the purchase transaction of such Bills shall be treated as cancelled vis-a-vis the Borrower without affecting the Bank's rights as holders in due course of the Bills against the drawees and drawer and the rupee value of such Bills on the 30th day of the grace period, at the prevailing Telegraphic Transfer selling rate, shall be calculated and recovered from the Borrower with Default Interest. The difference, if any, between the earlier amount on the date of purchase / negotiation and as calculated above shall be added or deducted, as the case may be, while recovering the amount from the Borrower;

All amounts due from the Borrower to the Bank at the end of the grace period of 30 days shall be treated as an advance by the Bank repayable by the Borrower on demand together with Default Interest;

Where any Foreign Bill drawn under a Letter of Credit (LC) is negotiated by the Bank at the request of the Borrower, it is agreed that, in case of discrepancies pointed out at the time of negotiation or discrepancies of whatsoever nature claimed by the LC issuing bank, all payments made by the Bank to the Borrower shall be treated as "payment made under reserve" and the Bank shall be entitled to reverse the entries and claim payment from the Borrower of all such sums paid together with Default Interest, if such Bills are returned / dishonoured / unpaid from the LC issuing bank and the Borrower agrees to pay all such sums to the Bank forthwith on demand together with Default Interest;

In case of Foreign Bills discounted /negotiated by the Bank at the request of the Borrower, the exchange risk will be borne by the Borrower in terms of guidelines of FEDAI, Reserve Bank of India, Exchange Control or any other statutory body, or as mutually agreed between us and the Bank.

Additional Provisions relating to Bills drawn on the Borrower

In respect of advances granted by the Bank to the Borrower by way of purchase / negotiation / discounting of Usance Bills drawn on the Borrower by its Suppliers, the Borrower shall further agree, confirm and undertake as follows:

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The Borrower shall lodge with the Bank such Usance Bills together with the original and / or copies of invoices and the receipted delivery challans evidencing the supply to the Borrower of the Goods by the Suppliers;

The Borrower shall declare and confirm that the amounts represented by the Usance Bills drawn on the Borrower by the Suppliers will be due and owing by the Borrower to the Suppliers and that the Goods represented by the invoices accompanying the Usance Bills have been duly ordered and received by the Borrower and that the amounts of such Usance Bills will be paid by the Borrower to the Bank at maturity;

The Borrower shall declare and confirm that on the Bank discounting the Usance Bills, the Bank will have good title thereto and will be entitled to have the Bills rediscounted with RBI, Discount and Finance House of India Limited, any scheduled commercial bank(s) or any other approved financial institution or otherwise deal with the Usance Bills as the holder thereof;

The Borrower agrees and confirms that on the acceptance of the Usance Bills by the Borrower and the same being discounted by the Bank, the proceeds thereof shall be paid by the Bank to the Suppliers by means of banker's cheque or by any other means as may be deemed fit by the Bank;

The amount of discount / commission / exchange, at the same rate as applicable to the discounting of drawer bill or such other rate as may be decided by the Bank, as the case may be, will be recovered by the Bank by debit to the Facilities Account of the Borrower at the front end i.e., at the time of discounting the Bills;

The Borrower further confirms that the Borrower shall be irrevocably, absolutely and unconditionally liable to pay to the Bank the amounts of the Usance Bills discounted with the Bank at the maturity of such Usance Bills and that the Borrower shall continue to be so liable notwithstanding any claim, right, dispute or litigation arising or which may arise between the Borrower and the Suppliers / drawers in respect of their contracts or Goods supplied. Although the amount of the Bills is payable by the Borrower at maturity of the Bills, the Borrower shall provide adequate funds in the Facilities Account to enable the Bank to recover the maturity amount by debiting to the said account in the event of non-payment thereof by the Borrower on the Due Date on maturity;

The Bank shall not be responsible for any loss or damages or deterioration caused to Goods, movables and other assets in course of transit covered by the Bills and accepted by the Bank as security or for loss of the Goods, movables and other assets or for delayed delivery, short delivery or wrong delivery of Goods, movables and other assets, or for delayed or non-presentation or wrong presentation of the Bills to paying authorities or drawees for any reason whatsoever, and, in case, the Bills are sent for collection to other bank(s) or drawee(s) / customer(s), the Bank shall not be responsible for the non-receipt by it of the remittance representing the proceeds of the Bills and the relative Bills will be collected entirely at the Borrower's risk and responsibility. The Borrower shall bear the costs, charges and expenses incurred by the collecting bank or bankers in this behalf and shall pay the Bank such costs, charges and expenses;

The Bank shall have first and paramount lien on the Bills and the monies received thereunder and the Goods in course of transit, covered by the Documents of Title or other documents which purport to represent rights of title to Goods accompanying the Bills, shall remain pledged to the Bank and, in addition to its rights as a pledgee of such Goods, in case of any dispute, the Bank shall also have the banker's lien on all Bills, Goods, securities, documents and monies belonging or purporting to belong to the Borrower for all monies, claims and demands due or to become due from the Borrower to the Bank;

On the happening of any of the Event of Default, the Bank shall be entitled, without prejudice to any of its other rights contained in the Agreement, or under law and without notice to the Borrower (which the Borrower expressly waives), to sell the Goods underlying the Bills, whether before or after their arrival, and other securities (if any) either by public auction or tender or by private contract and subject to such conditions as the Bank may deem fit to impose, or otherwise dispose of or deal with the Goods or any part thereof and / or with the relative Documents of Title to Goods in any manner whatsoever, without being bound to exercise any of these powers or liable for any loss in the exercise or non-exercise thereof. The proceeds realised from sale of the Goods and / or the other securities or transfer of any Documents of Title, remaining, after deducting therefrom the costs and expense of and incidental to such sale or transfer, shall be applied in or towards payment or satisfaction of the amount(s) due to the Bank in respect of any amounts advanced by the Bank under the Bills Facilities to the Borrower, and interest thereon and all costs, charges and expenses as hereinabove mentioned. The Borrower shall accept the Bank's account of sale or realisation as conclusive evidence, both in and out of court, as to the amount(s) realised and expenses incurred, and shall pay forthwith any shortfall or deficiency remaining after such application. The Bank shall not be liable to the Borrower for any loss which may occur pending sale or disposal of the Goods and / or Documents of Title to the Goods, whether by reason of theft, damage, deterioration or decay of the Goods or depreciation in the value thereof or otherwise whatsoever be the cause;

For Yatra for Business Private Limited

Authorised Signatory

For Yatra for Business Private Limited

Authorised Signatory

Balance amounts due at the foot of the Borrower's account with the Bank and any surplus remaining after satisfaction of the dues of the Bank under the Bills Facilities shall remain as a continuing security for all the Borrower's indebtedness or liability under any other account whatsoever (other than the Bills Facilities) held either alone or jointly with any other person or persons and for the ultimate balance due to the Bank at any of the branches of the Bank under any such account and any further surplus left thereafter shall be paid to the Borrower as the Borrower directs;

The Borrower undertakes and agrees to sign, execute and deliver to the Bank, from time to time on demand made by the Bank, such further or other deeds, documents and writings and do all such acts, matters and things, as may be required by the Bank, for better perfecting the title of the Bank to the Goods and the Documents of Title so as to render the same readily saleable or transferable by the Bank to any purchaser(s) at all time.

IN WITNESS WHEREOF the Borrower has caused this Agreement to be executed on the day, month and year first herein above written, and the Bank has caused this Agreement to be executed by the hand of its authorised officer as hereinafter appearing:[2]

In case the Borrower is a company

Authorised Signatory Signature / **Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

SIGNED AND DELIVERED by the duly authorised signatory of **AXIS BANK LIMITED**

[2] The signing clause to be suitably modified based on the capacity of the Borrower

INDIA NON JUDICIAL

सत्यमेव जयते

Government of National Capital Territory of Delhi

₹500

₹500₹500₹500₹500

Certificate No.	:	IN-DL53152069005390U
Certificate Issued Date	:	29-Jun-2022 11:53 AM
Account Reference	:	IMPACC (IV)/ dl921303/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL92130389812142094827U
Purchased by	:	YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED
Second Party	:	AXIS TRUSTEE SERVICES LIMITED
Stamp Duty Paid By	:	YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED
Stamp Duty Amount(Rs.)	:	500 (Five Hundred only)

सत्यमेव जयते

₹500

[redacted] IN-DL53152069005390U

This stamp paper forms an integral part of this **"Debenture Trust Deed"** dated 30th day of June 2022, executed into and between "Axis Trustee Services Limited" and "Yatra Online Freight Services Private Limited".

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

₹100

₹100₹100₹100₹100

Certificate No.	:	IN-DL53151156637269U
Certificate Issued Date	:	29-Jun-2022 11:53 AM
Account Reference	:	IMPACC (IV)/ dl921303/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL92130389812834110706U
Purchased by	:	YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED
Second Party	:	AXIS TRUSTEE SERVICES LIMITED
Stamp Duty Paid By	:	YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED
Stamp Duty Amount(Rs.)	:	100 (One Hundred only)

सत्यमेव जयते

₹100

IN-DL53151156637269U

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3. In case of any discrepancy please inform the Competent Authority.

DEBENTURE TRUST DEED

This Debenture Trust Deed (this "**Deed**") is made at New Delhi on this 30th day of June, 2022 ("**Execution Date**") by and between:

AXIS TRUSTEE SERVICES LIMITED, a company incorporated under the provisions of the Companies Act, 1956 (1 of 1956) and having its registered office at Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025 and corporate office at The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028 and New Delhi desk office at Plot 25, IInd Floor, Pusa Road, Karolbagh, New Delhi -110005 (hereinafter referred to as the "**Debenture Trustee**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) acting on behalf of and for the benefit of the Debenture Holders (*as defined hereinafter*);

AND

YATRA ONLINE FREIGHT SERVICES PRIVATE LIMITED, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Plot No. 272, 4th Floor, Gulf Adiba Phase II, Udyog Vihar, Gurugram – 122008, Haryana (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to the context or meaning thereof be deemed to mean and include its successors and permitted assigns);

The Debenture Trustee and the Company are collectively referred to as the "**Parties**" and individually as a "**Party**".

WHEREAS:

A. The Company is engaged in the Business.

B. The Company is in need of funds for general corporate purposes. The Company have requested the Debenture Holders to subscribe to the Debentures, and the Debenture Holders have agreed to subscribe to the Debentures, aggregating to the Debenture Subscription Amount in accordance with applicable Laws and the Transaction Documents.

C. The Company shall, pursuant to the authority granted by the resolutions of its board of directors passed at its meeting held on June 28, 2022 and to be passed at allotment meetings on or after the date of this Deed and the resolutions of its shareholders passed at a meeting of the shareholders held on June 29, 2022, issue and allot, on private placement basis the Debentures at par.

D. The Company has appointed the Debenture Trustee as the debenture trustee to act for and on behalf of the Debenture Holders vide Debenture Trustee Agreement dated June 29, 2022 and trustee consent letter dated June 15, 2022 bearing reference ATSL/CO/22-23/0038, and the Debenture Trustee has agreed to act as the debenture trustee in respect of the Security, and to hold the Security upon trust for the benefit of the Debenture Holders, subject to the Transaction Documents.

NOW THIS DEED WITNESSES AS UNDER:

I. DEFINITIONS

1.1. Unless a contrary intention appears and/or the context otherwise requires, in addition to the terms specifically defined within the Deed, the definitions listed in **Annexure 1** shall apply throughout this Deed, including in the introduction and recitals.

1.2. The interpretation and/or construction of this Deed shall be in accordance with the rules of interpretation annexed and marked **Annexure 1**.

PART A

1. DESCRIPTION

1.1 The Company shall utilize the money/ies received from subscription of the Debentures only for the purpose as set out in the Transaction Documents.

1.2 The tenure of Debentures shall be up to 24 (twenty-four) months from the Closing Date. The Debentures shall be redeemed in accordance with the terms and schedule set out in the Transaction Documents. The Debentures shall be redeemed in principal instalments (as set out in the redemption schedule under paragraph (k) of **Annexure 3**) by proportionate face value reduction across all Debentures.

1.3 The Company shall credit the Coupon and any other amounts payable to the Subscriber in the Subscriber Bank Account. The Company shall pay Coupon and/ or Penal Interest, as the case may be and shall redeem the Debentures, in accordance with the terms of the Transaction Documents.

1.4 Subject to the Company fulfilling all the conditions precedent set out in **Part A** of **Annexure 2**, to the satisfaction of the Subscriber and upon the Company submitting a CP Completion Certificate to the Debenture Trustee in a form and manner acceptable to the Debenture Trustee, the Subscriber shall pay the Debenture Subscription Amount to the Company and subscribe to the Debentures in accordance with the procedure set forth in the Transaction Documents and the Company shall issue and allot the Debentures, on the Closing Date, in accordance with the Companies Act, 2013. Further, the Company shall issue the debenture certificate to the Subscriber on the Closing Date.

1.5 The Company hereby agrees and undertakes to fulfill and satisfy the conditions subsequent set out in **Part B** of **Annexure 2** in accordance with the timelines stipulated therein.

1.6 **Covenant to Pay Principal and Coupon:**

1.6.1. The Company covenants with the Debenture Trustee that it shall pay to the Debenture Holder(s) the Principal Amount of the Debentures on the relevant due date(s) as mentioned in the Transaction Documents and shall also pay Coupon and Penal Interest (where applicable) on the Debentures in accordance with the Transaction Documents.

Provided that if so called upon by the Debenture Trustee, the Company shall make payments as aforesaid to or to the order of or for the account of the Debenture Trustee and such payment shall be deemed to be in satisfaction of the aforesaid covenant of the Company to make such payments to the Debenture Holder(s). Such payments shall be passed on to the Debenture Holder(s).

1.6.2. The Company covenants with the Debenture Trustee that it shall comply with all its obligations under this Deed and pay and repay all the Amounts Due to the Debenture Trustee and the Debenture Holders pursuant to the terms of this Deed.

2. DETAILS OF CHARGE CREATED

2.1 For the purposes of securing: (i) the payment of the Amounts Due; and (ii) due discharge of all the Secured Obligations by the Company under this Deed and other Transaction Documents, the Company shall, and the Promoter shall cause the Company to, on or prior to the Closing Date, entirely at its cost, create and perfect in favour of the Debenture Trustee, by way of hypothecation over the First Charge Properties and Pari-Passu Charge Properties, ("**Charge**"), including by (i) the Company executing the Hypothecation Deed in favour of the Debenture Trustee, acting for and on behalf of Debentures Holders; and (ii) the Company taking all necessary corporate actions and making all filings with the ROC in relation to the Security in terms of the Transaction Documents including, but not limited to Form CHG-9 and Form MGT-14 in accordance with the provisions of the Companies Act, 2013, both in the form and manner acceptable to the Debenture Holders. In addition to the above the Guarantor has also agreed to provide an unconditional and irrevocable guarantee to secure the Debentures of the Company in terms of and pursuant to the Deed of Guarantee.

2.2 The Company represents, warrants and covenants that the Security Interest granted herein is and shall, at all times continue to be a first pari passu charge or an exclusive first charge (as the case maybe) on the Hypothecated Properties.

2.3 Release of Security: Subject to the provisions of these Transaction Documents, on repayment of the entire Amounts Due and discharge of the Secured Obligations by the Company to the satisfaction of the Debenture Trustee, the Debenture Holders shall forthwith release their charge over the Security in favour of the Company by confirming in writing the repayment of the Amounts Due and discharge of the Secured Obligations by the Company, and the Debenture Holders / Debenture Trustee shall (at the cost of the Company, which shall not exceed INR 50,000 (Indian Rupees Fifty Thousand)) execute all such documents as may be required for the said purpose(s), including any documents that are required to be filed with the ROC.

2.4 The Company covenants that the Company shall permit the Debenture Trustee and the Debenture Holders, their agents and representatives, from time to time and at all times, at the risk and expense of the Company (which shall not exceed INR 1,50,000 (Indian Rupees One Lakh Fifty Thousand)), to enter upon any premises wherein the Hypothecated Properties and / or the records / accounts pertaining to the Hypothecated Properties or any part thereof may for the time being be maintained and to view, inspect and evaluate the same and make records/ take copies thereof and render to them, all facilities as may be required for any of the purposes as aforesaid. Further, the Debenture Trustee shall have a right to audit the books and records of the Company until the Debentures have been repaid in full, at the cost and expense of the Company (which shall not exceed INR 1,50,000 (Indian Rupees One Lakh Fifty Thousand)) for audit which can be carried maximum once a year.

2.5 The Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company, in relation to the Hypothecated Properties, as and when the same shall become payable, and when required by the Debenture Trustee produce the receipts for such payments and also punctually pay and discharge all debts, obligations and liabilities which may have priority over the Security created hereunder or under the other Security Documents and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company in respect of or any part of the Hypothecated Properties.

3. TERMS OF APPOINTMENT OF DEBENTURE TRUSTEE

3.1 Appointment of Debenture Trustee

(a) At the request of the Company, the Debenture Trustee has agreed to act as trustee for the benefit of the Debenture Holders and has agreed to accept the trust created pursuant to the terms of this Deed, pursuant to the Debenture Trustee Agreement dated June 29, 2022.

(b) The Debenture Trustee is authorized to accept the Security for the benefit of the Debenture Holders.

3.2 Resignation and Removal of Debenture Trustee

(a) Resignation:

i. The Debenture Trustee may at any time by providing 30 (thirty) days prior written notice, resign as the Debenture Trustee, provided that they shall continue to act as Debenture Trustee until a successor is appointed by the Company.

ii. The Company shall, upon receipt of notice of resignation issued by the Debenture Trustee, take prompt steps to appoint another entity competent to act as trustee for the Debenture Holders in place of the Debenture Trustee (the "**Successor Trustee**"). The trustee to be appointed as the Successor Trustee by the Company must be approved by the Majority Debenture Holders prior to such appointment.

(b) Removal: The Debenture Holders may, after giving not less than 30 (thirty) days' notice in writing, remove the Debenture Trustee if at least 75% (seventy five percent) of the Debenture Holders in value of the Company vote to that effect, and by the same resolution nominate an entity competent to act as their trustee and require the Company to appoint such entity as the Successor Trustee. The Company shall within 30 (thirty) days of receipt of such request from the Debenture Holders, take all necessary steps to appoint the entity named by the Debenture

Holders, as the Successor Trustee and complete all necessary formalities to give effect to such appointment.

3.3 Successor trustee as the debenture trustee: upon appointment of the successor trustee pursuant to the preceding clauses 3.2(a) and 3.2(b), all references in this deed to the debenture trustee shall unless repugnant to the context mean and refer to the successor trustee and the successor trustee shall without any further act or deed succeed to all the powers and authorities of the Debenture Trustee as if it had been originally appointed as the Debenture Trustee.

3.4 Debenture Trustees' costs/Remuneration:

(a) The Company shall pay to the Debenture Trustee, the fees as agreed between the Company and the Debenture Trustee pursuant to the terms of Debenture Trustee Agreement.

(b) The Company shall pay to the Debenture Trustee all legal, travelling and other costs, charges and expenses incurred by it, its officers, employees or their agents:
   (i) In connection with execution of the Transaction Documents; and/ or
   (ii) Incidental to the approval and execution of all Security Documents; and
   (iii) any amendment, waiver, consent or suspension of rights (or any proposal for any of the foregoing) relating to such documents or any other document referred to in this Deed.

Provided that the payment by the Company to the Debenture Trustee as contemplated under Clause 3.4 (b) above shall not exceed INR 1,00,000 (Rupees One Lakh). Provided further that if any Amounts Due are pending and the Debentures have not been completely redeemed, within the agreed tenure of 24 (twenty-four) months, then the Debenture Trustee shall be entitled to proportionate payment of fees and all other costs as envisaged in Clause 3.4 (a) and (b) above.

4. RIGHTS AND POWERS OF DEBENTURE TRUSTEE

4.1 The Debenture Trustee shall have the rights and power accorded to it under the Transaction Documents, and applicable Law.

4.2 Actions, Consents and Waivers:

(a) The Debenture Trustee shall, during the subsistence of this Deed and the other Security Documents, exercise all its powers, authorities and discretions for the benefit, protection and interest of the Debenture Holders and shall not do any act, or thing which is prejudicial or detrimental to their interests. Provided however that the Debenture Trustee shall, before taking any action, in terms of the powers granted to it under the Transaction Documents, take the prior written consent of the Majority Debenture Holders.

(b) If any matter under any of the Transaction Documents requires: (a) the consent of the Debenture Trustee, the Debenture Trustee shall act only in a manner as instructed by the Majority Debenture Holders; and (b) the Debenture Trustee to act on the instructions of the Debenture Holders, such instructions shall mean the written instructions received by the Debenture Trustee from the Majority Debenture Holders or any person nominated by the

Majority Debenture Holders.

(c) Notwithstanding anything to the contrary, if for any matter under any of the Transaction Documents the Majority Debenture Holders instruct the Debenture Trustee in writing, then the Debenture Trustee shall act on such instruction without convening a meeting with the Debenture Holders.

4.3 Debenture Trustee to carry on business:

The Debenture Trustee may in its individual capacity:

(a) carry on any business with the Company, its Affiliates or related entities so long as carrying on such business does not, and shall not, in any manner whatsoever, conflict with its obligations under any Transaction Document, relevant provisions of the Act and the rules made thereunder;

(b) act as agent or trustee for, or in relation to any financing involving the Company, its respective Affiliates so long as its acting in such capacity does not, and shall not, conflict in any manner whatsoever, with its obligations under any Transaction Document or under applicable Law; and

(c) retain any remuneration received by it, in connection with or in relation to any of the foregoing.

4.4 Nominee Director: The Debenture Holders and the Debenture Trustee shall have a right to appoint nominee director as per the provisions of the Companies (Share Capital and Debentures) Rules, 2014 on the Board of the Company (hereinafter referred to as the "**Nominee Director**") in the following circumstances:

(a) 2 (two) consecutive defaults in payment of Coupon and/or the Principal Amounts to the Debenture Holders; or

(b) default in creation of Security; or

(c) any default in full redemption of the Debentures;

The Nominee Directors shall not be liable to retire by rotation nor required to hold any qualification shares in accordance with applicable Law. The Company shall appoint the Nominee Directors on receiving a nomination notice from the Debenture Trustee immediately after receiving nomination notice in a Board meeting of the Company.

4.5 Register of Debenture Holder(s):

(a) The Company shall as required by the Act, keep at its registered office/ corporate office a register of the debenture holder(s) holding the Debentures in physical form showing (a) the name, address and the occupation, if any, of each holder, (b) the amount of the Debentures held by each holder distinguishing each such Debentures by its number and the amount paid or agreed to be considered as paid on those Debentures, (c) the date on which each person was entered in the Register as a Debenture Holder, (d) the date on which any Person ceased to be a Debenture Holder, and (e) the subsequent transfers and changes of ownership thereof.

(b) The Debenture Trustee and/ or the Debenture Holder(s) or any of them or any other person authorized by them shall be entitled to inspect the said register, books and accounts of the Company and to take copies of or extracts from the same or any part thereof during usual business hours. The register may be closed by the Company at such time and for such periods as it may think fit in accordance with the provisions of the Act. No transfer shall be registered during such period when the register of Debenture Holder(s) remains closed.

4.6 Meetings of Debenture Holders:

(a) The Debenture Trustee take steps to convene a meeting of the holders of the Debentures as and when such meeting is required to be held in accordance with the applicable Law including but not limited to Act.

(b) Debenture Trustee shall call or cause to be called by the Company a meeting of all the Debenture Holders on:

(i) a requisition in writing signed by at least one-tenth of the Debenture Holders in value for the time being outstanding;

(ii) the happening of any event, which constitutes a default or breach of covenants (as specified in the Transaction Documents) or which in the opinion of the Debenture Trustees affects the interest of the Debenture Holders.

5. EVENTS OF DEFAULT AND CONSEQUENCES

5.1 The occurrence of any of the events as specified below, to be determined in the reasonable discretion of the Debenture Trustee and/ or the Debenture Holders shall constitute an Event of Default (**"Event of Default"**):

(a) If the Company defaults in the payment of any Amounts Due (including default in repayment of Debentures, default in payment of Coupon/Principal Amount) which ought to have been paid in accordance with the terms of the issue;

(b) If the Company without the consent of Debenture Holders ceases to carry on its Business or gives notice of its intention to do so;

(c) If, any breach of the terms of the Transaction Documents including but not limited to Clause 3.3(b)(ii) of Part B;

(d) When the Company creates or attempts to create any charge on the Hypothecated Properties or any part thereof without the prior approval of the Debenture Trustees/Debenture Holders;

(e) If the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into insolvency or liquidation have been admitted by any competent court or an order has been made by the Tribunal for winding up of the Company or a special resolution has been passed by the shareholders for winding up of the Company;

(f) Use of the Debenture Subscription Amount for purposes other than as set out under the Transaction Documents.

(g) Failure of the Company to create, perfect and maintain the Security; in accordance with the Transaction Documents or creation/attempt to create any charge on the Hypothecated Properties or any part thereof, without the prior approval of the Debenture Trustees/Debenture Holders.

(h) Cancellation/ withdrawal of any Material Approvals in relation to the Business.

(i) Any order of a court of competent jurisdiction that may restrict the ability of the Company to perform their obligations under the Transaction Documents, unless such order has been challenged before the same court or higher court by way of an appeal, review or revision, during the pendency of which, such order would cease to constitute an Event of Default

(j) If the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into liquidation have been admitted by any competent court and not dismissed within a period of 13 (Thirteen) days.

(k) It is or becomes unlawful or illegal for the Company to perform any of its obligations under the Transaction Documents, including but not limited to by virtue of any order of a court of competent jurisdiction or for any other reason whatsoever.

(l) Any of the Transaction Documents becomes illegal, invalid, unenforceable or otherwise fails or ceases to be in effect or if any such Transaction Document is assigned or otherwise transferred, amended or terminated or revoked without the approval of the Debenture Holders / Debenture Trustee.

(m) Filing of a charge sheet against the Company for committing fraud or a judgment of a civil court which holds that the Company has committed a fraud.

(n) An event of default howsoever described occurs under any other agreement or document relating to any indebtedness of the Company or if any other lenders of the Company including financial institutions or bank with whom the Company has entered into agreements for financial assistance or have cancelled or recalled its/their assistance or any part thereof.

(o) Upon occurrence of any Material Adverse Change or an event which may result in occurrence of a Material Adverse Change.

(p) The admission of any insolvency petition against the Company where no appeal has been preferred by the Company for the same

5.2 **Cure Period and payment of Penal Interest**

(a) Upon the occurrence of an Event of Default set out in Clause 5.1(b) to Clause 5.1(p) above, the Company shall have the right to cure such Event of Default within a period of 21 (Twenty One) Business Days from the date of occurrence of such event ("**Event of Default Cure Period**") failing which the Debenture Holders shall be entitled to exercise the rights set out in clause 5.3 below. It is hereby clarified that the Company shall not have any cure period vis-à-vis Event of Default set out in Clause 5.1(a) of Part A of this Deed.

(b) The Parties further agree that in the event of occurrence of Events of Default set out in Clause 5.1(b) to Clause 5.1 (p) above, which is not cured within the cure period mentioned in above, the Company shall, be liable to pay a penal interest at the rate of 2% (two percent) per month over and above the Coupon ("**Penal Interest**") computed from the date of occurrence of such Event of Default till the date it is cured and/or until the Secured Obligations have been fully discharged by the Company.

(c) The provision of the Clause 5.2 of this Deed for Penal Interest shall not be construed as Debenture Holder's consent to Company's failure to pay any amounts in strict accordance with the Transaction Documents and Subscriber's acceptance of any such payments shall not restrict the Subscriber's exercise of any remedies arising out of any such failure.

5.3 **Consequences of Events of Default**

Upon the occurrence of any of the Events of Default and failure on the part of the Company to cure the same within the Event of Default Cure Period (if applicable), and without prejudice to the rights and remedies available to the Debenture Holders and the Debenture Trustee under this Deed or under Law or equity, Majority Debenture Holders shall, at their sole discretion, be entitled to exercise any or a combination of any of the following rights:

(a) declare that all or part of the Debentures, together with the accrued Coupon and all other amounts accrued, or Amounts Due under the Transaction Documents be immediately due and payable, whereupon they shall become immediately due and payable;

(b) accelerate the redemption of the Debentures;

(c) exercise any other right that the Debenture Trustee and / or Debenture Holders may have under the Transaction Documents or under Law;

(d) sell / transfer / alienate / realize the monies out of the Hypothecated Properties in any manner as the Debenture Trustee deems fit;

(e) enforce the Security in accordance with the terms of the Transaction Documents.

(f) require the parties for specific performance of any rights under the Transaction Documents and/or under the applicable Law, with or without the intervention of the court;

(g) invoke any other Security created for the benefit of the Debenture Holders;

(h) Debenture Holders shall be entitled to ask for additional security to be provided for the Debentures to the satisfaction of the Debenture Holders;

(i) Any dividend declared and paid by the Company shall be mandatorily applied towards the Amounts Due;

(j) exercise any other rights set out in the Transaction Documents.

5.4 All expenses incurred by Debenture Trustee / Debenture Holders, including in connection with: (i) preservation or enforcement of the Security; and (ii) collection of amounts due under this Deed and the other Transaction Documents, shall be borne by the Company.

6. OBLIGATIONS OF THE COMPANY

6.1 The Company shall comply with the provisions of the Transaction Documents;

6.2 The Company shall comply with all directions/guidelines issued under applicable Law with respect to the issuance of the Debentures;

6.3 The Company shall pay and discharge all its liabilities to the Debenture Holders under the Transaction Documents, without preferring one Debenture Holder over the other;

6.4 The Company shall furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and shall, if necessary for the purpose of such redressal, at the request of any Debenture Holder call a meeting of the Debenture Holders;

6.5 The Company shall keep Hypothecated Properties adequately insured and maintain the same in proper condition;

6.6 The Company shall timely pay all insurance premium with respect to the Hypothecated Properties and all applicable taxes, cesses, liabilities etc wherever applicable.;

6.7 The Company shall create a debenture redemption reserve as per the provisions of the applicable Law;

6.8 The Company shall not declare any dividend to its shareholders in any year until the Company has paid or has made satisfactory provision for the payment of the instalments of the Debentures and Coupon.

6.9 At the end of every Quarter, the Company shall submit to the Debenture Trustee, a report confirming the following
(i) Updated list of names and address of all the Debenture Holder(s) and the number of Debentures held by the Debenture Holder(s);
(ii) Details of Coupon due but unpaid, if any, and reasons for the same;
(iii) The number and nature of grievances received from the Debenture Holder(s) and (i) resolved by the Company; and (ii) unresolved by the Company and the reasons for the same;
(iv) Statement that the Security is sufficient to discharge the claims of the Debenture Holder(s) as and when they become due;
(v) any other documents as required by the Debenture Trustee;

6.10 Company shall inform the Debenture Trustee, of any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Company;

6.11 The Company shall promptly provide or inform the Debenture Trustee the details of all orders, directions, notices, of any court/tribunal affecting or likely to affect the Hypothecated Properties;

6.12 Informing the Debenture Trustee of any significant changes in the composition of its Board;

6.13 The Company shall notify the Debenture Trustee of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence;

6.14 The Company shall furnish information required by the Debenture Trustee for the effective discharge of its duties and obligations, including copies of reports, balance sheets, profit and loss account etc.

7. **MISCELLANEOUS**

7.1 Amendments: Any modification may be made to this Deed and the other Transaction Documents to which the Debenture Trustee is a party only by a written instrument executed by all Parties.

7.2 Notices
(a) A Party giving notice or notifying under this Deed must do so in writing directed to the recipient's address specified under **Annexure 5**, as varied by any notice.
(b) A notice given in accordance with Clause 7.2 is taken to be received:
(i) if hand delivered, on delivery;
(ii) if sent by courier or registered mail, 2 (two) calendar days after posting;
(iii) if sent by email, on the day the email is sent.

7.3 All notices from the Company under this Deed and the other Security Documents shall be sent to the Debenture Trustee with copies to the Debenture Holders.

7.4 All notices to be sent by the Debenture Trustee to the Company shall first be sent to the Majority

Debenture Holders for their approval.

7.5 Costs, Stamp Duty, Taxes etc.: The Company shall bear the cost of drafting of the Transaction Documents subject to a maximum amount of INR 75,000 (Rupees Seventy Five Thousand), inclusive of applicable taxes). The Company shall also pay all expenses related to the remuneration of Debenture Trustee, creation of Security, stamp duty, taxes, charges and penalties payable in respect of the Debentures, the Transaction Documents and/or the transactions contemplated thereby, subject to a maximum amount of INR 1,00,000 (Rupees One Lakh) and in the event of the Company failing to pay such remuneration, stamp duty, taxes and penalties, etc. the Debenture Trustee may (but shall not be bound) to pay the same on behalf of the Company and the Company shall reimburse all amounts so paid by the Debenture Trustee on demand, within 2 (two) Business Days of such demand. Provided further that this limit of INR 1,00,000 (Rupees One Lakh) shall fall away in the Event of Default.

PART B

1. TERMS OF APPOINTMENT OF DEBENTURE TRUSTEE

1.1. Declaration of Trust by the Debenture Trustee

The Company hereby settles in trust with the Debenture Trustee, the sum of INR 1,000 (Indian Rupees One Thousand only). Accordingly, the Debenture Trustee hereby declares and the Company confirms that the Debenture Trustee shall hold in trust, for the benefit of the Debenture Holders and for itself all the beneficial rights, title and interest in and to:

(a) The Security to be created under, pursuant to or evidenced by the Security Documents;

(b) All monies that it may receive whether prior to or as a result of the enforcement of Security until and for the irrevocable and unconditional discharge and payment in full of the Amounts Due, as trustee and for the benefit of the Debenture Holders; and

(c) All rights and sums received by it under or pursuant to the Security Documents (save for any sums received solely for its own account).

1.2. Liabilities of the Debenture Trustee

Nothing contained in this Deed or other documents in relation to the Amounts Due shall exempt the Debenture Trustee or any attorney, receiver, agent or other appointee/ delegate of the Debenture Trustee from, or indemnify them against any liability for breach of trust or any non-observance or non-performance of the terms of the Security Documents or the instructions of the Debenture Holders or any liability which, by virtue of any rule or law would otherwise attach to them, in respect of any fraud or any actions or inactions arising out of any default, misconduct, gross negligence or fraudulent omission or commission which the Debenture Trustee may be guilty of, all of the aforesaid as maybe finally determined by a court of competent jurisdiction, in relation to its duties hereunder or under any other document relating to the Amounts Due to the Debenture Holders.

1.3. Relationship between the Debenture Trustee and the Company

The Debenture Trustee shall not in any respect be considered as or be deemed to be construed as an agent of, or trustee for, the Company by virtue of this Deed and shall not be liable to the Company. At all times, during the terms of this Deed, the Debenture Trustee shall be deemed to be considered as a trustee of the Debenture Holders, acting for and on behalf of and for the benefit of the Debenture

Holders.

1.4. **Debenture Trustee not acting in its individual capacity**
By accepting the trusts herein created, the Debenture Trustee agrees to act solely as the trustee for the Debenture Holders and by reason of the transactions contemplated by or under the Security Documents. The Debenture Trustee shall look only to the Security (or a part thereof, as the case may be) for payment or satisfaction thereof, except to the extent the Debenture Trustee shall otherwise expressly agreed to in this Deed or the other Security Documents.

1.5. **Reliance**: The Debenture Trustee may:

(a) Rely on any notice or document reasonably believed by it to be genuine and correct and to have been signed by or with the authority of the proper Person(s);

(b) Rely on any statement made by a director or employee of any Person in writing regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify; and

(c) Engage, pay for and rely on legal or other professional advisers (including those in its employment and those representing a party other than itself) and shall not be liable for anything done or omitted to have been done by it acting in good faith and in accordance with the advice of any legal or other professional advisers (other than for its gross negligence, default, fraud or failure to comply with the terms of this Deed, the Security Documents or the instructions of the Debenture Holders as may be finally determined by a court of competent jurisdiction). Provided however, that the Debenture Trustee shall not incur any cost, expense or charges for legal or other professional advice as specified hereinabove, without obtaining the prior written approval of the Majority Debenture Holders.

1.6. **Obligations under Transaction Documents**
Notwithstanding anything contained in this Deed, each Party shall, at all times, be liable to perform and discharge its respective obligations under this Deed and the other Transaction Documents.

1.7. **Continuing Liability of the Company**
Nothing contained in this Deed or in any Security Document shall constitute or be deemed to constitute settlement of any of the obligations of the Company and the obligations of the Company shall continue till such time that any Amounts Due are pending and the Debentures have not been completely redeemed to the Debenture Holders, to the satisfaction of the Debenture Holders.

1.8. **Release or substitution of Security**
Subject to the provisions of this Deed, on repayment of the entire Amounts Due and discharge of the Secured Obligations by the Company to the satisfaction of the Debenture Trustee, the Debenture Holders shall forthwith release their charge over the Security in favour of the Company by confirming in writing the repayment of the Amounts Due and discharge of the Secured Obligations by the Company to its satisfaction, and the Debenture Holders/ Debenture Trustee shall at the cost of the Company, execute all such documents as may be required for the said purpose(s).

1.9. **Continuing nature of Security**
The Security created or to be created under the Security Documents is and shall be a continuing security and shall remain in full force and effect, notwithstanding:

(a) The insolvency or liquidation or incapacity or change in constitution or status of the Company; or

(b) Any intermediate payment or settlement of account or other matter or thing whatsoever and, in particular, the intermediate satisfaction of any part of the Amounts Due or any obligations of the Company.

1.10. Debenture Trustees' costs

(a) Enforcement Costs:

The Company, from time to time, and forthwith on demand, pay to the Debenture Trustee all out-of-pocket costs and expenses (including legal fees) incurred by it:

(i) In connection with the preservation and maintenance of the Security or any properties comprised therein or any part thereof and/ or the enforcement of, or the preservation of, any rights under any Security Document;

(ii) In investigating any Event of Default, if the Debenture Trustee believes in good faith that such an event may have occurred;

(iii) In defending any Claims brought against it in respect of this Deed or any Security Document or the Company's interest in the Security or any properties comprised therein;

(iv) In the enforcement or collection of any Amounts Due under the relevant Security Documents; or

(v) In releasing or re-assigning the Security or any part thereof after the entire Amounts Due have been discharged.

(b) All costs borne by the Debenture Trustee in regards to and accruing out of this Deed and the Security Documents, upon the occurrence of an Event of Default, shall be borne solely by the Company and the Company hereby waives all objections to the transference of such costs to it by the Debenture Trustee.

1.11. Limitation on rights of others

Nothing in this Deed, whether express or implied, shall be construed to give to any Person, other than the Debenture Holders and the Debenture Trustee, any legal or equitable right, remedy or claim under or in respect of this Deed, the trust created or to be created hereunder or under the Security Documents or any Security to be created in favour of the Debenture Trustee.

1.12. Cumulative powers

(a) The powers conferred by the relevant Security Documents in favour of the Debenture Trustee or any receiver or manager or administrator appointed under any Security Document:

(i) are cumulative;

(ii) are without prejudice to their respective powers under applicable Law or under any other Security Document; and

(iii) maybe exercised as often as the Debenture Trustee or such receiver, manager or administrator deems fit.

(b) The Debenture Trustee or such receiver, manager or administrator may, in connection with the exercise of their powers, join or concur with any Person in any transaction, scheme or arrangement.

(c) The Company acknowledge that the powers of the Debenture Trustee and the receiver, manager or administrator so appointed, as provided in this Deed and under the Transaction Documents shall, in no circumstances, be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing by the Debenture Trustee.

1.13. **First recourse enforcement**

(a) The Company confirms and agrees that the rights, powers and benefits of the Debenture Trustee under any Security Document or otherwise in relation to the Security, except as provided in the Security Documents, may be enforced:

(i) Without the Debenture Trustee first having recourse to any other Security or rights or taking any other steps or proceedings against any other guarantors and/ or any other Person; or

(ii) For any balance due after resorting to any one or more means of obtaining payment or discharge of the Amounts Due.

(b) The Security shall not be merged in, or in any way excluded or prejudiced, or be affected by, any other Security Interest, right of recourse or other right (or the invalidity thereof) which the Debenture Trustee may hold.

1.14. **Compliance**

(a) Notwithstanding the provisions of this Deed, the Debenture Trustee may refrain from doing anything that might constitute a breach of any applicable Law.

(b) Without limiting Clause 1.14(a) above, the Debenture Trustee need not disclose any information relating to the Company, any party to a Security Document, or any of their respective related entities if the disclosure might, in the opinion of the Debenture Trustee:

(i) constitute a breach of any applicable Law or any duty of secrecy or confidentiality; or

(ii) be otherwise actionable at the suit of any Person.

2. REPRESENTATIONS AND WARRANTIES

The Company and the Promoter, jointly and severally, make the representations and warranties set forth in **Annexure 4** to the Debenture Trustee (for the benefit of the Debenture Holders) as of the Execution Date and as of the Closing Date, and warrant the same to be complete, true and correct.

3. COVENANTS AND UNDERTAKINGS

3.1 **Affirmative covenants:**

The Company covenant and undertake that, so long as any part of the Debentures remain outstanding and any part of the Amounts Due under the Transaction Documents are outstanding and until the complete discharge of the Secured Obligations, the Company shall comply with the obligations applicable to them as set out under this Deed and under the other Transaction Documents.

(a) The Company shall maintain proper books of record and accounts, in which full and accurate entries shall be made of all financial transactions in respect of the assets and business of the Company in accordance with IND AS from time to time.

(b) The Promoter shall ensure that the Company shall at all times and from time to time at their costs clear any defects in the title of the Company to the Hypothecated Properties, and has good title, right, full power and absolute authority and capacity under Law to enter into this Deed.

(c) The Company shall ensure that the Company is in compliance with all applicable Laws.

(d) The Company shall promptly obtain all necessary consents from Governmental Authorities and relevant third parties, and shall maintain and comply with the terms of all such consents, as may be necessary for entering into or performing its obligations under this Deed and the other Transaction Documents or conducting its business and operations.

(e) The Company shall ensure that all the Intellectual Property and Intellectual Property Rights are protected at all times.

3.2 **Negative Covenants:**

So long as the Debentures remain outstanding and until: (i) the full and final payment of Amounts Due to the Debenture Holders; and (ii) the complete discharge of the Secured Obligations, the Company covenants and undertakes not to and the Promoter shall ensure that, the Company shall not, without the prior written consent, which shall not be unreasonably withheld, of the Subscriber or the Debenture Trustee (if related tothe Hypothecated Properties) at any time

(a) change the status of the Company;

(b) change the capital structure of the Company, leading to dilution of the shareholding of the Promoter or the Ultimate Holding Company of the Company, in the Company beyond 50% of their shareholding in the Company or any change in Control of the Company;

(c) engage in any business other than the Business (as on the Execution Date) either directly or by creating any direct or indirect subsidiary of the Company;

(d) contract, create, incur, assume, roll over, extend, renew any existing or future liability or debt facility or suffer to exist any secured or unsecured indebtedness other than in the ordinary course of business and/or in excess of an aggregate amount of INR 5,00,00,000 (Rupees Five Crores), in any manner whatsoever including grant any guarantees or provide similar assurance or surety or grant any indemnities;

(e) sell, lease, transfer, divert or create Encumbrances or otherwise dispose of any of the Hypothecated Properties or any part thereof other than as contemplated in the Transaction Documents;

(f) apply to a court for winding-up the Company voluntarily;

(g) altering the NACH Arrangement in any manner.

3.3 **Information Covenants:**

(a) The Company shall notify to the Subscriber / Debenture Trustee at least 30 (thirty) days prior to any change in the capital structure of the Company

(b) The Company shall furnish to the Subscriber / Debenture Trustee the following information, in form and substance satisfactory to the Subscriber / Debenture Trustee:

(i) Following financial statements (both standalone and consolidated), including income statement, balance sheets, statement of cash flow, prepared in accordance with the IND AS

a. audited annual financial statements along with the directors' report and the auditor's report, as soon as available but in any event within 210 (Two Hundred and Ten days) days after the end of each Financial Year, extendable if there is extension of time limits under Companies Act, 2013.

(ii) Monthly MIS report (in the format prepared by the Company and Quarterly Report containing details about the sales, receivables, payables, cash flow statements, operating metrics etc., within 20 (twenty) days from the end of each Quarter/month, as the case may be:

a. any other information relating to the Company that has a Material bearing on the Debentures to be provided in such form as may be prescribed by the Subscriber / Debenture Trustee

(c) Monthly returns required to be filed under Goods and Service Tax Act, 2017.

(d) Bank account statement of all the bank accounts of the Company and accounts with payment gateway service providers by the 5th Business Day of each month for the immediately preceding month.

(e) The Company shall promptly notify the Debenture Trustee if it contracts, creates, incurs, assumes, roll over, extends, renews any existing or future liability or debt facility or suffer to exist any secured or unsecured indebtedness in any manner whatsoever including grant any guarantees or provide similar assurance or surety or grant any indemnities, other than in the ordinary course of business.

(f) The Company shall promptly provide / cause to be provided information in writing of any event which constitutes, or which with notice or the passage of time or both would constitute, an Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same.

(g) The Company shall notify the Debenture Trustee and the Debenture Holders of all orders, directions, notices, of any court/tribunal, Claims, demands affecting or likely to affect the Hypothecated Properties of the Company or the Security Interest, against which an appeal hasn't been filed within the maximum time permitted under the applicable Laws.

3.4 The Company undertakes that at all times, it shall have good, legal and beneficial title, or other interest in and to the Hypothecated Properties, in each case, free and clear of any Encumbrances or Security Interest (save and except any Security Interest existing thereon or on any part thereof, as at the date hereof) and shall ensure on a continuous basis that the Security charged to the Debentures is available and adequate at all times to discharge the Secured Obligations.

3.5 The Debenture Holders and/ or the Debenture Trustee shall have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time.

4. INDEMNITY

4.1 Without prejudice to the other rights of the Parties under this Deed or applicable Law, the Company ("**Indemnifying Party**") shall indemnify and agree to hold the Debenture Trustee, the Debenture Holders, their respective Affiliates or any of their respective directors, officers, employees, attorneys, associates or agents (each an "**Indemnified Party**") indemnified to the fullest extent permitted by Law, from and against any and all losses, liabilities, Claims, damages, proceedings, penalties, judgments, taxes and expenses (including reasonable fees, disbursements and other charges of counsel which is incurred by the Indemnified Party in any action between the Indemnifying Party and the Indemnified Party or between the Indemnified Party and Governmental Authority or between the

Indemnified Party and any Person) incurred or suffered by the Indemnified Party in (collectively, "**Losses**") arising in connection with or as a result of:

(a) Any representations or warranties of Indemnifying Party being or becoming incorrect, or any undertakings or covenants as contained in the Transaction Documents being breached by such Indemnifying Party or otherwise;

(b) Any non-compliance, with provisions of the Transaction Documents; or

(c) Enforcement of all liability and obligations and rights arising out of the Transaction Documents.

4.2 The Indemnification rights of the Indemnified Party under this Deed are independent of, and in addition to, such other rights and remedies as the Indemnified Party may have at law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby. This Clause 4 shall survive the expiry of this Deed.

5. MISCELLANEOUS

5.1 Assignment by the Company and the Debenture Trustee:

(a) The Company shall not assign, transfer, novate or dispose of any of, or any interest in, their rights or obligations under this Deed or any Security Documents to which it is a party.

(b) The Debenture Trustee may, with a prior written approval of the Majority Debenture Holders and the Company, and subject to the terms of this Deed, assign, transfer or novate to another bank or financial institution or body corporate qualified to act as a debenture trustee provided such new appointment is agreeable to the Majority Debenture Holders, any or all of its rights or obligations (in whole or in part) under this Deed.

5.2 Severability: If a provision of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this Deed and/or any other provision of this Deed and/or the other Security Documents, or the validity or enforceability in other jurisdictions of that or any other provision of this Deed and/ or the other Security Documents.

5.3 Governing Law and Jurisdiction

(A) <u>Governing Law</u>

(c) This Deed and the rights and obligations of the Parties hereunder shall be governed by, and construed in accordance with, the laws of India.

(d) Subject to Clause 6.3 (B) below, each Party submits to the exclusive jurisdiction of the courts of New Delhi, India to resolve all disputes arising out of or in relation to this Deed, without regard to the principle of conflict of laws.

(B) <u>Dispute Resolution</u>

(a) In the event of a dispute or difference, relating to, arising out of or in connection with any of the matters set out in this Deed, including any question regarding its existence, validity or termination, ("**Dispute**"), the parties to the Dispute shall discuss in good faith to resolve the Dispute. In case the Dispute is not settled within 30 (thirty) calendar days, it shall be referred to arbitration in accordance with this Clause 6.3(B).

(b) All Disputes that have not been satisfactorily resolved under Clause (a) above shall be referred to and finally resolved by arbitration in New Delhi in accordance with the Singapore International Arbitration Centre Rules, 2016 ("**SIAC Rules**") for the time being in force, which rules are deemed to be incorporated by reference in this Clause 6.3 (B). There shall be a sole arbitrator who shall be jointly appointed by the parties to the dispute and failing agreement on such appointment, the arbitrator shall be appointed by the appointing authority of the Singapore International Arbitration Centre. The seat of the arbitration shall be New Delhi and the venue may be as determined by the arbitrator from time to time having regard to the convenience of the parties to the dispute. The language of the arbitration shall be English.

(c) The arbitrator shall make an award in writing within 60 (sixty) Business Days of the reference of the dispute to arbitration. The award of the arbitrator(s) shall be final and conclusive and binding upon the Parties and non-appealable to the extent permitted by Law. The Parties agree that such enforcement shall be subject to the provisions of Indian Law, and no Party shall seek to resist the enforcement of any award in India or elsewhere on the basis that the award is not subject to such provisions. The award rendered shall apportion the costs of the arbitration.

(d) The arbitrators shall also have the power to decide on the costs and reasonable expenses (including reasonable fees of its counsel) incurred in the arbitration and award interest up to the date of the payment of the award.

(e) The provisions of this Clause 6.3(B) shall survive the termination of this Deed.

5.4 Specific Performance: Each Party hereby agrees that the other Parties shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the first mentioned Party from committing any violation or enforce the performance of the covenants, representations, warranties and obligations contained in this Deed. These injunctive remedies are cumulative and are in addition to any other rights and remedies the other Parties may have at law or in equity, including without limitation, a right for damages.

5.5 Waiver of Immunity: The Company irrevocably agree that no immunity (to the extent that may at any time exist whether on the grounds of sovereignty or otherwise) from any proceedings, from attachment (whether in aid of execution, before judgement or otherwise) of the Security or from execution of judgment shall be claimed by it or on its behalf or with respect to the Security, any such immunity being irrevocably waived, save and except as are in terms of applicable Law incapable of being waived contractually. The Company irrevocably agrees that it and the Security is, and shall be, subject to such proceedings, attachment or execution in respect of its obligations under this Deed, and consents to such proceedings, attachment or execution, save and except as are in terms of applicable Law incapable of being waived contractually.

5.6 No Implied Waiver: No term or provision of this Deed may be changed, waived, discharged or terminated orally, unless by way of an instrument in writing entered into by the authorized representative of each Party and any such waiver of the terms or provisions hereof shall be effective only in the specific instance and for the specific purpose given.

5.7 Performance by the Debenture Holders: Any duty or obligation of the Debenture Trustee hereunder or under any Security Document or other agreement, document or instrument contemplated herein or therein may be performed by the Debenture Holders and any such performance shall not be construed as a revocation of the trusts or agency created herein.

5.8 Benefit of this Deed: This Deed is solely for the benefit of the Debenture Trustee and the Debenture Holders to the extent expressly set out herein and in the Transaction Documents.

5.9 Survival: The rights and obligations of the Parties to this Deed, where so specified, shall survive the termination of this Deed.

5.10 Publicity: No Party shall make or permit any person connected with it to make any public announcement relating to or concerning this Deed or any ancillary matter or any other Party before, on or after the date of this Deed except as required by law or any competent regulatory body or with the written consent of the other Parties.

[*signature page follows*]

IN WITNESS WHEREOF, the Parties have caused this Debenture Trust Deed to be duly executed by their duly authorized representatives as of the date and year first hereinabove written:

SIGNED AND DELIVERED by the within-named in its capacity as authorised signatory of **Yatra Online Freight Services Private Limited**

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Yatra Online Freight Services Pvt. Ltd.

IN WITNESS WHEREOF, the Parties have caused this Debenture Trust Deed to be duly executed by their duly authorized representatives as of the date and year first hereinabove written:

SIGNED AND DELIVERED by the within-named in its capacity as Debenture Trustees by the hand of Mr. SUBHASH JHA an authorized official of **Axis Trustee Services Limited**

ANNEXURE 1

DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In this Deed, unless the context otherwise requires, the following words and expressions shall bear the meanings ascribed to them below.

"Affiliate" means,

i. in relation to any Person, any entity, directly Controlling or Controlled by or under direct common Control with that Person; and

ii. in relation to any Party, that is a natural person, includes his/her such relatives as may be covered under Section 2(77) of the Companies Act, 2013 and any trust or company owned and Controlled by such Party or relatives.

For the purposes of the Subscriber, the term 'Affiliate' shall also include all funds that are advised, controlled or managed by the Investment Manager or an Affiliate of the Subscriber or an Affiliate of the Investment Manager. It is hereby clarified that an Affiliate of the Subscriber shall not include any portfolio company of the Subscriber and/or its Affiliates.

"Amounts Due" means all amounts payable by the Company to the Debenture Holders and/or the Debenture Trustee, including but not limited to the entire Debenture Subscription Amount, Coupon, Penal Interest, Upfront Fees, costs and charges payable to the Debenture Trustee, costs, charges, expenses, fees (including legal fees and expenses) and commission for creation, perfection, maintenance and realization/ enforcement of the Security and legal fees payable for this transaction.

"Approvals" means any and all approvals, clearances, consents, licenses, actions, registrations, permits or other authorisation of any nature which are required to be obtained from any Governmental Authority or otherwise, including but not limited to, (i) fulfilment/ performance by any Person of its obligations under this Deed; and/ or (ii) for the enforceability of any of the Transaction Documents.

"Business" means business of supply chain management, logistics, cargo, courier, warehousing, integrated international and national transportation of cargo, courier shipments, trucking and transport and to provide allied facilities and services

"Business Day" means a day, not being a Saturday or a Sunday or a public holiday, on which banks are open for business in New Delhi.

"Claims" means any demand, action, cause of action, damages, loss, costs, liability or expense, including, without limitation, reasonable professional fees and all costs incurred in pursuing any of the foregoing or any proceeding relating to any of the foregoing.

"Closing Date" shall mean the date on which the Debentures are deemed to be allotted to the Subscriber, which shall not be later than June 30, 2022 (*Close Date*).

"**Coupon**" shall mean the Monthly Coupon and the Quarterly Coupon, collectively

"**Control**", as applied to any Person, means (a) ownership or control of more than 50.% (Fifty percent) or more of the total equity share capital or voting capital or the like of the controlled entity, whether by shareholding or contract or otherwise; or (b) the power or right to, directly or indirectly (i) direct or cause the direction of the management, policies or activities of that Person (ii) direct or cause the direction of the policy decisions exercisable by that Person or (iii) appoint or remove (or to direct or cause the direction of the appointment or removal of) majority of the directors (or similar position) of such Person, by virtue of ownership of voting securities or management rights or contracts or in any other manner, and the terms "controlling" and "controlled" shall be correspondingly construed.

"**Debenture(s)**" means 1,500 (One Thousand Five Hundred) unlisted, secured, redeemable, non-convertible debentures of face value of INR 1,00,000 (India Rupees One Lakhs Only) each, the terms whereof are set out in **Annexure** 3hereto.

"**Debenture Holders**" means all holders of the Debentures from time to time and includes their transferees or assigns or such other persons who are for the time being holders of the Debentures, and whose names are entered in the register of debenture holders with respect to the Debentures, as the case maybe in accordance with the terms of the Transaction Documents and includes the Subscriber.

"**Debenture Subscription Amount**" means INR 15,00,00,000 (Rupees Fifteen Crores).

"**Debenture Trustee Agreement**" means an agreement dated June 29, 2022 executed between the Company and the Debenture Trustee for the appointment of the Debenture Trustee.

"**Deed of Hypothecation**" means an agreement dated June 30, 2022 executed between the Company and the Debenture Trustee for creating the Charge over the Hypothecated Properties.

"**Deed of Guarantee**" means the unconditional deed of guarantee dated June 30, 2022 executed by and between the Guarantor, the Company and the Subscriber;

"**Due Date(s)**" means the date(s) on which any amount(s) in respect of the Debentures including principal, interest or other monies, fall due in terms of this Agreement and/or the other Transaction Documents

Encumbrances" means any right, title and/or interest or equity of any nature whatsoever (including any right to acquire, option or right of pre-emption) or any mortgage, pledge, deed of trust, hypothecation, right of others (including right of set-off or counterclaim), claim, security interest, burden, title defect, title retention agreement, lease, sublease, license, voting trust agreement, interest, option, proxy, lien, charge, covenant, condition, actionable claim or any security agreement, security arrangement, other restriction/s, limitations or encumbrance of any nature whatsoever.

"**Event of Default**" means the events of default as listed in Clause 5.1 of Part A of this Deed.

"**Existing Lenders**" means each of the following Persons that hold the charge on the Pari-Passu Charge

Properties: (i) Yatra for Business Private Limited; (ii) ICICI Bank Limited.

"First Charge Properties" means the properties as listed out in paragraph (c) of Schedule I of the Deed of Hypothecation, on which the Subscriber has an exclusive first charge;

"Financial Year" means the financial year of the Company commencing on April 1 every year and ending on March 31 of the following year.

"Governmental Authority" means in any jurisdiction where any Party carries on business or holds assets, any nation or government, any province, state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, including, without limitation, any government authority, agency, department, board, commission or any court, tribunal or arbitrator.

"Hypothecated Properties" means the property described in the Deed of Hypothecation.

"Indian Accounting Standards or **"IND AS"** means the standardized rules, including Indian GAAP issued by Central Government/Institute of Chartered Accountants of India.

"Intellectual Property" includes concepts, creations, discoveries, inventions, improvements, know how, trade or business secrets; trademarks, domain names, brand value, service marks, designs, utility models, tools, devices, models, methods, procedures, processes, systems, principles, synthesis protocol, algorithms, works of authorship, books, papers, models, sketches, formulas, techniques research projects, and other confidential and proprietary information, databases, data, documents, instruction manuals, records, memoranda, notes, user guides; in either written or verbal instructions or comments.

"Intellectual Property Rights" include (i) all rights, title, and interest under any statute or under common law including patent rights, copyrights, moral rights and any similar rights in respect of Intellectual Property, anywhere in the world, whether registrable or not; (ii) any licenses, permissions and grants in connection therewith; (iii) applications for any of the foregoing and the right to apply for them in any part of the world; (iv) right to obtain and hold appropriate registrations in Intellectual Property anywhere in the world and, (v) all extensions and renewals thereof (vi) causes of action in the past, present or future, related thereto including the rights to damages and profits, due or accrued, arising out of past, present or future infringements or violations thereof and the right to sue for and recover the same.

"Law" includes any law, bye-law, legislation, whether subordinate or delegated, statute, regulation, rule or order, notification, circular, treaties, case-law, ordinance, guideline, policy, direction of, and any judgment, award or decree of or agreement with any Government Authority in any relevant jurisdiction, as applicable and as amended, modified, consolidated or replaced, from time to time.

"Litigation" means any suit, claim, action, litigation, arbitration or administrative, judicial, government or criminal proceedings.

"Majority Debenture Holders" means Debenture Holders holding an aggregate amount representing not less than 50.01% (fifty point zero one percent) of the aggregate face value of the Debentures outstanding at the relevant time.

"**Material**" means a fact, circumstance, change, effect, manner, action, condition, event, occurrence or development that, individually or in the aggregate, is, or would reasonably be expected to be, material to the Business of the Company or financial condition of the Company;

"**Material Adverse Change**" shall mean an event or circumstance which has or could reasonably be expected to have, in the reasonable opinion of the Majority Debenture Holders, a material adverse effect on:

(a) the condition (financial or otherwise), operations, Business or assets of the Company; or
(b) the validity or enforceability of any of the provisions of the Transaction Documents or Security / Security Interest or part thereof created in relation to the Debentures or any other rights and remedies of the Debenture Holders.

"**Monthly Coupon**" means a fixed rate of 14% (fourteen percent) per annum, payable monthly calculated on the outstanding Principal Amounts;

"**Pari-Passu Charge Properties**" means the properties listed out in paragraph (a), (b), (d) and (e) of Schedule I of the Deed of Hypothecation, on which the Subscriber has a first pari-passu charge;

"**Principal Amounts**" means the aggregate face value of the issued and outstanding Debentures. Accordingly, the term "**Principal Amount**" means the face value of the respective issued and outstanding Debentures.

"**Quarter**" means the period of (i) April 1 to June 30; (ii) July 1 to September 30; (iii) October 1 to December 31; and (iv) January 1 to March 31; in each case, of the relevant Financial Year.

"**Quarterly Coupon**" means INR 12,00,000/- (Indian Rupees Twelve Lakhs Only) payable at the end of each Quarter till the expiry of the Debentures are redeem as per the terms hereof;

"**Secured Obligations**" means all present and future obligations and liabilities (whether financial, performance, whether owed jointly or severally or in any other capacity whatsoever) of the Company to the Debenture Holders (including the fees and expenses payable to the Debenture Trustee) in connection with the issue, subscription and redemption of the Debentures and the creation and maintenance of the Security Interest and all costs and expenses incurred by the Debenture Holders/ Debenture Trustee in relation thereto under the Transaction Documents

"**Security**" means the security created in favour of the Debenture Trustee for the benefit of the Debenture Holders for securing (i) payment of the Amounts Due and (ii) due discharge of all the Secured Obligations of the Company under the Transaction Documents.

"**Security Interest**" means the mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement of any kind or nature whatsoever including, without limitation, any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing;

"**Security Documents**" shall refer to the (i) Debenture Trust Deed; (ii) Deed of Hypothecation; (iii) Deed of Guarantee; and such other documents that may be required pursuant to or entered into in connection with creation of Security for securing the Debentures to be effective from the date of infusion of the Debenture Subscription Amount.

"**Subscriber**" means NP 1 Capital Trust, a trust registered as an alternative investment fund with Securities and Exchange Board of India under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and acting through its trustee Orbis Trusteeship Services Private Limited, a company incorporated under the provisions of the Companies Act 2013, with registered office at 4A, Oculus Technopolis, Sector 54, Golf Club Road, Gurgaon, Haryana, India – 122002 and duly represented by its investment manager NP1 Advisors LLP having its registered office at C 207, Crystal Plaza, New Link Road, Andheri West, Mumbai Maharashtra

"**Subscriber Bank Account**" means the bank account of the Subscriber bearing account number 921020004077383 held with Axis Bank, DLF, Gurgaon (HR), Gurgaon - 122029 , or such other account as may be notified by the Subscriber (in writing) to the Company, or such other account as may be notified by the Subscriber (in writing) to the Company.

"**Term Sheet**" means the term sheet executed between the Company and the Subscriber on June 3, , 2022.

"**Transaction Documents**" means: (i) this Security Document; (ii) Debenture Trustee Agreement; (iii) Offer Letter issued by the Company to the Subscriber pursuant to the provisions of the Act, and any other agreements, deeds or documents designated as such by the Debenture Trustee.

"**Tribunal**" has the meaning ascribed to it under the Act.

"**Ultimate Holding Company**" means Yatra Online, Inc., a Cayman Islands limited company and having its registered office at Maples Corporate Services Ltd., PO Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Island.

"**Upfront Fees I**" means a refundable fee of 0.2% (zero point two percent) of the aggregate Debenture Subscription Amount to be payable upon the signing of the Term Sheet.

"**Upfront Fees II**" means a refundable fee of 0.8% (zero point eight percent) of the aggregate Debenture Subscription Amount to be payable after the Closing Date but no later than July 1, 2022.

"**Upfront Fees**" means the aggregate of Upfront Fees I and Upfront Fees II.

II. CONSTRUCTION

(a) Any reference in this Deed to any statute or statutory provision shall be construed as including a reference to that statute or statutory provision as from time to time amended, modified, extended or re-enacted whether before or after the date of this Deed and to all statutory instruments orders and regulations for the time being made pursuant to it or deriving validity from it.

(b) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Deed shall refer to this Deed as a whole and not to any particular provision of this Deed. The words "include", "including" and "among other things" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases or words of like import.

(c) Unless the context otherwise requires words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders and the words denoting persons shall include bodies corporate, unincorporated associations and partnerships.

(d) Unless otherwise stated time is the essence of contract for the purpose of any Parties' obligations under this Deed.

(e) Unless otherwise stated, references to Clauses, Annexures and Recitals relate to articles of, annexures to and recitals of this Deed.

(f) Words or phrases used in this Deed which are not defined in Clause I above may be defined in the context in which they are used, and shall have the respective meaning there designated, unless the context otherwise requires.

(g) In the event any payment obligation under this Deed is due on a day which is not a Business Day, then such payment shall become due on the immediately succeeding Business Day.

(h) The headings and titles herein are used for convenience of reference only and shall not affect the construction of this Deed.

(i) All references to the knowledge, information, belief or awareness of any Person shall be deemed to include the knowledge, information, belief or awareness such Person ought to have if such Person had made reasonable, due and careful enquiry.

(j) All references to the consent or discretion or agreement or instructions of the Debenture Trustee shall mean the Debenture Trustee acting on the instructions of the Majority Debenture Holders in all cases, including in case of an Event of Default.

(k) Unless otherwise specified, any Security created under the Transaction Documents and held by the Debenture Trustee pursuant to the Transaction Documents shall be held by the Debenture Trustee for the benefit of the Debenture Holders.

(l) The Promoter shall not have any personal monetary obligations towards the repayment of the Amounts Due and they shall only be obligated towards voting positively in the board and the shareholders' meeting to ensure that the Company complies with its obligations.

ANNEXURE 2

PART A| CONDITIONS PRECEDENT

(a) The Company shall pay the Upfront Fees I to the Subscriber. Upfront Fees I shall be refundable (net of expenses) in case the Subscriber does not proceed with the transaction contemplated herein after the due diligence as per (b) below.

(b) Satisfactory completion of legal, financial, business, tax and commercial diligence of the Company to the satisfaction of the Subscriber.

(c) Certified true copy of the constitutional documents of the Company delivered to the Subscriber.

(d) A certified true copy of the resolution of the board of directors of the Company under Section 179 of the Act, (i) approving the issue of the Debentures; (ii) approving the terms of the transactions contemplated by the relevant Transaction Documents; (iii) resolving to execute the relevant Transaction Documents; and (iv) authorising a specified person or persons to execute the relevant Transaction Documents on its behalf and to do all such acts and things as may be necessary to give effect to the relevant Transaction Documents and the transactions contemplated by the relevant Transaction Documents.

(e) A certified true copy of the special resolution of the shareholders of the Company as required under Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 approving the offer of Debentures for subscription by way of private placement.

(f) Receipt of consent letter from the Debenture Trustee conveying its consent to act as the Debenture Trustee for the benefit of the Debenture Holders.

(g) The Company shall share details of all its bank accounts.

PART B| CONDITIONS SUBSEQUENT

(a) The Company shall pay the Upfront Fees II to the Subscriber.

(b) Filing of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 by the Company, with the registrar of companies, within 30 (Thirty) days from the Closing Date.

(c) The Company shall within 30 (Thirty) days from the Closing Date, have registered a NACH mandate in a manner acceptable to the Debenture Trustee ("**NACH Arrangement**") with respect to all of its bank accounts for repayment of the Amounts Due by the Company to the Debenture Holders. It is hereby clarified that this NACH Arrangement shall be for all the existing and future accounts of the Company.

(d) Filing of Form CHG-9 with the registrar of companies by the Company for Issue of Debentures and receipt of the certificate of registration of charge issued by the relevant registrar of companies for the perfection of the security created under the Deed of Hypothecation, in accordance with the Act.

ANNEXURE 3
TERMS OF THE DEBENTURES

The Debentures shall carry the following terms. Capitalized terms used but not defined herein, shall have the meaning set forth in the Deed.

(a) Name and Face Value: Each Debenture shall be called unlisted, secured, redeemable, non-convertible debentures and shall have a face value of INR 1,00,000/- (Indian Rupees One Lakh only).

(b) Tenure: The tenure of the Debentures shall be 24 (twenty-four) months from the Closing Date.

(c) Security: The Debentures shall be secured by the Security in the manner prescribed under the Deed. The specific terms and conditions of the Security Interest created on the Hypothecated Properties in favor of the Debenture Trustee are set forth in the Security Documents.

(d) Monthly Coupon: The Company shall pay the Monthly Coupon each month. The Monthly Coupon shall be payable along with the Principal Amount at the end of each month.

(e) Quarterly Coupon: The Company shall pay the Quarterly Coupon, each Quarter. The Quarterly Coupon shall be payable along with the Principal Amount at the end of each Quarter.

(f) Transferability: Debentures shall be freely transferable without any restriction.

(g) Prepayment Premium

(i) The Company shall not have a right to prepay the Debentures before the expiry of 12 (twelve) months from the Closing Date.

(ii) Subject to sub-clause (i) above, the Company may prepay the Debentures after giving 10 (ten) days advance notice in writing to the Debenture Trustee and the Debenture Holders

(iii) During the period between the expiry of 12 (twelve) months from the Closing Date and within 15 (fifteen) months from the Closing Date, the Company shall have a right to prepay 25% (twenty five percent) of the outstanding Debentures subject to payment of a prepayment penalty of 2% (Two Percent) of the amount being prepaid.

(iv) During the period between the expiry of 15 (fifteen) months from the Closing Date and within 18 (eighteen) months from the Closing Date, the Company shall have a right to prepay 25% (twenty five percent) of the outstanding Debentures subject to payment of a prepayment penalty of 2% (Two Percent) of the amount being prepaid.

(v) It is hereby clarified that the in the event of prepayment by the Company, the proportionate Quarterly Coupon shall also be proportionately reduced to that extent.

(h) Penal interest: In the event of occurrence of an Event of Default as set out in Clause 5.1(b) to 5.1 (p) of Part A of this Deed, the Company shall be liable to pay the Penal Interest over and above the Coupon, computed from the date of expiry of cure period till the date it is cured and/or until the Secured Obligations have been fully discharged by the Company, whichever is earlier. It is hereby clarified that upon the occurrence of an Event of Default as set out in Clause 5.1(a) of Part A of this Deed, the Company shall be liable to pay the Penal Interest over and above the Coupon, computed from the date of occurrence of the Event of Default till the time such amounts in default have been fully discharged.

(i) Business Day Convention: On each Due Date, the Company shall, and the Company shall cause the Company to, pay, without any notice or demand from the Debenture Holders / Debenture Trustee, the Amounts Due, including the Principal Amounts, Monthly Coupon, Quarterly Coupon, Penal Interest, other interest payable and liquidated damages (if applicable) on the Debentures which is due and payable on such Due Date.

If the Due Date in respect of any Amounts Due payable on the Debentures under this Deed falls on a day which is not a Business Day, the immediately preceding Business Day shall be considered as the Due Date for such payment.

(j) Variation: The Parties may, at any time, mutually agree to change / modify the terms of the Debentures, if required.

(k) Redemption Schedule: It is hereby clarified that the Company shall redeem the Debentures in the manner set out below:

#	Month	Beginning Balance	Principal	Monthly Coupon	Quarterly Coupon	Total Monthly	Closing
0	30-Jun-22	15,00,00,000		0	0	0	15,00,00,000
1	31-Jul-22	15,00,00,000	15,00,000	17,83,562		32,83,562	14,85,00,000
2	31-Aug-22	14,85,00,000	15,00,000	17,65,726		32,65,726	14,70,00,000
3	30-Sep-22	14,70,00,000	30,00,000	16,91,507	12,00,000	58,91,507	14,40,00,000
4	31-Oct-22	14,40,00,000	30,00,000	17,12,219		47,12,219	14,10,00,000
5	30-Nov-22	14,10,00,000	30,00,000	16,22,466		46,22,466	13,80,00,000
6	31-Dec-22	13,80,00,000	45,00,000	16,40,877	12,00,000	73,40,877	13,35,00,000
7	31-Jan-23	13,35,00,000	45,00,000	15,87,370		60,87,370	12,90,00,000
8	28-Feb-23	12,90,00,000	52,50,000	13,85,425		66,35,425	12,37,50,000
9	31-Mar-23	12,37,50,000	60,00,000	14,71,438	12,00,000	86,71,438	11,77,50,000
10	30-Apr-23	11,77,50,000	67,50,000	13,54,932		81,04,932	11,10,00,000
11	31-May-23	11,10,00,000	67,50,000	13,19,836		80,69,836	10,42,50,000
12	30-Jun-23	10,42,50,000	75,00,000	11,99,589	12,00,000	98,99,589	9,67,50,000
13	31-Jul-23	9,67,50,000	75,00,000	11,50,397		86,50,397	8,92,50,000
14	31-Aug-23	8,92,50,000	75,00,000	10,61,219		85,61,219	8,17,50,000
15	30-Sep-23	8,17,50,000	75,00,000	9,40,685	12,00,000	96,40,685	7,42,50,000
16	31-Oct-23	7,42,50,000	75,00,000	8,82,863		83,82,863	6,67,50,000
17	30-Nov-23	6,67,50,000	82,50,000	7,68,082		90,18,082	5,85,00,000
18	31-Dec-23	5,85,00,000	82,50,000	6,95,589	12,00,000	1,01,45,589	5,02,50,000
19	31-Jan-24	5,02,50,000	82,50,000	5,97,493		88,47,493	4,20,00,000
20	29-Feb-24	4,20,00,000	82,50,000	4,67,178		87,17,178	3,37,50,000
21	31-Mar-24	3,37,50,000	82,50,000	4,01,301	12,00,000	98,51,301	2,55,00,000
22	30-Apr-24	2,55,00,000	82,50,000	2,93,425		85,43,425	1,72,50,000
23	31-May-24	1,72,50,000	82,50,000	2,05,110		84,55,110	90,00,000
24	30-Jun-24	90,00,000	90,00,000	1,03,562	12,00,000	1,03,03,562	0
Grand Total			15,00,00,000	2,61,01,849		18,57,01,849	

ANNEXURE 4
REPRESENTATIONS AND WARRANTIES

The Company, jointly and severally, make the representations and warranties as set out below in relation to the Company as of the Execution Date and as of the Closing Date, and warrant the same to be complete, true and correct:

1. Authority and Capacity
   (a) The Company has been duly incorporated and is validly existing under the Laws of India.
   (b) The Company has all Material permits, approvals, authorizations, licenses, registrations, and consents including registrations necessary for the conduct of the Business as currently conducted.
   (c) The Company has the legal right, power and authority to enter into, deliver and perform this Deed and all other documents and instruments required to be executed pursuant thereto or in connection therewith, and such documents, when executed, shall constitute valid and binding obligations and be enforceable against the Company in accordance with their respective terms.
   (d) The Company hereby confirms that there has been no Material Adverse Change and that it has no notice of any action or investigation or other proceedings or fact of any nature whatsoever, which would restrain or prohibit the Transaction or would be likely to have a Material Adverse Change.
   (e) The execution, delivery and the performance, by the Company of this Deed and the respective obligations contemplated herein shall not (i) breach or constitute a default under the articles of association and memorandum of association of the Company or any Applicable Law; (ii) conflict with or result in any breach or violation of any agreement to which any of them is a party or by which any of them is bound or constitute a default (or any event that, with notice or lapse of time, or both, would constitute a default) ; (iii) give any third party a right to terminate or modify, any agreement, license or other instrument or result in the creation of any Encumbrances.

2. Accounts, Finances and Taxation
   (a) The books of accounts of the Company have been properly maintained in accordance with applicable Law and IND As, so as to give a true and fair view of the Company's Business.
   (b) Except as disclosed, the Company has no borrowings of any nature.
   (c) The Company has complied with all the Material requirements as specified under the applicable tax Laws in relation to payments, returns, computations, notices and information which are required to be complied by it, and not received any notice of tax disputes or other liabilities of taxes in respect of which a claim has been made against it.

3. Compliance and Disputes
   (a) The Company carries on its business materially in compliance with all Laws.
   (b) Except as disclosed, there are no actions, suits, Claims, proceedings or investigations pending or threatened against and/or by the Company, before any court, arbitrator or governmental authority, and there are no outstanding judgments, decrees or orders against the Company.

(c) Neither the Company, nor any of its directors have committed any criminal or unlawful act involving dishonesty; any breach of trust; or any breach of contract or statutory duty or any tortious act which could have any adverse impact on the Business. No claim for damages or compensation has been made by any Person against the Company.

4. Enforceable Obligations

(a) That the Transaction Documents pertaining to creation of Security on the Hypothecated Properties, when executed, delivered and registered (where necessary or desirable), shall create the security expressed to be created thereunder free from all Encumbrances other than any Security Interest created in favour of Existing Lenders of the Company.

(b) All registrations, recordings, filings and notarisations of any Transaction Documents and all payments of stamp duty or similar amounts which are required under law, shall be paid by Company to ensure the legality, validity, enforceability or admissibility in evidence of the Transaction Documents.

(c) The entry into and performance of this Deed and the other Transaction Documents are private commercial acts of the Company, and the Company shall not be entitled to claim any immunity from any suit, execution, attachment or other legal processes in relation to this Deed or the other Transaction Documents.

5. Assets

(a) There are no Encumbrances on any of the assets other than the Hypothecated Properties (pursuant to this Deed) and charge created in favour of Existing Lenders of the Company.

(b) The Company, as applicable, owns/possesses or shall own/possess the property, assets and revenues on which it has granted or purports to grant Security (at the time prescribed in this Deed) pursuant to the terms of this Deed.

(c) The Hypothecated Properties are free from any Encumbrances as on the Execution Date of this Deed and the Deed of Hypothecation except for any Security Interest created in favour of Existing Lenders of the Company

(d) There are no disputes relating to the ownership or possession of the Hypothecated Properties.

6. There are no Material facts or circumstances in relation to the Business, the Company or the transactions contemplated in this Deed which have not been fully and fairly disclosed in writing and which if disclosed might reasonably have been expected to affect the decision of the Debenture Holder to enter into this Deed.

ANNEXURE 5

Debenture Trustee	Attention: Operations Head Tel: +91-22-62300451 Fax: +91-22-62300700 Registered Address: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025 New Delhi desk office: Plot 25, IInd Floor, Pusa Road, Karolbagh, New Delhi -110005 Corporate Office: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028 Email: debenturetrustee@axistrustee.in
Company	Attention: Mr. Param Singh Sidhu Tel: +91-9811413282 Address: Yatra Online Freight Services Pvt. Ltd. 4th Floor, Gulf Adiba, Plot No. 272, Udyog Vihar Phase-II, Gurgaon-122002 Email: param.sidhu@yatra.com

Non Judicial

Indian-Non Judicial Stamp
Haryana Government

Date : 16/06/2022

Certificate No. G0P2022F1341

GRN No. 91450642

Stamp Duty Paid : ₹ 1300
(Rs. Only)

Penalty : ₹ 0
(Rs. Zero Only)

Seller / First Party Detail

Name: Yatra online Limited

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village : Gurugram District : Gurugram State : Haryana

Phone: 93******66

Buyer / Second Party Detail

Name : Axis bank ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village: Gurugram District : Gurugram State : Haryana

Phone : 93******66

Purpose : WORKING CAPITAL LOAN

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website https://egrashry.nic.in

This non Judicial Stamp Paper is a Part and Parcel of working Capital Loan Agreement

For YATRA ONLINE LIMITED

Authorised Signatory

For YATRA ONLINE LIMITED

Authorised Signatory

WORKING CAPITAL LOAN AGREEMENT

This agreement is made at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between such persons, whose name(s) and address(es) are as specified in Sr. No. 3 of the Schedule I (hereinafter referred to as the "**Borrower**" which expression shall unless repugnant to the context or meaning thereof shall include its successors and permitted assigns); **AND**

AXIS BANK LIMITED, a company, incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at 'Trishul', 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and one of the branch offices at the place as specified in Sr. No. 4 of the Schedule I (hereinafter referred to as the "**Bank**" which expression shall unless repugnant to the context or meaning thereof shall include its successors and assigns).

(The Borrower and the Bank, wherever the context so admits, are hereinafter individually referred to as "**Party**" and collectively as "**Parties**")

WHEREAS the Borrower has requested the Bank and the Bank has agreed to provide Facility Products up to the limit(s) as specified in Sr. No. 5 of the Schedule I, with full power to the Bank from time to time to renew or reduce or enhance or rollover the limit or altogether withdraw the Facilities at its sole discretion, on the terms and conditions appearing herein and the Sanction Letter details of which are specified in Sr. No. 6 of the Schedule I.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the capitalised terms shall have the following meanings:

"**Affiliate**" of any specified person shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any "Relative" (as such expression is defined in the Companies Act, 2013) of such natural person.

"**Agreement**" means this loan agreement for grant of the Facilities executed at the place and date as specified in Sr. No. 1 and Sr. No. 2 of the Schedule I respectively between the Borrower and the Bank, as amended, amended and restated, modified or supplemented from time to time and shall include the sanction letters subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limit and duly acknowledged by the Borrower.

"**Applicable Law**" shall include any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, authorization, approval, directive, guideline, policy, requirement, governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or judicial or regulatory authority, whether in effect as of the date of this Agreement or thereafter and in each case as amended, modified or substituted from time to time.

"**Availability Period**" shall have the meaning ascribed to the term in Sr. No. 23 of the Schedule I.

"**Business Day**" means a day on which the Lending Office in respect of the Facilities or through which the Borrower has to make payment or repayment in respect of the Facilities, is open for normal business transactions.

"**CIC**" shall mean and refer to Credit Information Companies as defined under the Credit Information Companies (Regulation) Act, 2005, as amended from time to time.

"**Credit Rating Agency**" shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited [CARE], CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moodys and Standard & Poor's and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

"**Default Rate**" shall have the meaning ascribed to the term in Clause 5.3(a).

"**Drawdown Schedule**" shall have the meaning ascribed to the term in Sr. No. 22 of the Schedule I.

"**Drawing Power**" in connection with the Facilities, means the drawing power of the Borrower to make drawals from time to time under each Facility up to the amount of the respective Limits but not exceeding the value of the current assets, if any, provided as security to the Bank for such of the Facilities as drawn by the Borrower, less the corresponding Margin.

"**Event(s) of Default**" means any of the events or circumstances as specified in Clause 10.1.

"**Facilities**" means the Facility Products, up to the limit(s) specified in Sr. No. 5 of the Schedule I, granted by the Bank to the Borrower in accordance with the terms of this Agreement and shall include any amount converted into another currency and/or reconverted into Indian rupees in accordance with Clause 4 of this Agreement.

"**Facility Product**" or "**FC Products**" means the facility under this Agreement and the diverse products detailed as per Schedule II of this Agreement.

"**Financing Documents**" means this Agreement, the Sanction Letter, the Security Documents and such other documents as may be executed in connection with the Facilities and shall include any other document designated as such by the Bank.

"**Guarantor(s)**" shall mean all persons who have provided/shall provide a guarantee in favour of the Bank in connection with the Facilities in terms of the Financing Documents.

"**Governmental Authority**" shall mean the Government of India, the government of any state of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect control of the Government of India or any the state government or any subdivision of any of them or owned or controlled by the Government of India, the state governments or any of their subdivisions, or any court, tribunal or judicial body within India.

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or any the state government or any subdivision of any of them or owned or controlled by the Government of India, the state governments or any of their subdivisions, or any court, tribunal or judicial body within India.

"**Interest Rate**". shall mean the rate of interest as set out in Sr. No. 11 of the Schedule I and as may be reset from time to time in accordance with this Agreement on every Interest Reset Date and shall include the interest rate stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit whether in one single account or multiple accounts

"**Interest Reset Date**" shall mean:-

(a) in case of reset on a monthly basis, the first day falling after one month from the date of the relevant drawdown and every 1 month thereafter;

(b) in case of reset on a quarterly basis, the first day falling after three months from the date of the relevant drawdown and every 3 months thereafter;

(c) in case of reset on a half yearly basis, the first day of the month falling after six months from the date of relevant drawdown and every 6 months thereafter; and

(d) in case of reset on a yearly basis, the first day of the month falling after twelve months from the date of relevant drawdown and every 12 months thereafter.

"**Lending Office**" shall mean the branch of the Bank as specified in Sr. No. 4 of the Schedule I and shall include any other office or branch of the Bank through which the Facilities is provided by the Bank and such other office or branch as the Bank may nominate.

"**Limits**" shall have the meaning ascribed to it in Sr. No. 5 of Schedule I.

"**Loan**" means the principal amount outstanding for the time being under the Facilities.

"**Loan Obligations**" shall mean all amounts owing, due or payable to the Bank pursuant to the terms of the Financing Documents, including without limitation:

(a) the Loan and all interest on the Loan, the Default Interest, premia on prepayment, all fees, commissions, charges and all other obligations and liabilities of the Borrower, including indemnities, expenses, loan processing, commitment and any other fees incurred under, arising out of or in connection with any Financing Document;

(b) any and all sums advanced by the Bank in order to preserve the Security or preserve any of the assets forming part of the Security including but not limited payment of stamp duty, insurance premium, statutory levies; and

(c) in the event of any proceeding for the collection or enforcement of the Loan Obligations, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, all costs and charges incurred by the Bank in case of any proceedings initiated under the Insolvency and Bankruptcy Code 2016, or of any exercise by the Bank of the rights under the Security Documents and/or the other Financing Documents, together with legal fees and court costs.

"**Margin**" shall have the meaning ascribed to it in Clause 4.6 (e) hereof.

"**Material Adverse Effect**" shall mean the effect or consequence of an event or circumstance which in the opinion of the Bank is or likely to have a material and adverse effect on:

(a) the financial condition, business or operation of the Borrower or any other Obligor;

(b) the ability of the Borrower or any other Obligor to perform its obligations or exercise its rights under the Financing Documents; or

(c) the validity or enforceability of any of the Financing Documents (including the ability of the Bank to enforce any of its remedies under any of them).

"**Obligors**" shall mean collectively the Borrower, the Guarantor(s) and the Security Providers.

"**Overall Limits**" shall have the meaning ascribed to it in Sr. No 5 of Schedule I.

"**RBI**" means Reserve Bank of India.

"**Restricted Payments**" shall mean any of the payment(s) as listed in Sr. No. 24 of the Schedule I

"**Sanction Letter**" shall have the meaning ascribed to the term in Sr. No. 6 of the Schedule I, which expression shall include any amendments or modifications made from to time and shall include the sanction letters or any other communication by physical or electronic means subsequently issued for various Facility Products to be granted by the Bank, within the Overall Limits which has the effect of amending or modifying the terms.

"**Security**" shall have the meaning ascribed to the term in Clause 7 hereof.

"**Security Documents**" shall mean each of the documents and agreements entered into/ to be entered into by the Security Providers for creating, maintaining and perfecting the Security Interest as contemplated under this Agreement and includes any other instrument, document or deed executed and/or to be executed in connection with or pursuant to any of the foregoing and any other document designated as such by the Bank.

"**Security Interest**" means a mortgage, charge, hypothecation, assignment, pledge, guarantee, , Security Interest, encumbrance, of any kind or nature whatsoever or other security interest or any other security agreement or any other form of security of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract.

"**Security Providers**" means all persons who have created/shall create any Security Interest in favour of the Bank in connection with the Facilities in terms of this Agreement or the Security Documents.

"**Security Undertakings**" means lien (including any statutory or negative lien) deposit arrangement, letter of comfort, preference, priority of any kind or nature whatsoever or other undertakings of any kind or nature or any other similar arrangement whatsoever securing any obligation of any person or any other agreement or arrangement having a similar effect including, without limitation any conditional sale or other title retention agreement

"**Related Party**" shall have the meaning ascribed to it under the Insolvency and Bankruptcy Code, 2016, as amended from time to time.

"**Tax**" shall mean any tax, levy, impost, duty or other charge or withholding of a similar nature (including any interest payable in connection with any failure to pay or any delay in paying any of the same) including without limitation, any stamp duty, registration charges or similar costs.

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1.2 In this Agreement, unless the context otherwise requires:

(a) singular shall include plural and the masculine gender shall include the feminine and neutral gender;
(b) a "**Financing Document**" or any other agreement or instrument is a reference to that Financing Document or other agreement or instrument as amended, supplemented, extended or restated;
(c) a "**person**" includes any individual, firm, company, corporation, governmental authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality), any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), joint stock company, trust or unincorporated organisation and shall include their respective successors and assigns and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being;
(d) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
(e) a "**Clause**" or "**Schedule**", is a reference to a clause in, or Schedule to, this Agreement;
(f) a "**party**" to this Agreement or a "**person**" shall include their respective successors, assignees, novatees or transferees (to the extent assignment, novation or transfer is permitted under the Financing Documents);
(g) an "**amendment**" includes a supplement, modification, novation, replacement or re-enactment and "**amended**" is to be construed accordingly;
(h) an "**authorised signatory**" means a person that has been duly authorised by another person (the "**other person**") to execute or sign any Financing Document (or other document or notice to be executed or signed by the other person under or in connection with any Financing Document) on behalf of that other person;
(i) "**control**" includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
(j) a provision of law is a reference to that provision as amended or re-enacted;
(k) words and abbreviations, which have well known technical or trade or commercial meanings are used in the Agreement in accordance with such meanings;
(l) a reference to a "month" is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month; and
(m) in the event of any disagreement or dispute between the Bank and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Bank, as to the materiality or reasonableness of any of the foregoing, shall be final and binding on the Borrower.

2. BANK'S AGREEMENT TO LEND AND BORROWER'S AGREEMENT TO BORROW

2.1 The Bank agrees, based on the disbursement request, representations, warranties, covenants and undertakings as contained herein and in the application for availing the Facilities and other documents executed or tendered by the Borrower in relation to the Facilities, to lend at its sole discretion, to the Borrower and the Borrower agrees to borrow from the Bank, the Facilities for an aggregate amount not exceeding the Overall Limits specified in Sr. No. 5 of the Schedule I on the terms and conditions as fully contained in this Agreement.

2.2 The Borrower agrees and acknowledges that the Facilities shall be utilised for the purpose specified in Sr. No. 8 of the Schedule I. Under no circumstances shall the Facilities be utilised by the Borrower for, directly or indirectly (a) subscribing to or purchasing any shares/debentures; (b) extending loans to its Affiliates or making any inter-corporate deposits; (c) entering into any speculative transactions or activities; and (d) carrying out any activities not eligible for bank credit as per RBI Guidelines.

2.3 The Bank shall have the right to revise / vary the limits (and any sub-limits thereunder, including interchangeability of the respective sub-limits), Margin, interest rate, concessions etc. from time to time, and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement. All outstanding amounts of interest, commission, discount, exchange, service charges and other costs, charges and monies in respect of the respective Facilities, whether debited to the cash credit account or not, shall also be included in determining the availability of the Overall Limits.

2.4 In the event any monies are remaining due and payable by the Borrower to the Bank, under the Financing Documents or otherwise, the Bank may, at its sole discretion, reduce the availability of the amounts of the Overall Limits and / or adjust such monies against the respective available Limits and all such adjustments shall be treated as drawals by the Borrower under the Facilities.

2.5 The Borrower shall at all times confine the drawals out of the relevant Facilities within the respective sanctioned Limits / Drawing Power, whichever is less. In case of any excess drawal the Borrower shall regularise the accounts forthwith or within such period as may be stipulated by the Bank in its absolute discretion. Provided, however, the Bank may at the specific request of the Borrower and at its own discretion, allow drawals beyond such Drawing Power (provided the Drawing Power is less than the sanctioned Limits) for such period as may be permitted by the Bank. Provided, further, the grant of such excess drawings to the Borrower can be liable to be suspended / discontinued / revoked at any time by the Bank without any notice to the Borrower. The Borrower shall repay all such excess drawings on demand unless otherwise specified by the Bank. Till repayment of such excess drawings, the excess drawn amounts, or the entire outstanding, shall carry Default Interest at the discretion of the Bank. All the provisions of the Financing Documents and all securities created, if any, pursuant to the Agreement will extend to cover such excess drawings.

2.6 In the event, any of the Facilities are granted on revolving basis then the Borrower shall be entitled, subject to the Availability Period, the available Limits, and that no Event of Default has occurred and is continuing and at the discretion of the Bank, to redraw any amount so repaid.

3. FEES, CHARGES, COMMISSION, COSTS AND CLAIMS

3.1 The Borrower, shall bear all charges/fees, including Tax, if any, as mentioned in Sr. No. 16 A of the Schedule I, which the Borrower agrees to reimburse to the Bank separately within 7 (seven) Business Days of demand by the Bank.

3.2 Without prejudice to the provisions of Clause 3.1 above, the Borrower shall forthwith pay or cause to be paid, all present and future imposts, costs, duties, Taxes, levies, fees insurance premia and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Facilities, the Financing Documents. In the event the Borrower fails to pay the monies referred to in this sub-section, the Bank will be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower and the Borrower shall forthwith reimburse the same together with interest at the Default Rate.

3.3 The Bank shall be entitled to debit all amounts due and payable by the Borrower under this Agreement to the Borrower's loan account maintained with the Bank, unless separately reimbursed to the Bank by the Borrower.

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Anup Kumar Sethi
Authorised Signatory

For YATRA ONLINE LIMITED
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Authorised Signatory

3.4 All payments by the Borrower under any Transaction Document shall be made free and clear of and without any deduction of Tax or levy, except to the extent that the Borrower is required by Applicable Law.

3.5 The Borrower agrees that in relation to the non fund based Facility Products which are being provided by the Bank to the Borrower under this Agreement, the Borrower shall pay commission for such Facilities, at such time and at such rate as specified in Sr. No. 5 of Schedule I hereof or at such other rate as may be intimated by the Bank in writing from time to time.

3.6 In the event of any drawals by the Borrower exceeding the Drawing Power / Limits without approval of the Bank, the Bank shall also be entitled to charge at its own discretion such enhanced rates of interest on the entire outstanding or on a portion thereof as it may fix.

4. DISBURSEMENT AND SUB-LIMITS

4.1 The Bank shall at its sole discretion disburse the Facilities, in accordance with the terms and conditions of this Agreement, including compliance of the provisions of this Clause 4 to such account as specified in the disbursement request. The Bank at the request of the Borrower make/allow disbursements/drawls under the facilities by issuance of BGs and/or LCs and/or other Facility Products.

4.2 The Facilities (either in full or in parts) may be disbursed by the Bank in such currency as specified in Sr. No. 5 of the Schedule, subject to the norms laid down by Reserve Bank of India (RBI) from time to time and the other terms and condition agreed between the Parties, if any. Further, during the tenure of the Facilities, the Bank may, at the request of the Borrower, but however, at its sole discretion, convert any Facilities, either in full or part into any other currency and/or reconvert it into Indian Rupees on such terms and conditions as are acceptable to the Bank and the Borrower. It is clarified and agreed that such conversion /re-conversion shall be governed by the terms and condition as contained in this Agreement unless otherwise agreed in writing between the Bank and the Borrower. The Borrower shall duly indemnify the Bank for any loss suffered by the Bank on account of fluctuation that may take place in the value of foreign currency in which the Facilities is availed and such loss on account of the fluctuation shall form a part of the Loan Obligations. In the event the Loan is converted into any other currency, the Borrower shall hedge the foreign currency exposure, if any through the Bank.

4.3 In case any Loan or part thereof is disbursed or converted into foreign currency , the Borrower agrees and confirms that, Bank may on request being made by the Borrower, at its sole discretion, roll over the foreign currency loan from time to time on such terms and conditions as it may deem fit and such roll over may be effected by the Bank by way of a letter issued by the Bank, carrying such Terms and conditions and accepted by the Borrower, shall be valid and binding on the Borrower at each renewal and such renewal and roll over will be governed by this Agreement mutatis mutandis, except to the extent as amended and modified by such letter referred to in this clause.

4.4 In the event the Bank is providing any facilities under this Agreement which are in a currency other than Indian Rupees, the same shall be governed by the terms of this Agreement including additional terms and conditions, if any, specified in Schedule II of this Agreement.

4.5 The Bank is entitled to disburse the Facilities granted/to be granted to the Borrower to in a single account or multiple accounts of any Facility Products and this agreement would be valid and binding for all such accounts. It is agreed between the parties that the facilities disbursed in such multiple loan accounts may have a varied rate of interest as may be agreed mutually between the parties at the time of each disbursement and as stipulated in the in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limits.

4.6 Sub-Limits

(a) The Facility or Facilities constituting sub-Limit within the available Limit of the Facility (hereinafter called the "**Principal Facility**") under the Agreement shall, to the extent of utilisation, be governed by the terms and conditions applicable to corresponding Facility Product(s), as detailed in Schedule II hereof. Provided where the Facility or Facilities constituting sub-Limit does / do not correspond to any of the Facility Product(s) as detailed in Schedule II hereof , then the same shall be governed by such terms and conditions as may be stipulated herein or as may be stipulated by the Bank while sanctioning such sub-Limit or from time to time thereafter.

(b) The Bank may, during the currency of the Agreement, at the request of the Borrower and at its absolute discretion, within the available Limit of the Principal Facility, grant / extend and disburse to the Borrower some other Facility Product(s) of such Limit (hereinafter called "**sub-Limit**"), in part or whole, from any of its Lending Office, on such terms and conditions set out in the Agreement and subject to the Borrower complying with the provisions of the Financing Documents and such further terms and conditions as may be stipulated by the Bank while granting / extending such sub-Limit and from time to time. The Bank shall have the right to revise / vary / rollover the limits (and any sub-limits thereunder, including interchangeability the respective sub-Limits), Margin, interest rate, concessions etc. from time to time, in compliance of the applicable regulatory guidelines and upon revision by the Bank of such limits, such revised limits shall be notified by the Bank to the Borrower and the revised limits shall be deemed to be the limits or sub-limits covered under this Agreement.

(c) The Borrower further undertakes to execute a 'Letter of Acknowledgement of Debt' in favour of the Bank, whenever the Bank may call upon the Borrower to do so, in such manner and form as the Bank may deem fit.

(d) At any time, to the extent of utilisation and outstanding of Facilities or Facilities under respective sub-Limit, the Limit under the Principal Facility shall stand reduced accordingly.

(e) The Borrower shall, if so required by the Bank, maintain such margin(s) (the "Margin") in respect of the Facilities as specified in Sr. No. 12 of Schedule I, during the subsistence of the Facilities. The Bank shall be entitled to, at its sole discretion, vary the Margin and the Borrower shall thereafter be bound to maintain such Margin as varied, notwithstanding any Margin earlier agreed.

(f) The Borrower shall at all times confine the drawals out of the relevant Facilities within the respective sanction limits/Sub-limits.

4.7 Conditions precedent to the initial disbursement under the Facilities

Any disbursement by the Bank under this Agreement shall be at its sole discretion. Without prejudice to the foregoing, the Bank may not, disburse any amount under the Facilities if:

(a) any Event of Default has occurred and is continuing or will result from the proposed disbursement; or

(b) the Borrower has availed facilities from a Related Party and has not submitted an undertaking from the Related Party to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than another Related Party or a bank or a financial institution.

4.8 Adjustment of Amounts Payable by Borrower

The Bank may deduct from the sums to be lent to the Borrower any imposts, costs, duties, Taxes, levies, fees, insurance premia and other charges and expenses (including any penalty thereon, if applicable) then remaining due and payable by the Borrower to the Bank pursuant to this Agreement. The Borrower hereby authorises the Bank to deduct such sums from the amount of the Loan to be disbursed and adjust the amounts deducted against the monies then remaining due and payable by the Borrower to the Bank under or pursuant to this Agreement.

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5. INTEREST & LOAN ACCOUNT

5.1 Interest

(a) The Borrower shall, during the tenor of the Facilities, pay to the Bank, interest on the Facilities, on the dates as specified in Sr. No. 13 of the Schedule I to this Agreement, at such interest rate as more particularly described in Sr. No. 11 of the Schedule I at the prevailing Interest Rate or as may be stipulated in the sanction letters subsequently issued for various Facility Products to be granted within the Overall Limit in multiple accounts. If the Facility(ies) is/are disbursed in multiple tranches in multiple accounts in terms of Clause 4.5 above, the Interest Rate applicable to each of such tranche will be decided at the time of disbursement of such tranche, as may be stipulated in the Sanction Letter.

(b) The Bank shall have the right to alter the Interest rate or the spread in accordance with change in Applicable Law. Without prejudice to the above, the Bank shall also have the right to alter the Interest rate or the spread or the Interest Reset Date upon occurrence of any of the following:
   (i) RBI revising the standard provisioning requirements for banking assets; or
   (ii) RBI enhancing the risk weightage norms for banking assets; or
   (iii) RBI changing the norms for classification of banking assets; or
   (iv) downward revision in the credit rating of any of the Obligors by a Credit Rating Agency, if applicable and/or internal ratings; or
   (v) occurrence of an Event of Default or potential event of default; or
   (vi) Bank's internal reviews and/or changes in externally prevailing directives of regulatory authorities; or
   (vii) RBI changing the methodology for computation of Interest from time to time; or
   (viii) If determined by the Bank upon annual review of the Borrower

(c) Upon reset of the Interest Rate or the spread in accordance with this Agreement, the Bank shall notify to the Borrower of such reset and the revised Interest Rate and the Borrower shall, from such date, pay to the Bank interest on the Facilities under the Financing Documents the revised Interest Rate.

(d) If any interest remains unpaid on the due date, then the unpaid interest shall be compounded monthly

(e) The Borrower is aware and confirms that the Bank shall be entitled to review and revise the rate of interest at such intervals and/or upon occurrence of such events as mutually agreed between the Parties, and such revised rate of interest shall always be construed as agreed to be paid by the Borrower and shall form part of the Loan Obligations. The Borrower shall be deemed to have notice of change in the rate of interest whenever the change in the rate of interest is displayed/notified at/by the branch of the Bank as specified in Sr. No. 4 of the Schedule I. The Borrower shall be entitled to repay/prepay all amounts outstanding under the Facilities without any prepayment premium in the event of any such change in the rate of interest is not acceptable to the Borrower.

(f) In case the Loan is disbursed/converted in foreign currency, the Borrower agrees to pay interest on the Loan as mutually agreed between the Parties. The Loan will carry interest linked to LIBOR. The spread over LIBOR shall be decided as per the prevailing market conditions, calculated and payable with monthly rests, or such other rests and rate as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower

(g) The interest shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 (three hundred and sixty five) days irrespective of leap year.

5.2 Upfront Fees and Other Fees

The Borrower shall pay to the Bank an upfront fee and such other fees as set forth in Sr. No. 16 A/ Sr. No. 16 B of the Schedule I on such dates as specified therein.

5.3 Default Interest

(a) Without prejudice to the obligations of the Borrower under this Agreement and the other Financing Documents, the Borrower shall pay default interest at such rate as specified in Sr. No. 14 of the Schedule I or any other rate as may be communicated by the Bank to the Borrower ("**Default Rate**") over and above the rate of interest as specified in Sr. No. 11 of the Schedule I on all amounts outstanding under the Facilities upon the failure by the Borrower to pay any Loan Obligations or to comply with any terms and conditions specified in this Agreement. Such Default Interest will be computed from the respective due date of payment or from the date of noncompliance of the terms of this Agreement, as the case may be until the date on which the Borrower has repaid /reimbursed such amounts or complied with such terms of this Agreement for which the default had occurred, and shall become payable upon the footing of compound interest with monthly rests as provided in this Agreement and shall be payable by the Borrower immediately on demand by the Bank.

(b) Provided however, such Default Interest under this Agreement shall not prevent the Bank from declaring an Event of Default for delay/default by the Borrower and shall not prejudice the exercise of any rights and remedies available to Bank upon the occurrence of an Event of Default.

5.4 Increased Costs

(a) The Borrower agrees that upon a demand by the Bank, it shall pay, within such time period as may be required by the Bank in this regard, the amount of any Increased Costs incurred by the Bank as a result of:
   (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation;
   (ii) compliance with any law or regulation made before or after the date of this Agreement (including any law or regulation concerning capital adequacy, prudential norms, liquidity, reserve assets or Tax); or
   (iii) in the event of the Bank being called upon to pay any additional amount by the foreign lending agency in terms of their respective financing agreements; or
   (iv) on account of factors beyond the control of the Bank.

(b) The Borrower acknowledges that the Bank shall have the right to demand and recover any costs from the Borrower which may arise pursuant to provisions of Applicable Law (including capital adequacy or prudential norms).

(c) For the purposes of this Clause, "**Increased Costs**" shall mean:
   (i) a reduction in the rate of return for the Facility or on the Bank's overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by the Bank);
   (ii) any additional or increased cost including provisioning as may be required under or as may be set out under Applicable Law; or
   (iii) a reduction of any amount due and payable under this Agreement,

   which is incurred or suffered by Bank to the extent that it is attributable to the undertaking, funding or performance by the Bank of any of its obligations under this Agreement.

5.5 The Borrower acknowledges that the Facilities provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Bank.

6. REPAYMENT

For YATRA ONLINE LIMITED

Anoop Kumar Sethi

Authorised Signatory

For YATRA ONLINE LIMITED

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6.1 The Borrower shall repay the Loan on demand and in accordance with the terms of this Agreement. Credit for all payments by cheque, bank draft, RTGS will be given on realisation of the amount or the relative due date, whichever is later. Any payment which is due to be made on a day that is not a Business Day shall be made on the immediately preceding Business Day.

6.2 The Borrower agrees to accept the statement of account sent by the Bank or by any other authorised representative of the Bank as conclusive proof of the correctness of any sum claimed to be due by the Bank from the Borrower unless any discrepancy is highlighted by the Borrower within 7 Business Days of receipt the statement.

6.3 The Bank may, in its discretion and subject to no Event of Default having occurred and is continuing and at the request of the Borrower, rollover/extend/continue the Facilities or any part thereof for such period and in such event all terms as applicable for such Facilities shall mutatis mutandis apply for the rollover/extended portion of the Facilities.

6.4 The Bank may at any time and from time to time, at its sole discretion, review the Facilities or any part thereof and demand repayment along with all interest due and payable and all liabilities and other obligations of the Borrower thereunder to the Bank including interest, and other charges shall become due and payable by the Borrower immediately to the Bank.

6.5 In case any Loan or part thereof is disbursed or converted into foreign currency, the Borrower shall, as may be required by the Bank, repay the Loan or any part thereof so disbursed or converted, in the same currency in which it has been disbursed/converted, as the case may be, or in the Indian Rupee equivalent of the amount disbursed/converted, as the case may be, under the Loan, as on the date of such repayment.

7. SECURITY

7.1 The repayment of the Loan Obligations to the Bank shall be secured in such manner as specified in Sr. No. 18 of the Schedule I.

7.2 The Borrower agrees and undertakes that it shall create and perfect or cause to be created and perfected the security as specified in Sr. No. 18 of the Schedule I and Security Undertakings as specified in Sr. No. 19 of Schedule I (collectively "**Security**"), in such form and manner as may be required by the Bank, having such ranking as specified in Sr. No. 18 of the Schedule I and within such time lines as specified in Sr. No. 18 of the Schedule I.

7.3 The Borrower has good and marketable title to the properties proposed to be secured in favour of the Bank, and comply with all such procedures for creation and perfection of the Security as may be necessary under Applicable law.

7.4 Without prejudice to the rights of the Bank under this Agreement, in the event the Bank is of the view that there is a substantial deterioration in the value of the security which has been provided to the Bank, the Bank may call upon the Borrower to furnish such additional/alternate security as may be required by the Bank and the Borrower agrees and undertakes that it shall create and perfect the security interest over such additional/alternate security, in a form and manner to the satisfaction of the Bank within such time period as may be specified by the Bank in this regard.

7.5 In respect of the non-fund based Facility Products which are granted under this Agreement, the Borrower shall deposit sufficient cash or other security as may be acceptable to the Bank as Margin as stipulated in Sr. No. 12 of Schedule I hereof or as may be stipulated, from time to time, by the Bank.

7.6 The Borrower agrees that the Bank shall have the right to receive and adjust any payment/s that it may receive as an assignee of the insurance in its capacity as "Loss Payee", in relation to the assets of the Borrower, towards the Loan obligations under this agreement.

7.7 Security Unaffected

(a) Security created by the Borrower shall continue to remain unaffected by reason of the Facilities Account being brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower at any time or of its being drawn upon to the full extent and afterwards being brought to credit, and shall continue to be in full force and effect until the payment of all monies due under the Facilities and the Facilities are terminated.

(b) This Agreement shall be operative for the balance from time to time due by the Borrower to the Bank in the Facilities Account relating to the relevant Facilities and such Facilities Account shall not be considered as closed by reason of such Facilities Account being brought to credit at any time or from time to time or of its being drawn upon to the full extent and afterwards brought to credit or ceasing to be in debit due to set off of amounts standing to the credit of any account(s) of the Borrower and this Agreement will continue to be operative and unaffected until such relevant Facilities are terminated and all monies in respect thereof are repaid in full to the Bank.

8. CANCELLATION OF THE FACILITIES

8.1 Illegality

If after the date of this Agreement, it is or will become unlawful or contrary to any directive of any applicable agency in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated by this Agreement or to fund or maintain any Loan:

(a) the Bank will notify the Borrower upon becoming aware of that event;
(b) upon the Bank notifying the Borrower, the undisbursed part of the Facilities will be immediately cancelled; and
(c) the Borrower shall forthwith repay the Loan Obligations under the Financing Documents.

8.2 Automatic Cancellation

Any part of the Facilities which remains undrawn at the end of the Availability Period shall be automatically and immediately cancelled, unless otherwise agreed by the Bank.

8.3 Unconditional Cancellation

The Bank shall have an unconditional right to cancel the undrawn/unavailed/unused portion of the Facilities at any time during the subsistence of the Facilities, without any prior notice to the Borrower, for any reason whatsoever. In the event of any such cancellation, all the provisions of this Agreement and all other Financing Documents shall continue to be effective and valid and the Borrower shall repay the Loan Obligations in accordance with the terms of this Agreement.

9. BORROWER'S REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS:

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9.1 The Borrower makes the following representations and warranties as of the date hereof and which representations shall continue to be made and remain true and correct on each day other than those made as of a particular date, which representations and warranties shall survive the execution of this Agreement and the making of the disbursement as provided under this Agreement till all the Loan Obligations have been repaid in full by the Borrower to the satisfaction of the Bank:

(a) It has the power and authority to execute deliver and perform its obligations under the Financing Document.
(b) It is in compliance with all applicable laws and has obtained all clearances and authorisations.
(c) Each of the Financing Document when executed by the Borrower constitutes legal, valid and binding obligations of the Borrower, enforceable in accordance with its terms.
(d) The execution and performance of the financing documents do not conflict any other agreements / applicable laws/ its constitutional documents.
(e) Save as permitted under the Financing Documents, no encumbrance or Security Interest exists or will exist over any of the assets secured/to be secured by the Borrower.
(f) No event of default has occurred or will occur upon execution of / disbursement under the financing documents.
(g) All information provided to the Bank is true and correct.
(h) Save and except as otherwise provided in the Financing Documents, its Loan Obligations under the Financing Documents rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law.
(i) It does not have any right of immunity from legal proceedings or under contract.
(j) No action has been taken (voluntary or involuntary) for its liquidation / insolvency/restructuring, including under the Insolvency and Bankruptcy Code, 2016.
(k) It has obtained and is validly maintaining all insurances and reinsurances in respect of all its assets in accordance with the Applicable Law.
(l) It hereby agrees and undertakes that no such person whose name is appearing in the list of Wilful defaulters by RBI/CIC/ in any caution list. shall be inducted on its board and that in case, such a person is found to be on its Board, it would take expeditious and effective steps for removal of such person from its Board.
(m) No director of the Bank is a director, manager, managing agent, employee or guarantor of the Borrower, or of a subsidiary or holding company or other group companies of the Borrower or holds substantial interest, in the Borrower or a subsidiary or the holding company or any other group company of the Borrower. No directors / relative of any other banks or financial institutions holds substantial interest or is interested as director or as a guarantor of the Borrower.
(n) The Borrower is in compliance with the RBI circular date December 05, 2018 (Guidelines on Loan System for Delivery of Bank Credit) as amended from time to time.

9.2 Financial Covenants

The Borrower undertakes that it shall strictly adhere to such financial covenants as specified in Sr. No. 20 of the Schedule I.

9.3 Information Covenants

(a) The Borrower shall promptly furnish to the Bank copies of all the notices and documents that are required to be given pursuant to this Clause 9.3, as applicable, and in all cases within 2 (two) Business Days after the Borrower obtains knowledge thereof, the Borrower shall provide the information/ notice to the Bank of the following:
 (i) any change in the shareholding of the Borrower or any change in the constitution of the, as the case may be, or any appointment or removal of key managerial personnel of the Borrower;
 (ii) details of any event, of any litigation, arbitration or administrative proceedings which is likely to result in the occurrence of Material Adverse Effect;
 (iii) the details of any notice of any application made in relation to the Borrower under the Insolvency and Bankruptcy Code, 2016 or any notice received for winding up of the Borrower, or for appointment of a receiver in relation to any of assets or business or undertaking of the Borrower;
 (iv) the occurrence of the Event of Default (and the steps, if any, being taken to remedy it);
 (v) in the event the Borrower or any of its partners or directors or trustees, as the case may be, become a specified near relative of a director of a banking company/ financial institution, the Borrower shall, notify the Bank of such an event and provide such other details including details of the relationship of the Borrower or any of its partners or directors or trustees, as the case may be, with the director of the banking company/ financial institution, as may be required by the Bank;
 (vi) any change in the accounting method or policies or any change in its financial year-end from the date it has currently adopted; and
 (vii) the occurrence or likely occurrence of a Material Adverse Effect.

(b) The Borrower shall also submit the following information from time to time in such form and manner as may be required by the Bank:
 (i) its duly audited annual accounts, within 6 months from the close of its accounting year or as soon as the same are available, whichever is earlier, and its unaudited accounts/provisional financial statements within 90 days year end;
 (ii) such information, documents or reports (financial or otherwise) as may be required by the Bank from time to time including any information required by the Bank to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available with Bank;
 (iii) submit the following information as required vide RBI circular No. DBOD.No.BP.BC.94/08.12.001/2008-09 dated December 8, 2008 (as may be amended, modified, supplemented from time to time): (i) under Annexure I of the abovementioned circular; (ii) exchange of information with other lenders as required under Annexure II of the abovementioned circular; and (iii) submit a certificate from a company secretary / chartered accountant, regarding compliance of various statutory prescriptions that are in vogue, as per specimen given in Annexure III of the abovementioned circular;
 (iv) a certificate as evidence that the loans availed / to be availed by the Borrower is in compliance with the RBI circular date December 05, 2018 (Guidelines on Loan System for Delivery of Bank Credit) as amended from time to time as and when required by the Bank; and
 (v) any other information as may be required by the Bank.

9.4 Positive Covenants

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all Loan Obligations to the satisfaction of the Bank, the Borrower shall:

(a) maintain proper books of accounts to accurately reflect its financial condition;
(b) maintain all its property (including its property and assets forming part of the Security) in good working order and habitable condition and adequately insured;
(c) ensure that the name of the Bank is duly endorsed as the "Beneficiary"/"Loss Payee" on such insurance policies and all renewals thereof in relation to the property and assets forming part of the Security;
(d) utilise the Facilities only for the purpose it is sanctioned;
(e) permit the Bank/its [illegible] to inspect its assets and premises at any time;

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(f) execute or procure the execution of all such documents as the Bank may reasonably consider necessary for giving full effect to each of the Financing Documents; and

(g) co-operate with such auditors as may be appointed by the Bank with a view to obtain specific certificate regarding utilization/diversion/siphoning of funds, provide the necessary information and/or documents as may be required by such auditors, and bear all the expenditure in respect of obtaining the said certificate and agrees to indemnify and keep the Bank indemnified in this regard.

9.5 Negative Covenants

The Borrower covenants and agrees that, so long as the Loan Obligations are outstanding, and until the full and final payment of all the Loan Obligations to the satisfaction of the Bank, the Borrower shall not, without the prior written consent of the Bank:

(a) enter into any scheme of merger, amalgamation, or do a buyback;
(b) make any Restricted Payments other than permitted under Sr. No. 24 of the Schedule I;
(c) shall not declare or pay any dividend or authorise or make any distribution to its shareholders: (i) unless it has paid all the dues in respect of the Facility up to the date on which the dividend is proposed to be declared or paid, or has made satisfactory provisions therefor, or (ii) if an Event of Default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorisation or making of distribution;
(d) wind up, liquidate or dissolve its affairs or take any steps for its voluntary winding up or liquidation or dissolution;
(e) agree, authorise or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a Material Adverse Effect;
(f) permit any change in the general nature of the business of the Borrower;
(g) permit any change in the ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);
(h) make any amendments in the Borrower's constitutional documents;
(i) avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation save as permitted under the Sanction Letter;
(j) encumber or create any Security Interest over the assets of the Borrower, save as permitted under the Sanction Letter;
(k) prepay any principal or interest on any loans availed by the Borrower from the shareholders/directors;
(l) enter into any contract or similar arrangement whereby its business or operations are managed or controlled, directly or indirectly, by any other person; and
(m) obtain any facilities from a Related Party unless the Borrower cause such Related Party to submit an undertaking to the Bank confirming that the financial debt extended by the Related Party to the Borrower shall not be assigned or transferred to any person other than another Related Party or a bank or a financial institution.

10. EVENTS OF DEFAULT

10.1 The occurrence or likely occurrence of any of the following events and/or circumstances (in the sole decision of the Bank) shall constitute event(s) of default (**"Event(s) of Default"**): :

(a) the Borrower commits any default in the payment of the Loan Obligations or any amount due or any part thereof;
(b) any Obligor commits any default in the payment of any amount to any person when due or any person demands repayment of the loan or dues of the Obligors ahead of its repayment terms or a moratorium is declared in respect of any indebtedness of the Obligors;
(c) the Borrower and/or any of the other Obligors defaults in performing any of its obligations under this Agreement or any of the Financing Documents or breaches any of the terms or conditions of this Agreement or any other Financing Documents;
(d) the Obligors default in performing any of their respective obligations under any agreement between the Obligors and the Bank (excluding the Financing Documents) or between Obligors and any third party;
(e) any notice / action in relation to actual or threatened liquidation/dissolution/bankruptcy/insolvency/ceasing to carry on business of Borrower / any Obligor (voluntary or involuntary);
(f) if the Borrower and/or any of the other Obligors changes or threatens to change the general nature or scope of the business;
(g) any of the information provided by the Borrower is incorrect or untrue;
(h) failure by the Borrower and/or any of the other Obligors to create and perfect Security as stipulated in the Agreement;
(i) any of the Security Documents fails to create the Security Interest or fails to have the priority as stipulated or ceases to be in full force and effect;
(j) if any circumstance or event occurs which is or is likely to prejudice, impair, imperil, depreciate or jeopardise any security or any part thereof;
(k) the value of the any security depreciates entitling the Bank to call for further security and failure of the Borrower and/or any of Security Providers to provide such additional security;
(l) upon occurrence of any event that has a Material Adverse Effect;
(m) the Borrower and/or any of the Security Provider fails to create the security as provided herein in accordance with the terms of this Agreement;
(n) appointment of Receiver in respect of the property/assets of the Obligors or if any attachment, distress, execution or other process against the any of the Obligors, or any of the Security Interest is enforced or levied upon by any third party (if applicable);
(o) if the Loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Borrower and sanctioned by the Bank;
(p) if the Borrower and/or any of the Security Providers, attempts or purports to create any Security Interest (other than as permitted under the Financing Documents) over any of its assets which are charged in favour of the Bank;
(q) there is any change in the control of the Obligors (directly or indirectly) without the prior consent of the Bank;
(r) if the Borrower fails to furnish to the Bank detailed end use statement of the Loan as and when so required by the Bank within the time prescribed by the Bank;
(s) any of the Financing Documents ceases to exist, to be valid, effective, enforceable or is terminated in a manner not in accordance with the terms of that Financing Document;
(t) any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Borrower and/or any of the Security Providers or any of their assets which has or could reasonably be expected to have a Material Adverse Effect; and
(u) any person makes or threatens to make any application under the Insolvency and Bankruptcy Code, 2016 and/or any notice is received in relation to the same.

10.2 Notice on the happening of an Event of Default

If any event of default or any event which, after the notice or lapse of time or both would constitute an event of default shall have happened, the Borrower shall forthwith give the Bank notice thereof in writing specifying such event of default, or such event.

10.3 Consequences of an Event of Default

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(a) On and at any time after the occurrence of an Event of Default the Bank shall have the right to forthwith:
   (i) to declare that all or part of the Loan Obligations be immediately due and payable and to recover such Loan Obligations;
   (ii) to cancel the undrawn commitment and suspend withdrawals under the Facilities;
   (iii) to enforce the Security;
   (iv) to exercise such other rights as may be available to the Bank under the Financing Documents and under Applicable Law;
   (v) to review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;
   (vi) to appoint a nominee and/or observer on the Board as may be required by the Bank;
   (vii) to appoint an observer on the Borrower's Board;
   (viii) appoint any Person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and/or the assets, including its premises, factories, plants and units, and to report to the Bank;
   (ix) appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower; and
   (x) to convert the outstanding loan obligations into equity or other securities. The Borrower shall provide shareholder resolution/ authorization allowing Bank the right to facilitate such conversions.

(b) The Borrower agrees and undertakes not to prevent or obstruct the Bank from taking possession of the assets comprising Security and that the Bank's representatives will be entitled to sell, give on rent, or otherwise deal with the assets comprising Security by public or private auction or private treaty, without being liable for any loss, and to apply the net proceeds thereof as specified in the Financing Documents.

(c) Nothing contained in this clause shall oblige the Bank to sell, hire or deal with any of the assets comprising the Security and or proceed against any of the other Obligors and the Bank shall be entitled to first proceed against the Borrower independent of such other Security or other Obligor. In case of any deficit, the Bank shall be entitled to forthwith recover the deficit amount from the Borrower.

11. APPOINTMENT OF THE BANK AS THE BORROWER'S ATTORNEY

The Borrower hereby appoints the Bank as its true and lawful attorney to do and execute for and in the name and on behalf of the Borrower and where the Borrower is more than one individual, jointly and severally, all or any of the acts, deeds and things, specified herein.

12. ASSIGNMENT AND TRANSFER

12.1 The Bank shall have a right to sell or transfer (by way of assignment, securitisation or otherwise) whole or part of the Loan or any other rights and obligations of the Bank under this Agreement or any other Financing Document to any person/entity (including but not limited to a bank, financial institution, special purpose vehicle or a trust), in a manner or under such terms and conditions as the Bank may decide in its sole discretion without consent of, or prior intimation to, the Borrower.

12.2 The Borrower expressly agrees that in the event of sale or transfer as aforesaid, it shall accept such person to whom the Loan is sold or transferred or assigned as the lender under this Agreement and make the repayment of the Loan to such person as may be directed by the Bank, to the extent of the portion of the Loan which has been sold/transferred/assigned.

12.3 The Borrower shall not be entitled to directly or indirectly assign, transfer or novate its rights or obligations under this Agreement in part or in whole to any person.

13. MISCELLANEOUS

13.1 Notices

(a) *Communications in writing*

Any communication to be made under or in connection with the Financing Documents shall be made in writing and, unless otherwise stated, shall either be delivered personally by hand or sent by courier

(b) *Addresses*

The address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be delivered under this Agreement is:
   (i) in case of the Borrower: As detailed in Sr. No. 3 of the Schedule I,
   (ii) in case of the Lender: As detailed in Sr. No. 4 of the Schedule I,
   or any substitute address or fax number or department or officer as the party may notify to the other party by not less than 5 (five) Business Days' notice.

(c) *Delivery*

All such notices and communications made or delivered by the Bank to the Borrower under or in connection with this Agreement shall be effective (i) if sent by person, when delivered, (ii) if sent by courier, (a) 2 (two) Business Day after deposit with an overnight courier if for inland delivery and (b) 7 (seven) Business Days after deposit with an international courier if for overseas delivery; and (iii) if sent by registered letter when the acknowledgement of delivery is received.

13.2 Set Off

(a) The Borrower agrees and acknowledges that the Bank has an absolute right to settle any indebtedness whatsoever owed by the Borrower to the Bank under this Agreement or under any other document/agreement, by adjusting, setting-off any deposit(s) and/or transferring monies lying to the balance of any account(s) held by the Borrower with the Bank without giving prior notice to the Borrower. However, the Bank will intimate the Borrower of such exercise of rights under this Clause 13.2(a). The Bank's rights hereunder shall not be affected by the Borrower's bankruptcy, death or winding-up.

(b) In addition to Clause 13.2 (a) above, notwithstanding the payment of any of the Loan Obligations under the Facilities, the Borrower hereby expressly gives the Bank the power to appropriate proceeds out of any and all Security Interest created in favour of the Bank under the Security Documents or deposited with it or under its possession or control towards satisfaction of any amounts due to the Bank on account of another agreement or transaction entered into by the Borrower or any of the Affiliates of the Borrower with the Bank.

For YATRA ONLINE LIMITED

Anup Kumar Sethi

Authorised Signatory

For YATRA ONLINE LIMITED

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13.3 Severability

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

13.4 Waiver and Amendments

(a) No failure to exercise, nor any delay in exercising, on the part of the Bank, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy of the Bank in respect of any other default. The rights and remedies provided in this Agreement are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the Bank's sole discretion.
(b) No waiver of any provision of, or right, remedy or power under, this Agreement shall be effective unless it is in writing signed by the authorised representative of the relevant party.
(c) This Agreement (including the Schedules) may be amended only by mutual written agreement between the Parties.

13.5 Governing Law and Jurisdiction

(a) This Agreement shall be governed by and construed in accordance with Indian law.
(b) The Borrower agrees that the courts as specified in Sr. No. 27 of the Schedule I shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
(c) Nothing contained herein shall limit the right of the Bank to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

13.6 Indemnity

The Borrower shall indemnify and keep the Bank and each of its officers, directors, employees, representatives, legal counsels and agents indemnified, against all actions, suits, proceedings and all costs, charges, expenses, losses, or damages which may be incurred or suffered by the Bank by reason of any false or misleading information given by the Borrower to the Bank hereunder or any breach/default/contravention/non-observance/non-performance by the Borrower of any terms, conditions, agreements and provisions hereunder or under any of the Financing Documents. The amounts payable by the Borrower under this Clause 13.6 shall form part of the Loan Obligations and shall be secured by the Security provided in favour of the Bank.

13.7 Disclosure

The Borrower also agrees, undertakes and confirms as under:
(a) The Borrower understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Bank requires the Borrower's consent for the disclosure by the Bank of, information and data relating to the Borrower, of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
(b) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by Bank of all or any such:
    (i) information and data relating to the Borrower;
    (ii) the information of data relating to the Facilities/Financing Documents; and
    (iii) default, if any, committed by the Borrower, in discharge of the Borrower's obligations under the Facilities,
    as the Bank may deem appropriate and necessary, to disclose and furnish to Credit Information Companies ("**CIC**") and any other agency authorised in this behalf by Reserve Bank of India ("**RBI**") and/or to Information Utilities or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).
(c) The Borrower declares that the information and data furnished by the Borrower to the Bank are true and correct and hereby specifically agrees to promptly authenticate the 'financial information submitted by the Bank, as and when requested by the concerned Information Utility.
(d) The Borrower also undertakes that:
    (i) any CIC and any other agency so authorised may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
    (ii) ny CIC and any other agency so authorised may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
(e) The Borrower agrees, undertakes and authorizes the Bank to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 13.7 (e) and also the information relating to the conduct of the Borrower's accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Bank may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Borrower shall not hold the Bank liable in any manner for use of such information.
(f) The Borrower agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facilities, the Bank and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.

13.8 Office of Foreign Assets Control (OFAC) Sanctions

(a) The Borrower acknowledges that the OFAC Sanctions may become applicable with respect to the Facilities and/or transactions thereunder, including to any documentary credits and/or guarantees issued and/or disbursements and/or payments made by the Bank pursuant to the Agreement. The OFAC Sanctions may pertain, inter alia, to the purpose and end use of the Facilities, goods manufactured in or originated from/through certain countries, shipment from/to/using certain countries, ports, vessels, liners and/or due to involvement of certain persons and entities (including correspondent banks). Consequently, disbursement, issuance, payment and/or processing under the Facilities by the Bank may become subjected to the OFAC Sanctions and the Bank shall have the unconditional right to refuse to process any transactions that violate/may violate any OFAC Sanctions, as it exists from time to time.
(b) The Borrower agrees to ensure that the transactions entered into pursuant to the Agreement do not violate any OFAC Sanctions and that no Persons, currently subject to any OFAC Sanctions, are involved in any transactions thereunder. The Borrower agrees that it shall not avail of the Facilities or use the proceeds of the Facilities in any transaction with, or for the purpose of financing the activities of, any Person currently subject to any OFAC Sanctions as aforesaid.

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(c) The Borrower shall indemnify and hold harmless the Bank and shall, immediately on demand, pay for / reimburse to the Bank for all losses and liabilities (including due to claims by a third party), incurred by the Bank as a result of any breach by the Borrower of its representations and undertakings contained herein pertaining to the OFAC Sanctions and/or due to any action taken by the Bank pursuant to the OFAC Sanctions.

13.9 Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)

(a) Borrower is aware that the RBI has issued a circular bearing no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 on *'Prudential Norms on Income Recognition, Asset Classification and Provisioning, pertaining to Advances – Clarifications'* dated 12-11-2021, and the Borrower agrees, undertakes and confirms that the Bank has brought the following clarifications to the notice of the Borrower and the Borrower confirms of having apprised of as follows:

(i) **Dues:** shall mean the principal / interest / any charges levied on the loan account which are payable within the period stipulated as per the terms of sanction of the credit facility.

(ii) **Overdue:** shall mean the principal / interest / any charges levied on the loan account which are payable, but have not been paid within the period stipulated as per the terms of sanction of the credit facility. In other words, any amount due to the bank under any credit facility is 'overdue' if it is not paid by the due date fixed by the bank.

(iii) **Relevance of the principle of 'First In First Out' (FIFO) in appropriation of payments into the Borrower's account:** The principle of FIFO i.e. 'First In, First Out' accounting method is relevant to arrive at the number of days overdue for determining the SMA/NPA status. The FIFO principle assumes that the oldest outstanding dues in the loan account needs to be cleared first. The FIFO method thus requires that what is due first must be paid by the Borrower first. For example, if in any loan account as on 01-02-2021, there are no overdues and an amount of INR X is due for payment towards principal instalment / interest / charges, any payment being credited on or after 01-02-2021 in the loan account will be used to pay off the dues outstanding on 01-02-2021.

Assuming that nothing is paid / or there is partial payment (INR Y) of dues during the month of February, the overdue as on 01-03-2021 will be INR X - INR Y.

Additionally, an amount of INR Z becomes due as on 01-03-2021. Now any payment partial payment into the account on or after 01-03-2021 will be first utilized to pay off the partial due of 01-02-2021 (INR X - INR Y). If there is more recovery than the INR X - INR Y, then after recovering dues of 01-02-2021, the remaining amount will be appropriated towards full or partial recovery, as the case may be, of dues of 01-03-2021 and so on and so forth.

(iv) **Age of oldest dues:**

The age of oldest dues is reckoned in days from the date on which the oldest payment is due and continues to remain unpaid. In the aforesaid illustration, if the dues relating to 01-02-2021 remain unpaid till 01-03-2021, the age of the oldest dues is reckoned as 29 days on 02-03-2021.

(b) **Classification as Special Mention Account (SMA) and Non-Performing Asset (NPA)**

Lending institutions will recognize the incipient stress in loan accounts, immediately on default, by classifying them as Special Mention Accounts (SMA). The basis of classification of SMA / NPA category shall be as follows:

Loans other than revolving facilities		Loans in the nature of cash credit / overdraft	
SMA Sub categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue	SMA Sub-categories	Basis for classification – Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of:
SMA 0	Up to 30 days	NA	NA
SMA 1	More than 30 days and Up to 60 days	SMA 1	More than 30 days and Up to 60 days
SMA 2	More than 60 days and Up to 90 days	SMA 2	More than 60 days and Up to 90 days

(c) **Non-performing Asset:**

Non-Performing Asset (NPA) is a loan or an advance where:

(i) Interest and/or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan,
(ii) The account remains 'out of order' as indicated below, in respect of an Overdraft / Cash Credit (OD / CC),
(iii) The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
(iv) The instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops
(v) The instalment of principal or interest thereon remains overdue for one crop season for long duration crops.

(d) **'Out of Order' Status:**

An account shall be treated as 'out of order' if:

(i) The outstanding balance in the CC / OD account remains continuously in excess of the sanctioned limit / drawing power for 90 days, or
(ii) The outstanding balance in the CC / OD account is less than the sanctioned limit / drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit / drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

Illustrative movement of an account to SMA category to NPA category based on delay / non-payment of dues and subsequent upgradation to Standard category at day end process is provided in Schedule hereof.

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(e) The Borrower agrees and acknowledges that the manner of classification and illustrations of SMA and NPA as provided in sub-clauses (a) to (d) above are only one of the various manners in which the Bank is required to classify accounts as SMA / NPA as per the various applicable regulations and guidelines issued by RBI from time to time and:

(i) the same is liable to change / modification as per the requirements of the aforesaid regulations and guidelines. Any such change shall be intimated by the Bank to the Borrower from time to time and the Borrower agrees and acknowledges that such intimation shall accordingly modify the manner and illustrations provided herein without a need for further amendment to the Agreement or require specific acknowledgment of the Borrower; and

the Bank shall have the right to classify the account of the Borrower with the Bank as SMA / NPA as per the applicable regulations / guidelines issued by RBI from time to time even though the manner of classification and the illustrations thereof are not set forth in this Agreement or the Sanction Letters.

13.10 Entire Agreement

This Agreement shall supersede all prior discussions and representations between the Parties, save with respect to any terms and conditions contained in the Sanction Letter, which (i) are not expressly included in this Agreement; and/or (ii) are more stringent in comparison to the condition(s) contained in this Agreement, in which case such condition(s) in the Sanction Letter shall be binding on the Parties and shall also be deemed to be included in this Agreement by reference.

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SCHEDULE I

[*Note: The Schedule I to be suitably modified based on the capacity of the Borrower and the terms of the Sanction Letter. The terms which are not applicable to the Borrower should be marked as 'Not Applicable'.*]

<table>
<tr><th>Sr. No.</th><th>Title</th><th>Details</th></tr>
<tr><td>1.</td><td>Place of Execution</td><td>Gurgaon</td></tr>
<tr><td>2.</td><td>Date of the Agreement</td><td>16.06.2022</td></tr>
<tr><td>3.</td><td>Name and Address of the Borrower[1]</td><td>(b) In case the Borrower is a company:

Yatra Online Limited, a company incorporated in India under the Companies Act, 1956, with corporate identification number U63040MH2005PLC158404 and having its registered office at B2/101, 1st Floor Marathon Innova, Marathon Innova Building, Marathon Nextgen Complex, B Wing, G Kadam Marg, Opposite Peninsula Corporate Park, Lower Parel West, Mumbai - 400013, which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns.

• Designation: Chief Financial Officer

• E-mail : anuj.sethi@yatra.com

•</td></tr>
<tr><td>4.</td><td>Name and address of the Branch of the Bank/Lending Office</td><td>Axis Bank Ltd. First Floor, Dss No 77, HUDA Market Sector 40, Gurgaon, Haryana 122003</td></tr>
<tr><td>5.</td><td>Overall Limit & Details of the Facility Products & Currency</td><td>**A. Overall Limit** : Rs.30,00,00,000.00 (Rupees Thirty Crore only)

B. Details of Facilities / Break-Up of Overall Limit:
<table><tr><th>Working Capital Product Type</th><th>Amount (Rs. In Crore)</th><th>Limits /Sub-Limit / Inter-changeability details</th><th>Impost/Commission</th><th>Due Date/On Demand</th><th>Frequency</th></tr><tr><td>Bill Discounting (Bills)</td><td>30.00</td><td>Main Limit</td><td>Interest</td><td>Due Date</td><td>--</td></tr></table></td></tr>
<tr><td>6.</td><td>Sanction Letter</td><td>Reference no. AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof</td></tr>
<tr><td>7.</td><td>Nature of the Facilities</td><td>Working Capital Loan</td></tr>
<tr><td>8.</td><td>Purpose of the Facilities</td><td>To meet the working capital requirements</td></tr>
<tr><td>9.</td><td>Conditions Precedent to First Disbursement</td><td>The Borrower shall complete all documentation, to the satisfaction of the Bank.</td></tr>
<tr><td>10.</td><td>Tenure of the Facilities</td><td><table><tr><th>Facility Product Type</th><th>Tenure / Usance Period</th></tr><tr><td>Bills Discounting</td><td>Maximum up to 60 days.</td></tr></table></td></tr>
<tr><td>11.</td><td>Interest Rate and Interest Reset & Commission</td><td><table><tr><th>Facility Product Type</th><th>Interest Rate</th><th>Interest Reset Date</th><th>Commission</th></tr><tr><td>Bills Discounting</td><td>3M MCLR + 1.0% for actual no. Of days, to be paid upfront.</td><td>Interest is to be reset at 3 months intervals**</td><td>As per Bill or as per Bank's Standard charges</td></tr></table>** In case of the Rupee Loan, the rate of Interest to be linked to MCLR on the date of first disbursement and reset at intervals equivalent to tenure of the MCLR</td></tr>
<tr><td>12.</td><td>Margin</td><td>10%</td></tr>
<tr><td>13.</td><td>A) Interest Payment Date</td><td><table><tr><th>Facility Product Type</th><th>Interest Payment Date</th></tr><tr><td>Bills Discounting</td><td>Monthly</td></tr></table></td></tr>
<tr><td></td><td>(B) Periodicity of Interest Compounding</td><td>Monthly.</td></tr>
<tr><td>14.</td><td>Default Rate</td><td>14. A : Default Rate for delay in creation of Security : As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.
14. B : Default Rate for breach of following conditions: As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.
14. C: Default Rate for breach of all other conditions (excluding 14. A and 14. B above): As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof..</td></tr>
<tr><td>15.</td><td>Prepayment Charges and other terms applicable in relation to prepayment of the Loan</td><td>NOT APPLICABLE</td></tr>
<tr><td>16</td><td>Fees / Charges</td><td>**16.A**
Upfront / Processing Fees: As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.

16. B
Other Charges / Fees : As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.</td></tr>
<tr><td>17.</td><td>Repayment</td><td>The exact due dates for repayment of the principal/interest, if applicable, shall be in accordance with the communication issued by the Bank to the Borrower immediately upon first disbursement.</td></tr>
</table>

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[1] To be suitably modified based on the capacity of the Borrower

Anuj Kumar Sethi

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For YATRA ONLINE LIMITED

MAnish

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Sr. No.	Title	Details			
18.	Details of the Security, including the ranking and timelines for creation of Security	S. No.	Security	Ranking	Time period
		(a)	Charge on Receivables under Bills Discounted	Exclusive	Upfront
		(b)	Hypothecation of Entire Current assets and Movable Fixed Assets of the Borrower, both present and future.	First Pari Passu	30 days from first disbursement.
19.	Security Undertakings	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
20.	Financial Covenants	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
21.	Commitment Fees	[Not Applicable]			
22.	Drawdown Schedule	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
23.	Availability Period	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
24.	Restricted Payments & Conditions	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
25.	Minimum Insurance Cover	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
26.	Time Period for Utilization Certificate	As per Sanction Letter having Ref. No. : AXISB/WBG/North/MNC/NEG/2022-23/011, dated June 13, 2022 and any modifications thereof.			
27.	Jurisdiction for Borrower**	**Courts/Tribunals in Delhi.**			

Note : Jurisdiction For **Borrower** (i) If under Sr. No 1 above, 'Place of Execution' is within **North Zone** : Courts/Tribunals in Delhi; (ii) If under Sr. No 1 above, 'Place of Execution' is within **South Zone** : Courts/Tribunals in Chennai or Hyderabad or Bangalore; (iii) If under Sr. No 1 above, 'Place of Execution' is within **East Zone** : Courts/Tribunals in Kolkata; & (iv) If under Sr. No 1 above, 'Place of Execution' is within West Zone : Courts/Tribunals in **Mumbai

Illustrative movement of an account to SMA category to NPA category based on delay / non-payment of dues and subsequent upgradation to Standard category at day end process is provided:

Due date of payment	Payment date	Payment covers	Age of oldest dues in days	SMA /NPA categorisation	SMA since date / SMA class date	NPA categorization	NPA Date
01.01.2022	01.01.2022	Entire dues upto 01.01.2022	0	NIL	NA	NA	NA
01.02.2022	01.02.2022	Partly paid dues of 01.02.2022	1	SMA-0	01.02.2022	NA	NA
01.02.2022	02.02.2022	Partly paid dues of 01.02.2022	2	SMA-0	01.02.2022	NA	NA
01.03.2022		Dues of 01.02.2022 not fully paid 01.03.2022 is also due at EOD 01.03.2022	29	SMA-0	01.02.2022	NA	NA
		Dues of 01.02.2022 fully paid, Due for 01.03.2022 is not paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
		No payment of full dues of 01.02.2022 and 01.03.2022 at EOD 03.03.2022	31	SMA-1	01.02.2022/ 03.03.2022	NA	NA
		Dues of 01.02.2022 fully paid, due for 01.03.2022 not fully paid at EOD 01.03.2022	1	SMA-0	01.03.2022	NA	NA
01.04.2022		No payment of dues of 01.02.2022, 01.03.2022 and amount dues on 01.04.2022 at EOD 01.04.2022	60	SMA-1	01.02.2022/ 02.04.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.04.2022 at EOD02.04.2022	61	SMA 2	01.02.2022 / 02.04.2022	NA	NA
01.05.2022		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 01.05.2022	90	SMA 2	01.02.2022 / 02.04.2022	NA	NA
		No payment of dues of 01.02.2022 till 01.05.2022 at EOD 02.05.2022	91	NPA	NA	NA	02.05.2022

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01.06.2022	01.06.2022	Fully paid dues of 01.02.2022 at EOD 01.06.2022	93	NPA	NA	NPA	02.05.2022
01.07.2022	01.07.2022	Paid entire dues of 01.03.2022 & 01.04.2022 at EOD 01.07.2022	62	NPA	NA	NPA	02.05.2022
01.08.2022	01.08.2022	Paid entire dues of 01.05.2022 & 01.06.2022 at EOD 01.08.2022	32	NPA	NA	NPA	02.05.2022
01.09.2022	01.09.2022	Paid entire dues of 01.07.2022 & 01.08.2022 at EOD 01.09.2022	1	NPA	NA	NPA	02.05.2022
01.10.2022	01.10.2022	Paid entire dues of 01.09.2022 & 01.10.2022	0	Standard Account with No Overdues	NA	NA	STD from 01.10.2022

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SCHEDULE II

ADDITIONAL PROVISIONS RELATING TO SPECIFIC FACILITY PRODUCTS

ADDITIONAL PROVISIONS RELATING TO BILLS FACILITIES

Definitions

In this Part, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings viz.:

"**Documents of Title**" means any or each of railway receipts, shipping documents, bills of lading, airway bills, motor transport receipts / lorry receipts or receipt notes, take delivery notes, receipted challans or inspection notes, multimodal transport receipts, combined transport documents or any other documents of title or any combination thereof evidencing title to the Goods, as the context may permit or require.

"**FEDAI**" means Foreign Exchange Dealers Association of India.

"**Goods**" means the relevant goods in respect of payment for which Bills of Exchange was drawn and accepted.

"**Supplier**" means the supplier(s) of Goods.

"**Usance Bills**" means the bills of exchange which provides for payment by the Bank on maturity as per the terms of the bills of exchange.

Facilities in the nature of Purchase/Discounting/Negotiation of Bills

The Bank may grant to the Borrower facilities by way of discounting / purchasing / negotiation (the "**Bills Facilities**") from time to time, of cheques / bills of exchange / hundies / sight drafts and / or other negotiable instruments whether inland and / or foreign and whether clean, documentary, usance and / or demand (all of which are hereinafter referred to as "**the Bills**", which expression shall, as the context may permit or require, mean any or each of such Bills), with or without Documents of Title, upto the Limits specified in Sr. No. 19 of the Schedule I, at any one time. All amounts paid by the Bank under the Bills Facilities shall be treated as advances made to the Borrower by the Bank and may be debited to the Facilities Account or any other account as permitted by the Bank ("**Drawal Account**").

Borrower's Obligations

The bills of exchange that may be negotiated and/or discounted by the Bank as aforesaid shall be promptly paid to the Bank together with all interest, costs, charges, commission, expenses and all other sums due and payable thereon by the drawee(s) thereof (collectively the "**Amounts**"). The Borrower hereby agrees that in the event of non-payment of the Amounts for any reason whatsoever by the drawee(s), the same shall be duly paid by the Borrower to the Bank on demand and shall carry additional interest as may be stipulated by the Bank from time to time.

The Borrower hereby authorizes the Bank to debit the Drawal Account or any other account of the Borrower with the Bank to the extent of the Amount without serving a notice of dishonour or non- payment of the said bills of exchange and/or Amounts thereunder on the Borrower.

In the event of default by the drawee(s) to make payment to the Bank or in case of breach or non-performance or non-observance of the obligations on the part of the drawee(s) of the bills of exchange, the Borrower hereby irrevocably and unconditionally agrees and undertakes to indemnify and keep indemnified the Bank against all losses, costs, charges, claims and expenses together with all legal charges (on actual basis) occasioned to the Bank from time to time.

The bills of exchange constitute genuine trade transaction.

The bills of exchange discounted through the Bank have not been discounted through any other banks/financial institutions.

Terms applicable to Bills generally

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The following terms shall be applicable to Bills, whether drawn by the Borrower or the Suppliers and accepted by

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the Suppliers or drawn by the Suppliers on the Borrower and accepted by the Borrower:

It shall be the sole discretion of the Bank whether or not to purchase / negotiate / discount any Bill which may be lodged with the Bank even though the respective Limits granted to the Borrower in respect of the Bills Facilities is available, nor shall it be obligatory on the Bank to assign any reason for its refusal to purchase / discount / negotiate a particular Bill;

The Bank shall, at its sole and absolute discretion, discount the Usance Bills with usance ordinarily not exceeding 180 days for an amount, at any time, not exceeding the Limits under the respective Bills Facilities;

The Bills shall be discounted by the Bank at the rate indicated in the Sanction Letter or such other rate as may be indicated by the Bank for the period of Usance;

The Borrower, unless agreed to by the Bank, shall not collect upcountry or local Bills through other banks;

Where Bills are not honoured and paid at their maturity or paid short on maturity, the Borrower shall pay to the Bank, on such amount outstanding, Default Interest.

In the event of default in payment of the outstanding amount, the Borrower shall be liable to pay Default Interest.

The liability of the Borrower to the Bank under the Financing Documents shall be independent of the liability of the drawee or acceptor of the Bills and the Bank's rights against the Borrower shall not be prejudiced or affected by inaction on the part of the Bank in initiating proceeding for recovery of the monies from the drawee / acceptor endorser thereof nor due to failure of the foreign correspondent banks or agents appointed by the Bank in prompt presentment or in noting and protesting the Bills on dishonour thereof or any act which may prejudice the Borrower's rights against the drawee or acceptor endorser nor shall the Bank be obliged to give any notice of dishonour by the drawee / acceptor to the Borrower, which notice stands expressly waived by the Borrower.

The Borrower shall indemnify the Bank and keep the Bank harmless and indemnified at all times against all losses, damages, actions, costs, charges or expenses which may be made against or sustained or incurred by the Bank and whether paid by the Bank or not as a result of or in consequence of the Bank having agreed to purchase / negotiate / discount the Bills as also as a result of or in consequence of the Bank, through any of its offices or correspondents in India and elsewhere, guaranteeing any irregularities or discrepancies that may be existing in the documents relating to the Bills in connection therewith.

The Bank shall be entitled to charge:

a. Service charges at the rates prescribed by the Bank, from time to time, and out-of-pocket expenses such as telex, telephone registration and postal charges etc;

b. Additional interest at such rate as may be determined by the Bank from time to time from the Due Date of payment and in case of returned bills of exchange from the Due Date to the date of reimbursement; provided always the Bank at its discretion shall be entitled to revise the aforesaid charges from time to time;

c. That where at the request of the Borrower the Bank has agreed to include in the Bills Facilities credit sales made by the Borrower to the customers of the Borrower whereby finished goods are directly sent to the customers at their request and copies of the relative invoices with or without receipted challans or accepted delivery notes, receipt notes, inspection notes, are tendered by the Borrower to the Bank as evidencing dispatch of finished goods and where under such circumstances or any other circumstances the Borrower receives payment of the bills of exchange, the Borrower shall immediately deposit the proceeds of the bills of exchange and the sale proceeds of the goods covered by invoices directly received by the Borrower or the agents of the Borrower whether in cash or by cheque or by any other mode of payment in the Drawal Accounts with the Bank towards payment of the outstandings in respect of the advances granted on the evidence of such invoices;

d. The Bank shall have first and paramount lien on the bills of exchange and the moneys received thereunder and the goods in course of transit covered by the Documents of Title to Goods or other documents which purport

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to represent rights of title to Goods accompanying the bills of exchange shall remain pledged to the Bank and irrespective of the rights of the Bank as pledgees of such goods in case of any dispute, the Bank shall also have the banker's lien on all bills of exchange, goods securities, documents and moneys belonging or purporting to belong to the Borrower for all moneys, claims and demands due or to become due from the Borrower to the Bank.

Additional Provisions relating to Bills drawn by the Borrower

In respect of advances granted by the Bank to the Borrower by way of purchase / negotiation / discounting of clean / documentary / demand / usance Bills drawn by the Borrower on its various customers and expressed in foreign currency or Indian rupees and whether under letter(s) of credit or otherwise, the Borrower shall further agree, confirm and undertake as follows:

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The Bills shall bear necessary adequate stamp duty before purchase / negotiation / discounting and shall be drawn by the Borrower in conformity with the proforma prescribed under the relevant scheme / regulations of RBI or any other scheme / regulation in operation from time to time or acceptable to the Bank, indicating on the face thereon the description and quantity of Goods sold and the number and date of the carrier's receipt and any other details as may be required by the Bank;

The Bills pertaining to supplies made to Government departments and quasi-Government bodies as well as statutory corporations and Government companies shall be drawn in conformity with the proforma prescribed under the Reserve Bank of India Scheme;

Where such Bills are accepted by the Bank for purchase / negotiation / discounting, the same shall be accompanied by appropriate Documents of Title;

The Borrower declares that the Bills shall not be drawn on any of the Borrower's branches nor on any firm or other Person in which the Borrower has any proprietory, partnership or other interest or any of the Affiliates of the Borrower and that if on any occasion(s) that the Bank, at its sole discretion, accepts such Bills for purchasing / discounting / negotiation, the same shall not be deemed as the Bank having agreed to accept thereafter other Bills of such nature;

The Borrower shall confirm that all Bills and documents tendered / submitted by the Borrower to the Bank represent genuine sales transactions covering movement of Goods represented by the Documents of Title accompanying such Bills and that the amounts of such Bills truly represent the value of the Goods so transported / shipped and that every such Bill tendered by the Borrower to the Bank is in respect of execution of definite orders received by the Borrower. Even where the Bank at its discretion waives the submission of such documents of evidence of transport of Goods sold, the Borrower shall confirm that the Bills represent genuine sale of Goods;

In case of Usance Bills, the Documents of Title will be delivered to the drawees only after the Bills are accepted by the drawees. The Bank shall, in its sole discretion, be entitled to accept payment of Bills before maturity from the drawees thereof by allowing such discount / deduction in consideration of such premature payment. Such Bills shall be accompanied by appropriate Documents of Title together with relative original invoices. The Borrower shall ensure that such Bills are accepted by the drawees on presentation and retired on Due Dates. In the event of the Bills remaining unaccepted on presentation or unpaid on Due Dates thereof, the Bank shall be entitled to recover the amount of such Bills along with Default Interest, at its discretion, can debit such amount and other incidental charges to the Drawal Account or otherwise;

The Borrower confirms that the Bank is entitled to treat every Documents of Title handed in by the Borrower as genuine without any further inquiry and the Borrower agrees to indemnify and keep the Bank indemnified against any loss caused to the Bank by reason of the Documents of Title subsequently turning out to be forged and not genuine and also against any loss caused to the Bank by the mis-delivery or wrong delivery by the railway, port, airways and postal authorities of the securities, documents and goods comprised in the Documents of Title for any reason whatsoever;

The Borrower confirms that the delivery of the Documents of Title to Goods by the Bank to the drawees or acceptors shall not prejudice the rights of the Bank on any of such Bills, in case of dishonour, nor shall any recourse taken thereon affect the Bank's title to such Documents of Title to Goods to the extent of the Borrower's liability to the Bank under the Bills and that, notwithstanding any change by death, retirement, insolvency, dissolution or bankruptcy of the Borrower, the powers and authorities hereby given are to hold good as against the Borrower till all the amounts due under the Financing Documents are repaid / paid in full. It is also agreed that the Bank shall not be responsible for the default of any agent, broker or auctioneer employed by it for any purpose;

Where the Bills accepted for collection are drawn on Central/State Government Departments/Agencies and/or Public Sector Undertakings and/or Railways and/or other parties and/or Borrower's customers accompanied by Documents of Title and in cases where the Documents of Title have been forwarded direct to the concerned drawees /consignees, and the Bills are offered by the Borrower to the Bank for collection and where the Bank, in its sole discretion, agrees to extend the Bills Facilities for such Bills, the Borrower shall deposit with the Bank copies or the relevant Documents of Title along with the Bills signed by the Borrower and invoices evidencing despatch of Goods to the parties mentioned therein;

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Where at the request of the Borrower, the Bank agrees to purchase / negotiate / discount Bills in respect of sales made by the Borrower to its customers, whereby finished Goods are directly sent to the customers at customers' requests and copies of the relative invoices with or without receipted challans or accepted delivery notes, receipt notes, inspection notes are tendered by the Borrower to the Bank as evidencing despatch of finished Goods alongwith the accepted Bills and where under such circumstances or any other circumstances the Borrower receive(s) payment of the Bills directly from the drawees of such Bills, the Borrower shall immediately deposit the proceeds of the Bills and the sale proceeds of the Goods covered by such Bills, directly received by the Borrower or the agent(s) of the Borrower, whether in cash or by cheques or by any other mode of payment, towards repayment / payment of all outstandings in respect of the advances granted by the Bank.

The Bank shall be at liberty not to accept cheques drawn on local banks from the drawees in payment of Bills drawn on them, unless such cheques are tendered at the Bank before clearing hours on Due Dates. In the event of cheques being received late after clearing hours on Due Dates, the Bank may treat such Bills as unpaid and may debit the amounts thereof to the Drawal Account of the Borrower on Due Dates;

The Bank may, at its option but at the cost, risk and responsibility of the Borrower, appoint an agent (including agent / bank) for collection;

The Borrower agrees that the Bank and the agents shall be exempt from all liabilities for any loss or damages caused to the Borrower arising from any telegraphic or cable error, irregularity, delay, mistake, omission or misinterpretation, or otherwise howsoever;

The Bank or the agent may, at its or agent's option:

send the Bills for collection or payment or discount on Borrower's account at Borrower's entire costs, risk and responsibility either by registered post with acknowledgement due or registered post or ordinary post or by any courier service, as is decided by the Bank or the agent, as the case may be, in its discretion to any of its own offices or to any of the scheduled banks (reference being to Schedule II of the Reserve Bank of India Act, 1934) or other commercial bank and/or co-operative bank or to another agent or directly to the drawees / acceptor, at the Borrower's risk and responsibility as to the losses, if any, of the Bills or the proceeds of the Bills due to any cause whatsoever and the Borrower shall hold the Bank harmless and indemnified from and against all consequences that may arise from its doing so and from and against all losses, charges and expenses in sending the Bills;

receive in exchange for Bills or other mandates, for payment in lieu of cash. Should the Bank or the agent receive, in exchange, for such Bills payment by another instrument which the Bank or the agent cannot conveniently collect through normal channels, it is clearly understood that such instruments may be collected in any manner and through any agency including despatch to the drawee himself at the entire risk and responsibility of the Borrower;

The receipt by the Bank or its agents of the Bills or other mandates for payment as above and the loss / delay, mutilation or dishonour thereof and / or other securities of any description, is not to prejudice the Bank's rights against the Borrower on any Bills returned unpaid by reason of non-acceptance or non-payment, as the case may be, nor shall any proceeding taken thereon or the Bank's granting time or entering into any arrangements with any parties to such Bills prejudice or affect the Bank's absolute recourse to the Borrower under the arrangement and the Borrower consents to the Bank so granting time or entering into such arrangement;

The Borrower confirms that, as between them and the Bank, the Bills shall be deemed to be paid, realized or collected only on the amount thereof being received by the concerned branch / office of the Bank and, until then, the same and any money, cheques, bank drafts or mandates for payment received in respect thereof shall be at the risk of the Borrower in all respects, and that the liability of the Borrower in respect of any Bills will cease only on the amount thereof coming into the Drawal Account;

The Borrower shall furnish to the Bank, in advance, a list of local parties on whom the Borrower intends to draw Usance Bills for prior approval of the Bank; such Bills shall be accompanied by copies of invoices bearing acknowledgments of the purchasers in token of their having received the Goods and shall be offered for discount only after acceptance of Bills by the drawees and the Bills will not be collected by the Borrower through other banks;

The Borrower:

confirms and assures the Bank that the Bills that may be negotiated / discounted / purchased by the Bank will be

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promptly paid together with interest, costs (including those as between attorney and client), charges and expenses, if any, due thereon by the drawees thereof and, on default in payment thereof by the drawee for whatever reason or in the case of an advance against Documents of Title without Bills attached thereto, the Borrower irrevocably and unconditionally shall make good to the Bank, on demand, all losses occasioned to the Bank by reason of non-payment of the amount of the Bills or breach or non-observance of the obligations on the part of the drawees of the Bills;

further agrees irrevocably and unconditionally, that in the event of the non-payment, or payment of a reduced amount of the amounts due on the Bills, together with interest, costs (including those as between Attorney and Client), charges and expenses as aforesaid, to make payment thereof, or shortfall thereof, as the case may be, to the Bank on demand with Default Interest and the Bank, at its discretion, can debit such amount and other incidental charges to the Facilities Account or any other account with the Bank with all such monies as the Borrower may be liable to pay in respect thereof.

Where the drawees return unpaid the Bills to the Bank or to the Borrower directly, in which case the Borrower shall immediately, on receipt thereof, return the Bills together with Documents of Title to the Bank, and the Bank's receipt thereof shall be without prejudice to the right of recovery by the Bank from the Borrower of the amounts covered by the Bills together with Default Interest together with costs, charges, expenses and monies whatsoever stipulated in or payable under the Financing Documents;

In case of loss of Goods insured at any time, the Borrower authorizes the Bank to realize the policy or policies and charge the same and apply the proceeds in the like manner as upon a sale of Goods;

Notwithstanding any of the provisions of the Indian Contract Act, 1872 or any other law in respect of advances against accepted Usance Bill, where the Bills are drawn by the Borrower and accepted by the drawees, the Borrower agrees that the subsequent credit to the Drawal Account, unless specifically apportioned by the Borrower or the Bank to the discharge of a particular Bill, will not discharge the debt represented by such Bills;

Additional Terms applicable to Foreign Bills drawn by the Borrower:

In case of Foreign Bills, the Borrower agrees that for the purpose of granting the Bills Facilities, the Bank may convert the amount of the relative Bill into local currency at a notional rate of conversion as the Bank may, in the Bank's absolute discretion, decide. The exchange risk till the date of realisation on such Bill will be borne by the Borrower. Upon realisation of the foreign currency proceeds, the foreign currency amount received will be converted into rupees at the prevailing spot Telegraphic Transfer buying rate on the date of realisation and the net surplus proceeds, if any, after adjustment of the advance and the Bank's other charges will be paid to the Borrower. In case, however, the Borrower has booked a forward contract in respect of any such Foreign Bill, the rate for conversion purpose shall be the exchange rate at which the forward contract may have been made by the Borrower;

The Borrower shall be bound by the rules prescribed by the FEDAI with respect to advances in respect of Foreign Bills as also any other laws, rules or regulations applicable thereto which may be in force at the relevant time. The Bank will not be liable to grant any such advance unless the Borrower certifies and satisfies the Bank that all relevant exchange control regulations and any other regulations, such as those relating to export, have been duly complied with. The Bank shall not be responsible for any loss of documents handed over to the Bank by the Borrower for the purpose of availing of such advance, whether during transit or subsequently, and any party employed by the Bank for the purpose of forwarding the documents or presentation thereof shall be deemed to be agent of the Borrower. If the Bank is unable to realise the amount of any Foreign Bill by reason of such loss, the Borrower agrees and undertakes to repay the amount of the relative advance with Default Interest, to the Bank forthwith on demand and without demur. The Borrower further agrees that if by reason of any governmental or other action in the country of the buyer of the Goods, the buyer of the Goods is prevented from making payment of the amount of the Bill drawn by the Borrower on the buyer and accepted, the Borrower shall, upon receipt of intimation in that behalf from the Bank and a demand for payment, forthwith make payment to the Bank of the amount of the advance together with Default Interest, without demur. In case of failure by the Borrower to pay the amount demanded, the Borrower irrevocably authorise the Bank to recover the same by debit to the Facilities Account or any other account(s) of the Borrower;

In the case of Foreign Bills, such Bills shall be purchased / negotiated / discounted at such Bills buying rate quoted by the Bank at the time of purchase / negotiation / discounting and interest on the rupee portion thereof for the Usance period, if any, as well as for the transit period and grace period for maturity, wherever applicable, as may be prescribed by competent authority or the Bank, shall be recoverable by the Bank from the Borrower simultaneously while paying the amount of such Bills. If the Bills are for any reason not realized on or before the notional Due Date, calculated on the basis of usance and transit period, as aforesaid, then the recovery of

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the amount of such Bills from the Borrower shall be kept pending for a further grace period of 30 days from the notional Due Date. If the Bills are realized within the aforesaid grace period of 30 days, Default Interest for the overdue period shall be recovered from and paid by the Borrower;

If for any reason the Foreign Bills are not realized on or before the expiry of the grace period of 30 days mentioned above, then the purchase transaction of such Bills shall be treated as cancelled vis-a-vis the Borrower without affecting the Bank's rights as holders in due course of the Bills against the drawees and drawer and the rupee value of such Bills on the 30th day of the grace period, at the prevailing Telegraphic Transfer selling rate, shall be calculated and recovered from the Borrower with Default Interest. The difference, if any, between the earlier amount on the date of purchase / negotiation and as calculated above shall be added or deducted, as the case may be, while recovering the amount from the Borrower;

All amounts due from the Borrower to the Bank at the end of the grace period of 30 days shall be treated as an advance by the Bank repayable by the Borrower on demand together with Default Interest;

Where any Foreign Bill drawn under a Letter of Credit (LC) is negotiated by the Bank at the request of the Borrower, it is agreed that, in case of discrepancies pointed out at the time of negotiation or discrepancies of whatsoever nature claimed by the LC issuing bank, all payments made by the Bank to the Borrower shall be treated as "payment made under reserve" and the Bank shall be entitled to reverse the entries and claim payment from the Borrower of all such sums paid together with Default Interest, if such Bills are returned / dishonoured / unpaid from the LC issuing bank and the Borrower agrees to pay all such sums to the Bank forthwith on demand together with Default Interest;

In case of Foreign Bills discounted /negotiated by the Bank at the request of the Borrower, the exchange risk will be borne by the Borrower in terms of guidelines of FEDAI, Reserve Bank of India, Exchange Control or any other statutory body, or as mutually agreed between us and the Bank.

Additional Provisions relating to Bills drawn on the Borrower

In respect of advances granted by the Bank to the Borrower by way of purchase / negotiation / discounting of Usance Bills drawn on the Borrower by its Suppliers, the Borrower shall further agree, confirm and undertake as follows:

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The Borrower shall lodge with the Bank such Usance Bills together with the original and / or copies of invoices and the receipted delivery challans evidencing the supply to the Borrower of the Goods by the Suppliers;

The Borrower shall declare and confirm that the amounts represented by the Usance Bills drawn on the Borrower by the Suppliers will be due and owing by the Borrower to the Suppliers and that the Goods represented by the invoices accompanying the Usance Bills have been duly ordered and received by the Borrower and that the amounts of such Usance Bills will be paid by the Borrower to the Bank at maturity;

The Borrower shall declare and confirm that on the Bank discounting the Usance Bills, the Bank will have good title thereto and will be entitled to have the Bills rediscounted with RBI, Discount and Finance House of India Limited, any scheduled commercial bank(s) or any other approved financial institution or otherwise deal with the Usance Bills as the holder thereof;

The Borrower agrees and confirms that on the acceptance of the Usance Bills by the Borrower and the same being discounted by the Bank, the proceeds thereof shall be paid by the Bank to the Suppliers by means of banker's cheque or by any other means as may be deemed fit by the Bank;

The amount of discount / commission / exchange, at the same rate as applicable to the discounting of drawer bill or such other rate as may be decided by the Bank, as the case may be, will be recovered by the Bank by debit to the Facilities Account of the Borrower at the front end i.e., at the time of discounting the Bills;

The Borrower further confirms that the Borrower shall be irrevocably, absolutely and unconditionally liable to pay to the Bank the amounts of the Usance Bills discounted with the Bank at the maturity of such Usance Bills and that the Borrower shall continue to be so liable notwithstanding any claim, right, dispute or litigation arising or which may arise between the Borrower and the Suppliers / drawers in respect of their contracts or Goods supplied. Although the amount of the Bills is payable by the Borrower at maturity of the Bills, the Borrower shall provide adequate funds in the Facilities Account to enable the Bank to recover the maturity amount by debiting to the said account in the event of non-payment thereof by the Borrower on the Due Date on maturity;

The Bank shall not be responsible for any loss or damages or deterioration caused to Goods, movables and other assets in course of transit covered by the Bills and accepted by the Bank as security or for loss of the Goods, movables and other assets or for delayed delivery, short delivery or wrong delivery of Goods, movables and other assets, or for delayed or non-presentation or wrong presentation of the Bills to paying authorities or drawees for any reason whatsoever, and, in case, the Bills are sent for collection to other bank(s) or drawee(s) / customer(s), the Bank shall not be responsible for the non-receipt by it of the remittance representing the proceeds of the Bills and the relative Bills will be collected entirely at the Borrower's risk and responsibility. The Borrower shall bear the costs, charges and expenses incurred by the collecting bank or bankers in this behalf and shall pay the Bank such costs, charges and expenses;

The Bank shall have first and paramount lien on the Bills and the monies received thereunder and the Goods in course of transit, covered by the Documents of Title or other documents which purport to represent rights of title to Goods accompanying the Bills, shall remain pledged to the Bank and, in addition to its rights as a pledgee of such Goods, in case of any dispute, the Bank shall also have the banker's lien on all Bills, Goods, securities, documents and monies belonging or purporting to belong to the Borrower for all monies, claims and demands due or to become due from the Borrower to the Bank;

On the happening of any of the Event of Default, the Bank shall be entitled, without prejudice to any of its other rights contained in the Agreement, or under law and without notice to the Borrower (which the Borrower expressly waives), to sell the Goods underlying the Bills, whether before or after their arrival, and other securities (if any) either by public auction or tender or by private contract and subject to such conditions as the Bank may deem fit to impose, or otherwise dispose of or deal with the Goods or any part thereof and / or with the relative Documents of Title to Goods in any manner whatsoever, without being bound to exercise any of these powers or liable for any loss in the exercise or non-exercise thereof. The proceeds realised from sale of the Goods and / or the other securities or transfer of any Documents of Title, remaining, after deducting therefrom the costs and expense of and incidental to such sale or transfer, shall be applied in or towards payment or satisfaction of the amount(s) due to the Bank in respect of any amounts advanced by the Bank under the Bills Facilities to the Borrower, and interest thereon and all costs, charges and expenses as hereinabove mentioned. The Borrower shall accept the Bank's account of sale or realisation as conclusive evidence, both in and out of court, as to the amount(s) realised and expenses incurred, and shall pay forthwith any shortfall or deficiency remaining after such application. The Bank shall not be liable to the Borrower for any loss which may occur pending sale or disposal of the Goods and / or Documents of Title to the Goods, whether by reason of theft, damage, deterioration or decay of the Goods or depreciation in the value thereof or otherwise whatsoever be the cause;

For YATRA ONLINE LIMITED

Anup Kumar Sethi

Authorised Signatory

For YATRA ONLINE LIMITED

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Authorised Signatory

Balance amounts due at the foot of the Borrower's account with the Bank and any surplus remaining after satisfaction of the dues of the Bank under the Bills Facilities shall remain as a continuing security for all the Borrower's indebtedness or liability under any other account whatsoever (other than the Bills Facilities) held either alone or jointly with any other person or persons and for the ultimate balance due to the Bank at any of the branches of the Bank under any such account and any further surplus left thereafter shall be paid to the Borrower as the Borrower directs;

The Borrower undertakes and agrees to sign, execute and deliver to the Bank, from time to time on demand made by the Bank, such further or other deeds, documents and writings and do all such acts, matters and things, as may be required by the Bank, for better perfecting the title of the Bank to the Goods and the Documents of Title so as to render the same readily saleable or transferable by the Bank to any purchaser(s) at all time.

IN WITNESS WHEREOF the Borrower has caused this Agreement to be executed on the day, month and year first herein above written, and the Bank has caused this Agreement to be executed by the hand of its authorised officer as hereinafter appearing:[2]

In case the Borrower is a company:

Authorised Signatory Signature **Authorised Signatory Initial**

[Note: Both the signature and the initials to be obtained on this page]

SIGNED AND DELIVERED by the duly authorised signatory of **AXIS BANK LIMITED**

[2] The signing clause to be suitably modified based on the capacity of the Borrower

ICICI Bank

RENEWAL CREDIT ARRANGEMENT LETTER

CAL67708836447
Date: October 18,2021

Yatra Online Private Limited
Gulf Adiba, 4th floor, Plot no. 272,
Phase II, Udyog Vihar, Sector 20, Gurugram 122008

Kind Attention: Mr. Anuj Kumar Sethi

Dear Sir/Madam,

Sub: Renewal of working capital facilities

We refer to the working capital facilities (**"Facilities"**, details of which are mentioned in Annexure I) granted to you by ICICI Bank Limited ("ICICI Bank"), pursuant to a credit arrangement letter (including any amendatory/renewal letters) and other facility documents, executed in relation to the Facilities ("Transaction Documents").

We are pleased to inform that ICICI Bank, at your request, has renewed the Facilities, on the terms and conditions as set out in Annexure II, for a further period up to the date mentioned in Annexure II. All other terms and conditions of the Facilities, including the existing security and/or contractual comfort, if any, shall remain in full force and effect.

In case of any change, in the directors, memorandum of association, articles of association or other constitutional documents, subsequent to the information/documents last shared by you with ICICI Bank, you are requested to forthwith furnish updated records of the same to ICICI Bank. Kindly also ensure that your total working capital bank finance, including the renewed Facilities, does not and shall not during the subsistence of the Facilities exceed the maximum permissible bank finance limits.

This Renewal Credit Arrangement Letter ("Renewal CAL") shall be read in conjunction with the other Transaction Documents and to the extent of any inconsistency between the other Transaction Documents and this Renewal CAL letter, the provisions of this Renewal CAL shall prevail.

This Renewal CAL is being sent to you in duplicate. We request you to return one copy of this Renewal CAL, duly signed by your authorized person, the authorized official of the guarantor and security providers (if any), in token of acceptance of the terms specified herein, and execute/procure execution of such agreements and/or documents as may be required in relation to the Facilities, in the form and manner acceptable to ICICI Bank, by February 20, ,2022.or such extended period as ICICI Bank may grant in writing, at its sole discretion, failing which this offer shall lapse automatically without any further communication.

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The accepted Renewal CAL must be returned along with a board resolution/requisite authorization, applicable to the borrower, guarantor, security provider (as applicable), to establish the authority of the signatory.

Yours faithfully,

For ICICI Bank Ltd

(Authorised signatory)

Name: Date:

Accepted by the Borrower: Name: ANUJ KUMAR SETHI Designation: SVP - FINANCE Date:	Signature
Accepted by the Guarantor: Name: Designation: Date:	
Accepted by the Security Provider Name: Designation: Date:	

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ANNEXURE I

Facilities	Overall Limits (₹ in million)	Outstanding amount as on October 11 2021 (₹ in million)
Fund Based		
Invoice Discounting	150.0	0.0
Non-Fund based		
Bank Guarantee	300.0	113.6
Overall Limit (total):	450.0	113.6

Terms and Conditions

Facility	Bank Guarantee (BG) ("BG Facility")
Type	Financial Guarantee
Existing Limit	₹ 300.0 million
Proposed Limit	₹ 300.0 million
Borrower/ Company	Yatra Online Private Limited
Parents	Yatra Online Inc.
Lender	ICICI Bank Ltd (ICICI Bank)
Sublimit	Nil
Interchangeability	Nil
Purpose	Financial or performance guarantees. Towards bid bond, security deposit, earnest money deposit, contract performance / performance guarantees, advance payment and retention money purposes; Customs, goods and services tax, electricity, insurance purposes The Borrower shall not request ICICI Bank for issuance of BGs in favour of any sister concerns/ associate concerns/ group companies/associates of the Borrower.
Validity	September 8, 2022
Cash Margin	Nil since Limit is backed by 100% of cash margin/FD
Security	As per security template
BG Tenor	Maximum period of the BG (including claim period of 1 year) to be restricted to 60 months. All the BGs being renewed/ extended / issued shall have a minimum claim period of one year

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	ICICI Bank shall block limits for the BG issued under the BG facility, for (i) a period of 1 (one) year from the date of expiry of such BG or (ii) the claim period specified in such BG, whichever is later. However, where the original BG or a valid discharge letter is received from the beneficiary, the blocked limits shall stand released.
Commission	0.30% p.a. The commission shall be calculated on the actual number of day basis i.e. from the date of issuance/ opening of the BG upto the end of claim period. In case of foreign currency bank guarantees, the following charges will be additional: SWIFT/communication charges – ₹500 per guarantee Correspondent bank charges, if any, shall be charged on actuals. Commission shall be chargeable upto the expiry of the claim period or till submission of discharge letter / original BG, whichever is earlier and shall be payable as per the frequency mentioned below. Commission shall be refunded on pro-rata basis for the unexpired period of the claim period, upon submission of a discharge letter/original BG.
Minimum Commission	₹ 500 per guarantee
Commission Collection Frequency	Commission will be collected upfront till the expiry of claim period.
Commission calculation method	No of days (tenor) X rate of commission (basis 365 days per year)
General	• The bank guarantees to be issued shall be as per the format acceptable to ICICI Bank. • Bank Guarantees with Onerous clauses can be issued for the entire BG limit.

Facility	Invoice Discounting
Existing Limit	₹ 150.0 million
Proposed Limit	₹ 150.0 million
Interchangeability	Not allowed The Facility shall not be interchangeable with any other facility sanctioned by ICICI Bank
Specific security	As per Security Template

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Tenor / Usance	60 days
Validity	September 8, 2022
Margin Amount	20.00% (The financed amount shall be equal to Invoice/ Bill of Exchange ("BOE") amount less margin amount).
Interest	The fixed rate of interest for each drawal of the Facility will be stipulated by ICICI Bank at the time of disbursement of each drawal, which shall be sum of I-MCLR# and "Spread" per annum, subject to minimum of I-MCLR#, plus applicable statutory levy, if any. As on date the I-MCLR-3M is 7.05 % and Spread is 1.0%. #Note: I-MCLR will be based on the tenure of the individual drawals under the facility: • Drawals for upto 3 month tenure: I-MCLR-3M In case of any change in the regulatory requirements by the regulator applicable to the Facility pertaining to provisioning norms and/or risk weightage, then ICICI Bank may revise the Spread to reflect the regulatory change, subject to extant RBI guidelines. The Borrower will have the option to prepay the individual drawal, without any prepayment penalty, during 60 days prior to the scheduled maturity date of the drawal or during residual tenure not greater than 1/3rd of the original tenure (in days), whichever is longer in duration, provided that at least 5 days prior irrevocable written notice to prepay the loan has been given by the Borrower to ICICI Bank. Unless specified otherwise in the documents in relation to the Facility, if the Borrower wishes to prepay any part of or whole of the Facility, it may do so with payment of Prepayment Premium of 0.25% on principal amount of the loan being prepaid subject to the Borrower giving at least 15 days prior irrevocable written notice of the same to ICICI Bank.
Interest Payment Frequency	Upfront
Commission	1. Transaction charges a) On Discounting: ₹ 500.0 per lot irrespective of the number of invoices b) Overdue charges: 4% over and above documented rate

ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai- 400 051, India

Tel.: (91-22) 2653 1414
Fax: (91-22) 2653 1122
Website www.icicibank.com
CIN.: L65190GJ1994PLC021012

Regd. Office : ICICI Bank Tower,
Near Chakli Circle,
Old Padra Road,
Vadodara 390 007, India.

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	Above charges are exclusive of service tax/GST or other statutory levy, if any, which shall be charged as per the prevailing guidelines of government/statutory authority. Fees / commission / any other charges shall be taken upfront

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Security Template

S. No.	Facility	Security Details	Nature of Charge	Description / Property Address	Timeline for Security Creation*	Timeline for filing of Form CHG-I
1.	Invoice Discounting: ₹ 150.0 million Bank Guarantee: ₹ 200.0 million	Exclusive charge on Cash margin account no. 002105023538 maintained with ICICI Bank.	Exclusive	-	Upfront (Already created)	Form CHG-I filing to be completed within the statutory timeline of 30 days from the date of creation of security. However, if security perfection timeline is upfront or is less than 30 days from creation, then Form CHG-1 should also be filed upfront or within such perfection timeline, as the case may be.
2.		Exclusive charge on Fixed deposits held under lien maintained with ICICI Bank	Exclusive	-	Upfront (Already created)	

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Operational Terms and Conditions

Description	Particulars	Frequency
Audited/Unaudited financial statements	Certified by statutory auditor	Provisional: within three months from the close of the accounting year Audited: within seven months from the close of the accounting year
Authorized Signatory/ Director/Company Secretary Certificate in relation to unhedged foreign currency exposure	To be submitted in a format that is satisfactory to ICICI Bank.	Quarterly, within 30 days of each quarter
Statutory Auditor Certificate in relation to unhedged foreign currency exposure	To be submitted in a format that is satisfactory to ICICI Bank.	Yearly, within 7 month of end of financial year
Data required for renewal	To be provided by the Borrower	3 months before expiry of limits

Other Terms:

Margin for fund based limits	Inventory Stock	NA
	Book debt	NA
Processing Fees	*Nil*	
Creation of Charges	*Creation of charges to be done within stipulated timelines as per the security template*	
Consortium/Multiple Banking Arrangements	• All other terms and conditions shall be as per General Conditions (GC-I) and the Credit Facility Agreement (CFA) to be executed between the company and ICICI Bank Ltd.	
Special/Other Terms/ Conditions (If any)	Borrower hereby irrevocably and unconditionally undertakes, agrees and confirms that none of the director's name appears in RBI/ECGC defaulter list. • The cumulative outstanding in Yatra Online Private Limited and Yatra for Business Private Limited (YFBPL) shall not exceed the lien marked cash margin (including BG cash margin) maintained with ICICI bank (cumulative of both the entities) • For Utilization in excess of total cash margin, borrower shall provide upfront cash margin so as to maintain security cover of 100% • Aggregate outstanding of BG and Invoice Discounting in YOPL along with net borrowings in YFBPL (net of cash margin/FD) will not exceed lien marked cash margins/FD (in favour of ICICI Bank) available with YOPL at all times.	
Declaration	The Borrower hereby gives specific consent to ICICI Bank for submitting/disclosing the 'financial information' as defined in	

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	Section 3(13) of the Insolvency and Bankruptcy Code, 2016 (including all amendments and replacements made thereto and all rules and regulations framed thereunder), in respect of the Facility availed by the Borrower, from time to time, to Information Utilities as defined in Section 3(21) of the Insolvency and Bankruptcy Code, 2016 (including all amendments and replacements made thereto and all rules and regulations framed thereunder), and directions issued by Reserve Bank of India to the banks from time to time and hereby specially agree to promptly authenticate and verify the 'financial information' submitted by ICICI Bank, as and when requested by Information Utilities. The Borrower hereby gives consent to ICICI Bank, to recover/set off any fees required to be paid by ICICI Bank to the Information Utilities for availing their services in relation to the Facility from the disbursements made to the Borrower by ICICI Bank from time to time.
Schedule of charges for foreign exchange and international business services	Unless otherwise mentioned in the CAL or other transaction documents, all applicable charges as per 'Schedule of charges for Foreign Exchange and International Business Services' as uploaded on https://www.icicibank.com/managed-assets/docs/service-charges/corporate/revision-notice/cb_charges_trade.pdf will be recovered for trade transactions and services rendered by ICICI Bank. ICICI Bank reserves the right to modify the rates from time to time.
Additional Interest Rates	As per 'Annexure II' The Borrower agrees that in the event payment default continues for more than 90 days, the additional interest rate shall increase to 'Documented Rate/Applicable Benchmark, as applicable+6%' and such increased rate shall be applicable from the date of the payment default.
Additional Terms	A. ICICI Bank, without assigning any reason, reserves the right to not disburse any Facility, partially or fully, and the Borrower / guarantors shall not have any claim against ICICI Bank for such non disbursement. B. In addition to any other terms, the disbursement of the Facilities is contingent upon (a) positive CIBIL report of the Borrower or any of its directors; (b) the Borrower or any of its directors not being declared as a wilful defaulter or non-cooperative borrower; (c) the Borrower's account not being classified and reported to RBI as Special Mention Account 1 or 2. C. The Borrower shall ensure that its foreign currency exposures, if any, are suitably hedged to the satisfaction of the Bank (including without limitation, pursuant to a suitably authorised risk management policy as may be required by applicable law).

ICICI Bank

	D. The Borrower shall submit information on its foreign currency exposure (including the details of hedging thereof), (a) duly certified by its directors or company secretary, within thirty days of expiry of each fiscal quarter; and (b) audited and certified by its statutory auditor within six months of expiry of each fiscal year. E. In case there is any change in the regulatory requirements applicable to the Facilities pertaining to provisioning norms and/or risk weightage, ICICI Bank may revise the spread to reflect the regulatory change, subject to extant RBI guidelines.
Compliance with specific environmental & social management conditions	Borrower confirms that: (i) it is not involved and shall not be involved in any of the below mentioned activities till the Facilities are fully repaid, to the satisfaction of ICICI Bank, and/or (ii) the end-use of the Facilities is not and shall not be towards any of the below mentioned activities: a. Production or activities involving harmful or exploitative forms of forced labour/harmful child labour; b. Production or trade in weapons and munitions except for defence; c. Production or trade of leather tanneries; d. Gambling, casinos and equivalent enterprises; e. New projects consuming/producing Ozone Depleting Substances; f. Projects involving exposure to Radioactive materials except projects where the radioactive source is adequately shielded; g. Production or trade in unbounded asbestos fibres (other than the purchase and use of bonded asbestos cement sheeting where asbestos content is less than 20%); h. Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest (prohibited by the Forestry policy); i. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, including production or trade in pesticides/herbicides subject to international phase outs or bans; j. Drift net fishing in the marine environment using nets in excess of 2.5 km in length; and Production or trade of wildlife or products regulated/banned under Convention on International Trade in Endangered Species of Wild Fauna and Flora and Wild Life Protection Act, 1972.
Basel clause	The Bank reserves the unconditional right to cancel the Limits advanced/ to be advanced under their respective facility agreements/ sanction letters at any time during the currency of the Facility without giving any prior notice to the Borrower, on the occurrence of any one or more of the following:

	i. in case the Limits/part of the Limits are not utilized by the Borrower; or ii. in case of Deterioration in the Creditworthiness of the Borrower in any manner whatsoever; or iii. in case of noncompliance of the terms and conditions of the respective facility agreements/ letter of sanction and/ or Security Documents. For the purpose of this clause, Deterioration in the Creditworthiness shall mean and include without limitation, the following events: i. downgrade of the rating of the Borrower by a Credit Rating Agency; ii. inclusion of the Borrower and/or any of its Directors in the Reserve Bank of India's willful defaulters list; iv. closure of a significant portion of the Borrower's operating capacity; v. decline in the profit after tax of the Borrower by more than fifteen percent; vi. any adverse comment from the Auditor; and any other reason/ event in the opinion of the said Bank constituting or which may constitute Deterioration in the Creditworthiness; The Borrower unconditionally agrees, undertakes to get itself rated for enhanced facilities by Credit Rating Agency/ies within a period of six months from first disbursement and/or at such intervals as may be decided by the Bank. In case the Borrower fails to do so or the rating received is below BBB- or its equivalent, the Bank shall have the right to review the applicable interest rate and/or costs, charges and expenses, which shall be payable by the Borrower/Sponsor and on such date/s or within such period as may be specified by the Bank. "Credit Rating Agency" shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited, CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moody's and Standard & Poor's and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

Non Judicial

Indian-Non Judicial Stamp
Haryana Government

Date : 13/12/2021

Certificate No. G0M2021L1133

GRN No. 84733217

Stamp Duty Paid : ₹ 300 (Rs. Only)

Penalty : ₹ 0 (Rs. Zero Only)

Seller / First Party Detail

Name: Yatra Online Ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village : Gurugram District : Gurugram State : Haryana

Phone: 79******08

Buyer / Second Party Detail

Name : Icici bank ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village: Gurugram District : Gurugram State : Haryana

Phone : 79******08

Purpose : SUPPLEMENTAL AND AMENDATORY AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website https://egrashry.nic.in

SUPPLEMENTAL AND AMENDATORY AGREEMENT TO THE FACILITY AGREEMENT

THIS SUPPLEMENTAL AND AMENDATORY AGREEMENT made this 17th day of January, Two Thousand and Twenty Two between:

Yatra Online Limited (Formerly, Yatra Online Private Limited), a company within the meaning of the Companies Act, 2013 and having its Registered Office at B2/101, 1stFlr Marathon Innova,Marathon Nextgen Complex B Wing G. Kadam Marg Opp.Peninsula Corp Park Lower Parel (W Mumbai Mumbai City MH 400013 (the "Borrower", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) of the ONE PART

AND

ICICI BANK LIMITED, a company incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its Registered Office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road 390 007 and corporate office at ICICI Bank Towers, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, and amongst others, a branch / office at NBCC Place, Pragati Vihar, Bhisma Pitamah Marg, New Delhi – 110003 (the "Bank", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the OTHER PART.

WHEREAS:

(1) By a Facility Agreement dated the 22 day of June Two Thousand and Seventeen as amended from time to time (the "Agreement") entered into between the Borrower and the Bank, the Bank has, at the request of the Borrower, agreed to provide / provided to the Borrower working capital facilities (the "WC Facilities") specified in the Agreement upto sums in the aggregate not exceeding Rs 600.0 million (the "Overall Limits") at any point of time.

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For YATRA ONLINE LIMITED

Authorised Signatory

For YATRA ONLINE LIMITED

Authorised Signatory

(2) The Borrower has now requested the Bank to :

(i) modify the Limits/ reduce the limits from 600.0 million to 450.0 million/

(ii) modify/supplement/amend the existing terms and conditions of the Agreement.

(3) To give effect to the above, the parties hereto have agreed to execute these presents.

NOW THIS SUPPLEMENTAL AND AMENDATORY AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. All capitalized terms used but not defined herein shall have the respective meanings assigned to them under the Agreement.

(4) Amendment to the Agreement:

(i) Credit Arrangement letter as specified in the schedule to the Agreement stands modified as under

> *"The Credit Arrangement Letter (CAL) No. CAL98353756661 dated June 21, 2017 as amended/modified/renewed from time to time, most recently renewed vide Renewal CAL, CAL67708836447 dated October 18,2021 as further amended/renewed from time to time. "*

4. Notwithstanding anything contained in the Transaction Documents, the Bank shall have the unconditional right to cancel the unutilized portion of the Facility, in whole or in part, at any time during the subsistence of the Facility, without giving any prior notice to the Borrower, for any reason whatsoever, including but not limited to, on the occurrence of Deterioration of Creditworthiness of the Borrower, or for non-compliance of any terms and conditions of the Transaction Documents.

5. The provisions of this Supplemental and Amendatory Agreement shall become effective from the date hereof.

6. This Supplemental and Amendatory Agreement shall be read in conjunction with the Agreement and be enforced as if the provisions of this Supplemental and Amendatory Agreement were incorporated therein by way of addition. To the extent of any inconsistency between the terms of this Supplemental and Amendatory Agreement and the Agreement, the provisions of this Supplemental and Amendatory Agreement shall prevail.

7. Save for changes specified hereinabove, all the other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF the Borrower and the Bank have caused this Supplemental and Amendatory Agreement to be executed on the day, month and year first hereinabove written as hereinafter appearing.

For the Bank:

SIGNED AND DELIVERED by the within named Bank, ICICI BANK LIMITED, by the hand of Mr. / Ms. _______________, its authorized official

For the Borrower:
The Common Seal of the within named Borrower, Yatra Online Limited (Formerly, Yatra Online Private Limited), has, pursuant to the resolution of its Board of Directors, passed in that behalf on the 20th day of June, 2018, hereunto been affixed in the presence of Mr. Anuj Kumar Sethi

For YATRA ONLINE LIMITED

Anup Kumar Sethi

Authorised Signatory

01052018 V4

For YATRA ONLINE LIMITED

Authorised Signatory

For YATRA ONLINE LIMITED

Anup Kumar Sethi

Authorised Signatory

ICICI Bank

RENEWAL CREDIT ARRANGEMENT LETTER

CAL33977490422
Date: October 14,2021.

Yatra for Business Private Limited,
Gulf Adiba, 4th floor, Plot no. 272,
Phase II, Udyog Vihar, Sector 20, Gurugram 122008

Kind Attention: Mr. Anuj Kumar Sethi

Dear Sir/Madam,
Sub: Renewal of working capital facilities

We refer to the working capital facilities ("Facilities", details of which are mentioned in Annexure I) granted to you by ICICI Bank Limited ("ICICI Bank"), pursuant to a credit arrangement letter (including any amendatory/renewal letters) and other facility documents, executed in relation to the Facilities ("Transaction Documents").

We are pleased to inform that ICICI Bank, at your request, has renewed the Facilities on the terms and conditions as set out in Annexure II, for a further period up to the date mentioned in Annexure II. All other terms and conditions of the Facilities, including the existing security and/or contractual comfort, if any, shall remain in full force and effect.

In case of any change, in the directors, memorandum of association, articles of association or other constitutional documents, subsequent to the information/documents last shared by you with ICICI Bank, you are requested to forthwith furnish updated records of the same to ICICI Bank. Kindly also ensure that your total working capital bank finance, including the renewed Facilities, does not and shall not during the subsistence of the Facilities exceed the maximum permissible bank finance limits.

This Renewal Credit Arrangement Letter ("Renewal CAL") shall be read in conjunction with the other Transaction Documents and to the extent of any inconsistency between the other Transaction Documents and this Renewal CAL letter, the provisions of this Renewal CAL shall prevail.

This Renewal CAL is being sent to you in duplicate. We request you to return one copy of this Renewal CAL, duly signed by your authorized person, the authorized official of the guarantor and security providers (if any), in token of acceptance of the terms specified herein, and execute/procure execution of such agreements and/or documents as may be required in relation to the Facilities, in the form and manner acceptable to ICICI Bank, by February 27, 2022. or such extended period as ICICI Bank may grant in writing, at its sole discretion, failing which this offer shall lapse automatically without any further communication.

The accepted Renewal CAL must be returned along with a board resolution/requisite authorization, applicable to the borrower, guarantor, security provider (as applicable), to establish the authority of the signatory.

Yours faithfully,

For ICICI Bank Ltd

(Authorised signatory)

Name: Date:

Accepted by the Borrower: Name: [•] ANUJ KUMAR SETHI Designation: [•] SVP- FINANCE Date: [•]	Signature Anup Kumar Sethi
Accepted by the Guarantor: Name: [•] Designation: [•] Date: [•]	
Accepted by the Security Provider Name: [•] Designation: [•] Date: [•]	

ANNEXURE I

Facilities	Overall Limits (₹ in million)	Outstanding amount as on October 11, 2021 (₹ in million)
Fund Based		
Invoice Discounting	300.0	0.0
Bank Guarantee	(200.0)	0.0
Non-Fund based		
Bank Guarantee	100.0	93.4
Overall Limit (total):	**400.0**	**93.4**

ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai- 400 051, India

Tel.: (91-22) 2653 1414
Fax: (91-22) 2653 1122
Website www.icicibank.com
CIN.: L65190GJ1994PLC021012

Regd. Office : ICICI Bank Tower,
Near Chakli Circle,
Old Padra Road,
Vadodara 390 007, India.

ICICI Bank

*BG is sublimit of Invoice Discounting

Terms and Conditions

Facility	Bank Guarantee (BG) ("BG Facility")
Existing Limit	₹100.0 million
Proposed Limit	₹100.0 million
Borrower/ Company	Yatra for Business Private Limited (YFBPL)
Lender	ICICI Bank Ltd (ICICI Bank)
Sublimit	Nil
Interchangeability	Nil
Promoter/parent	Yatra Online Private Limited ("YOPL")
Purpose	Financial or performance guarantees. Towards bid bond, security deposit, earnest money deposit, contract performance / performance guarantees, advance payment and retention money purposes; Customs, goods and services tax, electricity, insurance purposes The Borrower shall not request ICICI Bank for issuance of BGs in favour of any sister concerns/ associate concerns/ group companies/associates of the Borrower.
Validity	September 08, 2022
Cash Margin	Nil since Limit is backed by 100% of cash margin/FD
Security	As per security template
BG Tenor	Maximum period of the BG (including claim period of 1 year) to be restricted to 60 months. Commission shall be chargeable upto the expiry of the claim period or till submission of discharge letter / original BG, whichever is earlier and shall be payable as per the frequency mentioned below.
Commission/ Pricing	0.50% p.a. The commission shall be calculated on the actual number of day basis i.e. from the date of issuance/ opening of the BG upto the end of claim period.

	In case of foreign currency bank guarantees, the following charges will be additional: SWIFT/communication charges – ₹500 per guarantee Correspondent bank charges, if any, shall be charged on actuals.
Minimum Commission	Rs. 500 per guarantee
Commission Collection Frequency	Commission will be collected upfront till the expiry of claim period.
Commission calculation method	No of days (tenor) X rate of commission (basis 365 days per year)
Condition Precedents/ Condition Subsequent/ Special Conditions	The Borrower shall not request the bank for issuance of BGs in favour of any sister concerns/ associate concerns/ group companies/ associates of the Borrower.
General	• The bank guarantees to be issued shall be as per the format acceptable to ICICI Bank. • Bank Guarantees with Onerous clauses can be issued for the entire BG limit.

Invoice Discounting

Facility	Invoice Discounting
Existing Limit	₹300.0 million
Proposed Limit	₹300.0 million
Interchangeability (if applicable)	Not allowed The Facility shall not be interchangeable with any other facility sanctioned by ICICI Bank
Specific security	As per Security Template
Tenor / Usance	60 days.
Interest	The fixed rate of interest for each drawal of the Facility will be stipulated by ICICI Bank at the time of disbursement of each drawal, which shall be sum of I-MCLR# and "Spread" per annum, subject to minimum of I-MCLR#, plus applicable statutory levy, if any. As on date the I-MCLR-3M is 7.05 % and Spread is 1.0%. #Note: I-MCLR will be based on the tenure of the individual drawals under the facility: • Drawals for upto 3 month tenure: I-MCLR-3M\ In case of any change in the regulatory requirements by the regulator applicable to the Facility pertaining to provisioning norms and/or risk weightage, then ICICI Bank may revise the

ICICI Bank

	Spread to reflect the regulatory change, subject to extant RBI guidelines. The Borrower will have the option to prepay the individual drawal, without any prepayment penalty, during 60 days prior to the scheduled maturity date of the drawal or during residual tenure not greater than 1/3rd of the original tenure (in days), whichever is longer in duration, provided that at least 5 days prior irrevocable written notice to prepay the loan has been given by the Borrower to ICICI Bank. Unless specified otherwise in the documents in relation to the Facility, if the Borrower wishes to prepay any part of or whole of the Facility, it may do so with payment of Prepayment Premium of 0.25% on principal amount of the loan being prepaid subject to the Borrower giving at least 15 days prior irrevocable written notice of the same to ICICI Bank.
Interest Payment Frequency	Upfront
Commission	1. Transaction charges a) On Discounting: ₹500.0 per lot irrespective of the number of invoices b) Overdue charges: 4% over and above documented rate Above charges are exclusive of service tax/GST or other statutory levy, if any, which shall be charged as per the prevailing guidelines of government/statutory authority. Fees / commission / any other charges shall be taken upfront

Bank Guarantee

Facility	Bank Guarantee (BG) as a sublimit of Invoice discounting
Existing Limit	₹ 200.0 million
Proposed Limit	₹ 200.0 million
Borrower/ Company	Yatra for Business Private Limited (YFBPL)
Lender	ICICI Bank Ltd (ICICI Bank)
Sublimit	Nil
Interchangeability	Nil
Promoter/parent	Yatra Online Private Limited ("YOPL")
Purpose	Financial or performance guarantees. Towards bid bond, security deposit, earnest money deposit, contract performance / performance guarantees, advance payment and retention money purposes; Customs, goods

Yatra Online Private Limited

ICICI Bank

	and services tax, electricity, insurance purposes and for any other purpose as requested by the applicant.
Validity	September 08, 2022
Cash Margin	Nil since Limit is backed by 100% of cash margin/FD
Security	As per security template
BG Tenor	Maximum period of the BG (including claim period of 1 year) to be restricted to 60 months. All the BGs being renewed/ extended / issued shall have a minimum claim period of one year ICICI Bank shall block limits for the BG issued under the BG facility, for (i) a period of 1 (one) year from the date of expiry of such BG or (ii) the claim period specified in such BG, whichever is later. However, where the original BG or a valid discharge letter is received from the beneficiary, the blocked limits shall stand released.
Commission/ Pricing	0.50% p.a. The commission shall be calculated on the actual number of day basis i.e. from the date of issuance/ opening of the BG upto the end of claim period. In case of foreign currency bank guarantees, the following charges will be additional: SWIFT/communication charges – ` 500 per guarantee Correspondent bank charges, if any, shall be charged on actuals. Commission shall be chargeable upto the expiry of the claim period or till submission of discharge letter / original BG, whichever is earlier and shall be payable as per the frequency mentioned below.
Minimum Commission	Rs. 500 per guarantee
Commission Collection Frequency	Commission will be collected upfront till the expiry of claim period.
Commission calculation method	No of days (tenor) X rate of commission (basis 365 days per year)
Condition Precedents/ Condition Subsequent/ Special Conditions	The Borrower shall not request the bank for issuance of BGs in favour of any sister concerns/ associate concerns/ group companies/ associates of the Borrower.

	The bank guarantees to be issued shall be as per the format acceptable to ICICI Bank.
General	• The bank guarantees to be issued shall be as per the format acceptable to ICICI Bank. • Bank Guarantees with Onerous clauses can be issued for the entire BG limit.

Security Template

S. No.	Facility	Security Details	Nature of Charge	Description / Property Address	Timeline for Security Creation*	Timeline for filing of Form CHG-I
1.	Invoice Discounting: ₹ 300.0 million Bank Guarantee: ₹ 100.0 million	Exclusive charge on non-checking account held with ICICI bank (account no 245105000451) during the tenor of the Facility. The aforesaid amount shall be lien marked in favour of ICICI bank	Exclusive	-	Upfront (Already created)	Form CHG-I filing to be completed within the statutory timeline of 30 days from the date of creation of security. However, if security perfection timeline is upfront or is less than 30 days from creation, then Form CHG-1 should also be filed upfront or within such perfection timeline, as the case may be.
2.		Exclusive charge on Fixed Deposits with ICICI Bank to maintain 100% security cover	Exclusive	-	Upfront (Already created)	

ICICI Bank

Contractual Comforts Template:

The following contractual comforts shall be provided, in a form and manner satisfactory to ICICI Bank:

S.No.	Facility	Type of Contractual Comfort	Details of the Contractual Comfort Provider	Timeline for obtaining the Contractual Comfort*
1.	Invoice Discounting: ₹ 300.0 million Bank Guarantee: ₹ 100.0 million	Unconditional and irrevocable Corporate Guarantee	Yatra Online Private Limited	Upfront (Already created)
2.		Non-Disposal Undertaking from parent not to dispose any shareholding throughout the tenor of facility	Yatra Online Private Limited	Upfront (Already created)

Operational Terms and Conditions

Description	Particulars	Frequency
Audited/Unaudited financial statements	Certified by statutory auditor	Provisional: within three months from the close of the accounting year Audited: within seven months from the close of the accounting year
Data required for renewal	To be provided by the Borrower	3 months before expiry of limits
Authorized Signatory/ Director/Company Secretary Certificate in relation to unhedged foreign currency exposure	To be submitted in a format that is satisfactory to ICICI Bank.	Quarterly, within 30 days of each quarter
Statutory Auditor Certificate in relation to unhedged	To be submitted in a format that is satisfactory to ICICI Bank.	Yearly, within 7 month of end of financial year

ICICI Bank

foreign currency exposure		

Other Terms:

Margin for fund based limits	Inventory Stock: NA Book debt: NA
Processing Fees	*Nil*
Creation of Charges	*Creation of charges to be done within stipulated timelines as per the security template*
Consortium/Multiple Banking Arrangements	All other terms and conditions shall be as per General Conditions (GC-I) and the Credit Facility Agreement (CFA) to be executed between the company and ICICI Bank Ltd.
Special/Other Terms/ Conditions (If any)	Borrower hereby irrevocably and unconditionally undertakes, agrees and confirms that none of its director's name appears in RBI/ECGC defaulter list. • The cumulative outstanding in YOPL and YFBPL shall not to exceed the lien marked cash margin (including BG cash margin) maintained with ICICI bank (cumulative of both the entities) • For Utilization in excess of total cash margin, Borrower shall provide upfront cash margin so as to maintain the security cover of 100%. • Aggregate outstanding of BG and Invoice Discounting in YFBPL will not exceed lien marked cash margins/FD (in favour of ICICI Bank) of YFBPL and YOPL (cumulative) net of the outstanding borrowings in YOPL
Schedule of charges for foreign exchange and international business services	Unless otherwise mentioned in the CAL or other transaction documents, all applicable charges as per 'Schedule of charges for Foreign Exchange and International Business Services' as uploaded on https://www.icicibank.com/managed-assets/docs/service-charges/corporate/revision-notice/cb_charges_trade.pdf will be recovered for trade transactions and services rendered by ICICI Bank. ICICI Bank reserves the right to modify the rates from time to time.
Additional Terms	A. ICICI Bank, without assigning any reason, reserves the right to not disburse any Facility, partially or fully, and the Borrower / guarantors shall not have any claim against ICICI Bank for such non disbursement. B. In addition to any other terms, the disbursement of the Facilities is contingent upon (a) positive CIBIL report of the Borrower or any of its directors; (b) the Borrower or

ICICI Bank

	any of its directors have not been declared as a wilful defaulter or non-cooperative borrower; (c) the Borrower's account has not been classified and reported to RBI as Special Mention Account 1 or 2. C. The Borrower shall ensure that its foreign currency exposures, if any, are suitably hedged to the satisfaction of the Bank (including without limitation, pursuant to a suitably authorised risk management policy as may be required by applicable law). D. The Borrower shall submit information on its foreign currency exposure (including the details of hedging thereof), (a) duly certified by its directors or company secretary, within thirty days of expiry of each fiscal quarter; and (b) audited and certified by its statutory auditor within six months of expiry of each fiscal year. E. In case there is any change in the regulatory requirements applicable to the Facilities pertaining to provisioning norms and/or risk weightage, ICICI Bank may revise the spread to reflect the regulatory change, subject to extant RBI guidelines
Additional Interest Rates	As per 'Annexure II' The Borrower agrees that in the event payment default continues for more than 90 days, the additional interest rate shall increase to 'Documented Rate/Applicable Benchmark, as applicable+6%' and such increased rate shall be applicable from the date of the payment default.
Compliance with specific environmental & social management conditions[1]	Borrower confirms that: (i) it is not involved and shall not be involved in any of the below mentioned activities till the Facilities are fully repaid, to the satisfaction of ICICI Bank, and/or (ii) the end-use of the Facilities is not and shall not be towards any of the below mentioned activities: a. Production or activities involving harmful or exploitative forms of forced labour/harmful child labour; b. Production or trade in weapons and munitions except for defence; c. Production or trade of leather tanneries; d. Gambling, casinos and equivalent enterprises; e. New projects consuming/producing Ozone Depleting Substances; f. Projects involving exposure to Radioactive materials except projects where the radioactive source is adequately shielded; g. Production or trade in unbounded asbestos fibres (other than the purchase and use of bonded asbestos cement sheeting where asbestos content is less than 20%);

ICICI Bank

	h. Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest (prohibited by the Forestry policy); i. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, including production or trade in pesticides/herbicides subject to international phase outs or bans; j. Drift net fishing in the marine environment using nets in excess of 2.5 km in length; and *k.* Production or trade of wildlife or products regulated/banned under Convention on International Trade in Endangered Species of Wild Fauna and Flora and Wild Life Protection Act, 1972.
Basel clause	The Bank reserves the unconditional right to cancel the Limits advanced/ to be advanced under their respective facility agreements/ sanction letters at any time during the currency of the Facility without giving any prior notice to the Borrower, on the occurrence of any one or more of the following: i. in case the Limits/part of the Limits are not utilized by the Borrower; or ii. in case of Deterioration in the Creditworthiness of the Borrower in any manner whatsoever; or iii. in case of noncompliance of the terms and conditions of the respective facility agreements/ letter of sanction and/ or Security Documents. For the purpose of this clause, Deterioration in the Creditworthiness shall mean and include without limitation, the following events: i. downgrade of the rating of the Borrower by a Credit Rating Agency; ii. inclusion of the Borrower and/or any of its Directors in the Reserve Bank of India's willful defaulters list; iv. closure of a significant portion of the Borrower's operating capacity; v. decline in the profit after tax of the Borrower by more than fifteen percent; vi. any adverse comment from the Auditor; and any other reason/ event in the opinion of the said Bank constituting or which may constitute Deterioration in the Creditworthiness; The Borrower unconditionally agrees, undertakes to get itself rated for enhanced facilities by

	Credit Rating Agency/ies within a period of six months from first disbursement and/or at such intervals as may be decided by the Bank. In case the Borrower fails to do so or the rating received is below BBB- or its equivalent, the Bank shall have the right to review the applicable interest rate and/or costs, charges and expenses, which shall be payable by the Borrower/Sponsor and on such date/s or within such period as may be specified by the Bank. "Credit Rating Agency" shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited, CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moody's and Standard & Poor's and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

Non Judicial

Indian-Non Judicial Stamp
Haryana Government

Date : 13/12/2021

Certificate No. G0M2021L1171

GRN No. 84733217

Stamp Duty Paid : ₹ 300 (Rs. Only)

Penalty : ₹ 0 (Rs. Zero Only)

Seller / First Party Detail

Name: Yatra for Business Pvt ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village : Gurugram District : Gurugram State : Haryana

Phone: 79******08

Buyer / Second Party Detail

Name : Icici bank ltd

H.No/Floor : Na Sector/Ward : Na LandMark : Na

City/Village: Gurugram District : Gurugram State : Haryana

Phone : 79******08

Purpose : SUPPLEMENTAL AND AMENDATORY AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website https://egrashry.nic.in

SUPPLEMENTAL AND AMENDATORY AGREEMENT TO THE FACILITY AGREEMENT

THIS SUPPLEMENTAL AND AMENDATORY AGREEMENT made this 17th day of January, Two Thousand and Twenty Two between:

Yatra For Business Private Limited (Formerly Known as Air Travel Bureau Private Limited), a company within the meaning of the Companies Act, 2013 and having its Registered Office at Unit No. 1 Sect – B, PKT-7, Vasant Kunj New Delhi 110070 (the "Borrower", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns) of the ONE PART

AND

ICICI BANK LIMITED, a company incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949 and having its Registered Office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road 390 007 and corporate office at ICICI Bank Towers, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, and amongst others, a branch / office at NBCC Place, Pragati Vihar, Bhisma Pitamah Marg, New Delhi – 110003 (the "Bank", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns) of the OTHER PART.

WHEREAS:

(1) By a Facility Agreement dated the 16th day of August Two Thousand and Eighteen as amended from time to time (the "Agreement") entered into between the Borrower and the Bank, the Bank has, at the request of the Borrower, agreed to provide / provided to the Borrower working capital facilities (the "WC Facilities") specified in the Agreement upto sums in the aggregate not exceeding Rs 400.0 million (the "Overall Limits") at any point of time.

01052018 V4

For Yatra For Business Private Limited

Authorised Signatory

Sabeeta Chopra

For Yatra For Business Private Limited

Authorised Signatory

The Borrower has now requested the Bank to modify/supplement/amend the existing terms and conditions of the Agreement.

(2) To give effect to the above, the parties hereto have agreed to execute these presents.

NOW THIS SUPPLEMENTAL AND AMENDATORY AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. All capitalized terms used but not defined herein shall have the respective meanings assigned to them under the Agreement.

(3) Amendment to the Agreement:

Clause A of 2.14 of Article II of the Agreement stands modified as under:

"SECURITY

- Exclusive charge on non-checking account held with ICICI Bank (account no 245105000451) during the tenor of the facility. The aforesaid amount shall be lien marked in favour of ICICI Bank
- Exclusive charge on Fixed Deposits with ICICI Bank to maintain 100% security cover"

(i) Credit Arrangement letter as specified in the schedule to the Agreement stands modified as under

"The Credit Arrangement Letter (CAL) No. CAL1388260428831dated August 14, 2018 as amended/modified/renewed from time to time, most recently renewed vide Renewal CAL,CAL33977490422 dated October 14,2021 as further amended/renewed from time to time. "

4. Notwithstanding anything contained in the Transaction Documents, the Bank shall have the unconditional right to cancel the unutilized portion of the Facility, in whole or in part, at any time during the subsistence of the Facility, without giving any prior notice to the Borrower, for any reason whatsoever, including but not limited to, on the occurrence of Deterioration of Creditworthiness of the Borrower, or for non-compliance of any terms and conditions of the Transaction Documents.

5. The provisions of this Supplemental and Amendatory Agreement shall become effective from the date hereof.

6. This Supplemental and Amendatory Agreement shall be read in conjunction with the Agreement and be enforced as if the provisions of this Supplemental and Amendatory Agreement were incorporated therein by way of addition. To the extent of any inconsistency between the terms of this Supplemental and Amendatory Agreement and the Agreement, the provisions of this Supplemental and Amendatory Agreement shall prevail.

7. Save for changes specified hereinabove, all the other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF the Borrower and the Bank have caused this Supplemental and Amendatory Agreement to be executed on the day, month and year first hereinabove written as hereinafter appearing.

For the Bank:

SIGNED AND DELIVERED by the within named Bank, ICICI BANK LIMITED, by the hand of Mr. / Ms. ____________, its authorized official

For the Borrower:
The Common Seal of the within named Borrower, Yatra For Business Private Limited (Formerly, Air travel Bureau Private Limited), has, pursuant to the resolution of its Board of Directors, passed in that behalf on the 23rd day of July, 2018, hereunto been affixed in the presence of Mr. Anuj Kumar Sethi

For Yatra For Business Private Limited

Authorised Signatory

01032018 V4

For Yatra For Business Private Limited

Authorised Signatory

For Yatra For Business Private Limited

Authorised Signatory

Exhibit 12.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Dhruv Shringi, certify that:

1. I have reviewed this Annual Report on Form 20-F of Yatra Online, Inc. (the "Company");

2. Based on my knowledge, this Annual Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the Company and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the Annual Report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the Audit Committee of the Company's Board of Directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: August 01, 2022

By:	*/s/ Dhruv Shringi*
Name:	Dhruv Shringi
Title:	Chief Executive Officer (Principal Executive Officer)

Exhibit 12.2

Certification by the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Anuj Kumar Sethi, certify that:

1. I have reviewed this Annual Report on Form 20-F of Yatra Online, Inc. (the "Company");

2. Based on my knowledge, this Annual Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the Company and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the Annual Report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the Audit Committee of the Company's Board of Directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: August 01, 2022

By:	*/s/ Anuj Kumar Sethi*
Name:	Anuj Kumar Sethi
Title:	Principal Financial Officer and Principal Accounting Officer

Exhibit 13.1

Certification of Chief Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Yatra Online, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 20-F of the Company for the year ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 01, 2022

By:	*/s/ Dhruv Shringi*
Name:	Dhruv Shringi
Title:	Chief Executive Officer (Principal Executive Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. Section 1350, and is not being "filed" either as part of the Report or as a separate disclosure statement, and is not to be incorporated by reference into the Report or any other filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing. The foregoing certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of Section 18 or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

Exhibit 13.2

Certification by the Principal Financial Officer pursuant to
18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Yatra Online, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 20-F of the Company for the year ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 01, 2022

By:	*/s/ Anuj Kumar Sethi*
Name:	Anuj Kumar Sethi
Title:	Principal Financial Officer and Principal Accounting Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. Section 1350, and is not being "filed" either as part of the Report or as a separate disclosure statement, and is not to be incorporated by reference into the Report or any other filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing. The foregoing certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of Section 18 or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

Ernst & Young Associates LLP
Golfview Corporate Tower- B
Sector -42, Sector Road 1
Gurugram – 122 002
Haryana, India

Tel: +91 124 443 4000
ey.com/en_in

August 1, 2022

Dhruv Shringi
Chief Executive Officer

Dear Dhruv:

Enclosed is a manually signed copy of our consent on the Annual Report (Form 20-F) of Yatra Online, Inc. Please retain this letter and the enclosure in your files as evidence of our authorization to include the attached consent in your registration statement filed with the Securities and Exchange Commission.

If you have any questions regarding the form or use of this report, please call me.

Very truly yours,

Engagement Partner

Ernst & Young Associates LLP, a limited liability partnership with LLP identity No. AAB - 4321
Regd. Office : 6th Floor, Worldmark - 1, Asset Area 11, Hospitality District, Indira Gandhi International Airport, New Delhi - 110037, India.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1) Registration Statement (Form S8 No. 333-218498) pertaining to the 2006 Share Plan and 2016 Stock option and Incentive Plan of Yatra Online, Inc.;

2) Registration Statement (Form F-3 No. 333-224661) pertaining to registration of securities under the Securities Act of 1933 (the “Securities Act”) of Yatra Online, Inc. and

3) Registration Statement (Form F3 No. 333-256442) as amended pertaining to registration of securities under the Securities Act of Yatra Online, Inc.

of our reports dated August 1, 2022, with respect to the consolidated financial statements and the effectiveness of internal control over financial reporting of Yatra Online, Inc., included in this Annual Report (Form 20-F) for the year ended March 31, 2022.

/s/ Ernst & Young Associates LLP

Gurugram, India
August 1, 2022

Research

Reference Number_ CRISIL/YOL/JUL/2022

CRISIL Limited ("CRISIL"), consents to the references to our Company and our report dated November, 2021 (our "Report_ Assessment of the travel industry in India) included in Yatra Online, Inc.'s annual report on Form 20- F for the year ended March 31, 2022 (the "Annual Report"), the inclusion of our Report as Exhibit 99.1 to the Annual Report and references to and information derived from our Report in the Annual Report, as well as to the incorporation by reference of the consent and our Report into Yatra Online, Inc.'s registration statement on Form F- 3 filed with the United States Securities and Exchange Commission on May 24, 2021 (the "Registration Statement").

Place: Mumbai
Date: 31st July, 2022

For CRISIL Limited

/s/ Suresh Krishnamurthy

Suresh Krishnamurthy
Senior Director

Exhibit 99.1

Research

CRISIL
An S&P Global Company

Assessment of the travel industry in India

November 2021

Contents

1 Summary

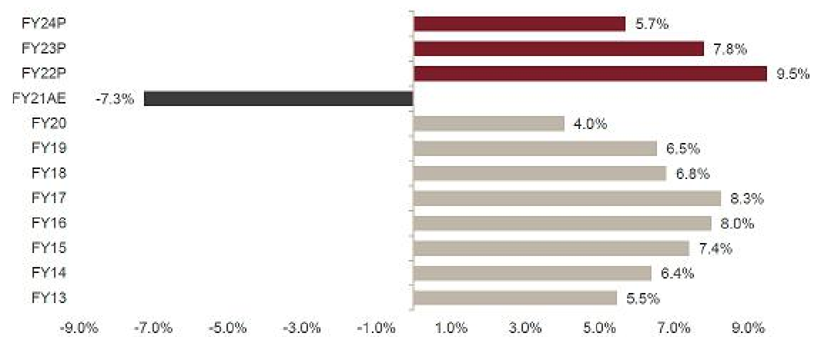
1.1 India's macroeconomic overview

GDP rose at 6.6% CAGR between fiscals 2012 and 2020; growth likely at 9.5% this fiscal

CRISIL forecasts India's GDP growth to rebound to 9.5% in the base case this fiscal, on the back of following drivers:

1. Weak base: GDP contracted 7.3% in fiscal 2021, providing a statistical push to growth this fiscal
2. Global upturns: Higher global growth in 2021 — in world GDP by 5.0%, advanced economies 4.3% and emerging economies 6.3% — should lift exports
3. Covid-19 curve: An active vaccination rollout and, at the same time, learning to live with the virus should broaden growth this fiscal, especially in the services and unorganised sectors
4. Fiscal push: Stretch in the fiscal glide path and focus of the Union Budget 2021-22 on capex are expected to have a multiplier effect on growth.

Real GDP growth (% on-year)



Note: AE: Advance estimates; P: Projected by CRISIL Research

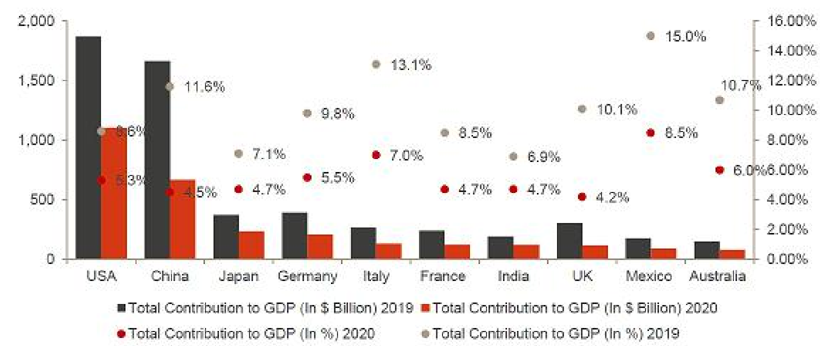
Source: Provisional estimates of national income 2020-21 by Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI); CRISIL Research

India's GDP growth is expected to rebound to 9.5% in FY22 from a decline of 7.3% in FY21 due to the impact of COVID-19. We believe India is one of the world's largest and fastest growing economies, with a large middle class population, increasing disposable income and a rapidly growing online consumer segment.

India ranked seventh globally in total tourism spending in 2020, up from ninth in 2019

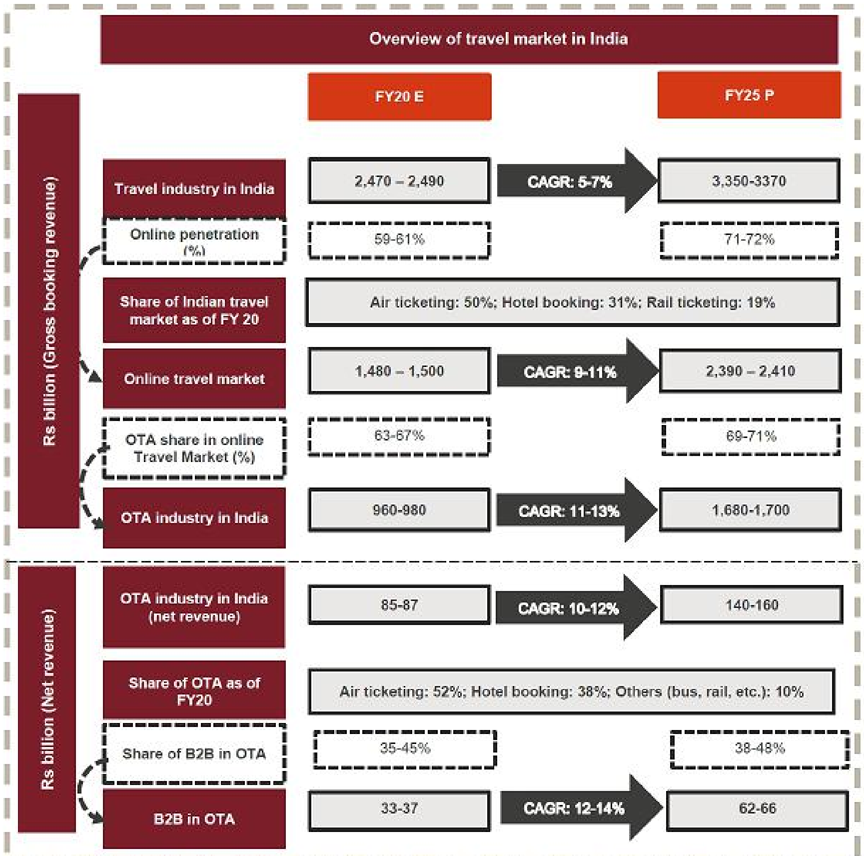
India ranked seventh worldwide in total tourism spend in calendar year 2020. As a percentage of GDP, tourism spending was 6.9% in calendar year 2019. Travel and tourism GDP fell 36.3% on-year in 2020, owing to the pandemic.

Top 10 countries in total tourism spending ($ billion at constant prices) and contribution to GDP in 2020 (%)



Source: World Travel and Tourism Council (WTTC), CRISIL Research

1.2 A snapshot of the travel market in India



Notes: 1. E: Estimated P: Projected 2. For gross bookings, CRISIL Research has considered airline ticketing (domestic and international), hotels (room revenues across premium, mid-market and budget accommodations) and railway ticketing (long distance train ticketing) segments of the travel industry in India. The market size includes tickets booked through offline and online modes and is estimated at the gross bookings level (defined as the total amount paid by customers for travel services and products booked through the company and/or agency, including taxes, fees and other charges, and these are net of cancellations, discounts and/or refunds). CRISIL Research has not included bus bookings under Indian travel industry in this section.

3. For estimating the online travel agency (OTA) industry, CRISIL Research has considered net revenue i.e. typical commissions earned across segments (defined as gross bookings less procurement costs of relevant services and products for sale).

4. Business-to-customer (B2C) category includes direct or retail customers; business-to-business (B2B) category includes corporate clients and travel agents.

5. Online travel industry includes bus bookings revenue, along with flight, rail and hotel bookings

Source: Industry interactions, CRISIL Research

The Indian travel industry is expected to grow at 5-7% CAGR, expanding to Rs 3,350-3,370 billion in fiscal 2025 from Rs 2,470-2,490 billion in fiscal 2020, driven by development of tourism infrastructure, rising income levels translating to higher discretionary spending on travel and tourism, and increase in frequency of travel for business and leisure purposes. Online penetration within the industry is expected to reach . As a result, the online travel market in India is estimated to grow to Rs 2,390- 2,410 billion in fiscal 2025 from Rs 1,480-1,500 billion in fiscal 2020, or at 9-11% CAGR. Within the online travel market, share of online travel agencies (OTAs) is expected to increase faster in comparison with captive players.

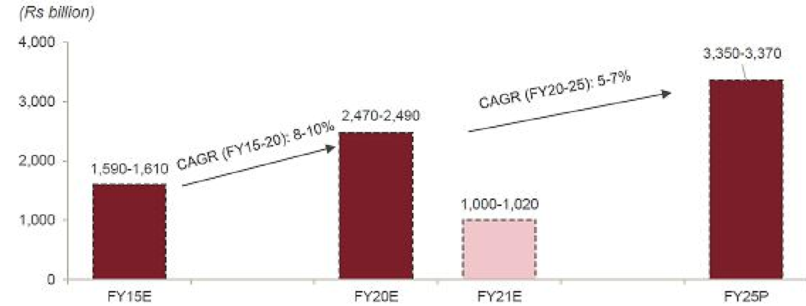
The OTA industry in India in gross booking revenue terms is estimated to grow at 11-13% CAGR between fiscals 2020 and 2025 to Rs 1,680-1,700 billion. In net revenue terms, it is likely to grow at 10-12% to Rs 140- 160 billion by fiscal 2025, driven by changing customer preferences and technological advancements. Within the OTA market, the business-to-business (B2B) category is expected to grow faster than the business-to-customer (B2C) category through fiscal 2025. The B2B category is estimated to grow at 12-14% CAGR to Rs 62-66 billion in fiscal 2025 from Rs 33-37 billion in fiscal 2020.

1.3 Review of the travel market in India

Indian travel industry to grow at 5-7% CAGR between fiscals 2020 and 2025

The Indian travel industry was estimated at Rs 1,590-1,610 billion in fiscal 2015. Led by a growing economy, geographical and cultural diversity, and various government initiatives, the Indian travel industry grew at 8-10% CAGR between fiscal 2015 to 2020, to a size of Rs 2,470-2,490 billion. The growth momentum is expected to continue. We expect the industry to grow annually by 5-7% to Rs 3,350-3,370 billion by fiscal 2025, driven by development of tourism infrastructure, rising income levels translating to higher discretionary spending on travel and tourism, increase in frequency of travel business and leisure purposes, reforms in visa and increase in connectivity across means of transport.

Trend and outlook for Indian travel industry

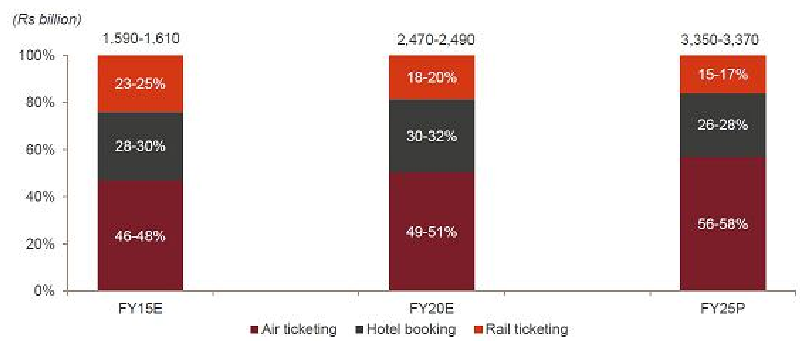


Notes: 1. E: Estimated P: Projected 2. Market size for the Indian travel industry has been estimated at gross bookings. The Indian travel industry size does not include bus bookings, as total bus booking industry is largely unorganised. 3. Market size estimates take into consideration Covid-19 impact. FY21 market impacted due to COVID-19

Source: CRISIL Research

Air travel to retain majority share in Indian travel market as of fiscal 2025

Trend in and outlook on segment-wise share in the Indian travel market



Notes: 1. E: Estimated P: Projected 2. The Indian travel industry size does not include bus bookings, as total bus booking industry is largely unorganised. 3. Market size estimates take into consideration Covid-19 impact. 4. The numbers above the bar charts represent total Indian travel market for that year

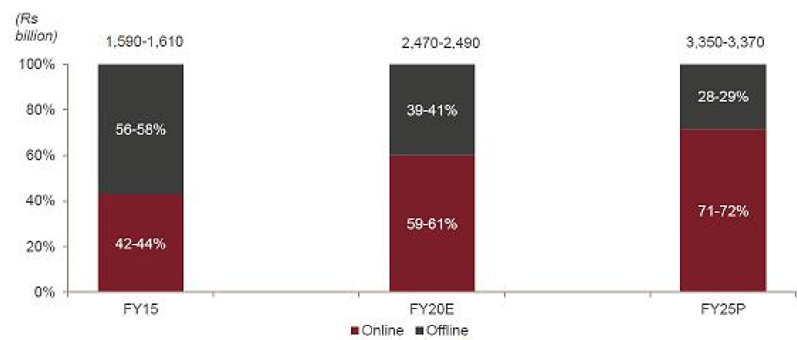
Source: CRISIL Research

Online penetration in the Indian travel market likely at 71-72% in fiscal 2025

The Indian travel market is growing fast and has significantly evolved with digitalisation. The global distribution system (GDS) was introduced for travel and hospitality service providers in India during the 1990s, at a time internet penetration was low. The trend in online travel bookings was further fuelled with the Indian Railway Catering and Tourism Corporation (IRCTC) launching its e-ticketing services in 2002. Moreover, emergence of OTAs and online travel aggregators during the early 2000s, which initially focussed on airline ticketing, propelled growth of online ticketing.

Ticketing services across travel segments have undergone a dramatic change thanks to increased internet penetration, greater affordability of smart phones, user friendliness of online platforms, convenience in terms of comparison and varied modes of payment offered (credit cards, debit cards and net banking), and faster pace of service providers adopting digital platforms for their businesses. Online penetration of the Indian travel industry — defined as share of bookings done online through captive websites of the service providers or through OTAs — as stood at ~59-61% as of fiscal 2020. This share is further expected to increase to 71-72% by fiscal 2025, supported by growth in online transactions.

Trend in and outlook on online penetration of the Indian travel market



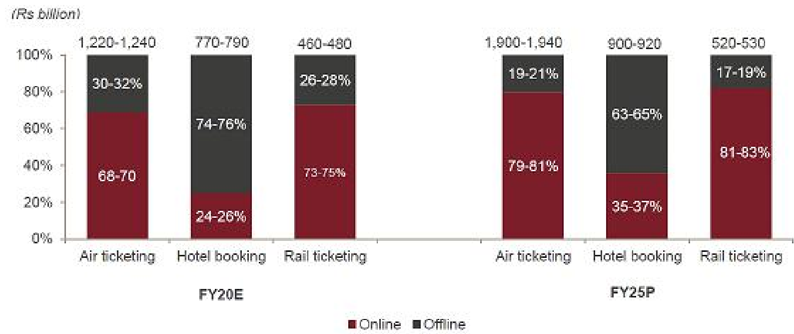
Note: 1. E: Estimated P: Projected 2. The Indian travel industry size does not include bus bookings, as total bus booking industry is largely unorganised. 3. Market size estimates take into consideration Covid-19 impact. 4. The numbers above the bar charts represent the total Indian travel market for that year

Source: CRISIL Research

Online penetration of air ticketing at 68-70% as of fiscal 2020

Industry estimates indicate that air ticketing had a high online penetration of 68-70% as of fiscal 2020 as the segment was among the earliest to adopt online channels. This was followed by railway ticketing at 72-74%. Commencement of e-ticketing services by IRCTC since 2002 has helped the online railways ticketing segment gain ground. In contrast, online penetration in hotel bookings has remained on the lower side at 24-26%. The fragmented nature of the Indian hotel industry as compared with airlines or railways and comparatively slower adoption by hotel brands and chains, especially the mid and small-sized ones onto the digital platforms including OTAs has kept the online penetration of hotels relatively low.

Segment-wise share in online penetration



Notes: 1. E: Estimated P: Projected 2. The numbers above the bar charts represent total travel market for that segment
Source: CRISIL Research

CRISIL Research expects online penetration for airline ticketing, hotel booking and rail ticketing to improve to 79-81%, 35-37% and 81-83%, respectively, by fiscal 2025, largely driven by the convenience offered by online channels vis-à-vis offline ones. Online penetration of hotel bookings is expected to increase on account of supply expansion as more players, especially from smaller tier 1, 2 and 3 cities come onto the online platform. Moreover, support from higher penetration of internet and increased smartphone usage, coupled with a youthful population which has rapidly adapted to the digital era, are expected to increase consumers' preference for online travel booking across segments in the medium to long term.

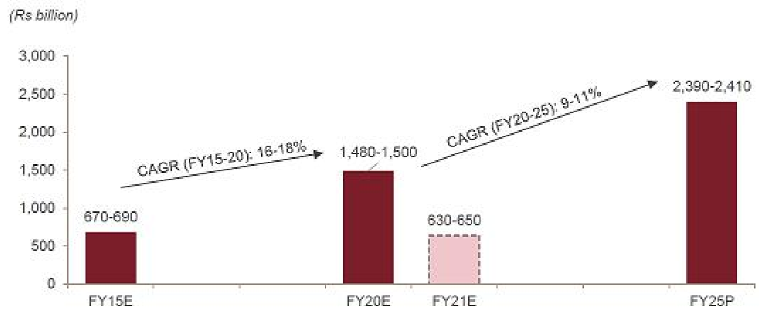
1.4 Review of the online ticketing market in India

Indian online ticketing market to grow at 9-11% CAGR between fiscals 2020 and 2025

The Indian online ticketing market was estimated at Rs 1,480-1,500 billion in fiscal 2020, more than doubling from Rs 670-690 billion in fiscal 2015. This translates to ~16-18% CAGR through these years. The growth could be attributed largely to the increasing penetration of internet and smart phones. Growth in share of low-cost airlines and increasing popularity of online railway ticket booking system owing to its convenience have further supported the growth. Hence, the Indian online ticketing market is estimated to register a 9-11% CAGR growing to Rs 2,390-2,410 billion in fiscal 2025. While increasing penetration of internet and smart phones will continue to aid growth in the medium to long term, the pent up demand after Covid 19 will support growth in the near term.

That said, the industry also faces some challenges. Concern about security of travellers' personal information and online financial frauds are the key concerns that require to be addressed effectively in order to ensure seamless transition from offline to online channels.

Trend in and outlook on the online ticketing industry in India

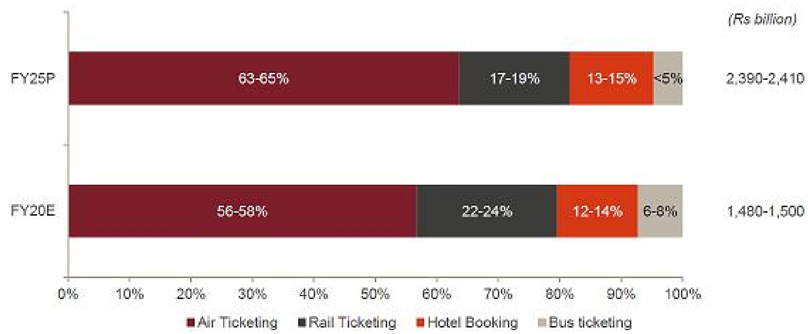


Notes: 1. E: Estimated P: Projected 2. Online ticketing industry includes bus bookings revenue along with flight, rail and hotel bookings. FY21 market impacted due to COVID-19

Source: CRISIL Research

Airline ticketing accounts for a dominant share in the Indian online ticketing industry

Sub-segments within online ticketing market over FY20-25 (based on gross revenue)



Notes: 1. E: Estimated P: Projected 2. The numbers to the right of the bar charts represent total online ticketing market for that year

Source: Industry interactions, CRISIL Research

1.5 Share of OTAs and captive websites in online ticketing market in India

OTAs to dominate air, hotel and bus ticketing by fiscal 2025

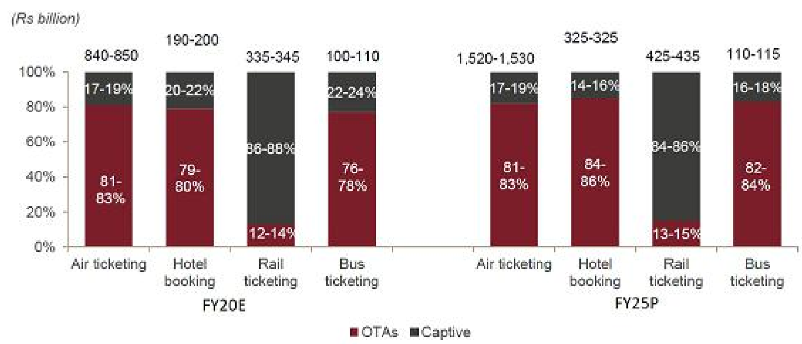
Within the online air ticketing segment, OTAs enjoyed a high share of 81-83%, with captive websites comprising the rest, as of fiscal 2020. Ease of comparison and competitive pricing have played a major role in OTAs' achieving dominance in the sector.

In the case of railways segment, IRCTC is the dominant player in online rail ticketing. While OTAs have ventured into the rail ticketing segment; the bookings are routed via the IRCTC platform itself, limiting the earning margins of OTAs. IRCTC has also initiated a number of measures to improve the user interface and ensure ease in booking process across its mobile and web platforms, which is expected to limit the growth potential of OTAs in this segment.

Within the online hotels booking segment, OTAs enjoy 78-80% share. Higher degree of convenience offered by OTAs with regards to number of options, ease of comparison and competitive pricing have played a critical role in their gaining dominance.

In case of bus ticketing, while online penetration remains low on account of ready availability of tickets with state transport corporations as well as private players, OTAs enjoy a higher share at 75-78% in comparison with captive players. Industry interactions indicate that this is largely on account of higher degree of user friendliness of OTAs platforms vis-à-vis captive websites.

Trend in and outlook on segment-wise share of OTAs in online ticketing (based on gross revenue)



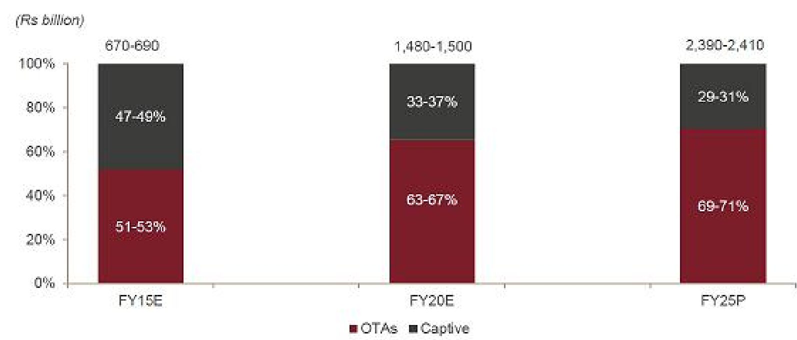
Notes: 1. E: Estimated P: Projected 2. The numbers above the bar charts represent total online ticketing market for that segment

Source: Industry interactions, CRISIL Research

Based on gross bookings, OTAs to comprise 69-71% of total online ticketing by fiscal 2025

As per industry estimates, in value terms, OTAs accounted for ~64-66% of the total online ticketing industry in India as of fiscal 2020, based on gross booking revenue. In absolute terms, it translated to an estimated market size of Rs 970-980 billion. The share is estimated to have grown from 51-53% (Rs 350-360 billion) during fiscal 2015, owing to comparatively more user-friendly interface as compared with captive websites of service providers and ease of comparison across options. Higher discounts from the OTAs and offers by banking and payment partners have also made them competitive in pricing. This trend is expected to continue in the medium term with the share of OTAs in total online ticketing industry expected to reach 69-71% by fiscal 2025, translating to Rs 1,680-1,700 billion in absolute terms.

Trend in and outlook on share of OTAs in total online ticketing industry in India (based on gross revenue)



Notes: 1. E: Estimated P: Projected. Online ticketing industry includes bus bookings revenues along with flight, rail and hotel bookings 2. The numbers above the bar charts represent total online ticketing market for that year

Source: Industry interactions, CRISIL Research

1.6 Impact of Covid-19 on the Indian online travel market

Curtailed mobility of people due to the pandemic and related restrictions shrunk India's air-passenger traffic in both domestic and international segments in fiscal 2021. This delivered a serious jolt to the Indian domestic air travel industry that had logged double-digit growth in seven of the past ten fiscals, before its fortunes took a turn for the worse with the bankruptcy and grounding of a couple of major carriers. However, with rising vaccination and easing of lockdown restrictions across most states in the country, revival in air traffic demand (especially domestic) is visible, though full revival will still take time.

Hotels and tourism have been among the worst impacted businesses, due to the pandemic. Though there is gradual growth in demand, especially in the leisure market, the budget and mid-market hotels, which account for 50% of the revenue of the total hotel industry, were also severely impacted by lockdowns. The demand is expected to improve in the near term with corporate offices opening up and business travel resuming as rate of vaccination increases.

The impact of Covid-19 on the airlines and hospitality industries in turn affected the Indian online travel market. While signs of recovery are now visible, vaccination rates and further spread of Covid remain key monitorables.

1.7 Overview of the Indian OTA market

CRISIL Research defines OTAs as companies that specialise in sale of travel-related products and services such as booking of air tickets, hotel rooms, travel packages, bus tickets and railway tickets through their websites and applications. These are typically third-party agents reselling products and services provided/organised by others for an agreed commission. While estimating the OTA industry size, CRISIL Research has considered net revenue i.e. typical commissions earned across segments, defined as gross bookings less procurement costs of relevant services and products for sale.

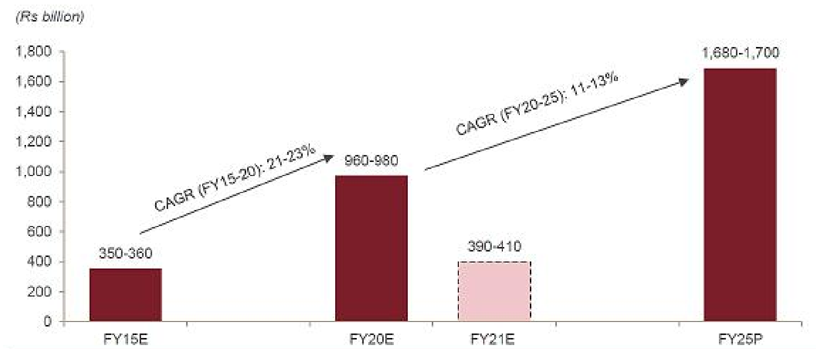
It must be noted that metasearch engines function as search engines for travel needs across multiple sources and showcase them for ease of comparison. But a key difference between OTAs and metasearch engines is that the latter typically do not sell any inventory.

CRISIL Research has not included metasearch engines while estimating the Indian OTA industry.

Indian OTA market in gross bookings revenue terms expected to grow at 11-13% CAGR from fiscals 2020 to 2025

Based on gross booking revenue, CRISIL Research estimates Indian OTA market grew at 21-23% CAGR from Rs 350-360 billion as of fiscal 2015 to Rs 960-980 billion as of fiscal 2020, driven by rapid growth in affordable access to internet, rising internet penetration, growing awareness and comfort with online transactions, competitive prices offered by OTA players to attract consumers, and growing network of service providers on OTA platforms. The uptrend is estimated to continue in the medium term, with the market expected to grow at 11-13% CAGR to Rs 1,680-1,700 billion by fiscal 2025.

Indian OTA industry's growth trend and outlook (based on gross booking revenue)



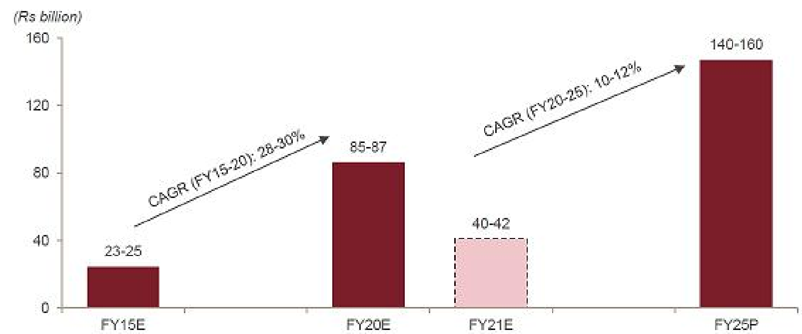
Note: E: Estimated, P: Projected

Market sizing of the Indian OTA industry is based on gross booking revenues, inclusive of bus booking revenue
Source: CRISIL Research

Indian OTA industry in net revenue terms expected to expand at 10-12% CAGR from fiscals 2020 to 2025

The Indian OTA industry is estimated at Rs 85-87 billion as of fiscal 2020, growing from Rs 23-25 billion at an estimated 28-30% CAGR from fiscal 2015. OTA platforms have gained popularity and acceptance driven by the rapid spread of internet services, smartphone usage and by providing a one-stop shop for travel-related bookings at competitive price points. The platforms have invested in technology to become more user friendly, which have helped them gain customer loyalty. Tie-ups with various banking and payment channels have ensured competitive pricing across segments. Going forward, the industry is expected to gain further traction as online bookings across segments increase. CRISIL Research estimates the industry to grow at 10-12% CAGR to Rs 140-160 billion by fiscal 2025 driven by changing customer preferences and technological advancements.

Indian OTA industry's growth trend and outlook (based on net revenue)



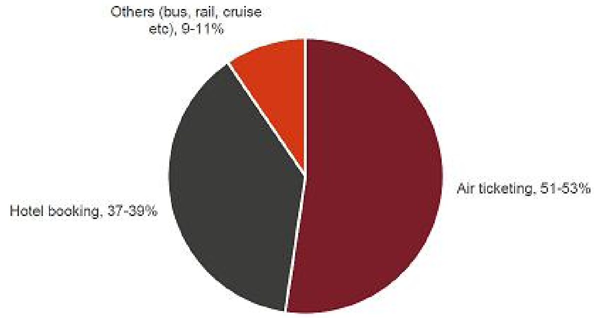
Notes: 1. E: Estimated, P: Projected 2. Market size estimates of the Indian OTA industry is based on net revenue, inclusive of bus booking revenue

CRISIL Research has considered net revenues i.e. typical commissions earned across segments (defined as gross bookings less procurement costs of relevant services and products for sale).

Source: CRISIL Research

Air ticketing comprised dominant share of Indian OTA industry as of fiscal 2020

Segment-wise share in Indian OTA market, FY20 (based on net revenue)



Source: CRISIL Research

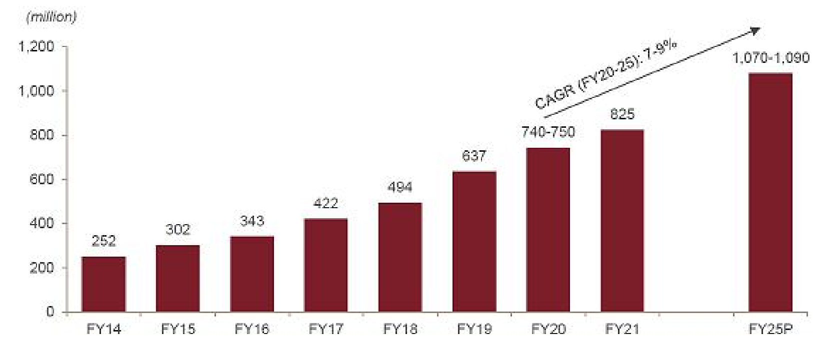
1.8 Growth potential and challenges for OTAs

Rising internet penetration, convenience and competitive pricing big differentiators

OTAs in India gained popularity due to increasing penetration of internet and smartphones. While this trend is expected to continue in the medium to long term, other factors are will also aid the industry's growth. They are:

- **Internet subscriber growth:** India has witnessed a drastic surge in internet users over the past few years with internet penetration as a percentage of total population reaching ~60% as of fiscal 2021. CRISIL Research expects the total number of internet subscribers in the country to cross 1,000 million by fiscal 2025, resulting in 75% internet penetration. CRISIL Research expects the internet subscriber base to reach 1,070-1,090 million by fiscal 2025, increasing at 7-9% CAGR from fiscals 2020-25.

Internet subscribers' growth over fiscals 2020-2025



Note: P: Projected
Source: TRAI, CRISIL Research

- **Convenience:** OTAs function as a one-stop shop for all travel-related needs such as booking of airline tickets, hotel accommodation, holiday packages, rail tickets, and bus tickets. The biggest advantage for customers is the availability of multiple options across segments. This allows for easy comparison of prices, dates, locations, and time schedules on a single platform. In contrast, captive websites only showcase the brand's own offerings
- **Competitive pricing:** In spite of the strong macroeconomic indicators and rising disposable incomes, India remains a price-sensitive country when it comes to discretionary spending, including in travel and tourism. Both urban and rural customers prefer to compare prices across sources to get the best deal, which is offered by OTAs. OTAs and their banking partners have been aggressive in offering discounts and rebates to increase customer volumes. This trend is expected to continue in the near term
- **Focus on technology:** OTAs use technology to improve user experience on their platforms. Further investments in technology will help personalise the customer experience, simplify the search process and consequently ensure acceptance and repeat clientele. Similarly, for the B2B segment, integration of APIs with the enterprise's internal ERP software will aid adoption and growth of OTAs
- **Entry into newer categories:** OTAs are entering into newer areas such as corporate travel, freight and value-added services such as insurance. Offering additional services will further support OTA growth

Garnering market share in higher margin segments remains a challenge

- **Increasing focus on direct bookings by hotel players:** While hotels were earlier keen to list on OTAs due to the visibility they offered, the trend is beginning to reverse, especially in the case of larger branded chains. Industry interactions indicate larger hotel chains are now focussing on their own websites to draw customers. Encouraging direct bookings helps hotels avoid the OTAs' commission, which were increasing. Direct bookings also boost customer relationships, which can be further leveraged to cross-sell other services such as banquet facilities, restaurants, spa facilities, etc. Hotels are also using loyalty cards and programmes to encourage direct bookings via their own websites. Going forward, this can pose a challenge to OTAs as they seek to improve their market share in the higher margin segments of hotels and holiday packages

- **Limited presence in holiday packages segment:** While most OTAs derive a large share of their revenue from the airlines or hotels segment, they have a limited presence in the holiday or tour packages segment. The holiday packages segment continues to be dominated by the larger branded TTAs since it requires significant and experienced personnel on site as well as operational expertise in tour management. Industry interactions indicate if OTAs want to gain market share in the segment, they will have to replicate the operational model of TTAs which could lead to an increase in operational costs and thereby impact profitability
- **Increasing competition from global OTAs, new entrants:** The Indian OTA industry is currently dominated by domestic players while international players enjoy a relatively lower share. However, in the future, the scenario could change as global OTAs choose to focus on the comparatively nascent Indian market. Entry of new players with deep pockets could also alter the industry's competitive landscape in the medium to long term

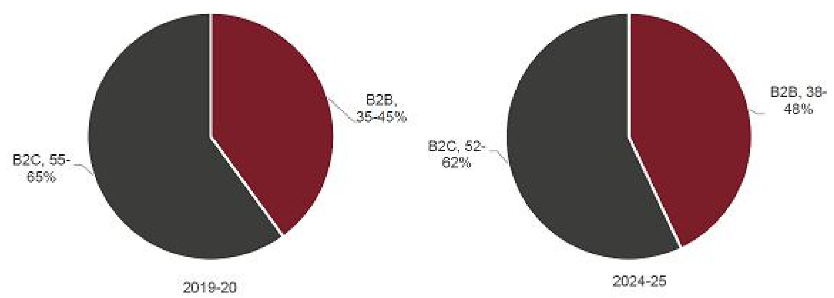
1.9 Share of different customer categories in the overall OTA industry

B2B (business to business) share to reach 38-48% in fiscal 2025

The OTA industry in India largely caters to two different categories of customers – retail customers under the B2C category and corporate clients and travel agents under the B2B category. Both segments vary in terms of booking requirements and rates offered.

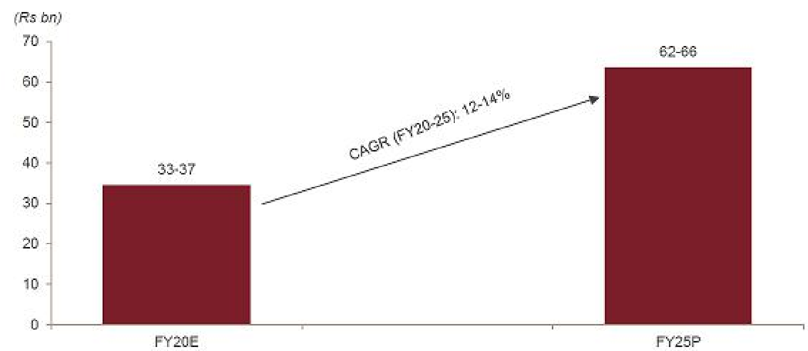
- *B2C or business to customer:* The largest category of customers of OTAs is the direct or retail customers who use the platforms for bookings. The rates offered to them are listed on the website/application. Apart from the OTAs' discounts, they also receive certain rebates from banking and payment partners to promote higher usage of credit/debit cards and payment gateways
- *B2B or business to business:* This model includes corporate clients and travel agents. The requirements of corporates are different from those of retail customers on account on cancellations, rescheduling, fixed budget allocated for the year on travel, shorter time-frame for bookings, etc. This requires a dedicated service component and OTAs typically have a separate team to serve this segment. This segment also includes TTAs, who, instead of investing in their own digital platforms, chose to collaborate with OTAs to reduce operational costs and to stay relevant in the increasingly digital era. Such TTAs typically do not operate on a fixed cost and inventory from airline companies or hotel chains and instead use OTA platforms to process the bookings.

Share of customer categories in overall OTA industry (based on net revenue)



Source: Industry interaction, CRISIL Research

B2B (business to business) segment in the Indian OTA industry's growth trend and outlook (based on net revenue)



Note: E: Estimated, P: Projected

Based on net revenues. CRISIL Research has considered net revenues i.e. typical commissions earned across segments (defined as gross bookings less procurement costs of relevant services and products for sale).

Source: Industry interaction, CRISIL Research

B2B share on the rise

Interactions with the industry players indicate the share of B2B in the travel booking industry has been rising for the past few years, primarily as OTAs provide dedicated support and wider base of options to choose from. Travel requirements are customised as per the companies' requirements and relationships with companies provide opportunities to cross-sell other products and services. While corporate travel was significantly impacted in fiscal 2021 on account of the pandemic, it is expected to revive in the medium term as offices open up with rising vaccinations and easing travel restrictions.

Growth drivers of the B2B (business to business) segment

- **Focus on technology** – Unlike traditional travel agents (TTAs), where reach is relatively limited, OTAs are providing a wider range of services. OTAs are providing a one-stop solution to corporates with increased focus on technology, integrating APIs with internal ERP systems providing customised solutions
- **Changing customer preferences** – The requirements of corporate travellers are different as against those of leisure travellers, such as invoicing and MIS reporting, travel locations and instant support for change in travel requirements. Thus, shift of small and medium enterprises to digital platforms is expected to support OTA growth
- **Value-added services** – Over the years, OTAs have developed relationships with various service providers such as insurance and visa partners. While corporates get benefit of using these value-added services, OTAs are trying to leverage these relationships to cross sell other products and services.

1.10 Competitive assessment of OTAs and corporate travel players in India

CRISIL Research has compiled profiles of key players in the online travel agency (OTA) industry on the basis of gross booking revenue and operating revenue as detailed below. Information in this section is sourced from publicly available sources including annual reports and investor presentations of listed players, regulatory filings, rating rationales and/or company websites as relevant.

Key players in the domestic OTA market

Players	Year of commencement of business	Company headquarters	Number of customers as of FY19 (million)	Number of customers as of FY20 (million)	Number of customers as of FY21 (million)	Number of agents	Employee count (nos.)
Yatra Online, Inc.	2005	Gurugram, Haryana	9.7	11.1[4]	11.7[1]	~27,000[6]	1,006[7]
MakeMyTrip Ltd.	2000	Gurugram, Haryana	39.0	46.0[3]	51.0	~11,000	3,256[7]
Cleartrip Pvt. Ltd.	2005	Mumbai, Maharashtra	NA[2]	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	2008	New Delhi	8.1	9.7	10.3[5]	59,274	374[7]
ixigo (Le Travenues Technology Limited)	2007	Gurugram, Haryana	27.3	25.4[1]	64.66[1]	NA[2]	200

Note: 1: Customers for:

Easy Trip Planners Ltd: Defined as registered customers, i.e., customers who have provided their unique mobile number and/ or e-mail address, as applicable, on company's websites and mobile applications.

MakeMyTrip Ltd: Defined as transacted customers (life to date) till the end of given period as per company presentation

Yatra Online, Inc: Defined as cumulative customers excluding B2B business as per company presentation

ixigo: Registered users refers to users who have provided their unique mobile number or email address, as applicable, on its platforms as of the relevant period

2: NA - Not available since data has not been reported by the company

3: As of March 31, 2020, as per company's FY20 Q4 presentation

4: As of March 31, 2020, as per company's annual report for fiscal 2020

5: As of December 31, 2020, as per company's investor presentation

6: Number of agents for Yatra Online, Inc. is as of March 31, 2021 as per company's annual report for fiscal 2021

7: Employee strength is as of March 31, 2021 as per respective annual reports for fiscal 2021

8: Monthly active users is the number of unique devices (including, amongst others, laptops and mobile phones) which have recorded at least one visit to a page/ screen on our platforms in a given period divided by the number of months in that period

Source: Companies' annual reports, Investor presentation, news articles, companies' websites, CRISIL Research

Key segments for different OTA players

	Consumer (B2C)												Corporate Travel	Freight
Players	Flights		Hotels		Holiday packages		Trains	Buses		Cabs	Others			
	Domestic	International	Domestic	International	Domestic	International		Private	State transport					
Yatra Online, Inc	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
MakeMyTrip Ltd.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	
Cleartrip Pvt. Ltd.	✓	✓	✓	✓	✓	✓	✓				✓		✓	
Easy Trip Planners Ltd.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	
Le Travenues Technology Limited	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓			

Note: Others for Cleartrip Pvt Ltd includes activities such as food tours, treks, culinary classes, segway tours, etc.

Others for Easy Trip Planners Ltd includes visa processing, activities like sightseeing, events, shows, etc.

Others for MakeMyTrip Ltd includes villas and apartments bookings, visa processing, gift cards,

Others for Yatra Online, Inc includes cruises, activities like sightseeing, events, shows, monument visits, etc.

Others for Le Travenues Technology Limited include locals & metros, Ixigo money

Key segments for different corporate players

	Consumer (B2C)											Corporate Travel	Freight
Players	Flights		Hotels		Holiday packages		Trains	Buses		Cabs	Others		
	Domestic	International	Domestic	International	Domestic	International		Private	State transport				
Yatra Online, Inc	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
GBT India Pvt Ltd												✓	
CWT India Pvt Ltd												✓	

Players	Consumer (B2C)											Corporate Travel	Freight
	Flights		Hotels		Holiday packages		Trains	Buses		Cabs	Others		
	Domestic	International	Domestic	International	Domestic	International		Private	State transport				
FCM Travel Solutions India Pvt Ltd	✓	✓	✓	✓	✓	✓					✓	✓	
Thomas Cook India Ltd	✓	✓	✓	✓	✓	✓					✓	✓	

Note: Others for FCM India includes visa, forex

Others for Thomas Cook India includes visa, forex, insurance

Source: Companies' websites

Number of corporate clients for OTA players

Players	Number of large corporate clients	Number of other corporate clients (medium, small medium enterprises, small businesses)	Total number of corporate clients
Yatra Online, Inc.	~700	~41,000	41,700
MakeMyTrip Ltd.	NA[1]	NA[1]	~16,100[1]
Cleartrip Pvt Ltd.	NA	NA	NA
Easy Trip Planners Ltd.	NA	NA	12,505
Le Travenues Technology Limited	NA	NA	NA

Note 1: Includes 100 corporate accounts for Q2T (Quest to travel) and about 1000 key accounts and 15000 small and medium enterprises from MyBiz program.

NA: Not available

Sources: Companies' annual reports, investor presentations, earnings calls, CRISIL Research

Number of hotel / accommodation tie-ups for OTA players

Players	Number of Domestic hotel / accommodation tie-ups	Number of International hotel / accommodation tie-ups	Total number of hotel / accommodation tie-ups
Yatra Online, Inc.	94,000	20,00,000+	20,94,000+
MakeMyTrip Ltd.	77,500	7,00,000+	7,77,500+
Cleartrip Pvt. Ltd.	NA	NA	3,00,000+[1]
Easy Trip Planners Ltd.	73,400	10,23,000+	10,96,400+
Le Travenues Technology Limited	NA	NA	NA

Note 1: From company website accessed on October 29, 2021

NA: Not available

Sources: Companies' annual reports, investor presentations, CRISIL Research

Operational performance for fiscal 2020

Players	Gross booking revenue[1] (Rs billion)	Gross bookings on-year growth for FY20 (%)	Gross bookings CAGR for FY18-20 (%)	Operating revenue[2] (Rs billion)	Take rate (Operating revenue/ Gross booking revenue)	Operating revenue on-year growth for FY20 (%)	Operating revenue CAGR for FY18-20 (%)

Yatra Online, Inc.	85.3	-23.3%	-4.0%	7.3	8.6%	-23.4%	-22.6%
MakeMyTrip Ltd.*	432.0	14.2%	20.8%	36.3	8.4%	7.4%	-8.8%
Cleartrip Pvt. Ltd.	NA[3]	NA[3]	NA[3]	3.2	N.Ap[4]	-15.4%	-8.3%
Easy Trip Planners Ltd.	42.0	43.1%	47.0%	1.4	3.4%	39.8%	18.7%
Le Travenues Technology Limited	18.4	372.4%	NA[1]	1.5	8.4%	35.2%	NA[1]

Note: 1: Gross booking revenue is defined as the total amount paid by customers for travel services and products booked through the OTAs including taxes, fees and other charges, and is net of cancellations, discounts and/or refunds.

2: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

3: NA – Not available in Ministry of Corporate Affairs (MCA) filings made by the company, NA[1] – 2018 numbers not available

4. N.Ap – Not applicable as latest data available for Cleartrip Pvt Ltd is 2020 and 2019 only

**Exchange rate for MakeMyTrip Ltd: Financials reported by company are in USD, and have been converted into Rs using average USD-INR exchange rate for fiscal 2020 and 2021*

Source: Companies' annual reports, CRISIL Research

1.11 B2B (business to business) competitive assessment

CRISIL Research has compiled profiles of key players in the corporate travel industry on the basis of gross booking revenue and operating revenue as detailed below. Information in this section is sourced from publicly available sources including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites as relevant.

Key players in the domestic corporate travel market

Players	Year of commencement of business	Company headquarters	Key segments related to corporate travel	B2C travel	Employee count
Yatra Online, Inc	2005	Gurugram, Haryana	Corporate travel management	✓	1,006[3]
GBT India Pvt Ltd	2014	Delhi, India	Corporate travel management, meetings and events, global business consulting		1,234[3]
CWT India Pvt Ltd	1998	Mumbai, Maharashtra	Travel Management, meetings and events, travel consulting		982[3]
FCM Travel Solutions India Pvt Ltd	1997	Mumbai, Maharashtra	Corporate travel management, account management, meetings and events, consulting services	✓	1,659[1]
Thomas Cook India Ltd.	2008	Mumbai, Maharashtra	Corporate travel; meetings, incentives, conventions and exhibitions (MICE)	✓	5,898[2]

1: Employee count at the end of FY20

2: On-roll employees at the end of FY21

3: As of FY21

Source: Companies' annual reports, CRISIL Research

Operational performance for fiscal 2020

Players	Gross booking revenues[1] (Rs billion)	Gross bookings on-year growth for FY20 (%)	Gross booking revenue CAGR for FY18-20 (%)	Net revenue (Rs billion)	Net revenue on-year growth for FY20 (%)	Net revenue CAGR for FY18-20 (%)
Yatra Online, Inc.	~42.7[7]	NA	NA	NA	NA	NA
GBT India Pvt Ltd	NA	NA	NA	2.44[5]	13%	18%
CWT India Pvt Ltd	NA	NA	NA	2.26	9%	-2%
FCM Travel Solutions India Pvt Ltd	24.6[8]	34.9%	50%	2.03	0%	5%
Thomas Cook India Ltd	10.5[3]	-5.7%	14%	1.4[5]	-4%	0%

Note: 1: Gross booking revenue is defined as the total amount paid by customers for travel services and products booked through the OTAs including taxes, fees and other charges, and is net of cancellations, discounts and/or refunds.

2: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

3: For Thomas Cook, gross revenue is available only for MICE section, net revenue given only for corporate travel

5. Net revenue for corporate travel segment of Thomas Cook India Ltd from its annual report

6: Net revenue for fiscal 2021 for GBT was Rs 1.82 billion. Fiscal 2021 figures not available for other B2B players in terms of revenue from corporate segment

7: Yatra stated that corporate travel made up 50% of its gross revenue pre-Covid in the Q1 FY22 earnings call

8: In terms of gross booking revenues, FCM Travel Solutions India Pvt Ltd had gross booking revenue of Rs 80.3 billion in fiscal 2020. Out of this, gross revenue of Rs 55.7 billion came from foreign exchange services which have been adjusted for comparison.

NA: Not available in the annual report filings

Source: Companies' annual reports, CRISIL Research

Key observations

- For the fiscal 2020, Yatra Online, Inc was ranked second among key OTA players in India with regards to operating revenue. It registered operating revenue of ~ Rs 7.3 billion. In fiscal 2020, MakeMyTrip Ltd recorded the highest operating revenue, of ~Rs 36.3 billion.

2 Macroeconomic overview of India

2.1 Review of India's GDP growth

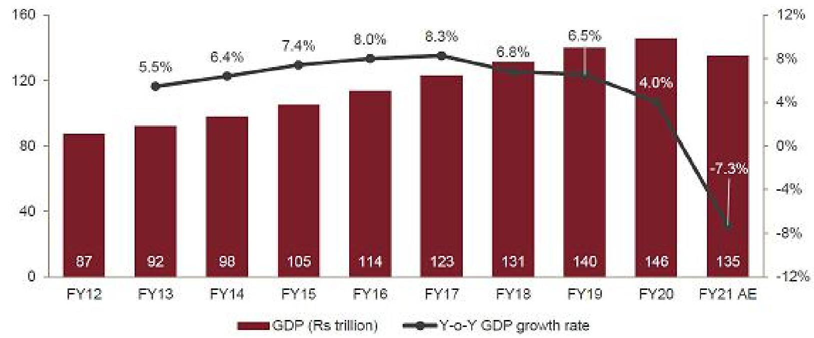
GDP clocked 6.6% CAGR over fiscals 2012-20

In 2015, the Ministry of Statistics and Programme Implementation (MoSPI) changed the base year for calculating India's gross domestic product (GDP) to fiscal 2012 from fiscal 2005. Based on this, the country's GDP increased at an 8-year CAGR of 6.6% to Rs 146 trillion in fiscal 2020 from Rs 87 trillion in fiscal 2012.

Economy re-bounded in second half of fiscal 2021 after shrinking in the first half

After contracting in the first half because of the pandemic, the economy rebounded in the second half, growing 0.5% and 1.6% on-year in the third and fourth quarters, respectively. While the economy shrank in fiscal 2021, agriculture and allied activities, and electricity, gas, water supply and other utility services were the outliers, logging positive growth. On the other hand, contact-intensive trade, hotels and transport sectors, and services related to broadcasting were hit the most and continued to shrink in all the quarters. Construction – a labour-intensive sector – was also severely hit in the first half but rebounded in the second.

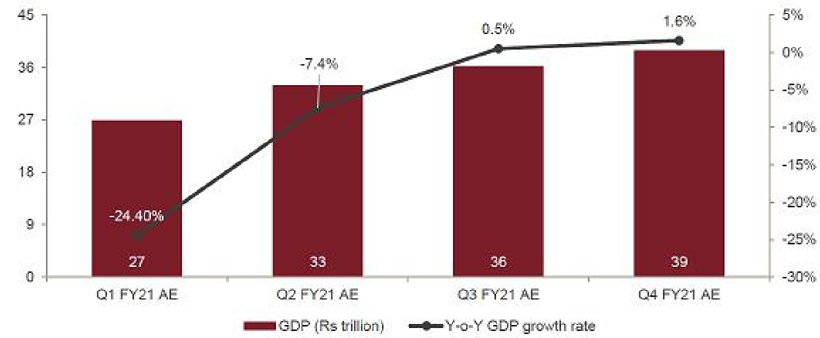
Real GDP growth in India (new series)



Note: AE: Advance estimates

Source: Provisional estimates of annual national income, 2019-20, Central Statistics Office (CSO), MoSPI, CRISIL Research

Quarter-wise real GDP growth in fiscal 2021



Note: AE: Advance estimates

Source: Provisional estimates of Annual National Income 2020-21, Central Statistics Office (CSO), MoSPI, CRISIL Research

Looked at from the supply side, i.e., GVA, a much-better measure of the economic performance, the economy shrank a lesser 6.2% in fiscal 2021 compared with 4.1% growth in fiscal 2020. In absolute terms, real GVA was Rs 124.5 trillion last fiscal, down from Rs 127.4 trillion in fiscal 2019.

GVA at basic prices (constant FY12 prices)

Rs trillion	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21AE	CAGR
GVA at basic prices	81.1	85.5	90.6	97.1	104.9	113.3	120.3	127.4	132.7	124.5	4.9%
Y-o-y growth (%)		5.4%	6.1%	7.2%	8.0%	8.0%	6.2%	5.9%	4.1%	-6.2%	

Note: CAGR is between fiscal 2012 and 2021

Source: MoSPI, CRISIL Research

2.2 Outlook for GDP growth in fiscal 2022

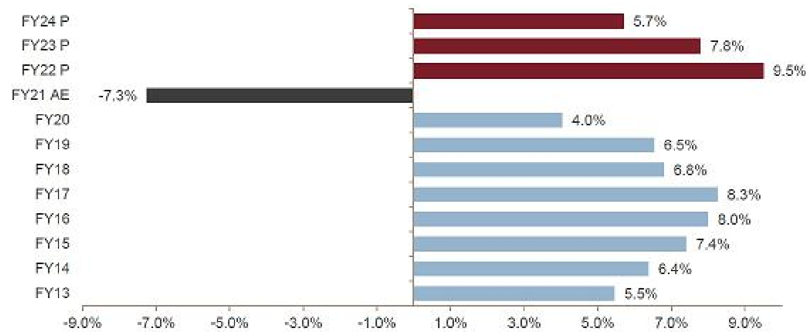
Fiscal 2022 base case GDP growth expected to be 9.5%

India is getting back on its feet slowly, with divergent growth trends. Though data suggests there has been some pick-up in recent months, recovery is weak and uneven. And indeed, the scars of the pandemic continue to run deep for small businesses, the urban poor and parts of the services sector.

Fiscal 2022 is also seen emerging as a story of two halves. The first half will be characterised by a base effect-driven recovery amid the challenge associated with resurgence in Covid-19 infections. But the second half should see a more broad-based growth, as vaccine rollout and herd immunity support sectors that are lagging. The gains made by the economy in the fourth quarter of fiscal 2021 seem to have fizzled out in the first quarter of this fiscal because of the fierce second wave, leading to localised lockdowns in most states. At the same time, monetary policy has begun normalising, and some tightness in domestic financial conditions is inevitable. Against this backdrop, policy support remains critical, apart from action in the external environment.

In fiscal 2021, the policy response to the pandemic focused more on damage control and measures to support the economy. In the current fiscal, the government is expected to normalise some of the extraordinary or unconventional policy moves, while trying to ensure there is smooth revival in growth. This will pertain to most of the services sectors, especially contact-based travel, tourism, and entertainment. Also, stronger global growth should support India's exports to some extent. Revival will not be uniform across sectors, though. So far, the rural economy has been more resilient than the urban.

Real GDP growth (% on-year)



AE: Advance estimates; P: Projected by CRISIL Research;

Source: Provisional estimates of national income 2020-21, CSO, MoSPI, CRISIL Research

CRISIL forecasts India's GDP growth to rebound to 9.5% in the base case this fiscal, on the back of following drivers:

1. Weak base: GDP contracted 7.3% in fiscal 2021, providing a statistical push to growth this fiscal
2. Global upturns: Higher global growth in 2021 — in world GDP by 5.0%, advanced economies 4.3% and emerging economies 6.3% — should lift exports
3. Covid-19 curve: An active vaccination rollout and, at the same time, learning to live with the virus should broaden growth this fiscal, especially in the services and unorganised sectors
4. Fiscal push: Stretch in the fiscal glide path and focus of the Union Budget 2021-22 on capex are expected to have a multiplier effect on growth.

Risks to the fiscal 2022 forecast

The base case of 9.5% GDP growth assumes that Covid-19 restrictions will continue, and mobility will remain affected in some form or other, at least till August and September. The pace of economic recovery will also be a function of what the pace of vaccination is in the coming months. We find that countries with over 40% of their population vaccinated are seeing a faster and more broad-based economic recovery. The government plans to vaccinate India's entire adult population (68% of total population) by this December – a tall order even if there are sufficient vaccines available. CRISIL's base case is 70% of the adult population vaccinated by December.

A third wave would pose a significant downside risk to the growth forecast, as would a slower-than-anticipated pace of vaccination. In such a pessimistic case, CRISIL sees GDP growing at 8% in fiscal 2022.

2.3 Review of share of trade, hotels, and transport in GVA

GVA increased at 6.4% CAGR over fiscals 2012-20, driven by services and manufacturing

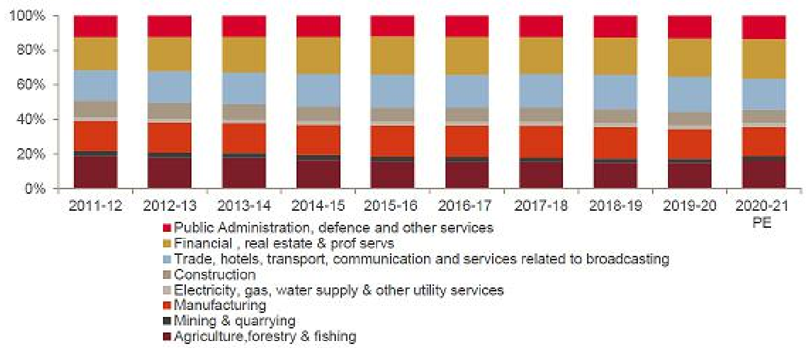
India's GVA, at constant prices, increased at 6.4% CAGR over fiscals 2012-20 to Rs 132.7 trillion. Over the long term, sectoral contribution has also evolved, with India moving from being an agricultural to a services-led economy.

Manufacturing, which clocked 6.1% CAGR in the period, maintained its share in the GVA, while the Pay Commission revisions at the central and state levels helped supporting demand across segments such as automobiles and fast moving consumer goods (FMCG). Good monsoons over the past three years have also propped up rural demand.

The construction sector grew at a slower 3.7% CAGR during the period, as the real estate sector faced a slowdown. Demonetisation impacted growth in the real estate sector, which has traditionally been cash-driven, resulting in a decline in its share in the GVA.

Broader service sectors (trade, hotels, transport, communication and services related to broadcasting; financial, real estate and professional services; and public administration, defence and other services) grew at a healthier 7-9% CAGR, increasing their share in the GVA.

Trend in sector-wise share in GVA (%)



Note: PE: Provisional estimates;

Numbers above the bar charts represent GVA at constant (2011-12) prices in Rs trillion

Source: MoSPI, CRISIL Research

Share of hotels and restaurants in GVA increased a tad from 1.1% in FY13 to 1.2% in FY20

The contribution of hotels and restaurants at constant prices increased at 7.7% CAGR over fiscals 2013-2020, compared with 6.5% CAGR of total GVA over the same period. This translates into a slight increase in the share of hotels and restaurants in GVA from 1.1% in fiscal 2013 to 1.2% in fiscal 2020.

GVA of hotels and restaurants was driven by rising disposable incomes, growing middle class, and evolving lifestyle of the Indian population with an inclination towards higher discretionary spending on services such as hotels and restaurants.

Share of hotels and restaurants in GVA (at constant prices)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	CAGR (%)
GVA of hotels & restaurants (Rs trillion)	0.9	0.98	1.0	1.1	1.2	1.3	1.4	1.56	7.7
Total GVA (Rs trillion)	85.5	90.6	97.1	104.9	113.2	120.3	127.4	132.7	6.5
Share of hotels & restaurants in GVA (%)	1.1	1.0	1.0	1.1	1.1	1.1	1.1	1.2	-

Note: The values have been rounded off to the nearest decimal.
Source: National Accounts Statistics 2021, MoSPI, CRISIL Research

Share of transport in GVA

The contribution of transport (air, railways, road, water, and services incidental to transport) at constant prices increased at 5.9% CAGR over fiscals 2013-2020, with air transport growing the fastest at 11.8% CAGR.

The share of transport in GVA slipped to 4.8% in fiscal 2020 from ~5% in fiscal 2013, exhibiting slightly lower growth than that of total GVA during the period. GVA of transport was driven by the government's focus on transportation infrastructure, resulting in improved connectivity, healthy income growth and consequent affordability across different means of transport.

Share of transport in GVA (at constant prices)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	CAGR (%)
GVA of transport (Rs trillion)	4.3	4.6	4.9	5.2	5.5	5.8	6.2	6.4	5.9
GVA of railways (Rs billion)	0.69	0.74	0.81	0.85	0.82	0.88	0.91	0.94	4.6
GVA of road transport (Rs billion)	2.82	3.00	3.21	3.43	3.62	3.96	4.17	4.31	6.3
GVA of water transport (Rs billion)	0.07	0.07	0.08	0.08	0.09	0.12	0.13	0.13	9.1
GVA of air transport (Rs billion)	0.04	0.05	0.05	0.06	0.07	0.08	0.09	0.09	11.8
GVA of services incidental to transport (Rs billion)	0.66	0.70	0.76	0.81	0.87	0.84	0.89	0.91	4.6
Total GVA (Rs trillion)	85.5	90.6	97.1	104.9	113.2	120.3	127.4	132.7	6.5

Share of transport in GVA (%)	5.0	5.0	5.0	5.0	4.8	4.9	4.9	4.8	-

Note: The values have been rounded off to the nearest decimal.

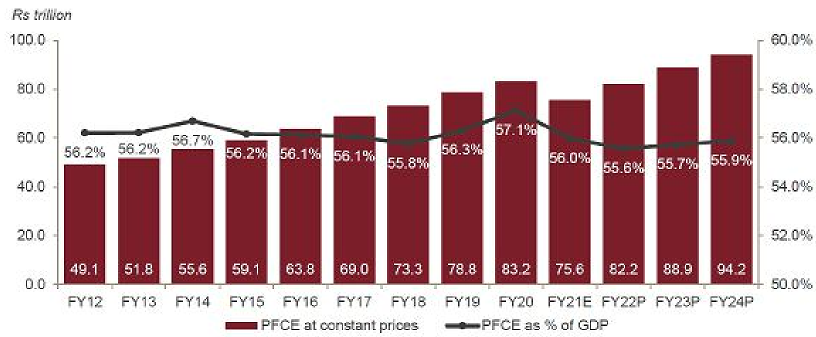
Source: National Accounts Statistics 2021, MoSPI, CRISIL Research

2.4 Review of private final consumption growth

Private final consumption expenditure to maintain dominant share in GDP

Private final consumption expenditure (PFCE) at constant prices clocked 6.8% CAGR between fiscals 2012 and 2020, maintaining its dominant share in the GDP pie, at ~57% or Rs 83.3 trillion. Factors contributing to this growth included good monsoons, wage revisions due to the implementation of the Pay Commission's recommendations, benign interest rates and low inflation. In fiscal 2021, PFCE declined on account of the pandemic, which affected consumption demand following strict lockdowns, employment loss, limited disposable spending and disruption in demand-supply dynamics.

PFCE (at constant prices)



P: projected

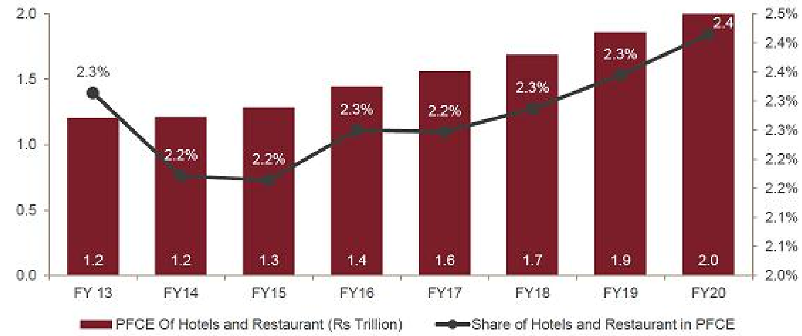
E: estimated

Source: Second advance estimates of national income 2020-21, CSO, MoSPI, CRISIL Research

Share of hotels and restaurants in PFCE increased to 2.4% in fiscal 2020

The contribution of hotels and restaurants in PFCE at constant prices increased at 7% CAGR between fiscals 2012 and 2020. After declining in fiscals 2014 and 2015, the share in PFCE picked up to 2.4% in fiscal 2020.

Steady share of hotels and restaurants in PFCE (at constant prices)

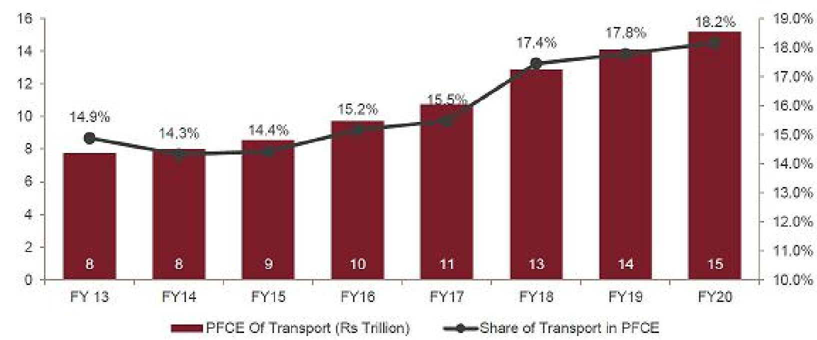


Source: National Accounts Statistics, MoSPI, CRISIL Research

Share of transport in PFCE rose to 18.2% in fiscal 2020

The contribution of transport to PFCE at constant prices increased at 9.3% CAGR between fiscals 2012 and 2020. Its share in PFCE, which had declined a tad in fiscals 2013 and 2014, picked up fiscal 2015 onwards to 15.5% in fiscal 2017. It further increased to 17% in fiscal 2018 and 18.2% in fiscal 2020, outpacing total PFCE growth during the year.

Share of transport in PFCE (at constant prices) trending up



Source: National Accounts Statistics, MoSPI, CRISIL Research

2.5 Review of per capita income growth

Per capita income increased at 5% CAGR between fiscals 2012 and 2020

India's per capita income, a broad indicator of living standards, increased at a healthy 8-year CAGR of ~5% from Rs 63,462 in fiscal 2012 to Rs 94,566 in fiscal 2020. Growth was led by better job opportunities, which boosted overall GDP growth. Moreover, population growth has remained stable at ~1% CAGR.

Trend in per capita net national income (NNI) at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21 (PE)
Per capita NNI (Rs crore)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,241	94,566	86,659
On-year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.3	2.5	-8.4

Note: PE: provisional estimates

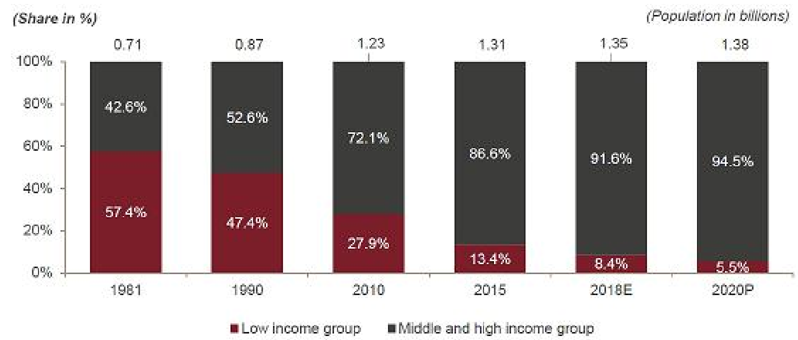
Source: CSO, MoSPI, and RBI for average exchange rate of the rupee vis-a-vis the dollar, CRISIL Research

Decline in poverty indicates rise in middle and higher income groups in India

In a report titled 'Global Economic Prospects, January 2019', the World Bank estimates the number of poor (defined as people living on or below the international poverty line of purchasing power parity or PPP of $1.90 per day) in India plunged from 405 million in 1981 to 175 million in 2015. In percentage terms, the share of the poor in India's total population declined from 57.4% in 1981 to 13.4% in 2015 and is estimated at 8.4% for 2018. The fall in poverty has been attributed to improvement in macroeconomic parameters such as GDP growth, employment rate, income equality, and the adoption of employment and other public welfare schemes by the government. The World Bank projects the absolute number of poor in India to further reduce from 175 million in 2015 to ~77 million in 2020, thus bringing the share down to 5.5% in 2020.

The decline in poor populace indicates that the middle and high income groups in India have grown at a fast clip, from 42.6% in 1981 to 86.6% in 2015, with their share expected to reach 94.5% by 2020. A positive macroeconomic outlook coupled with growth across key employment-generating sectors such as real estate, infrastructure, automobiles, etc, is expected to have a cascading effect on the overall per capita income levels of the population in the medium to long term. This, in turn, is expected to drive consumption expenditure and discretionary spending.

Low income group on the decline



Note: E: estimated, P: projected

Values above bar columns indicate the total population in billions for respective years as per the United Nations' population estimates. The World Bank defines poor as those living on or below the international poverty line of PPP (purchasing power parity) $1.90 per day. Data for 2018 are estimates and data for 2020 are projections and calculated using data from the World Bank (2018l).

Source: World Bank and CRISIL Research

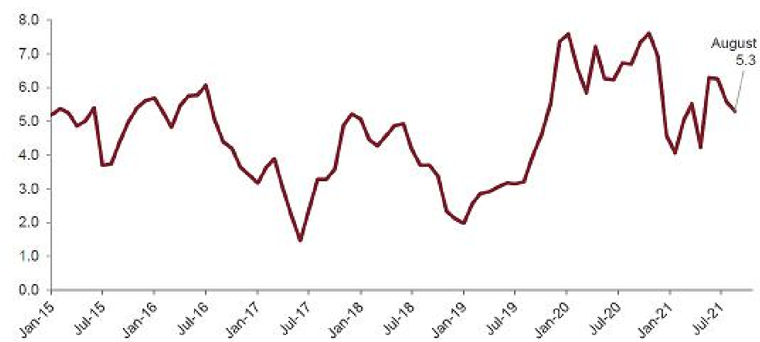
2.6 Review of consumer price index

Inflation based on the consumer price index (CPI) fell for the second consecutive month – to 5.3% on-year in August 2021 from 5.6% in July 2021 and 6.7% in August 2020. The sharper-than-expected moderation was driven by plunging food inflation, which benefited from a high base and a sequential decline in prices for key items. Incidentally, food is the most volatile part of consumer inflation in India. Non-food inflation, however, continued to rise, reflecting continuing pass-through of high input costs from producers to consumers.

Input costs for producers continue to trend up, as seen in the rise in wholesale price index (WPI)-based inflation to 11.4% on-year in August 2021 from 11.2% in the previous month and 0.4% in August 2020. WPI inflation was in double digits for the fifth consecutive month. A low base contributed to the high rates, but prices rose sequentially as well. On a seasonally adjusted basis, WPI rose 1% on-month in August, higher than the 0.5% level in the previous month.

CPI inflation – near-term trend

(on-year %)



Source: MoSPI, CSO, CRISIL Research

Inflation continues to face pressure from high international prices of commodities such as edible oils and metals, which are at decadal highs, and crude oil prices, which remain beyond the comfort zone at around $70 per barrel. Surging shipping costs have also added to manufacturing costs. The pass-through by producer to consumer prices – already underway – could gain more steam as domestic demand strengthens in the second half of this fiscal.

Food will keep the lid on overall inflation, as it benefits from the high base of last year. However, the impact of rising global food prices and monsoon remain key monitorables.

Based on these factors, CPI inflation is expected to average 5.8% this fiscal compared with 6.2% last year.

Annual CPI inflation remains at the higher side of the RBI's target band

(on-year %)

Note: F: forecasted. P: projected by CRISIL Research
Source: Ministry of Commerce and Industry, MoSPI, CSO, and CRISIL Research

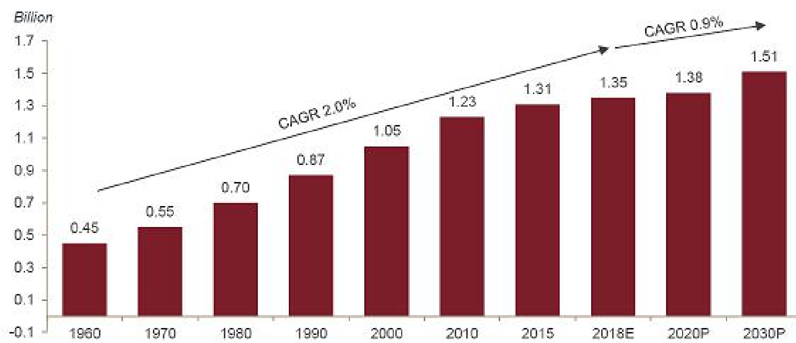
2.7 Review of population growth and urbanisation

By 2030, India's population projected to touch 1.5 billion, urbanisation to reach 40%

As per Census 2011, India's total population was 1.2 billion and comprised nearly 246 million households. From 2001 to 2011, population rose at 1.8% CAGR.

According to the 'World Urbanization Prospects: The 2018 Revision' by the United Nations, India will be second only to China in terms of population. Together, the two countries accounted for nearly 37% of the world's population in 2015. The report further projects India's population will clock 1% CAGR to reach 1.5 billion people by 2030, making India the world's most populous country, surpassing China (1.4 billion people by 2030).

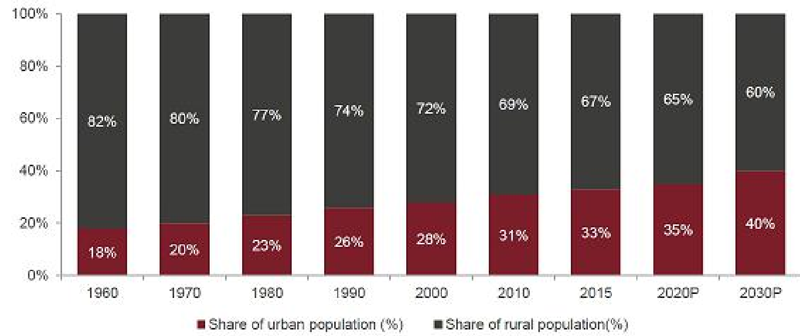
India's burgeoning population



Note: E: estimated. P: projected
Source: World Urbanization Prospects: The 2018 Revision, United Nations, CRISIL Research

The share of India's urban population, in relation to its total population, has been rising over the years, and was ~31% in 2010. People from rural areas move to cities for better job opportunities, education, quality of life, etc. Entire families or only a few individuals (generally an earning member or students) may migrate, while the rest of the family continues to live in the native, rural house. The above-mentioned United Nations report expects nearly 40% of the country's population to live in urban areas by 2030.

More and more people moving from rural to urban areas



Note: P: projected

Source: World Urbanization Prospects: The 2018 Revision, United Nations, CRISIL Research

3 Indian online travel market

3.1 Internet subscription trend in India

Growth of 7-9% CAGR in internet subscribers expected over fiscals 2020-2025

Internet services in India were launched in August 1995. Videsh Sanchar Nigam Ltd (VSNL) was the first commercial internet service provider (ISP) to offer public internet services in the country. The internet services sector started growing after 1998, when private players such as Sify Ltd, Data Infosys Ltd (now known as Data Ingenious Global Ltd), Reliance Communications Infrastructure Ltd and Bharti Airtel Ltd (Bharti Televentures Ltd) began operations. With increasing competition, tariffs declined and subscriber base widened. However, the dot-com bubble burst in 2001, bringing about a dramatic change in consumers' outlook towards technology and internet services companies. As highly rated technology stocks crashed and the public's interest in ISPs declined, companies cut down on expansion plans and the subscriber base shrunk.

The internet subscriber base reached 252 million in fiscal 2014, translating to an annual growth of 35% between fiscals 2012 and 2014, led mainly by rolling out of networks using third generation (3G) and broadband wireless access (BWA) spectrum, which was started in fiscal 2012. Between fiscals 2014 and 2018, the subscriber base expanded ~18% annually, driven by the launch of fourth generation (4G) services, which increased accessibility and was significantly cheaper. Falling prices of smartphones also aided growth. According to the Telecom Regulatory Authority of India (TRAI), India's internet subscriber base (wireless and wireline*) was 740 million in fiscal 2020.

*Note: *A wireless internet subscriber makes use of infrared or radio frequency signals to share information and resources between devices and a wireline internet subscriber uses physical cables to transfer data between different devices and computer systems.*

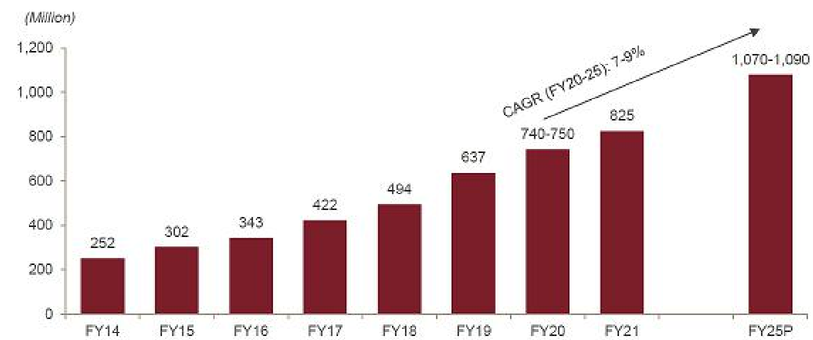
With telecommunication companies (telcos) expanding 4G services in rural areas in a focussed and aggressive manner, their subscriber base has grown rapidly in recent times. While urban growth is expected to diminish, rural areas, where penetration remains low, are expected to drive overall growth. The number of 2G and 3G subscribers is expected to decline in fiscal 2020, as players are focusing on ring-fencing 4G subscribers – high revenue generators. Telecom operators have introduced schemes for 4G users, offering better data packs, connectivity and speed. Operators have been offering 4G services at 3G prices and using better experience as the point of differentiation between the two, prompting 2G and 3G subscribers to move to 4G. For example, in April 2018, Bharti Airtel rolled out a scheme offering 1 GB data free per day for a month to those moving from 2G/ 3G to 4G network for the first time on its network. The scheme gives subscribers an experience of Airtel's high-speed 4G network. In the same year, the company said it may shut down its 3G services in the next two-three years.

All the 2G and 3G subscribers are expected to transition to 4G at the industry level by fiscal 2024. The transition from 3G to 4G will be easier than that from 2G to 4G. This is because rural subscribers tend to stick to the 2G technology they are using currently due to the comfort factor. 4G subscriber additions are expected to reach saturation by fiscal 2021, resulting in slowing wireless broadband subscriber additions, even as narrowband subscribers continue their decline. After the likely introduction of fifth generation (5G) by fiscal 2021, wireless broadband subscriber additions are expected to pick up pace in fiscal 2022 after a few months of initial testing and gradual rise in consumer adoption supported by availability of 5G-enabled mobile devices and development of 5G-based use cases. As a result, wireless subscriber base is expected to grow at 7-9% between fiscals 2020 and 2025.

Wireline broadband will comprise the bulk of the wired internet subscriber base because of the continued shift of retail subscribers to a higher bandwidth amid the growing popularity of social networking and availability of video content. The entry of JioFiber in the wireline broadband segment is likely to expand the market with its competitive pricing, even though it might not disrupt the market as its pricing for mid-size packs remains higher than current wireless pricing on a per GB basis. Wireline subscriber base is expected to grow at 6-8% between fiscals 2020 and 2025, as strong growth in the broadband segment is offset by a shrinking narrowband subscriber base.

Consequently, CRISIL Research expects the internet subscriber base to reach 1,070-1,090 million by fiscal 2025, at a 7-9% CAGR between fiscals 2020 and 2025.

Internet subscriber growth over fiscals 2020-2025



Note: P: Projected
Source: TRAI, CRISIL Research

4G adoption to continue to drive internet subscriber additions

India has seen exponential growth in the number of internet subscribers, which more than doubled to ~825 million in fiscal 2021 from ~300 million in fiscal 2015, as internet penetration as a percentage of population increased to ~59% from ~23%. Growth was led by explosion in the number of wireless internet subscribers triggered by accelerated adoption of 4G services due to cheap tariffs and increased availability of affordable smartphones.

Of the total internet subscribers, wireless subscribers account for ~800 million, the remaining being wired subscribers. Additionally, 4G mobile broadband prices have been much lower than those of wired broadband. Hence, most of the internet consumption is taking place via mobile phones and hotspots.

However, over the last year, we have seen the price parity between both mediums converging as wired broadband tariffs have been dropping, while the wireless tariff shot up. Also, pandemic-led lockdowns created a need for reliable and higher bandwidth internet connections, which has led to sudden interest in the wired broadband space.

In the medium to long term, wireless 4G subscriber additions will drive internet subscriber growth supported by lower tariffs, affordable handsets and popularity of video-on-demand platforms.

CRISIL Research expects the internet subscriber base to expand at 7-9% CAGR between fiscals 2020 and 2025. This will translate into ~1,080 million Indian subscribers online by fiscal 2025, as the internet penetration increases to 73-76%.

Pandemic to propel wireline broadband market

The wired broadband market has remained stagnant for the past three fiscals. Amid the Covid-19 pandemic, we expect more urban subscribers to sign up for wired broadband subscriptions owing to the likelihood of prolonged work from home requirements.

Globally, work from home has become the new norm. In India, too, lockdowns have led to more people working from home, leading to a 25-30% rise in data traffic during the lockdown months. As most activities such as virtual meetings and online classes are conducted at home, there is a greater need for high speed reliable internet connections. Internet service providers and telcos have been acquiring new bandwidths and improving last mile infra to cater to the surge in broadband subscriptions. Also, players such as Reliance Jio and Bharti Airtel have lowered the entry-level broadband plans to Rs 399 and Rs 499, respectively. These developments are likely to improve fixed broadband penetration as we expect wired internet subscriber base (narrowband and broadband) to increase to 30-32 million by fiscal 2025.

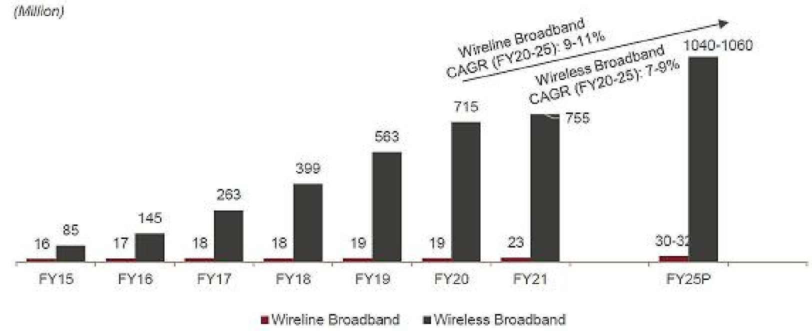
CRISIL Research expects India's wireless broadband subscriber base to expand moderately over the next five years, led by rising demand for 4G services. The 4G data subscriber base has already exceeded that of 3G in India. Proliferation of smartphones, competitive data tariffs and increasing ease of access will be the primary drivers of wireless broadband penetration.

Wireless internet subscribers have been a dominant force in India's internet subscriber's growth story, growing at a CAGR of ~20% between fiscals 2015 and 2020. We expect subscribers in this segment to grow at 7-9% CAGR between fiscals 2020 and 2025. Moderation in the growth rate would be owing to a high base and relatively slower upgradation of sticky non-internet 2G subscribers.

However, factors such as increased 4G coverage, affordable handsets and low wired broadband infrastructure penetration in rural areas will boost 4G addition. Reliance Jio's (a 4G-only telco) plan to launch affordable 4G and 5G handsets will also support 4G data subscriber growth.

With telcos expanding 4G services in rural areas in a focussed and aggressive manner, their subscriber base has grown rapidly in recent times. While urban growth is expected to diminish, rural areas, where penetration remains low, are expected to drive overall growth.

Growth of wireline, wireless broadband base in India



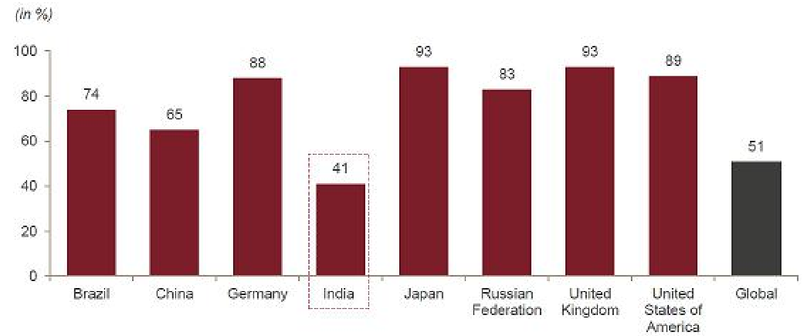
Note: P: projected
Source: TRAI, CRISIL Research

As per ITU, internet penetration in India lower than that of BRIC nations in 2019

Global internet penetration, as reported by International Telecommunication Union (ITU - a United Nations specialised agency for information and communication technologies) was 51% in 2019. ITU defines internet penetration as individuals using the internet per 100 inhabitants. Globally, ~72% of households in urban areas had access to the internet at home in 2019, almost twice as much as in rural areas (nearly 37%). The urban-rural gap was small in developed countries, but in developing countries urban access to the internet was 2.3 times as high as rural access. In Africa, only 28% of households in urban areas had access to the internet at home, but that was still 4.5 times as high as the percentage in rural areas, which was 6.3%. In other regions of the world, household internet access in urban areas was between 70% and 88%, while access in rural areas ranged 37-78%. At the end of 2019, just over half of the world population was using the internet, but this proportion was over 69% among youth (aged 15-24 years).

As per a TRAI report, the country's internet subscriber base is 825 million as of March 2021. Despite the large base, India lags peer countries in internet penetration. According to the latest ITU database (2019), internet penetration in India was 41%, lower than that of the other BRIC nations -- Brazil (74%), Russian Federation (83%) and China (65%). Also, developed countries such as Japan, Germany, the UK and the US recorded significantly higher internet penetration at 93%, 88%, 93% and 89%, respectively, during the said period. The untapped market presents a significant opportunity for growth in internet penetration and usage in India.

Internet penetration (2019): Global data



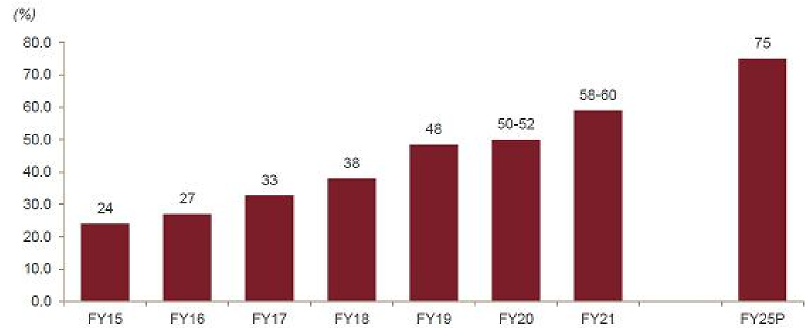
Note: The values have been rounded off to the nearest decimal.
Source: International Telecommunication Union (ITU) statistics, CRISIL Research

India's internet penetration likely to reach ~75% by fiscal 2025 led by 4G, FTTH services

India has witnessed a drastic surge in internet users over the past few years with internet penetration as a percentage of total population crossing 50% in fiscal 2020 compared with less than 25% in fiscal 2015. CRISIL Research expects the total number of internet subscribers in the country to reach 1,000 million by fiscal 2025, resulting in ~75% internet penetration. By 2025, we expect complete transition of 2G and 3G data services to 4G. This can be attributed to increased demand for data, competitive pricing of 4G services and availability of affordable handsets. Consequently, narrowband is expected to decline as better speed is available to users at lower price points.

The wired/ wireline segment is expected to log a CAGR of 7-9% over fiscals 2020-2025, against 3% over the previous five fiscals as telcos and ISPs focus more on this under-penetrated segment.

Trend of internet penetration in India



Note: P: projected
Source: TRAI, CRISIL Research

3.2 Internet user base widens in urban and rural India

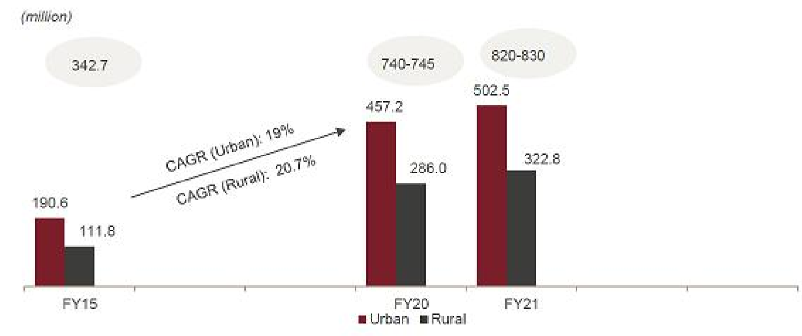
Low base, government initiatives to drive rural internet subscriber base in medium term

As per the TRAI, internet teledensity is defined as the number of internet subscribers per 100 population. As of March 2021, the country's internet teledensity in rural areas was 36.24% compared with 107.30% in urban areas. The overall figure stood at 60.73%.

The share of rural subscribers in the total user base shot up in fiscal 2021 as telcos increased their focus on expanding the rural subscriber base with lower price packs and widening distribution even as the urban subscriber base nears saturation.

The TRAI's March 2021 update pegs the country's total internet subscriber base at 825 million, with rural subscribers constituting ~39%, or ~323 million, of it. With telecommunication companies aggressively focussing on expanding 4G services in the rural areas, the subscription there has grown rapidly in recent times.

Internet subscription trends in urban and rural India



Note:

The TRAI started publishing urban and rural internet subscription data from fiscal 2015. The above bar graph represents the total number of internet subscribers in urban and rural India.

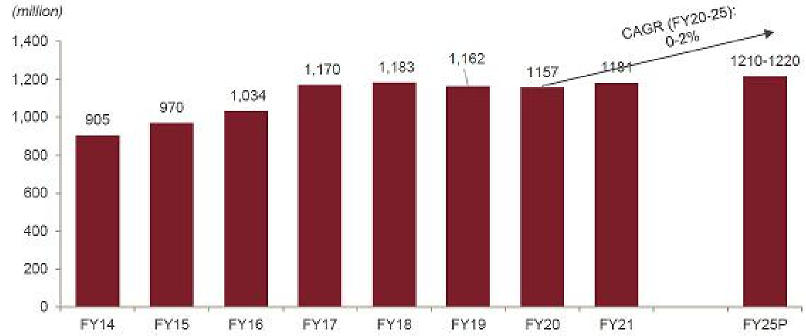
Source: TRAI, CRISIL Research

3.3 Trend in mobile phone usage

Low rural teledensity to drive mobile subscriber growth

The wireless subscriber base in India stood at ~1,181 million in March 2021, up from 1,157 million in March 2020. Urban teledensity dropped by ~133 bps to 137%, while rural teledensity improved by 154 bps to 60.08%. This indicates significant urban consolidation, triggered due to the introduction of minimum recharge plans in fiscal 2019 and tariff hikes in fiscal 2020. The urban churn is mainly due to the large presence of dual SIM subscribers who have switched to primary SIMs because of the increasing cost of ownership of a mobile phone. Over the long term, the number of wireless subscribers is expected to touch 1,210-1,220 million by fiscal 2025, mainly driven by rural areas, given their low teledensity of ~60%. The launch of 5G, expected in fiscal 2023, will be a key monitorable. The subscriber base at the end of July 31, 2021, stood at ~1,187 million, adding more than 6 million subscribers to the figure of March 2021.

Mobile phone (wireless) subscriber base in India



Note: P: Projected
Source: TRAI, CRISIL Research

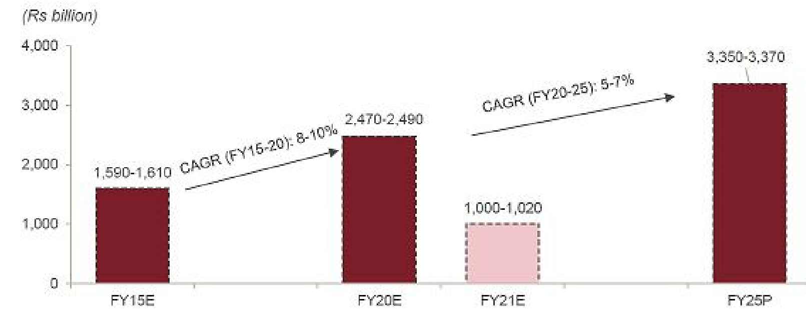
3.4 Review of the travel market in India

Indian travel industry expected to grow at 6.0% CAGR over fiscals 2020 to 2025

CRISIL Research has considered airline ticketing (domestic and international), hotels (room revenue across premium, mid-market and budget accommodations) and railway ticketing (long distance train ticketing) segments for mapping the travel industry in India. The market size includes tickets booked via offline and online modes and is estimated at the gross bookings level (defined as the total amount paid by customers for travel services and products booked through the company and/or agency, including taxes, fees and other charges, and these are net of cancellations, discounts and/or refunds). CRISIL Research has not included bus bookings under the Indian travel industry in this section.

The Indian travel industry was estimated at Rs 1,590-1,610 billion in fiscal 2015. Led by the country's growing economy, geographic and cultural diversity of the country and various government initiatives, the Indian travel industry grew at a CAGR of 8-10% to reach Rs 2,470-2,490 billion in fiscal 2020. The growth momentum is expected to continue with the industry expected to grow annually by 6.0% to reach Rs 3,350-3,370 billion in fiscal 2025, driven by development of tourism infrastructure, rising income levels, translating to higher discretionary spending on travel and tourism, increase in the frequency of travel for business and leisure purposes, reforms in visa and passport norms thereby allowing easier access to India (in case of FTAs) and other countries (in case of Indian passport holders) and increase in connectivity across various means of transport.

Indian travel industry: Trends and outlook



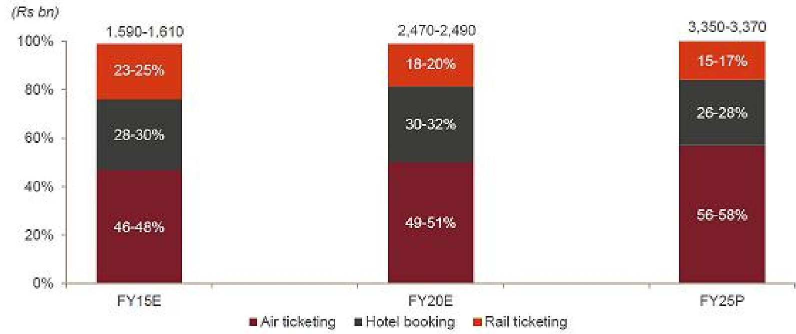
Note: E: Estimated P: Projected; market sizing for the Indian travel industry has been estimated at gross bookings. The Indian travel industry size does not include bus bookings, as the bus booking industry is largely unorganised. Market sizing estimates have taken into account the impact of Covid-19. FY21 market impacted due to COVID-19

Source: CRISIL Research

Air travel to retain majority share in Indian travel market as of fiscal 2025

The air ticketing segment, which grew at a CAGR of 9-11% between fiscals 2015 and 2020, enjoyed a 49-51% share of the Indian travel market as of fiscal 2020. This growth momentum is expected to continue at 8% CAGR till fiscal 2025, led by increased passenger traffic in the Indian travel industry, especially in domestic travel. The share of air ticketing in the overall Indian travel market is expected to remain in the majority by fiscal 2025. With 30-32% share as of fiscal 2020, the hotel segment remains the second-highest contributor to the Indian travel market with the segment expected to grow at 2-4% CAGR between fiscals 2020 and 2025. The railways ticketing segment accounted for 18-20% share of the overall Indian travel market and is expected to grow at 1-3% CAGR in the medium term by fiscal 2025.

Segment-wise share in the Indian travel market



Note: E: Estimated P: Projected

The Indian travel industry's size does not include bus bookings, as the bus booking industry is largely unorganised. Market sizing estimates have taken into account the impact of Covid-19

The numbers above the bar charts represent the total Indian travel market for that year

Source: CRISIL Research

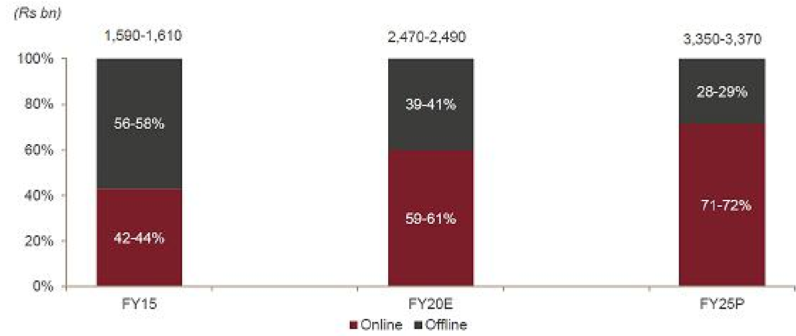
Online penetration in the Indian travel market to reach 71-72% in fiscal 2025

The Indian travel market is growing fast and has evolved significantly with digitisation. The global distribution system (GDS)* was introduced for travel and hospitality service providers in India during the 1990s, at a time when internet penetration was low. The trend in online travel bookings was further fuelled with the Indian Railway Catering and Tourism Corporation (IRCTC) launching its e-ticketing services in 2002. Another factor that fuelled the growth of online ticketing in the country was the emergence of online travel agencies (OTAs) and online travel aggregators during the early 2000s, who initially focussed on airline ticketing.

*Note: * Global distribution systems (GDS) is a worldwide network of electronic reservation systems used by travel product suppliers and buyers to provide and avail of booking services. GDS enables transactions between suppliers such as airlines, hotels, car rentals and travel agencies. GDS gathers and combines the information from several travel product suppliers in a common database. It enables travel agents to access real-time information such as rates, inventory, availability of various travel products to make bookings. GDS has been a stepping stone for internet-based travel services and is expected to help the travel industry grow further in future as more travel agents are expected to integrate GDS into their websites.*

Ticketing services across travel segments have undergone a dramatic change thanks to increased internet penetration, greater affordability of smartphones, user-friendliness of online platforms, convenience in terms of comparison and varied modes of payment offered (credit cards, debit cards and net banking) and faster pace of service providers adopting digital platforms for their respective businesses. Online penetration, defined as share of bookings done online via captive websites of the service providers or through OTAs of the Indian travel industry as sized above stood at 59-61% as of fiscal 2020. This share is further expected to increase to 71-72% by fiscal 2025, supported by growth in online transactions.

Online penetration in the Indian travel market

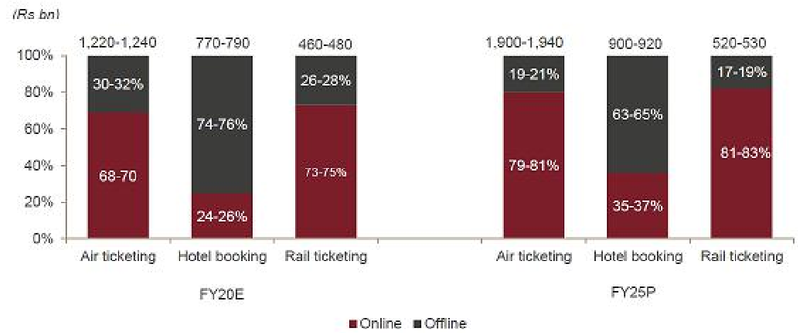


Note: E: Estimated P: Projected
The Indian travel industry's size does not include bus bookings, as the bus booking industry is largely unorganised. Market size estimates are after taking into account the impact of Covid-19. The numbers above the bar charts represent total Indian travel market for that year
Source: CRISIL Research

Online penetration of air ticketing at 68-70% as of fiscal 2020

Industry estimates indicate that air ticketing has a high online penetration of 68-70% as of fiscal 2020 as it was among the earliest to adopt online channels, followed by railway ticketing at 72-74% for the corresponding period. Commencement of e-ticketing services by IRCTC since 2002 helped the online railway ticketing segment gain ground. In contrast, online penetration in hotel bookings remained on the lower end of the spectrum at 24-26% as of fiscal 2020. This can be attributed to the fragmented nature of the Indian hotel industry as compared to the airlines or railways and comparatively slower adoption of hotel brands and chains, especially the mid and small-sized ones on the digital platforms, including OTAs.

Segment-wise share in online penetration in India



Note: E: Estimated P: Projected
The numbers above the bar charts represent the total travel market for that segment
Source: CRISIL Research

Going forward, CRISIL Research expects online penetration for all segments, airline ticketing, hotel booking and rail ticketing, to improve to 79-81%, 35-37%, and 81-83%, respectively, by fiscal 2025, largely driven by the convenience offered by online channels as compared to offline ones. Online penetration of hotel bookings is expected to increase on account of supply expansion as more players, especially from Tier 1, 2 and 3 cities come onto the online platforms. Supported by higher internet penetration, increased smartphone usage, coupled with a youthful population which has rapidly adapted to the digital era, consumers' preference for online travel booking across segments is expected to increase in the medium-to-long term.

3.5 Review of the online ticketing market in India

Indian online ticketing market to grow at 9-11% CAGR from fiscals 2020 to 2025

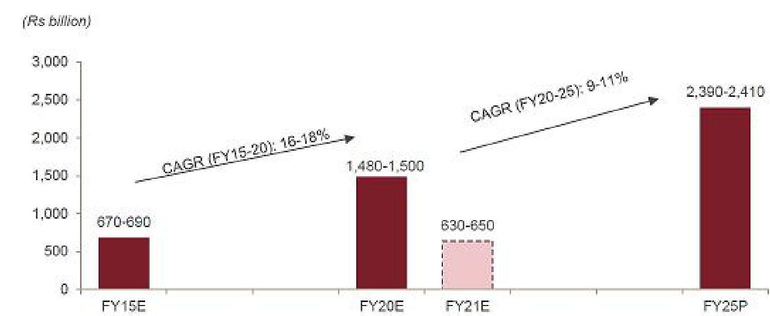
Online bookings are typically done over the internet by using laptops, desktops, tablets and mobiles. Offline bookings include bookings made through phone calls and walk-ins. Business-to-consumer (B2C) and business-to-business (B2B) bookings are typically categorised as online bookings. The industry size has been estimated at gross bookings defined as the total amount paid by customers for travel services and products booked through the company and/or agency, including taxes, fees and other charges, and these are net of cancellations, discounts and/or refunds. CRISIL Research has also considered the online bookings for the buses segment for the purpose of this market sizing.

While online ticketing of movies, sports and other events is also widely popular in India today, they have been kept out of the purview of this study as the focus is on travel-related segments. Tour or holiday packages have also been excluded from the market sizing in order to avoid over-estimation.

In fiscal 2020, the Indian online ticketing market was estimated to be worth Rs 1,480-1,500 billion, logging a 16-18% CAGR from Rs 670-690 billion in fiscal 2015. The growth can be largely attributed to the increasing penetration of the internet and smartphones. Growth in the share of low-cost airlines, increasing popularity of online railway ticket booking system and convenience that online bookings offer has further supported growth. The Indian online ticketing market is estimated to reach Rs 2,390-2,410 billion in fiscal 2025, logging a CAGR of 9-11%. While increasing penetration of the internet and smartphones will continue to aid growth in the medium-to-long term, pent-up demand after Covid-19 will support growth in the near term.

The online ticketing industry also faces some challenges. Concerns about the security of travellers' personal information and online financial frauds are the key challenges that need to be addressed effectively in order to ensure seamless transition from offline to online channels.

Online ticketing industry in India – Trend and outlook



Note: E: Estimated P: Projected. The online ticketing industry includes bus booking revenue along with flight, rail and hotel bookings. FY21 market impacted due to COVID-19

Source: CRISIL Research

3.6 Sub-segments within the online ticketing market

Airline ticketing accounts for a dominant share in the Indian online ticketing industry

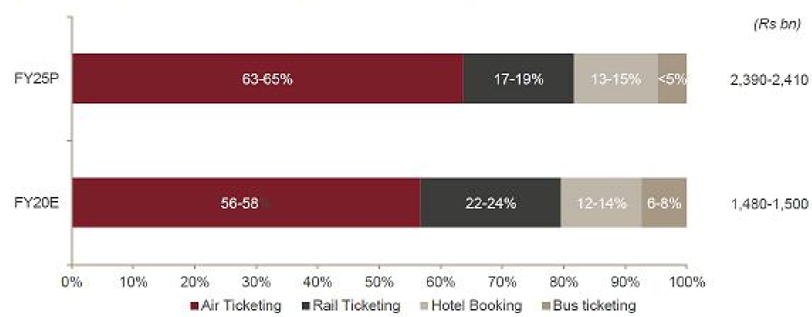
The online ticketing market in India is dominated by the high-volume airline ticketing business, including both domestic and international travel. The segment accounted for 56-58% of overall online ticketing in fiscal 2020. Industry estimates indicate airlines had the highest online penetration of 68-70% among the segments as it was among the earliest to adopt online channels. Going forward, online air ticketing is expected to grow further as more travelers (retail as well as corporate) migrate from offline to online platforms. Consequently, it is expected to maintain its dominance in the online ticketing market in India.

In fiscal 2020, rail ticketing accounted for 22-24% of the online ticketing industry in India. The IRCTC, which introduced online rail ticketing in 2002, has been instrumental in popularising the online option for bookings in India. As per its annual reports, the share of e-ticketing in total ticket bookings improved from ~54% in fiscal 2015 to ~73% in fiscal 2020. Going forward, online rail ticketing in volume terms is set to grow on account of the convenience it offers compared with the offline channels.

The hotel segment accounted for 12-14% of the online ticketing industry in India, in fiscal 2020. Industry interactions indicate online penetration of hotel bookings in India stands at 24-26%. The hotel industry in India is fragmented with a large number of organised and unorganised players. Adoption of online channels for booking hotel rooms posed a challenge in the initial phases for most players. A majority share of the hotel inventory available online is in metros and Tier 1 cities, whose customers have become comfortable with the online platform. Consequently, its share in the online ticketing market in India is expected to increase to 13-15% by fiscal 2025 as the share of customers from Tier 2 and 3 cities increases and demand from both leisure and business travel improves after slowing down in fiscal 2021 on account of the pandemic.

Bus ticketing has the lowest share in the total online ticketing industry in India at 6-8%. The segment is at a fairly nascent stage as few players have a major presence in this segment. Online penetration also remains low on account of the ready availability of tickets with players, both private and state transport corporations.

Sub-segments within the online ticketing market over fiscals 2020-2025 (based on gross revenue)



Note: E: Estimated P: Projected

The numbers to the right of the bar charts represent total online ticketing market for that year
Source: Industry interactions, CRISIL Research

3.7 Share of OTAs and captive websites in the Indian online ticketing market

OTAs to dominate air, hotel and bus ticketing in fiscal 2025

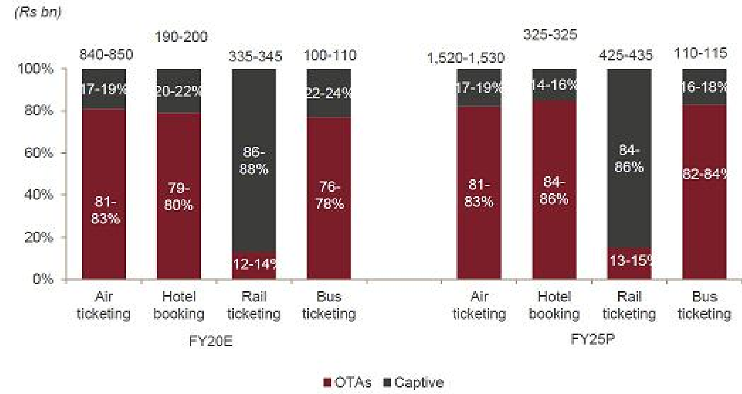
Within the online air ticketing segment, OTAs enjoyed a higher share of 81-83% compared with captive websites that had 17-19% in fiscal 2020. Ease of comparison and competitive pricing have played a major role in OTAs achieving dominance in the sector.

In the railways segment, IRCTC is the dominant player in online rail ticketing. While OTAs have ventured into the rail ticketing segment, the bookings are routed via the IRCTC platform itself, limiting the earning margins of OTAs. IRCTC has also initiated a number of measures to improve the user interface and ensure ease in the booking process across its mobile and web platforms, which is expected to limit the growth potential of OTAs in this segment.

Within the online hotel bookings segment, OTAs enjoy 78-80% share. A higher degree of convenience offered by OTAs with regard to the number of options, ease of comparison and competitive pricing have played a critical role in them gaining dominance.

In bus ticketing, while online penetration remains low on account of ready availability of tickets with state transport corporations as well as private players, OTAs enjoy a higher share at 75-78% in comparison with captive players. Industry interactions indicate that this is largely on account of a higher degree of user-friendliness of OTA platforms as compared to captive websites.

Segment-wise share of OTAs in the online ticketing industry in India (based on gross revenue)

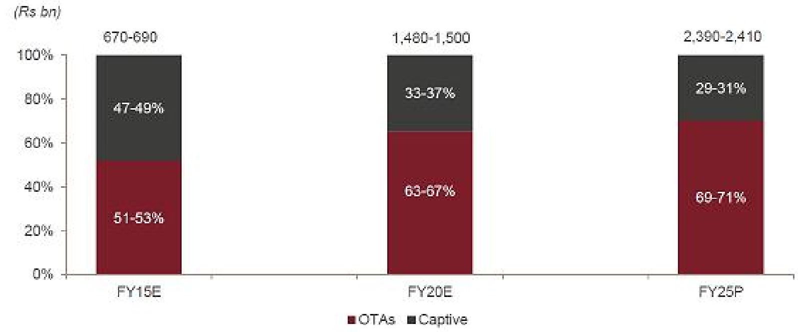


Note: E: Estimated P: Projected
The numbers above the bar charts represent the total online ticketing market for that segment
Source: Industry interactions, CRISIL Research

Based on gross bookings, OTAs estimated to make up 69-71% of Indian online ticketing in fiscal 2025

As per industry estimates, in value terms, OTAs accounted for ~64-66% of the total online ticketing industry in India as of fiscal 2020, based on gross booking revenue. In absolute terms, it translated to an estimated market size of Rs 970-980 billion. The share is estimated to have grown from 51-53% (Rs 350-360 billion) during fiscal 2015, owing to comparatively more user-friendly interface as compared with captive websites of service providers and ease of comparison across options. Higher discounts from the OTAs and offers by banking and payment partners have also made them competitive in pricing. This trend is expected to continue in the medium term with the share of OTAs in total online ticketing industry expected to reach 69-71% by fiscal 2025, translating to Rs 1,680-1,700 billion in absolute terms.

Trend in and outlook on share of OTAs in total online ticketing industry in India (based on gross revenue)



Note: E: Estimated P: Projected. The online ticketing industry includes bus bookings revenue along with flight, rail and hotel bookings

The numbers above the bar charts represent the total online ticketing market for that year

Source: Industry interactions, CRISIL Research

3.8 Impact of Covid-19 on the Indian online travel market

Curtailed mobility of people due to the pandemic and related restrictions shrunk India's air-passenger traffic in both domestic and international segments in fiscal 2021. This delivered a serious jolt to the Indian domestic air travel industry that had logged double-digit growth in seven of the past ten fiscals, before its fortunes took a turn for the worse with the bankruptcy and grounding of a couple of major carriers. However, with rising vaccination and easing of lockdown restrictions across most states in the country, revival in air traffic demand (especially domestic) is visible, though full revival will still take time

Hotels and tourism have been among the worst impacted businesses, due to the pandemic. Though there is gradual growth in demand, especially in the leisure market, the budget and mid-market hotels, which account for 50% of the revenue of the total hotel industry, were also severely impacted by lockdowns. The demand is expected to improve in the near term with corporate offices opening up and business travel resuming as rate of vaccination increases.

The impact of Covid-19 on the airlines and hospitality industries in turn affected the Indian online travel market. While signs of recovery are now visible, vaccination rates and further spread of Covid remain key monitorables.

4 Online travel agency market in India

4.1 Overview of the Indian OTA market

CRISIL Research defines OTAs as companies that specialise in sale of travel-related products and services such as booking of air tickets, hotel rooms, travel packages, bus tickets and railway tickets via their websites and applications. These are typically third-party agents reselling products and services provided / organised by others for an agreed commission. While sizing the OTA industry, CRISIL Research has considered net revenue i.e. typical commissions earned across segments (defined as gross bookings less procurement costs of relevant services and products for sale).

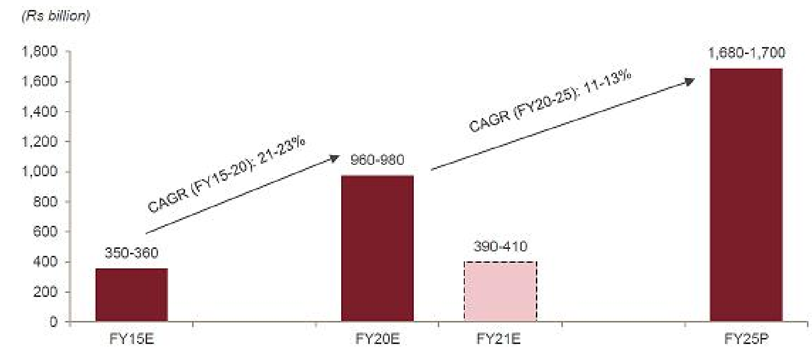
On the other hand, metasearch engines function as search engines for travel needs across multiple sources and showcase them for ease of comparison. A key difference between OTAs and metasearch engines is that the latter typically do not sell any inventory.

CRISIL Research has not included the metasearch engines while estimating the Indian OTA industry.

Indian OTA market to grow by 11-13% CAGR in gross booking revenue terms from fiscals 2020 to 2025

Based on gross booking revenue, CRISIL Research estimates the Indian OTA market grew at a 21-23% CAGR from Rs 350-360 billion as of fiscal 2015 to Rs 970-980 billion as of fiscal 2020. This can be attributed to rapid growth in affordable access to internet, rising internet penetration, growing awareness and comfort with online transactions, competitive prices offered by OTA players to attract consumers, and growing network of service providers on OTA platforms. Growth in the Indian OTA market is estimated to continue in the medium term at 11-13% CAGR to reach Rs 1,680-1,700 billion by fiscal 2025.

Growth in the Indian OTA industry (based on gross booking revenue)

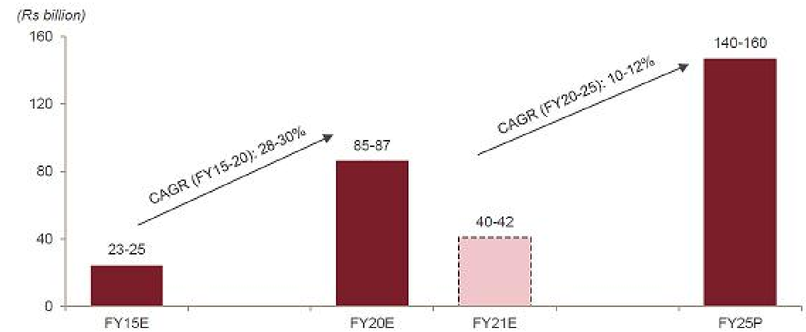


Note: E: Estimated, P: Projected
Market sizing of the Indian OTA industry is based on gross booking revenue, inclusive of bus booking revenue
Source: CRISIL Research

Indian OTA industry to log 10-12% CAGR in net revenue terms from fiscals 2020 to 2025

The Indian OTA industry is estimated to have been worth Rs 85-87 billion as of fiscal 2020. It is estimated to have clocked a CAGR of 28-30% from fiscal 2015 to 2020, when its size stood at Rs 23-25 billion. OTA platforms have gained popularity and acceptance driven by the rapid spread of internet services, smartphone usage and by providing a one-stop shop for travel-related bookings at competitive price points. The platforms have invested in technology to become more user-friendly, which has helped them gain customer loyalty. Tie-ups with various banking and payment channels have ensured competitive pricing across segments. Going forward, the industry is expected to gain further traction as online bookings increase across segments. CRISIL Research estimates the industry to grow at 10-12% CAGR to reach Rs 140-160 billion by fiscal 2025, driven by changing customer preferences and technological advancements. This growth is also on account of continued increase in air passenger traffic, and growth in the market size of the hotel industry.

Growth in the Indian OTA industry (based on net revenue)



Note: E: Estimated, P: Projected

Market sizing of the Indian OTA industry is based on net revenue, inclusive of bus booking revenue.

CRISIL Research has considered net revenues i.e. typical commissions earned across segments (defined as gross bookings less procurement costs of relevant services and products for sale).

Source: CRISIL Research

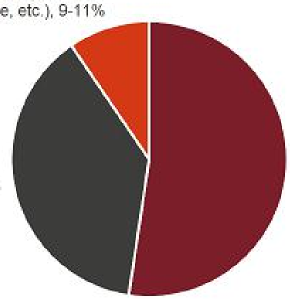
4.2 Overview of segment-wise bookings made via OTAs

Air ticketing segment accounted for major share in Indian OTA industry as of fiscal 2020

In value terms, air ticketing accounted for 51-53% of the Indian OTA industry as of fiscal 2020, as per industry estimates at net revenue terms. OTAs in India commenced operations by selling airline tickets. This is because the airline services industry is largely organised with a limited number of players unlike the hotel industry, which is relatively fragmented with several branded and unbranded players. As customers started adopting and accepting the online booking process, online booking of airline tickets became more popular. Increased air connectivity to Tier 2 and 3 cities at fairly competitive fares, especially offered by low-cost carriers, also prompted Indian consumers to consider air travel as a viable option. Increased business and leisure travel via air also had a cascading effect on online bookings.

Within the online segment, OTAs have garnered a significant share of airline ticketing compared with captive websites of brands. A distinct advantage offered by OTAs over captive websites is that they allow for multi-airline itineraries while captive websites do not. After success in the airline segment, OTAs have started focusing on other segments such as hotel bookings to offer a one-stop solution for all travel needs and garner additional share of customer spending.

Segment-wise share in the Indian OTA market, as of fiscal 2020 (based on net revenue)



Source: CRISIL Research

Hotels account for 37-39% of OTA revenue

Hotel bookings are estimated to have accounted for 37-39% of OTA revenue in fiscal 2020. Share of online bookings in overall bookings has remained low (estimated at 24-26% in fiscal 2020) because of the fragmented hotel industry in India. Within the online segment, however, OTAs have managed to gain a dominant share over captive websites of hotel chains. Easy comparison of multiple options and highly competitive pricing helped OTAs gain market share over captive websites. Moreover, compared with airline ticketing, margins in hotel bookings are higher, thus making it a lucrative segment for OTAs. This is also reflected in the growing share of the hotels segment in the revenue mix of major OTAs. However, industry interactions indicate larger hotel chains are now beginning to encourage customers to book via captive websites, to counter the high commission of OTAs.

Bus, train bookings' share in overall OTA revenue minor

In online booking of railway tickets, the IRCTC remains the preferred player for travellers. Although OTAs do offer the service to acquire customers and provide end-to-end travel solutions, ticket booking is routed via the IRCTC website itself.

In the bus bookings segment, state transport buses dominate inter-state travel. Tickets are typically booked through traditional travel agents (TTAs) or at their respective offices. Given the ready availability of such tickets in the offline mode, online channels that offer the tickets are fewer. Though players such as Gujarat State Road Transport Corporation (GSRTC), Maharashtra State Road Transport Corporation (MSRTC) and Karnataka State Road Transport Corporation (KSRTC) provide the online booking facility on their captive websites.

Air bookings to continue holding majority share in the medium to long term

Air ticketing enjoys the maximum share in the OTA industry, while margins in the business are lower compared with the hotels or holiday packages business. The main reason for this is the level of service component involved. Additionally, most airlines are financially constrained as high operational costs impact their margins.

Although most OTAs commenced operations by selling airline tickets, they are now focussing on other segments such as hotels and holiday packages to boost their bottom line. Some of them are also looking at mergers and acquisitions to gain market share in other segments. For example, MakeMyTrip acquired Ibibo Group in January 2017 to strengthen its presence in key markets and expand its product portfolio. With the acquisition, MakeMyTrip was able to gain presence in the budget hotel segment. The company also got redBus as part of the deal, which helped it foray into the bus bookings segment. In August 2017, Yatra acquired a majority stake in Air Travel Bureau Ltd (ATB), which specialises in corporate travel management, MICE operations and leisure tourism. The acquisition strengthened Yatra's portfolio in the corporate travel segment. Earlier, in 2013, it had acquired Travelguru to boost its domestic hotels and holidays business. Before that, the company had bought Travel Services International (TSI), a ticket consolidator specialising in the B2B space; MagicRooms, engaged in hotel aggregation and reservation and a global distribution system (GDS) provider for hotel rooms; and BuzzInTown, an event listing site, to widen its portfolio.

Going forward, while OTAs increase their presence in other segments, air bookings is likely to continue holding a major share as air travel grows at a higher pace than other segments.

4.3 Share of different customer categories in the OTA industry

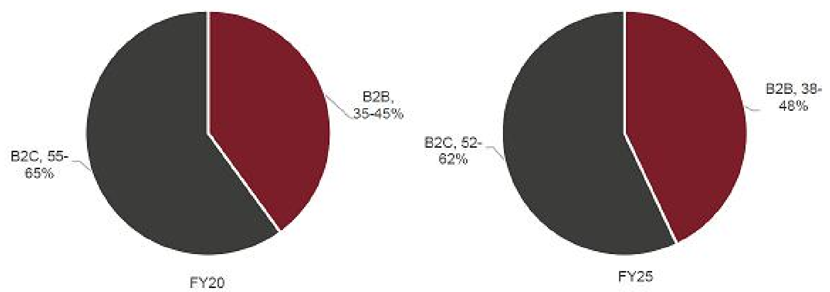
Share of B2B (Business to Business) category to reach 38-48% by fiscal 2025

The OTA industry in India largely caters to two different categories of customers – retail customers under the B2C category, and corporate clients and travel agents under the B2B category. These segments vary in terms of booking requirements and rates offered.

- *B2C or business to customer:* The largest category of customers of OTAs includes direct or retail customers that use online platforms for bookings. The rates offered to them are listed on the website/application. Apart from OTAs' discounts, they receive certain rebates from banking and payment partners, to promote higher usage of credit/debit cards and payment gateways.

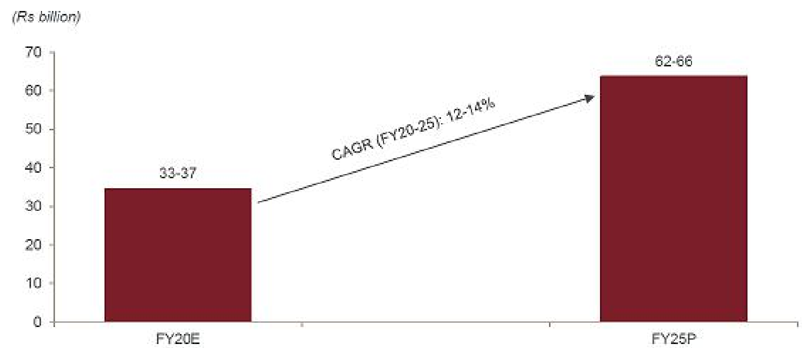
- *B2B or business to business:* This model includes corporate clients and travel agents. The requirements of corporates are different from those of retail customers on account on cancellations, rescheduling, fixed budget allocated for the year on travel, shorter time frame for bookings, etc. This requires a dedicated service component, and OTAs typically have a separate team to serve this segment. This segment also includes TTAs, who, instead of investing in their own digital platforms, chose to collaborate with OTAs to reduce operational costs and stay relevant in the increasingly digital era. Such TTAs typically do not operate on a fixed cost and inventory from airline companies or hotel chains, and instead use OTA platforms to process the bookings.

Share of customer categories in the OTA industry (based on net revenue)



Source: Industry interactions, CRISIL Research

B2B in the Indian OTA industry's growth trend and outlook (based on net revenue)



E: Estimated, P: Projected

Based on net revenues. CRISIL Research has considered net revenues i.e. typical commissions earned across segments (defined as gross bookings less procurement costs of relevant services and products for sale).

Source: Industry interactions, CRISIL Research

B2B share on the rise

Interactions with the industry players indicate the share of B2B in the travel booking industry has been rising for the past few years, primarily as OTAs provide dedicated support and wider base of options to choose from. Travel requirements are customised as per the companies' requirements and relationships with companies provide opportunities to cross-sell other products and services. While corporate travel was significantly impacted in fiscal

2021 on account of the pandemic, it is expected to revive in the medium term as offices open up with rising vaccinations and easing travel restrictions.

Growth drivers of the B2B (business to business) segment

- **Focus on technology** – Unlike traditional travel agents (TTAs), where reach is relatively limited, OTAs are providing a wider range of services. OTAs are providing a one-stop solution to corporates with increased focus on technology, integrating APIs with internal ERP systems providing customised solutions
- **Changing customer preferences –** The requirements of corporate travellers are different as against those of leisure travellers, such as invoicing and MIS reporting, travel locations and instant support for change in travel requirements. Thus, shift of small and medium enterprises to digital platforms is expected to support OTA growth
- **Value-added services** – Over the years, OTAs have developed relationships with various service providers such as insurance and visa partners. While corporates get benefit of using these value-added services, OTAs are trying to leverage these relationships to cross sell other products and services.

Share of traditional travel agents on the decline

The share of traditional travel agents (TTAs) in the travel booking sector has been on a declining trend for the past few years, primarily on account of the rapid growth of internet subscription and smartphone usage. The presence of OTAs has widened the overall travel and tourism market as they are able to serve a wider base of customers using online platforms in any part of the country. On the other hand, TTAs' reach is limited as they need to be physically present to provide the service. The November 2016 demonetisation played a key role in bringing down the share of smaller TTAs and encouraging digital payments, especially in urban cities.

4.4 OTAs' growth potential and challenges

Convenience, competitive pricing key differentiators

OTAs in India gained popularity due to increasing penetration of internet and smartphones. While this trend is expected to continue in the medium to long term, other factors are will also aid the industry's growth. They are:

- **Convenience:** OTAs function as a one-stop shop for all travel-related needs such as booking of airline tickets, hotel accommodation, holiday packages, rail tickets, and bus tickets. The biggest advantage for customers is the availability of multiple options across segments. This allows for easy comparison of prices, dates, locations, and time schedules on a single platform. In contrast, captive websites only showcase the brand's own offerings
- **Competitive pricing:** In spite of the strong macroeconomic indicators and rising disposable incomes, India remains a price-sensitive country when it comes to discretionary spending, including in travel and tourism. Both urban and rural customers prefer to compare prices across sources to get the best deal, which is offered by OTAs. OTAs and their banking partners have been aggressive in offering discounts and rebates to increase customer volumes. This trend is expected to continue in the near term
- **Evolution of free independent travellers (FITs):** The urban millennial traveller has become internet-, smartphone- and application-savvy. Such customers have greater awareness about how different components

of travel work and where to source each component from, in order to minimise travel cost and optimise the experience. As per their interests, they research and plan itinerary through OTAs. TTAs, on the other hand, typically offer pre-defined holiday packages, which focus largely on popular tourist attractions. Thus, evolution and growth of FIT is expected to drive the OTA market in the medium to long term.

- **Focus on technology:** OTAs use technology to improve user experience on their platforms. Further investments in technology will help personalise the customer experience, simplify the search process and consequently ensure acceptance and repeat clientele. Similarly, for the B2B segment, integration of APIs with the enterprise's internal ERP software will aid adoption and growth of OTAs
- **Entry into newer categories:** OTAs are entering into newer areas such as corporate travel, freight and value-added services such as insurance. Offering additional services will further support OTA growth

Garnering market share in higher-margin segments remains a challenge

- **Increasing focus on direct bookings by hotel players:** While hotels were earlier keen to list on OTAs due to the visibility they offered, the trend is beginning to reverse, especially in the case of larger branded chains. Industry interactions indicate larger hotel chains are now focussing on their own websites to draw customers. Encouraging direct bookings helps hotels avoid the OTAs' commission, which were increasing. Direct bookings also boost customer relationships, which can be further leveraged to cross-sell other services such as banquet facilities, restaurants, spa facilities, etc. Hotels are also using loyalty cards and programmes to encourage direct bookings via their own websites. Going forward, this can pose a challenge to OTAs as they seek to improve their market share in the higher margin segments of hotels and holiday packages
- **Limited presence in holiday packages segment:** While most OTAs derive a large share of their revenue from the airlines or hotels segment, they have a limited presence in the holiday or tour packages segment. The holiday packages segment continues to be dominated by the larger branded TTAs since it requires significant and experienced personnel on site as well as operational expertise in tour management. Industry interactions indicate if OTAs want to gain market share in the segment, they will have to replicate the operational model of TTAs which could lead to an increase in operational costs and thereby impact profitability
- **Increasing competition from global OTAs, new entrants**: The Indian OTA industry is currently dominated by domestic players while international players enjoy a relatively lower share. However, in the future, the scenario could change as global OTAs choose to focus on the comparatively nascent Indian market. Entry of new players with deep pockets could also alter the industry's competitive landscape in the medium to long term

5 Competitive assessment of Online Travel Agencies (OTA) in India

CRISIL Research has compiled profiles of key players in the OTA industry on the basis of gross booking revenue and operating revenue, as detailed below. Information in this section is sourced from publicly available sources including annual reports and investor presentations of listed players, regulatory filings, rating rationales and/or company websites as relevant.

Key players in the domestic OTA market

Players	Year of commencement of business	Company headquarters	Number of customers as of FY19 (million)	Number of customers as of FY20 (million)	Number of customers as of FY21 (million)	Number of agents	Employee count (nos.)
Yatra Online, Inc.	2005	Gurugram, Haryana	9.7	11.1[4]	11.7[1]	~27,000[6]	1,006[7]
MakeMyTrip Ltd.	2000	Gurugram, Haryana	39.0	46.0[3]	51.0	~11,000	3,256[7]
Cleartrip Pvt. Ltd.	2005	Mumbai, Maharashtra	NA[2]	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	2008	New Delhi	8.1	9.7	10.3[5]	59,274	374[7]
ixigo (Le Travenues Technology Limited)	2007	Gurugram, Haryana	27.3	25.4[1]	64.66[1]	NA[2]	200

[1] *Customers for:*

Easy Trip Planners Ltd: Defined as registered customers, i.e., customers that have provided their unique mobile number and/ or e-mail address, as applicable, on the company's website and mobile applications

MakeMyTrip Ltd: Defined as transacted customers (life to date) till the end of a given period as per company presentations

Yatra Online, Inc: Defined as cumulative customers (excluding B2B business) as per company presentations

Ixigo: Registered users are those that have provided their unique mobile number or e-mail address, as applicable, on its platforms as of the relevant period

[2] *Not available since data has not been reported by the company*

[3] *As of March 31, 2020, as per the company's FY20 Q4 presentation*

[4] *As of March 31, 2020, as per the company's annual report for fiscal 2020*

[5] *As of December 31, 2020, as per the company's investor presentation*

[6] *Number of agents for Yatra Online, Inc. is as of March 31, 2021, as per the company's annual report for fiscal 2021*

[7] *Employee strength is as of March 31, 2021, as per the respective annual reports for fiscal 2021*

Monthly active users is the number of unique devices (including, among others, laptops and mobile phones) that have recorded at least one visit to a page/screen on the companies' platforms in a given period divided by the number of months in that period

Source: Companies' annual reports, investor presentations, news articles, Companies' websites, CRISIL Research

Key segments for different OTA players

Players	Consumer (B2C) Flights		Hotels		Holiday packages		Trains	Buses		Cabs	Others	Corporate travel	Freight
	Domestic	International	Domestic	International	Domestic	International		Private	State transport				
Yatra Online, Inc	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
MakeMyTrip Ltd.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Cleartrip Pvt. Ltd.	✓	✓	✓	✓	✓	✓	✓				✓	✓	
Easy Trip Planners Ltd.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Le Travenues Technology Limited	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓		

Note: 'Others' for Cleartrip Pvt Ltd includes activities such as food tours, treks, culinary classes and segway tours etc.

Others for Easy Trip Planners Ltd includes visa processing, and activities such as sightseeing, events and shows etc

Others for MakeMyTrip Ltd includes villas and apartments bookings, visa processing, gift cards, etc.

Others for Yatra Online, Inc includes cruises, and activities such as sightseeing, events, shows and monument visits, etc.

Others for Le Travenues Technology Ltd includes locals & metros, Ixigo money, etc.

Source: Companies' websites

Key segments for different corporate players

Players	Consumer (B2C) Flights		Hotels		Holiday packages		Trains	Buses		Cabs	Others	Corporate Travel	Freight
	Domestic	International	Domestic	International	Domestic	International		Private	State transport				
Yatra Online, Inc	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
GBT India Pvt Ltd												✓	
CWT India Pvt Ltd												✓	
FCM Travel Solutions India Pvt Ltd	✓	✓	✓	✓	✓	✓					✓	✓	
Thomas Cook India Ltd	✓	✓	✓	✓	✓	✓					✓	✓	

Note: 'Others' for FCM India includes visa, forex

Others for Thomas Cook India includes visa, forex, insurance

Source: Companies' websites

Number of corporate clients for OTA players

Players	Number of large corporate clients	Number of other corporate clients (medium, small medium enterprises, small businesses)	Total number of corporate clients
Yatra Online, Inc.	~700	~41,000	41,700
MakeMyTrip Ltd.	NA[1]	NA[1]	~16,100[1]
Cleartrip Pvt Ltd.	NA	NA	NA
Easy Trip Planners Ltd.	NA	NA	12,505
Le Travenues Technology Limited	NA	NA	NA

Note 1: Includes 100 corporate accounts for Q2T (Quest to travel) and about 1000 key accounts and 15000 small and medium enterprises from MyBiz program.

NA: Not available

Sources: Companies' annual reports, investor presentations, earnings calls, CRISIL Research

Number of hotel / accommodation tie-ups for OTA players

Players	Number of Domestic hotel / accommodation tie-ups	Number of International hotel / accommodation tie-ups	Total number of hotel / accommodation tie-ups
Yatra Online, Inc.	94,000	20,00,000+	20,94,000+
MakeMyTrip Ltd.	77,500	7,00,000+	7,77,500+
Cleartrip Pvt. Ltd.	NA	NA	3,00,000+[1]
Easy Trip Planners Ltd.	73,400	10,23,000+	10,96,400+
Le Travenues Technology Limited	NA	NA	NA

Note 1: From company website accessed on October 29, 2021

NA: Not available

Sources: Companies' annual reports, investor presentations, CRISIL Research

Operational performance for fiscal 2020

Players	Gross booking revenue[1] (Rs billion)	Gross bookings on-year growth for FY20 (%)	Gross bookings CAGR for FY18-20 (%)	Operating revenue[2] (Rs billion)	Take rate (Operating revenue/ Gross booking revenue)	Operating revenue on-year growth for FY20 (%)	Operating revenue CAGR for FY18-20 (%)
Yatra Online, Inc.	85.3	-23.3%	-4.0%	7.3	8.6%	-23.4%	-22.6%
MakeMyTrip Ltd.*	432.0	14.2%	20.8%	36.3	8.4%	7.4%	-8.8%
Cleartrip Pvt. Ltd.	NA[3]	NA[3]	NA[3]	3.2	N.Ap[4]	-15.4%	-8.3%
Easy Trip Planners Ltd.	42.0	43.1%	47.0%	1.4	3.4%	39.8%	18.7%
Le Travenues Technology Limited	18.4	372.4%	NA[1]	1.5	8.4%	35.2%	NA[1]

[1]Gross booking revenue is defined as the total amount paid by customers for travel services and products booked through OTAs, including taxes, fees and other charges, and is net of cancellations, discounts and/or refunds

[2]Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL standards

[3]Not available in Ministry of Corporate Affairs (MCA) filings made by the company; NA[1] – 2018 numbers not available

[4]Not applicable as the latest data available for Cleartrip Pvt Ltd is as of 2020 and 2019 only

*Exchange rate for MakeMyTrip Ltd: Financials reported by the company are in USD, and have been converted into INR using average USD-INR exchange rate for fiscals 2020 and 2021

Source: Companies' annual reports, CRISIL Research

Operational performance for fiscal 2021

Players	Gross booking revenue[1] (Rs billion)	Gross booking on-year growth for FY21 (%)	Gross booking CAGR for FY19-21 (%)	Operating revenue[2] (Rs billion)	Take rate (operating revenue/gross booking revenue)	Operating revenue on-year growth for FY21 (%)	Operating revenue CAGR for FY19-21 (%)
Yatra Online, Inc	14.7	-82.8%	-63.6%	1.3	8.7%	-82.6%	-63.5%
MakeMyTrip Ltd	121.4	-71.9%	-43.3%	12.2	10.0%	-66.4%	-39.9%
Cleartrip Pvt Ltd	NA[3]	NA[3]	NA[3]	N.Ap[4]	N.Ap[4]	N.Ap[4]	N.Ap[4]
Easy Trip Planners Ltd	21.3	-49.4%	-14.9%	1.1	5.0%	-24.5%	2.7%
Le Travenues Technology Ltd	21.5	17.1%	135.0%	1.4	6.3%	-12%	9.2%

[1]Gross booking revenue is defined as the total amount paid by customers for travel services and products booked through OTAs, including taxes, fees and other charges, and is net of cancellations, discounts and/or refunds

[2]Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL standards

[3]Not available in Ministry of Corporate Affairs (MCA) filings made by the company

[4]Not applicable as the latest data available for Cleartrip Pvt Ltd is as of 2020

*Exchange rate for MakeMyTrip Ltd: Financials reported by the company are in USD, and have been converted into INR using average USD-INR exchange rate for fiscals 2020 and 2021

Source: Companies' annual reports, CRISIL Research

Profitability for fiscals 2020 and 2021

Players	Operating profit[1] in FY20 (Rs million)	Operating profit in FY21 (Rs million)	Operating profit margin[2] in FY20 (%)	Operating profit margin in FY21 (%)	Net profit margin[3] in FY20 (%)	Net profit margin in FY21 (%)
Yatra Online, Inc	-193.4	-579.4	-2.6%	-45.3%	-11.4%	-93.4%
MakeMyTrip Ltd*	-8,946.7	-2760.0	-24.7%	-22.6%	-67.5%	-34.1%
Cleartrip Pvt Ltd	-326.9	N.Ap[4]	-10.3%	N.Ap[4]	-4.5%	N.Ap[4]
Easy Trip Planners Ltd	102.4	435.4	7.2%	40.8%	23.3%	57.2%
Le Travenues Technology Ltd	-55.1	34.6	-3.6%	2.6%	-4.2%	5.6%

Note: Financials have been reclassified as per CRISIL standards

[1]Operating profit is defined as operating revenues less costs excluding depreciation and amortisation, interest expenses and taxes. Operating profits have been recalculated as per CRISIL's standard format for ease of comparison

[2]Operating profit margin is defined as operating profit as a percentage of operating revenue

[3]Net profit margin is defined as percentage of revenue left after all expenses have been deducted from operating revenue

[4]Not applicable as the latest data available for Cleartrip Pvt Ltd is as of 2020

*Exchange rate for MakeMyTrip Ltd: Financials reported by the company are in USD, and have been converted into INR using average USD-INR exchange rate for fiscals 2020 and 2021

Source: Companies' annual reports, CRISIL Research

Platform user experience metrics for fiscals 2020 and 2021

Players	Repeat transactions (%)[2]	Bounce rate (%)[3]	Total traffic (million visits)[4]	Direct traffic (%)[5]	Mobile traffic (%)[6]	Customer acquisition cost (Rs/customer)[7]
Yatra Online, Inc	94%[9]	NA[8]	129.0	92%	85%	NA[8]
MakeMyTrip Ltd	NA[8]	NA[8]	NA[8]	NA[8]	86%	NA[8]
Cleartrip Pvt Ltd	NA[8]	NA[8]	NA[8]	NA[8]	NA[8]	NA[8]
Easy Trip Planners Ltd	85.9%[11]	37%[12]	83.4[12]	42.6%[12]	87%[10]	224[10]
Le Travenues Technology Ltd	87.2%	NA[8]	37.5[13]	NA[8]	92% flights 98% trains[14]	NA[8]

[2]Repeat transactions are defined as transactions by returning customers, i.e., customers that have made a booking transaction at least once in the past

[3]Bounce rate is defined as the number of customers that do not proceed beyond the first landing page on a booking platform (websites and mobile applications), out of the total number of customers that visit the booking platform in a given period

[4]Total traffic is defined as the total number of customers that visit the booking platform (websites and mobile applications) in a given period

[5]Direct traffic refers to unpaid organic visits without any intermediary (such as TTA (traditional travel agents), other websites, and other apps) received on booking platforms (websites and mobile applications), out of total visits

[6]Mobile traffic is defined as visits on booking platforms (mobile websites and mobile applications) through mobile phones, out of total visits

[7]For Easy Trip Planners Ltd, customer acquisition cost is calculated as amount spent on advertising and sales promotion divided by number of new registered customers added in a given period

[8]Not available since data is not reported by the company

[9]Data for brand Yatra.com only and excludes data from B2E and B2B businesses, and rounded off to the nearest whole number

[10]Data as on December 31, 2020 (9 months FY21)

[11]Repeat transaction rate for Easy Trip between April 1, 2017 and December 31, 2020

[12]Data as on March 31, 2020

[13]Monthly active users is the number of unique devices (including, among others, laptops and mobile phones) that have recorded at least one visit to a page/screen on companies' platforms in a given period divided by the number of months in that period

[14]For Le Travenues Technology Ltd, mobile traffic refers to the bookings happening through mobiles instead of traffic

Source: Companies' annual reports, investor presentations, CRISIL Research

Gross booking revenue per employee as on March 31, 2020

Players	Gross booking revenue (Rs billion)	2020 employee count (nos.)	Gross booking revenue per employee (Rs million)
Yatra Online, Inc	85.3	2,000	42.7
MakeMyTrip Ltd	432.0	3,960	109.1
Cleartrip Pvt Ltd	NA[1]	374	57.0
Easy Trip Planners Ltd	42.0	480	87.6
Le Travenues Technology Ltd*	21.5	200	107.5

**2021 data for Le Travenues Technology Ltd, as 2020 employee count is not available*

[1]Not available since data is not reported by the company

2020 employee count

Source: Companies' annual reports, CRISIL Research

Yearly flight booking volume for key competitors

Note: MakeMyTrip and Easy Trip Planners Ltd report segments instead of trips. Segments include break journey and lay-over. For example, 1 booking trip may have 2 segments for return trip, 4 segments for lay-over return trip both ways, etc.

**For fiscal 2021, data is available for 9M for Easy Trip Planners Ltd*

Source: Companies' annual reports, CRISIL Research

Break-up of gross booking volume across segments (million)

Players	Air ticketing[1]	Hotels and holiday packages[2]	Others[3]
Fiscal 2021			
Yatra Online, Inc	2.6	0.6	NA[4]
MakeMyTrip Ltd	15.0	8.5	26.7
Cleartrip Pvt Ltd	NA[4]	NA[4]	NA[4]
Easy Trip Planners Ltd*	3.2	0.014	0.094
Le Travenues Technology Ltd	NA[4]	NA[4]	NA[4]
Fiscal 2020			
Yatra Online, Inc	8.2	1.3	NA[4]
MakeMyTrip Ltd	42.1	29.6	78.6
Cleartrip Pvt Ltd	NA[4]	NA[4]	NA[4]
Easy Trip Planners Ltd	8.9	0.036	0.48
Le Travenues Technology Ltd	NA[4]	NA[4]	NA[4]
Fiscal 2019			
Yatra Online, Inc	10.2	2.5	NA[4]
MakeMyTrip Ltd	39.5	26.6	61.5
Cleartrip Pvt Ltd	NA[4]	NA[4]	NA[4]
Easy Trip Planners Ltd	6.38	0.0139[5]	0.12
Le Travenues Technology Ltd	NA[4]	NA[4]	NA[4]
On-year growth between fiscals 2019 and 2020			
Cleartrip Pvt Ltd	N.Ap[5]	N.Ap[5]	N.Ap[5]

Players	Air ticketing[1]	Hotels and holiday packages[2]	Others[3]
Easy Trip Planners Ltd	39.5%	158.1%	300.0%
Le Travenues Technology Ltd	N.Ap[6]	N.Ap[6]	N.Ap[6]
MakeMyTrip Ltd	6.6%	11.3%	27.8%
Yatra Online, Inc	-19.6%	-48.0%	N.Ap[6]
Fiscal 2018			
Yatra Online, Inc	8.9	2.3	NA[4]
MakeMyTrip Ltd	33.3	21.9	39.6
Cleartrip Pvt Ltd	NA[4]	NA[4]	NA[4]
Easy Trip Planners Ltd	4.7	0.01[5]	-
Le Travenues Technology Ltd	NA[4]	NA[4]	NA[4]
CAGR between fiscals 2018 and 2020			
Yatra Online, Inc	-4.0%	-24.8%	N.Ap[6]
MakeMyTrip Ltd	12.4%	16.3%	40.9%
Cleartrip Pvt Ltd	N.Ap[6]	N.Ap[6]	N.Ap[6]
Easy Trip Planners Ltd	37.6%	~90.0%	-
Le Travenues Technology Ltd	N.Ap[6]	N.Ap[6]	N.Ap[6]

[1]Air ticketing for:

Easy Trip Planners Ltd and Yatra Online, Inc: defined as air passengers travelled during the fiscal year, except for fiscal 2021 for Easy Trip Planners Ltd, which shows flight segments during 9M 2021, which refers to a flight between two cities, whether or not such flight is part of a holiday package

MakeMyTrip Ltd: defined as flight segments during the fiscal year, which refers to a flight between two cities, whether or not such flight is part of a holiday package

[2]Hotels and holiday packages for:

Easy Trip Planners Ltd: defined as hotel booking transactions done by customers with the company during the fiscal year

MakeMyTrip Ltd and Yatra Online, Inc: defined as hotel room nights booked on a standalone basis and as a part of a holiday package

[3]Others for:

Cleartrip Pvt Ltd: includes train ticketing and activities such as food tours, treks, culinary classes and segway tours

Easy Trip Planners Ltd: includes train ticketing, bus ticketing, cab booking and other offerings. Data represents only rail and bus passengers travelled during the fiscal year, as disclosed by the company

MakeMyTrip Ltd: includes bus ticketing, rail ticketing, car hiring services and other value-added ancillary services such as facilitating access to insurance and visa processing. Data represents only bus tickets booked during the fiscal year, as disclosed in the company's annual reports for respective years

Yatra Online, Inc: includes rail ticketing, bus ticketing, cab booking, and activities such as sightseeing, events and shows etc.

Ixigo does not report booking volumes individually. It reports passenger segments. Passenger Segments refers to the total number of point-to-point passenger tickets booked between two cities, airports, train stations or bus stations, as applicable, whether or not such a ticket is part of a larger or longer itinerary. For example, a booking made with two passengers for a return flight consists of four passenger segments

[4]Not available since gross booking volumes are not reported

[5]Booking volumes for Easy Trip Planners Ltd in the hotels and holiday packages segment for fiscals 2017, 2018 and 2019 are 3,661, 6,507 and 13,949 respectively, and in the others segment for fiscal 2019 is 117,829; rounded off to the nearest double decimal in million

[6]Not applicable since gross booking volumes were not reported, and CAGR calculation is not applicable

**For fiscal 2021, Easy Trip Planners data is for 9M 2021, and not full fiscal*

Source: Companies' annual reports and investor presentations, CRISIL Research

Break-up of gross booking revenue across segments (Rs million)

Players	Air ticketing	Hotels and holiday packages	Others[1]	Total gross booking revenue
Fiscal 2021				
Yatra Online, Inc.	13,002	1,706	0.0	14,707
MakeMyTrip Ltd.	72,802	27,942	20,646	1,21,390
Cleartrip Pvt. Ltd.	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	21,007	85	192	21,284
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	21,533
Fiscal 2020				
Yatra Online, Inc.	77,411	7,896	0.00	85,307
MakeMyTrip Ltd.	2,53,901	1,15,330	62,796	4,32,027
Cleartrip Pvt. Ltd.	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	41,137	585	325	42,047
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	18,386
Fiscal 2019				
Yatra Online, Inc.	97,638	13,512	0.00	1,11,150
MakeMyTrip Ltd.	2,26,285	1,06,680	50,412	3,83,376
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	3,892
Cleartrip Pvt. Ltd.	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	28,948	338	91	29,378
On-year growth between fiscals 2020 and 2019				
Yatra Online, Inc.	-20.7%	-41.6%	N.Ap.[3]	-23.3%
MakeMyTrip Ltd.	12.2%	8.1%	24.6%	12.7%
Cleartrip Pvt. Ltd.	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]
Easy Trip Planners Ltd.	42.1%	73.1%	257.1%	43.1%
Le Travenues Technology Limited	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]	372.4%
Fiscal 2018				
Yatra Online, Inc.	79,156	13,386	0.00	92,542
MakeMyTrip Ltd.	1,85,049	95,081	34,000	3,14,130
Cleartrip Pvt. Ltd.	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	19,228	197	25	19,451
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	NA[2]
CAGR between fiscals 2018 and 2020				
Yatra Online, Inc.	-1.1%	-23.2%	N.Ap.[3]	-4.0%
MakeMyTrip Ltd.	17.2%	10.1%	35.9%	19.9%
Cleartrip Pvt. Ltd.	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]
Easy Trip Planners Ltd.	46.3%	72.3%	260.6%	47.0%
Le Travenues Technology Limited	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]	N.Ap.[3]

Note: 1: Others for:

Cleartrip Pvt. Ltd.: include train ticketing and activities such as food tours, treks, culinary classes, and Segway tours

Easy Trip Planners Ltd.: include train ticketing, bus ticketing, cab booking and other offerings. Data represents only rail tickets booked by customers during the fiscal year, as disclosed by company.

MakeMyTrip Ltd.: include bus ticketing, rail ticketing, car hiring services and other value-added ancillary services such as facilitating access to insurance and visa processing. Data represents only bus tickets travelled during the fiscal year, as disclosed in company's annual reports for respective years.

Yatra Online, Inc.: include rail ticketing, bus ticketing, cab booking and activities such as sightseeing, events, and shows etc.

Ixigo does not report gross revenues individually, hence just the total is given

2: NA: Not Available since gross booking revenue is not reported.

3: N.Ap: Not Applicable, since gross booking revenues for others[1] were not reported in fiscals 2018, 2019 and 2020 for Yatra Online, Inc.and gross booking revenues are not reported for Cleartrip Pvt Ltd. For Le Travenues Technology Limited, segment wise gross revenues are not reported

Source: Company annual reports and investor presentations, CRISIL Research

Break-up of operating revenue across segments (Rs million)

Players	Air ticketing	Hotels and holiday packages	Other[1]	Total operating revenue
Fiscal 2021				
Yatra Online, Inc.	893	173	214	1,280
MakeMyTrip Ltd.	4,232	5,046	2,941	12,218
Cleartrip Pvt. Ltd.	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	968	4	95	1,067
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	NA[2]
Fiscal 2020				
Yatra Online, Inc.	2,610	3,602	1,137	7,348
MakeMyTrip Ltd.	12,361	16,718	7,186	36,265
Cleartrip Pvt. Ltd.	NA[2]	NA[2]	NA[2]	NA[2]
Easy Trip Planners Ltd.	1,172	67	174	1,414
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	NA[2]
Fiscal 2019				
Yatra Online, Inc.	3,449	4,914	1,232	9,595
MakeMyTrip Ltd.	11,736	16,720	5,756	34,212
Cleartrip Pvt. Ltd.	2,844	173	725	3,742
Easy Trip Planners Ltd.	886	24	101	1,011
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	NA[2]
On-year growth between fiscals 2020 and 2019				
Yatra Online, Inc.	-24.3%	-26.7%	-7.7%	-23.4%
MakeMyTrip Ltd.	5.3%	0.0%	24.8%	6.0%
Cleartrip Pvt. Ltd.	N.Ap[3]	N.Ap[3]	N.Ap[3]	N.Ap[3]
Easy Trip Planners Ltd.	32.3%	179.2%	72.3%	39.9%
Le Travenues Technology Limited	N.Ap[3]	N.Ap[3]	N.Ap[3]	N.Ap[3]
Fiscal 2018				
Yatra Online, Inc.	5,013	6,628	585	12,226
MakeMyTrip Ltd.	11,453	30,103	4,669	46,226
Cleartrip Pvt. Ltd.	2,685	408	676	3,769
Easy Trip Planners Ltd.	973	16	13	1,003
Le Travenues Technology Limited	NA[2]	NA[2]	NA[2]	NA[2]
CAGR between fiscals 2018 and 2020				
Yatra Online, Inc.	-27.8%	-26.3%	39.4%	-22.5%
MakeMyTrip Ltd.	3.9%	-25.5%	24.1%	-11.4%
Cleartrip Pvt. Ltd.	N.Ap[3]	N.Ap[3]	N.Ap[3]	N.Ap[3]

Players	Air ticketing	Hotels and holiday packages	Other[1]	Total operating revenue
Easy Trip Planners Ltd.	9.8%	104.6%	265.8%	18.7%
Le Travenues Technology Limited	N.Ap[3]	N.Ap[3]	N.Ap[3]	N.Ap[3]

Note: Financials have been reclassified as per CRISIL Standards.

1: Others for:

Cleartrip Pvt. Ltd.: include train ticketing and activities such as food tours, treks, culinary classes, and Segway tours, etc.

Easy Trip Planners Pvt Ltd.: include train ticketing, bus ticketing, cab booking and other offerings

MakeMyTrip Ltd.: include bus ticketing, rail ticketing, car hiring services and other value-added ancillary services such as facilitating access to insurance and visa processing.

Yatra Online, Inc.: include rail ticketing, bus ticketing, cab booking and activities like sightseeing, events, and shows

2: NA: Not Available since gross booking revenue is not reported.

3: N.Ap.: Not Applicable

Source: Company annual reports and investor presentations, CRISIL Research

Market share of Yatra Online, Inc. in the Indian OTA market

Players	FY19	FY20
Indian OTA market by gross booking revenue (Rs billion)	860-870	970-980
Yatra Online, Inc.– gross booking revenue (Rs billion)	111.2	85.3
Yatra Online, Inc. – market share in the Indian OTA market	~12.9%	~8.8%

*Note: * Gross booking revenue is defined as the total amount paid by customers for travel services and products booked through the OTAs including taxes, fees and other charges, and is net of cancellations, discounts and/or refunds.*

Source: Company disclosure, CRISIL Research

App rating on Google Play

Applications for flight booking	Rating as of October 2021 on Google Play Store	Ratings and reviews
Yatra	4.2	3,01,684
MakeMyTrip	4.4	10,94,899
Goibibo	4.4	9,57,916
EaseMyTrip	4.6	70,359
Ixigo Flights (Le Travenues Technology Limited)	4.5	1,01,871
Skyscanner	4.5	7,07,533

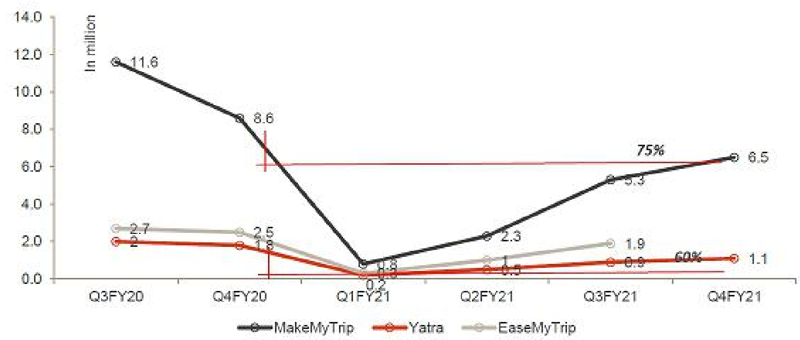
Source: Google Play Store, CRISIL Research

Shareholding of key players

Easy Trip Planners Ltd		Yatra		MakeMyTrip	
Shareholder	Share	Shareholder	Share	Shareholder	Share
Promoters (Nishant Pitti, Rikant Pitti, Prashant Pitti)	74.9%	Institutional ownership – foreign entities	42.8%	Institutional ownership – foreign entities	63.3%
General public	12.99%	All directors and officers as a group	4.93%	Deep Kalra	6.97%
Foreign institutions	2.04%			Trip.com voting rights – 48%	

Note: Others for Easy Trip Planners Ltd include banks, financial institutions
Source: Company filings, CRISIL Research

Recovery in quarterly passenger bookings (segments for MakeMyTrip and EaseMyTrip, and trips for Yatra Online, Inc.)



Note: Value in bold represents recovery in bookings in the fourth quarter fiscal 2021 versus fourth quarter fiscal 2020 (comparison between MakeMyTrip and Yatra; fourth quarter fiscal 2021 numbers are not available for EaseMyTrip)
Source: Company filings, CRISIL Research

Key observations

- For fiscal 2020, Yatra Online, Inc was ranked second among key OTA players in India with respect to operating revenue. It registered operating revenue of ~Rs 7.3 billion. In fiscal 2020, MakeMyTrip Ltd recorded the highest operating revenue of ~Rs 36.3 billion

5.1 Profiles of players (B2C)

Cleartrip Pvt Ltd

Introduction

Cleartrip Pvt Ltd was incorporated as a private limited company in 2005 by Stuart Crighton and Hrush Bhatt, and is headquartered in Mumbai, India. In 2006, it became a wholly owned subsidiary of Cleartrip Inc (Mauritius), which is a wholly owned subsidiary of Cleartrip Inc (Cayman Islands), which, in turn, is a subsidiary of SAP (ultimate holding company).

In September 2017, Cleartrip Packages & Tours Pvt Ltd was set up as a wholly owned subsidiary of the company.

Key subsidiaries and associates

Name of the company	Holding/Subsidiary/Associate	Shares held
Cleartrip Packages & Tours Pvt Ltd	Subsidiary	99.00%

Source: Company Annual Report fiscal 2019, CRISIL Research

Key business segments

As per the company's website accessed on October 24, 202021, the company provides online travel-related services such as domestic and international flight bookings and hotel bookings, domestic and international holiday packages, train tickets in India through a tie-up with IRCTC, and activities such as food tours, treks, culinary classes, and Segway tours.

Acquisition by Flipkart

In April 2021, the company was acquired by Flipkart as part of its diversification drive. Flipkart acquired a 100% stake in Cleartrip, following which it has been operating independently.

Key acquisitions

In June 2018, the company acquired Saudi Arabian travel start-up Flyin, which offers flight and bus ticketing as well as holiday packages through its website and app, for an undisclosed amount. This was the company's first cross-border acquisition with an objective to step up operations in West Asia's travel market.

Key financials

Parameters	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Gross booking revenue (Rs billion)	NA[1]	NA[1]	NA[1]	NA[1]	NA[1]	NA[1]	NA[1]
Operating income (Rs billion)	1.7	2.3	3.3	3.0	3.8	3.7	3.2
Income growth (%)	-	33.5%	44.2%	-9.0%	24.4%	-0.7%	-15.4%
Operating profit margin (%)	-15.9%	-2.3%	-14.7%	-14.8%	-9.9%	-7.1%	-10.3%
Net profit margin (%)	-23.5%	-12.7%	-19.4%	-20.9%	-16.5%	-8.2%	-4.5%
RoE (%)	-130.5%	-67.1%	-224.5%	-526.7%	N.Ap.[2]	-737.2%	-108.6%
RoCE (%)	-85.2%	-26.7%	-51.2%	-48.9%	-55.2%	-41.9%	-103.1%
Gearing ratio (Times)	0.5	1.3	7.3	8.0	N.Ap.[2]	0.0	0.0

Parameters	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Interest coverage ratio (Times)	-8.1	0.3	-3.9	-2.5	-2.4	-0.2	17.2

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL standards.

1: NA – Not available since company does not report Gross Bookings

2: N.Ap. – Not Applicable, since tangible networth of the company turned negative as negative net reserves exceeded paid-up equity share capital in fiscal 2018

Source: Company's annual reports, CRISIL Research

Easy Trip Planners Ltd.

Introduction

The company was founded in 2008 by Nishant Pitti and Rikant Pitti, as a travel agency to facilitate travel bookings for other small travel agents operating in India, and is headquartered in New Delhi.

Key business segments

As per the company's website accessed on October 24, 20201, the company provides online travel-related services such as booking of domestic and international flights, domestic and international hotels, bus tickets, and cabs, along with rail ticketing through a tie-up with IRCTC.

All segments saw a decline due to Covid-19. Notable changes were observed in the air ticket segments, whose share in the total operating revenue changed from 80.4% in fiscal 2020 to 90.7% in fiscal 2021. The share of hotels and holiday packages dipped due to strict lockdowns on account of the pandemic from 7.2% in fiscal 2020 to 0.4% in fiscal 2021.

Operating revenue by segment

Net revenue (Rs million)	FY19	Contribution in FY19 (%)	FY20	Contribution in FY20 (%)	FY21	Contribution in FY21 (%)
Air tickets	885.6	87.6%	1,171.8	82.9%	968.5	90.8%
Hotels and holiday packages	24.3	2.4%	67.3	4.8%	3.7	0.3%
Others	101.2	10.0%	174.5	12.3%	94.9	8.9%
Total	1,011.1		1,413.6		1,067.1	

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

Others include train ticketing, bus ticketing, cab booking, and other offerings

Source: Company annual reports, CRISIL Research

The company commenced its operations in 2008 with flight bookings in the business-to-business-to-consumer (B2B2C) segment, and subsequently, the B2C (business-to-consumer) segment in 2011. In 2013, the company launched the hotels and packages business, along with its entry into the B2E (business-to-enterprise) segment to service the corporate travel market. It launched its EaseMyTrip Android application in 2015 to expand its presence in the B2C segment. Currently, the company operates in the B2B2C, B2E, and B2C segments through a network of agents, franchise outlets, corporate clients, distributors, and white label solutions as detailed below:

Distribution network as of fiscal 2021

Type of stakeholder	FY20	FY21
Travel agents	55,981	59,274
Customers (Mn)	9.7	10.3
Number of new registered customers (Mn)	2.2	0.5

Source: Company disclosure, CRISIL Research

Key financials

Parameters	FY17	FY18	FY19	FY20	FY21
Gross booking revenues (Rs billion)	18.6	19.9	29.4	42.0	21.3
Operating income (Rs billion)	1.0	1.0	1.0	1.4	1.1
Income growth (%)	137.6%	-2.5%	0.8%	39.6%	-24.5%
Operating profit margin (%)	26.2%	-2.0%	-5.0%	7.2%	40.8%
Net profit margin (%)	19.5%	0.0%	23.7%	23.3%	57.2%
RoE (%)	94.2%	0.1%	43.3%	39.5%	47%
RoCE (%)	110.3%	10.0%	70.2%	58.5%	62.6%
Gearing ratio (Times)	0.2	0.3	0.0	0.1	0.1
Interest coverage ratio (Times)	45.4	3.8	13.2	15.1	24.8

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL standards.

1: NA: Not available as per CRISIL classified financials

2: N.M.: Not meaningful since periods are not comparable, as income statement is available only for first and second quarters of fiscal 2020.

Source: Company's annual reports, CRISIL Research

Le Travenues Technology Limited (ixigo)

Introduction

Launched in 2007, ixigo is a technology company focused on helping Indian travellers to plan, book and manage their trips across rail and air, as well as assisting books for buses and hotels. It helps travellers make smarter travel decisions by leveraging artificial intelligence, machine learning, and data science-led innovations on its platforms, comprising its websites and mobile applications

Key business segments

As per the company's website accessed on October 21, 2021, the company provides online travel-related services such as booking of domestic and international flights, domestic and international hotels, bus tickets, and cabs, along with rail ticketing through a tie-up with IRCTC.

Ticketing revenue has gained considerable share in fiscal 2021 compared with fiscal 2020, increasing from 39.6% in fiscal 2020 to 93.0% in fiscal 2021. The contribution of advertisement revenue to the total operating revenue dipped in fiscal 2021 compared with fiscal 2020. Advertisement accounted for 5.9% in fiscal 2021 compared with 31.6% in fiscal 2020.

Operating revenue by segment

Net revenue (Rs million)	FY19	Contribution in FY19 (%)	FY20	Contribution in FY20 (%)	FY21	Contribution in FY21 (%)
Ticketing	885.6	77.9%	609.2	39.6%	1262.6	93.0%
Advertisement	24.3	2.1%	485.7	31.6%	79.7	5.9%
Others	227.6	20.0%	443.5	28.8%	15.0	1.1%
Total	1,137.5		1,538.3		1,357.2	

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.
Source: Company annual reports, CRISIL Research

Distribution network as of fiscal 2021

Type of stakeholder	FY 2019	FY 2020	FY 2021
Monthly active users* (Mn)	27.3	25.4	37.5
Growth in number (Mn)	NA	-1.8	12.1

*Note: *Monthly active users at the end of March 31 for given fiscals*
NA: Not available
Source: Company disclosure, CRISIL Research

Key subsidiaries and associates

Name of the company	Holding/subsidiary/associate	Shares held
Travenues Innovations Pvt Ltd	Subsidiary	100%
Confirm Ticket Online Solutions Pvt Ltd	Subsidiary	50.1%

Source: Company disclosure, CRISIL Research

Key acquisitions

In August 2021, the company announced that it acquired Hyderabad-based AbhiBus. The deal is a mix of cash and stock, and will help the company consolidate its presence in tier II/III/IV markets

In February 2021, the company acquired Bengaluru-based train booking app, Confirmtkt. The acquisition gave ixigo 100% ownership of Confirmtkt in a stock plus cash deal. As part of the deal, the founders of ixigo joined the Confirmtkt board. Existing investors of Confirmtkt, including venture catalysts, have exited the company. The acquired company has been operated independently following this acquisition.

Key financials

Parameters	FY19	FY20	FY21
Gross booking revenue (Rs billion)	3.9	18.4	21.5
Operating income (Rs billion)	1.14	1.5	1.4
Income growth (%)	NA	35.2%	-11.8%
Operating profit margin (%)	-37.2%	-3.6%	2.6%
Net profit margin (%)	-35.5%	-4.2%	5.6%
RoE (%)	-643.4%	-66.2%	N.Ap[2]
RoCE (%)	-513.1%	-55.8%	N.Ap[3]
Gearing ratio (times)	0.3	0.0	N.Ap[2]
Interest coverage ratio (times)	-290.6	-49.9	4.0

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

1: NA: Not available

2: N.Ap[2]. – Not Applicable, since tangible networth of the company turned negative as negative net reserves exceeded paid-up equity share capital in fiscal 2021

3: N.Ap[3]. – Not Applicable, since addition of tangible networth and debt of the company turned negative as negative net reserves exceeded paid-up equity share capital in fiscal 2021

Source: Company's annual reports, CRISIL Research

MakeMyTrip Ltd

Introduction

MakeMyTrip Ltd was incorporated in April 2000, primarily to cater to the demand for US-India inbound air tickets from Non-resident Indians (NRIs) in the US. MakeMyTrip Pvt Ltd, the Indian subsidiary, was set up in 2005 and commenced operations in India in September 2005.

Listing on NASDAQ

MakeMyTrip Ltd was listed on the NASDAQ, an American stock exchange, in August 2010. MakeMyTrip Ltd issued five million ordinary shares at a share price of USD 14 per share, raising USD 70 million at a valuation of USD 478 million.

Key operational and financial parameters at the time of listing

Parameters	FY09	FY10
Gross booking volumes	1.3	1.9
Air ticketing (million)[1]	1.25	1.8
Hotels and holiday packages (million)[2]	0.08	0.1
Gross booking revenues (Rs billion)	14.4	22.3
Air ticketing[1]	12.0	19.6
Hotels and holiday packages[2]	2.4	2.7
Operating income (Rs billion)	3.2	4.0
Operating profit margin (%)	-14.4%	-5.3%
Net profit margin (%)	-10.7%	-7.4%

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

1: Air ticketing for MakeMyTrip Ltd. is defined as air passengers travelled during the fiscal year.

2: Hotels and holiday packages for MakeMyTrip Ltd. is defined as hotel room nights booked on standalone basis and as a part of a holiday package.

Source: Company's annual reports, CRISIL Research

Acquisition by Ctrip.com International, Ltd

In January 2016, Ctrip.com International, Ltd, a China-based online travel agency, invested USD 180 million in MakeMyTrip Ltd through convertible bonds that would allow it to own up to 26.6% in MakeMyTrip Ltd. In May 2017, the company raised a further investment of USD 330 million from existing investors, Ctrip and MIH Internet SEA Pte, a subsidiary of Naspers Ltd., by issuing 916,000 ordinary shares and 3.66 million Class B convertible ordinary shares respectively, at USD 36 per share.

In April 2019, Ctrip entered into a share-swap deal with Naspers, which resulted in Ctrip's share in MakeMyTrip Ltd. increasing to around 49%, with Naspers getting a 5.6% stake in Ctrip. The deal, which gave Ctrip 4% voting rights in MakeMyTrip Ltd, was approved by the Competition Commission of India in August 2019.

Key subsidiaries and associates

Name of the company	Holding/Subsidiary/Associate	Shares held
MakeMyTrip (India) Pvt Ltd	Subsidiary	100%
Ibibo Group Pvt Ltd	Subsidiary	100%

Source: Company Annual Report FY21, CRISIL Research

Key business segments

MakeMyTrip offers domestic and international airline tickets and hotel bookings, domestic and international holiday packages, rail ticketing through a tie-up with IRCTC, domestic bus tickets, car rental booking, B2B services and other travel-related services and products, such as the facilitation of access to travel insurance and visa services.

Operating revenue across all segments declined in fiscal 2021 due to the Covid-19 pandemic. The contribution of ancillary services (such as the facilitation of access to insurance and visa processing) to operating revenue increased from ~19.81% in fiscal 2020 to ~24.06% in fiscal 2021. As a result, the share of the hotels and holiday packages segment fell from ~46% in fiscal 2020 to ~41% in fiscal 2021, while the share of the air ticketing segment in operating revenue grew from 34.09% to 34.64%.

Operating revenue share break-up by segment

Net revenue (Rs million)	FY19	Contribution in FY19 (%)	FY20	Contribution in FY20 (%)	FY21	Contribution in FY21 (%)
Air tickets	11,736	34.3%	12,920	34.1%	4,232	34.6%
Hotels and holiday packages	16,720	48.9%	17,474	46.1%	5,046	41.3%
Others	5,756	16.8%	7,511	19.8%	2,941	24.1%
Total	34,212		37,905		12,218	

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

Others include bus ticketing, rail ticketing, car hiring services and other value-added ancillary services such as facilitating access to insurance and visa processing.

Financials for fiscal 2018 include full-year financials of Ibibo Group for fiscal 2018.

Source: Company annual reports, CRISIL Research

Key acquisitions

In January 2017, the company acquired 100% equity in the Ibibo Group for $720 million in stock. The Ibibo Group was co-owned by the South African firm, Naspers Ltd, and China's Tencent. As a result of consolidation, MakeMyTrip gained ownership of goibibo, redBus and Ryde that were part of the Ibibo Group. The deal helped MakeMyTrip strengthen its presence in key markets, expand its product portfolio and gain presence in the budget hotel segment.

In July 2018, MakeMyTrip Ltd invested an undisclosed amount in Bengaluru-based Bitla Software Pvt Ltd, a provider of bus travel management software and technology solutions to travel and logistics operators, in a bid to strengthen its offerings in bus travel through redBus. In April 2019, the company announced the acquisition of a majority stake in Mumbai based Quest2Travel.com India Pvt Ltd, an internet-based corporate travel management company, with the objective of leveraging Quest2Travel's existing clientele to expand its corporate travel business (MakeMyTrip had launched its SME-focused platform MyBiz in September 2017, to provide travel solutions for corporate customers).

Other key acquisitions of the company

Name of the company	Key segments	Year of acquisition	Cost of acquisition (USD million)
Bona Vita Technologies Pvt Ltd (India)	Domestic and International inbound/outbound holidays, vacation activities, weekend getaways and adventure activities	2015	5
Inspirock (USA)	Online travel planner	2015	NA*
HolidayIQ Pte Ltd (India)	Travel information portal and recommendation search engine	2015	15
MyGola (India)	Online travel planner	2015	NA*
EasyToBook (Amsterdam)	Online hotel operator	2014	5
Simplotel Technologies Private Limited (India)	Development of websites and booking engines for hotels.	2014	NA*
Hotel Travel Group (Thailand)	Online hotel reservations	2012	25
ITC Group (Thailand)	Hotel aggregator and tour operator	2012	3.2

*Note: * NA: Not Available since the deal amount is undisclosed.*

Source: Company annual reports, Media reports, CRISIL Research

Distribution network

As per the company's annual report for fiscal 2021, the company's distribution network includes its India-focused websites- www.makemytrip.com, www.goibibo.com, and www.redbus.in, as well as its MakeMyTrip, goibibo and redBus mobile applications for Android and iOS. The network also includes its UAE-focused website, www.makemytrip.ae , its call centres, its airport counters and its various travel stores in over 40 cities in India, as per its annual report. The company also has a network of approximately 11,000 registered agents across over 300 cities and towns in India, who further sell its online travel services to customers using the company's booking platforms. As on March 31, 2021, it offered its customers access to all major domestic full-service and low-cost airlines operating in India and all major airlines operating to and from India, over 77,500 domestic accommodation properties in India, over 700,000 hotels and properties outside India, Indian Railways and over 3,500 bus operators, including several major Indian, Peruvian, Colombian and South-East Asia-based bus operators. As on March 31, 2021, the company offered outstation cab services in more than 1,200 Indian cities, as well as airport pick-up and drop-off services from and to 12 airports across India. In fiscal 2018, the company also launched hotel booking centres for its goibibo brand in popular travel destinations in India to facilitate offline bookings in the budget hotel segment. Post the onset of the pandemic, to shift away from offline sales channels and as part of its ongoing effort to optimise fixed costs, it closed its company-owned travel stores and airport counters in India in fiscal 2021.

Key financials

Parameters	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Gross booking revenues (Rs billion)	76.0	100.5	120.4	158.0	296.2	378.2	432.0	121.4
Operating income (Rs billion)	15.4	18.3	22.0	30.0	43.6	33.8	36.3	12.2
Income growth (%)		18.8%	20.2%	36.8%	45.0%	-22.0%	7.4%	-66.4%
Operating profit margin (%)	-4.6%	-2.4%	-16.8%	-24.0%	-27.7%	-26.2%	-24.7%	-22.6%
Net profit margin (%)	-8.1%	-6.1%	-26.3%	-24.6%	-32.6%	-34.5%	-87.5%	-34.1%
RoE (%)	-17.1%	-14.7%	-204.5%	-48.6%	-53.2%	-58.2%	-208.7%	-36.1%
RoCE (%)	-11.4%	-9.5%	-42.4%	-39.6%	-66.5%	-46.4%	-197.5%	-22.1%
Gearing ratio (times)	0.0	0.0	4.8	0.0	0.0	0.0	0.0	1.1
Interest coverage ratio (times)	-1.9	-0.6	-6.7	-4.8	-56.7	-12.5	-19.8	-4.7

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

Financials for fiscal 2017 include financials of Ibibo Group for two months ended 31st March 2017 following the completion of the acquisition of Ibibo Group on 31st January 2017.

Financials for fiscal 2018 include full-year financials of Ibibo Group for fiscal 2018.

1: Financials reported by company are in USD, and have been converted into Rs using average USD-INR exchange rate for fiscal 2020 and 2021

2: N.M.: Not meaningful since periods are not comparable, as income statement is available only for first and second quarters of fiscal 2020.

Source: Company's annual reports, CRISIL Research

Yatra Online, Inc.

Introduction

Yatra Online, Inc. was founded in December 2005. It commenced operations in India in August 2006 with the incorporation of Yatra Online Pvt Ltd, its Indian subsidiary.

Listing on NASDAQ through reverse merger

Yatra Online, Inc. was listed on the NASDAQ in December 2016 through a reverse merger with Terrapin 3 Acquisition Corp (TRTL), an American special purpose acquisition company (SPAC), which, in turn, was listed on the NASDAQ in July 2014. Yatra Online, Inc. issued 18.5 million ordinary shares at a share price of USD 10 per share, and raised USD 92.5 million at a valuation of USD 218 million.

Key operational and financial parameters at the time of listing

Parameters	FY15	FY16
Gross booking volumes	5.3	7.0
Air ticketing (million)[1]	4.2	5.7
Hotels and holiday packages (million)[2]	1.0	1.3
Gross booking revenues (Rs billion)	47.8	58.9
Air ticketing[1]	40.4	49.3
Hotels and holiday packages[2]	7.4	9.6
Operating income (Rs billion)	6.5	8.3
Operating profit margin (%)	-12.6%	-12.1%
Net profit margin (%)	-14.5%	-14.9%

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

1: Air ticketing for Yatra Online, Inc. is defined as air passengers travelled during the fiscal year.

2: Hotels and holiday packages for Yatra Online, Inc. is defined as hotel room nights booked on standalone basis and as a part of a holiday package.

Source: Company's annual reports, CRISIL Research

Key subsidiaries and associates

Name of the company	Holding/Subsidiary/Associate	Shares held
Yatra Online Pvt Ltd (Yatra India)	Subsidiary	98.63%*
Yatra TG Stays Pvt Ltd	Subsidiary	98.63%*
Yatra for Business Pvt Ltd	Subsidiary	98.63%*
Yatra Hotel Solutions Pvt Ltd	Subsidiary	98.63%*
Yatra Corporate Hotel Solutions Pvt Ltd	Subsidiary	98.63%*
TSI Yatra Pvt Ltd	Subsidiary	98.63%*
Middle East Travel Management Company Pvt Ltd	Subsidiary	100%
Travel Co.In Ltd (TCIL)	Subsidiary	98.63%*
Yatra USA Corp	Subsidiary	100%
Yatra USA, LLC	Subsidiary	100%
Asia Consolidated DMC Pte Ltd	Subsidiary	100%
Yatra Online Freight Services Pvt Ltd	Subsidiary	98.63%*
THCL Travel Holding Cyprus Limited	Subsidiary	100%

**: Rest of the shares held by minority stakeholders*

Source: Company Annual Report FY19, CRISIL Research

Key business segments

As per the company's annual report for fiscal 2021, leisure and business travelers use mobile applications, website, www.yatra.com, and other offerings and services to explore, research, compare and book a wide range of travel services. These services include air tickets, bus tickets, rail tickets, cab bookings and ancillary services within India. It also provides access through its platform to hotels, homestays and other accommodations, with ~94,000 hotels and homestays in 1,400 cities and towns across India and more than 2 million hotels globally.

All segments were affected by the pandemic. Notably, the contribution of air tickets jumped during fiscal 2021 to 69.8% of the total net revenue, from 35.5% in fiscal 2020. Hotels and holiday packages saw a dip, with a contribution of 13.5% in fiscal 2021 from 49.0% in fiscal 2020.

Operating revenue share break-up by segment

Net revenue (Rs million)	FY19	Contribution in FY19 (%)	FY20	Contribution in FY20 (%)	FY21	Contribution in FY21 (%)
Air tickets	3,449	36.0%	2,610	35.5%	893	69.8%
Hotels and holiday packages	4,914	51.2%	3,602	49.0%	173	13.5%
Others	1,232	12.8%	1,137	15.5%	214	16.7%
Total	9,595		7,348		1,280	

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.
Others include rail ticketing, bus ticketing, cab booking and activities like sightseeing, events, shows etc.
Source: Company annual reports, CRISIL Research

Key acquisitions

In January 2019, the company acquired the corporate travel business of PL Worldways Ltd (PLW), a Chennai-based corporate travel services provider, to strengthen its corporate travel business and its presence in the southern India region. In July 2017, Yatra acquired Air Travel Bureau Ltd (ATB), an independent corporate travel services provider, to widen its customer-base in the corporate travel business.

Other key company acquisitions

Name of the company	Key segments	Year of acquisition	Cost of acquisition (USD million)
TravelGuru (India)	Hotel aggregator	2012	NA*
Buzzintown (India)	Event and entertainment guide portal	2012	NA*
MagicRooms (India)	Online hotel aggregator and global distribution system (GDS) provider	2011	NA*
Travel Services International (India)	B2B ticket consolidator	2010	NA*

*Note: * NA: Not Available since the deal amount is undisclosed.*
Source: Company annual reports, Media reports, CRISIL Research

Distribution network

The company operates in the B2C segment through a distribution network comprising its website, www.yatra.com, its Yatra mobile application and other associated platforms. As per the company's annual report for fiscal 2021, the company also operates in the B2E (corporate travel) segment through a self-booking tool as well as site support with staff, with a portfolio of ~700 large corporate customers, as on March 31, 2021. The company operates in the B2B2C segment, which largely caters to offline travel bookings, through ~27,000 agents in more than 860 cities in India.

Key financials

Parameters	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Gross booking revenues (Rs billion)	47.8	58.9	68.0	92.5	111.2	85.3	14.7
Operating income (Rs billion)	6.5	8.3	9.3	12.2	9.6	7.34	1.28
Income growth (%)		27.7%	12.2%	30.8%	-21.5%	-23.0%	-83.0%
Operating profit margin (%)	-12.6%	-12.1%	-17.2%	-21.7%	-16.3%	-2.6%	-45.3%
Net profit margin (%)	-14.5%	-14.9%	-63.5%	-33.1%	-13.5%	-11.4%	-93.4%
RoE (%)	NA[1]	N.Ap.[2]	-19.5%	N.Ap.[2]	N.Ap.[2]	N.Ap[2]	-2938.7%
RoCE (%)	NA[1]	N.Ap.[2]	-11.0%	N.Ap.[2]	N.Ap.[2]	-58.3%	-177.7%
Gearing ratio (times)	NA[1]	N.Ap.[2]	0.03	N.Ap.[2]	8.2	N.Ap[2]	0.5
Interest coverage ratio (times)	-7.9	-7.7	-36.5	-22.3	-1.5	0.5	-2.3

Note: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

1: NA – Not Available since company has not reported its Balance Sheet for fiscal 2015.

2: N.Ap. – Not Applicable, since Tangible Networth of the company turned negative as negative net reserves exceeded paid-up equity share capital in fiscals 2016, 2018 and 2020

Source: Company's annual reports, CRISIL Research

6 Competitive assessment of corporate travel players in India

6.1 Competitive assessment – Business to Business (B2B)

CRISIL Research has compiled profiles of key players in corporate travel industry on the basis of gross booking revenue and operating revenue, as detailed below. Information in this section is sourced from publicly-available sources, including annual reports and investor presentations of listed players, regulatory filings, rating rationales and/or company websites, as relevant.

Key players in the domestic corporate travel market

Players	Year of commencement of business	Company headquarters	Key segments related to corporate travel	B2C travel	Employee count
Yatra Online, Inc	2005	Gurugram, Haryana	Corporate travel management	✓	1,006[3]
GBT India Pvt Ltd	2014	Delhi, India	Corporate travel management, meetings and events, global business consulting		1,234[3]
CWT India Pvt Ltd	1998	Mumbai, Maharashtra	Travel Management, meetings and events, travel consulting		982[3]
FCM Travel Solutions India Pvt Ltd	1997	Mumbai, Maharashtra	Corporate travel management, account management, meetings and events, consulting services	✓	1,659[1]
Thomas Cook India Ltd.	2008	Mumbai, Maharashtra	Corporate travel; meetings, incentives, conventions and exhibitions (MICE)	✓	5,898[2]

1: employee count at the end of FY20

2: on-roll employees at the end of FY21

3: As of FY21

Source: Companies' annual reports, CRISIL Research

Brief profiles of key players

CWT India Pvt Ltd: CWT is a Business-to-Business-for-Employees (B2B4E) travel management platform. Companies and governments rely on it to keep their people connected. It provides businesses with innovative technology and an efficient, safe and secure travel experience. Its services include business travel management, travel risk management, meetings and events and travel consulting services.

FCM Travel Solutions India Pvt Ltd: FCM Travel Solutions provides business travel management services through its platform. Inspired by the needs of its customers, FCM has developed proprietary technology to tackle the most common challenges facing business travel today. Delivering flexibility and agility through plug-and-play capability, it helps make booking and managing corporate travel easier. AI guides customers and offers them a seamless experience across all devices. FCM's solutions include travel management, account management, meetings & events, consulting services, visa and immigration services, foreign exchange services and VIP & executive travel services.

GBT India Pvt Ltd: American Express Global Business Travel (GBT) is one of the world's leading business partners for managed travel. Companies of all sizes, and in all places, rely on GBT to provide travel management services, organise meetings and events, and deliver business travel consulting. GBT is a joint venture that is not wholly-owned by American Express Company or any of its subsidiaries (American Express). "American Express Global Business Travel," "American Express," and the American Express logo are trademarks of American Express and are used under limited licence.

Thomas Cook India Ltd: Thomas Cook (India) Limited is the one of the largest integrated travel and travel-related financial services companies in the country. The brand offers a broad spectrum of services, including leisure and corporate travel, foreign exchange, insurance and MICE operations.

Operational performance for FY20

Players	Gross booking revenue[1] (Rs billion)	Gross bookings on-year growth for FY20 (%)	Gross booking revenue CAGR for FY18-20 (%)	Net revenue (Rs billion)	Net revenue on-year growth for FY20 (%)	Net revenue CAGR for FY18-20 (%)
Yatra Online, Inc.	~42.7[7]	NA	NA	NA	NA	NA
GBT India Pvt Ltd	NA	NA	NA	2.44[6]	13%	18%
CWT India Pvt Ltd	NA	NA	NA	2.26	9%	-2%
FCM Travel Solutions India Pvt Ltd	24.6[8]	34.9%	50%	2.03	0%	5%
Thomas Cook India Ltd	10.5[3]	-5.7%	14%	1.4[5]	-4%	0%

Note: 1: Gross booking revenue is defined as the total amount paid by customers for travel services and products booked through the OTAs including taxes, fees and other charges, and is net of cancellations, discounts and/or refunds.

2: Operating income or operating revenue is defined as revenue from sale of goods or services less excise duties and other indirect taxes, plus income from activities related to core business. Financials have been reclassified as per CRISIL Standards.

3: For Thomas Cook, gross revenues only available of MICE section, net revenue given only for Corporate Travel

5. Net revenue for corporate travel segment of Thomas Cook India Ltd. from annual report

6: Net revenues for fiscal 2021 for GBT were INR 1.82 billion. Fiscal 2021 figures not available for other B2B players in terms of revenue from corporate segment

7: Yatra stated that corporate travel made up 50% of their gross revenues pre-covid in their Q1 FY22 earnings call

8: In terms of gross booking revenues, FCM Travel Solutions India Pvt Ltd had gross booking revenues of Rs 80.3 billion in fiscal 2020. Out of this, gross revenue of Rs 55.7 billion came from foreign exchange services which have been adjusted for comparison.

NA: Not available in the annual report filings

Source: Companies' annual reports, CRISIL Research

Profitability for FY20 and FY21

Players	Operating profit[1] in FY20 (Rs million)	Operating profit in FY21 (Rs million)	Operating profit margin[2] in FY20 (%)	Operating profit margin in FY21 (%)	Net profit margin[3] in FY20 (%)	Net profit margin in FY21 (%)
Yatra Online, Inc.	-193.4	-579.4	-2.6%	-45.3%	-11.4%	-93.4%
GBT India Pvt Ltd	~260	NA	12.5%	NA	3.7%	-1.1%
CWT India Pvt. Ltd.	~340	N.Ap	14.9%	N.Ap	12.4%	N.Ap

Players	Operating profit[1] in FY20 (Rs million)	Operating profit in FY21 (Rs million)	Operating profit margin[2] in FY20 (%)	Operating profit margin in FY21 (%)	Net profit margin[3] in FY20 (%)	Net profit margin in FY21 (%)
FCM Travel Solutions India Pvt. Ltd.	~70	N.Ap	3.0%	N.Ap	-13.1%	N.Ap
Thomas Cook India Ltd.*	~2,230	-3,530	3.2%	-44.4%	-0.3%	-44.4%

Note: Financials have been reclassified as per CRISIL Standards.

**Figures for Thomas Cook India Ltd. are for the whole company, and not just corporate travel and are consolidated financials. other companies have presence majorly in the corporate segment or only corporate segment and they report stand alone financials, while Thomas Cook has large presence in the B2C or consumer space as well*

1: Operating profit is defined as operating revenues less costs excluding depreciation and amortization, interest expenses, and taxes. Operating profits have been recalculated as per CRISIL's standard format for ease of comparison

2: Operating profit margin is defined as operating profit as percentage of operating revenue

3: Net Profit Margin is defined as percentage of revenue left after all expenses have been deducted from operating revenue.

Source: Companies' annual reports, CRISIL Research

NA: Not available as per CRISIL Standards

N.Ap – Not applicable as latest data available is for 2020

Break-up of gross booking revenue across segments (Rs million)

Break-up of gross booking revenue across segments is only available for FCM Travel Solutions India Pvt Ltd among the players discussed above for the B2B segment. In fiscal 2020, the company had a total of Rs 80.3 billion in gross booking revenue. Of this, Rs 16.8 billion came from air ticketing, and Rs 5.3 billion from hotel bookings and tour packages. A majority of gross booking revenue came from selling foreign exchange with a gross revenue of Rs 55.7 billion. Others accounted for Rs 2.5 billion. Gross booking revenue for FCM Travel Solutions India Pvt Ltd grew by 35% in fiscal 2020.

For Thomas Cook, gross booking revenue from the MICE segment declined 5.7% on-year in fiscal 2020 to Rs 10.5 billion.

Revenue share break-up by geographical location of customers for fiscal 2020

Players	Domestic (%)	International (%)
Yatra Online, Inc.	NA*	NA*
GBT India Pvt Ltd	32.8%	67.2%
CWT India Pvt. Ltd.	82.3%	17.7%
FCM Travel Solutions India Pvt. Ltd.	NA*	NA*
Thomas Cook India Ltd.*	NA*	NA*

*Note: * NA: Not Available since revenue segmentation by geographical location of customers is not reported.*

For GBT India Pvt Ltd, geographical segment revenue is based on operating revenues. For GBT, for fiscal 2021, domestic revenues were 23.1% and international revenues were 76.9%.

Source: Company annual report, CRISIL Research

7 Overview of tourism industry

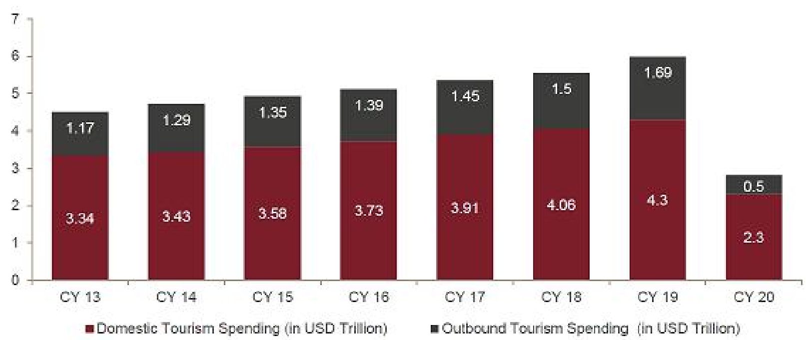
7.1 Trend in global travel and tourism industry

Tourism industry accounted for 10.4% of global GDP in 2019

While nations across the world announced lockdowns to contain the spread of the Covid-19 pandemic, the measures implemented worldwide have shattered the travel and tourism sector. While the overall world economy fell 3.7%, travel and tourism GDP declined by a significant 49.1% to USD 4,498 billion in 2020. As of 2019, domestic travel continued to generate the majority of global travel and tourism expenditure (accounting for 71.7% of the total global spending), with the remaining 28.3% from international visitors. In 2020, the share of domestic travel increased to 82%, while that of international spending reduced to 18% amid Covid-19-led restrictions on international travelling. The domestic visitor spending reduced 45%, while the international spending declined 69.4%, resulting in increased share of domestic spending.

Travel and tourism is a catalyst for economic recovery and growth and was responsible for 330 million jobs globally in 2019. Over the past five years (2014-2019), one in four of new jobs across sectors and industries worldwide, has been in travel and tourism. The continued rise in the number of middle-class households, sustained low unemployment rates, and visa relaxations in several countries globally enabled the sector's growth till 2019, surpassing the global economic growth for the ninth consecutive year. However, the share of travel and tourism in global GDP dropped from 10.4% in 2019 to 5.5% in 2020 due to travel restrictions amid the pandemic. Asia-Pacific, Caribbean, Europe, the Middle East and Africa were the most affected regions with a 50-58% decline in travel and tourism GDP, while Latin and North America were relatively less affected with a 41-42% decline.

Trend in global domestic and outbound tourism spending

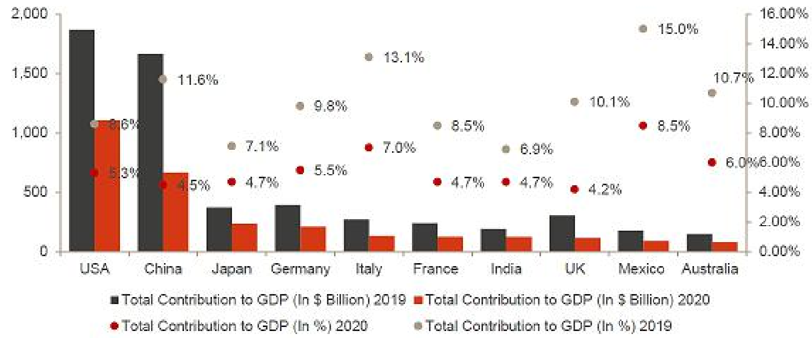


Note: Total tourism spending (sum of domestic and outbound) in $ trillion has been shown at the top of each bar. The values have been rounded off to the nearest decimal.
E: Estimated
Source: WTTC, CRISIL Research

India ranked seventh globally in total tourism spending in 2020, up from ninth in 2019

India ranked seventh worldwide in total tourism spend in calendar year 2020. As a percentage of GDP, tourism spending was 6.9% in calendar year 2019. Travel and tourism GDP fell 36.3% on-year in 2020, owing to the pandemic.

Top 10 countries in total tourism spending ($ billion at constant prices) and contribution to GDP in 2020 (%)



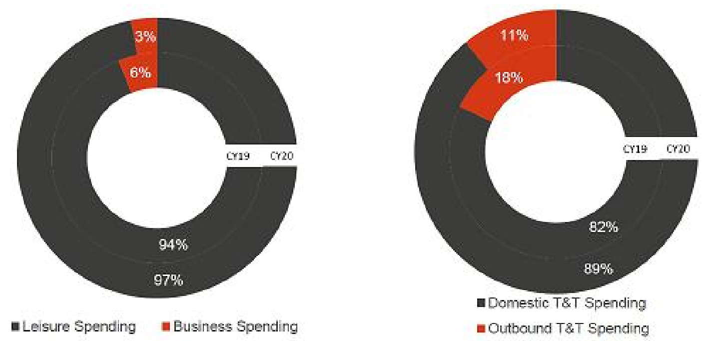
Source: World Travel and Tourism Council (WTTC), CRISIL Research

India's tourism spends driven by domestic and leisure spending

Domestic tourism accounts for a dominant share in India's overall tourism spend, with its share constantly rising to reach 89% in 2020. Further, increasing number of Indians travelling abroad for leisure and business purposes, higher ranking of Indian passport, and rising awareness about foreign tourist destinations, increased the share of outbound tourism to 18% of India's total tourism spend, as of 2019. However, outbound spending considerably declined to USD 12 billion (11% share) in 2020 amid Covid-19 related travel restrictions.

In 2019, leisure spending continued to dominate with a 94% share vs. 6% for business spending. However, business spending declined by a significant 61% in 2020 because of office closures and work-from-home environment. Leisure spending too declined 49.4% in the same year due to Covid-19 disruptions.

Trend in India's tourism spending (business vs leisure and domestic vs outbound)



The values have been rounded off to the nearest decimal. The data is as per the latest data available on WTTC extracted as on 13.10.2021

Source: WTTC, CRISIL Research

With easing travel restrictions and workforce returning to offices, CRISIL Research expects the share of business spending to improve gradually over the coming months. However, leisure spending is expected to continue holding a major share, as domestic travel activities improved with easing travel restrictions and an increasing pace of vaccinations.

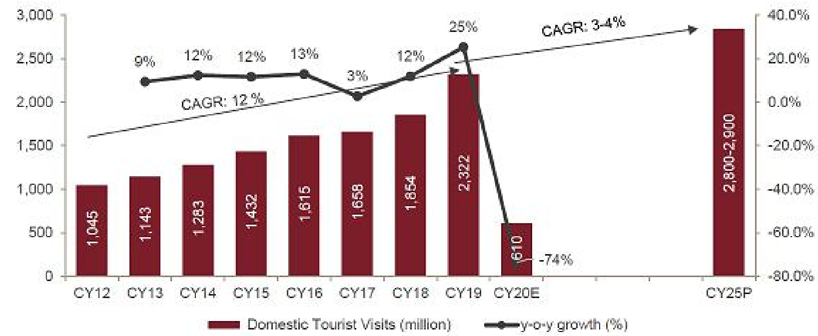
7.2 Overview of domestic travellers in India

Domestic travelling to grow over the next five years

Domestic tourist visits (DTV) to all states/union territories (UT) in India rose to ~2,322 million in 2019 from ~220 million in 2000, registering a 13.2% CAGR. According to the Ministry of Tourism (MoT) statistics, DTV in India declined 78% on-year to touch 610 million in 2020. Tamil Nadu, Uttar Pradesh, Telangana, Karnataka and Andhra Pradesh accounted for ~68% of total DTV in 2020.

Till 2019, DTV has seen strong growth, largely led by rising disposable income, increased air connectivity and rail travel, affordability of air travel thanks to low-cost carriers, state-level policy initiatives for tourism, and increasing room inventory across budget, mid-segment and premium hotels in the country. Other softer factors such as increase in business travel, concept of weekend getaways and shorter stays gaining popularity, ease in bookings on growing proliferation of online agents and aggregators, and rising inclination of young travellers to explore untapped tourist destinations also played a key role in strong DTV growth. Consequently, CRISIL Research expects DTV to grow at a CAGR of 3-4% and touch 2,800-2,900 million by 2025.

DTV to all states/UTs in India (million)



Note: E: Estimated P: Projected
Source: Ministry of Tourism, CRISIL Research

7.3 Overview of foreign travellers in India

Foreign tourist arrivals to exhibit growth in next five years

Foreign tourist arrivals (FTA) in India rose to 10.9 million in 2019 from 2.6 million in 2000, a 7.7% CAGR. FTA registered mild growth rates of 5.2% and 3.5% in 2018 and 2019, respectively, before falling 75% to 2.7 million in 2020.

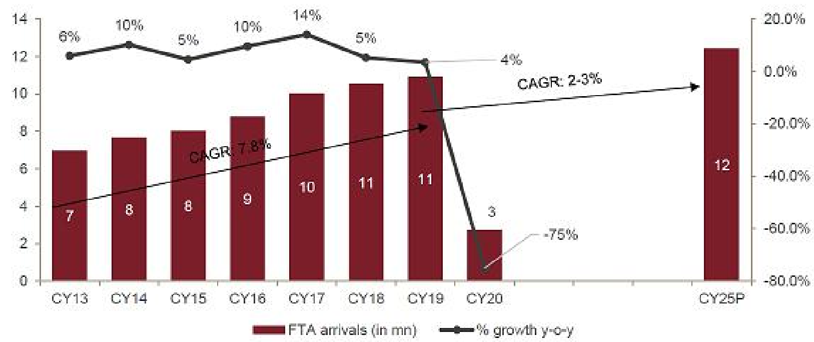
Visits by foreign nationals in India are mainly driven by leisure travel because of India's rich cultural heritage and geographical diversity. The leisure, travel and recreation category accounted for ~58% of FTA in India in 2020, with countries such as the US, the UK, Bangladesh and Canada accounting for nearly half of the share. Under Budget 2021-22, the government of India allotted Rs 6.3 billion for the development of tourist circuits under Swadesh Darshan scheme, a 5% increase from revised budget estimate of Rs 6 billion in 2020-21.

The business and professional category comprised ~12% share of FTA in India in 2020, down from 15% in 2019.

Medical tourism is another key driver of visits by foreign nationals in India, especially from developing nations. The share of medical tourism in FTA in India increased to ~6.7% in 2020 from 6.4% in 2019 and 2.20% in 2011. The South Asia region (consisting of Afghanistan, Bangladesh, Bhutan, Iran, Maldives, Nepal, Pakistan and Sri Lanka) accounted for over half of all medical FTA in India. The presence of relatively advanced medical facilities and specialised doctors at competitive rates versus developed countries have prompted medical tourism growth in recent years.

As a result, FTA is expected to record 2-3% CAGR over 2019-2025 and touch an estimated 12-12.5 million by 2025, driven by India's cultural attractions for foreign nationals and a lower base of 2020 positively impacting tourism, hospitality and connectivity, and medical tourism.

FTA in India (million)



Note: P: Projected
Source: Ministry of Tourism, CRISIL Research

7.4 Major countries contributing to Indian tourism

Bangladesh ranked as the top source for FTA in 2020

Until 2013, the US and UK led FTA in India. However, Bangladesh's contribution to FTA in India has risen considerably since 2014, clocking a significant 22-23% CAGR in 2014-2019. Bangladesh ranked as the top country, contributing to FTA in India for 2020. Industry sources indicate that this recent surge in tourism from Bangladesh has been driven primarily by medical tourism. Triple entry is permitted for e-medical visa and for e-medical attendant visa and extension may be granted up to six months on a case-to-case basis.

As of September 2021, e-visa facility has been extended to the nationals of 156 countries under five sub-categories - 'e-tourist visa', 'e-business visa', 'e-medical visa', 'e-medical attendant visa' and 'e-conference visa'. All these have also been instrumental in boosting FTA in India. The number of FTA from top-10 source countries has recorded a 9.6% CAGR over 2014-19 versus 7.3% CAGR for total FTA in India over the same period.

Top 10 source countries of FTA in India in 2020

	2020		2019	
Countries	**FTAs**	**% Share**	**FTAs**	**% Share**
Bangladesh	5,49,273	20%	25,77,727	24%
US	3,94,092	14%	15,12,032	14%
UK	2,91,874	11%	10,00,292	9%
Canada	1,22,868	4%	3,51,859	3%
Russian Federation	1,02,166	4%	2,51,319	2%
Australia	86,758	3%	3,67,241	3%
France	74,243	3%	2,47,238	2%

Countries	2020		2019	
	FTAs	% Share	FTAs	% Share
Germany	72,558	3%	2,64,973	2%
Malaysia	69,897	3%	3,34,579	3%
Sri Lanka	68,646	3%	3,30,861	3%
Total top-10 countries	18,32,375	67%	72,38,121	66%
Others	9,12,391	33%	36,92,234	34%
Grand total	27,44,766	100%	1,09,30,355	100%

Source: Ministry of Tourism, CRISIL Research

7.5 Trend in Indian nationals' departures from India

Indian nationals' departures from India grew 8% annually between CY 2010-2019

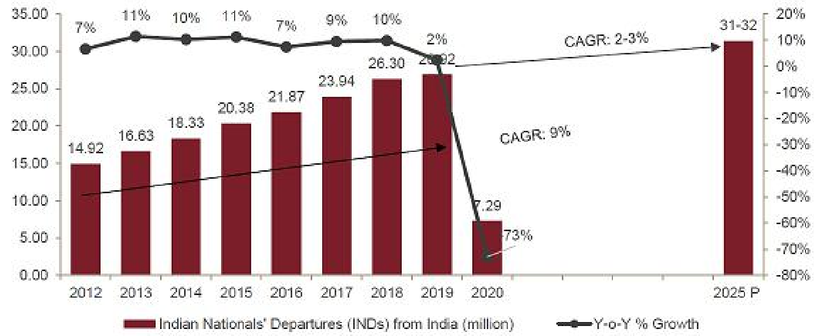
The number of Indian nationals' departures (IND) from India grew to 26.9 million in 2019 from 4.6 million in 2001. The strong growth in IND over the years has been driven by rising disposable incomes, rapidly growing middle class, and improving connectivity to various foreign countries. Better internet access has enhanced exposure to global tourist destinations, resulting in higher aspirations of foreign travel, especially in young travellers. Increasing preference for destination weddings in foreign locations and international travel for honeymoons is another key driver of IND, especially in recent years. However, IND from India declined 73% to 7.3 million in 2020 amid Covid-19.

Major destinations for IND include the US and European countries such as the UK for leisure travel. West Asia has also been a major destination for IND as Indians travel to countries such as Saudi Arabia, United Arab Emirates, Qatar, Kuwait, and Oman for employment opportunities. Asian countries such as Thailand, Singapore and Malaysia have also emerged as preferred destinations for leisure travel, reflected in strong IND growth to these countries.

Additionally, the Indian passport is gaining strength with higher number of countries allowing visa-free and visa-on-arrival access to Indian passport holders, which is expected to aid outbound leisure travel. The 2021 Passport Index (jointly published by the United Nations Development Programme (UNDP) Human Development Index and financial advisory firm Arton Capital), which ranks 199 countries based on their visa-free scores, placed India at the 69th position in 2021 versus 77th in 2015.

Going forward, IND is expected to record a 2-3% CAGR over 2019-2025, driven by rising disposable incomes, higher number of millennial travellers opting for foreign trips, and increasing awareness on a plethora of foreign tourist destinations through growing usage of social media.

IND from India



Note: P: Projected

Source: Ministry of Tourism, CRISIL Research

7.6 Overview of the domestic and international passenger volumes in India

Domestic passenger traffic to grow at a 6-7% CAGR over fiscals 2020-2026

CRISIL Research expects domestic air passenger traffic for fiscal 2022 to record a 45-50% rise over fiscal 2021 lows to 75-85 million, setting it back by 5-6 years to fiscal 2015-16 levels. The growth is on a low base of fiscal 2021, as the rising pace of vaccinations is improving sentiments. Fiscal 2022 could have been better for the industry, but the second wave was strong enough to disturb the recovery. However, passenger traffic has started recovering and is likely to improve on-month, with rising vaccination and easing norms for inter-state travel. With a drop in cases and rising vaccination, leisure and business travel is seen recovering.

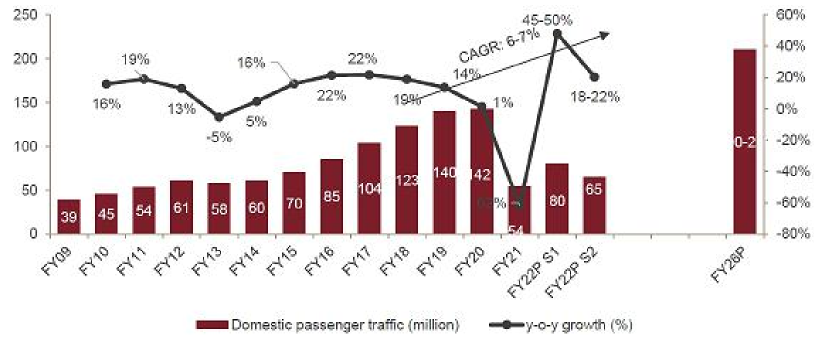
Domestic passenger traffic in fiscal 2021 was recorded at 53.7 million, similar to fiscal 2011 levels, sending air passenger traffic back by a decade, recording a 62% decline over fiscal 2020. The decline in passenger traffic is attributable to -

i) Two months of the seasonally strong first quarter were lost to the suspension of air services
ii) Apprehension of flying by passengers upon the resumption of air services in May 2020
iii) Job losses and reduction in salaries hampering spending power of Indians
iv) Capacity caps imposed by the government impacting the number of flights
v) Suspension of leisure travel by pax and loss of business travel due to the impact of pandemic, boosting digitalisation and work from home environment.

Domestic passenger traffic is estimated at around 200-220 million in fiscal 2026, with the recovery in traffic from fiscal 2020. Further, passenger traffic growth in India is likely to be led by i) lower air penetration compared with other developing nations, ii) pent-up demand due to no/minimal travel in fiscals 2021 and 2022, iii) increasing per capita income post economic revival from the pandemic, and iv) the Ude Desh ka Aam Naagrik (UDAN) scheme connecting unserved and underserved airports.

S1 – Base case – Third wave is contained and no lockdowns imposed. S2 – Pessimistic case – String third wave with cases at 50% of second wave peak leading to imposition of lockdowns

Domestic passenger traffic in India (million)



Note: P: Projected
Source: Directorate General of Civil Aviation (DGCA), CRISIL Research

S1 – Base case – Third wave is contained, and no lockdowns imposed. S2 – Pessimistic case – String third wave with cases at 50% of second wave peak leading to imposition of lockdowns.

International passenger traffic estimated to grow 2.5-3.5% between fiscals 2020-2026

CRISIL Research expects international passenger traffic to record 70-80% optical growth on a low base to 15-20 million in fiscal 2022 in the base case, owing to the following:

i) Suspension of scheduled International air services till at least November 30, 2021

ii) Suspension of visas announced by various countries

iv) Curbs on Indian travellers by countries with whom India had operationalised air bubble flights

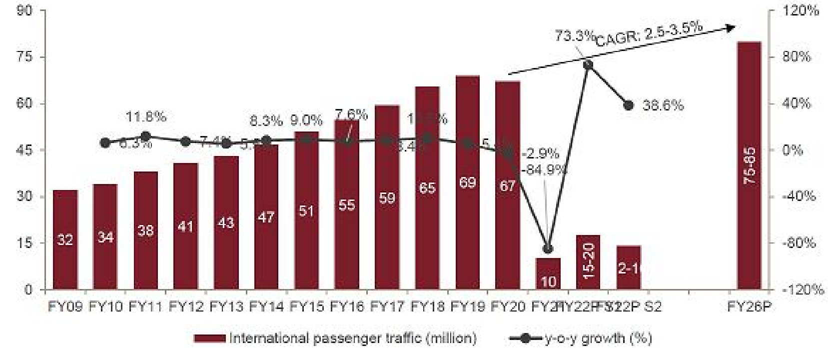
v) Job losses and pay cuts to impact spending power impacting International trips.

vi) Minimal FTAs due to apprehension of flying, visa restrictions and Covid-19 cases in India.

In fiscal 2021, international passenger traffic was 10.1 million, declining 85% over fiscal 2020, as leisure and business travel was suspended/deferred, countries closed borders, scheduled international services were suspended and travel limited to migratory and essential.

International passenger traffic would take a couple of years to recover to pre-Covid-19 levels, with an estimated traffic of 80-85 million passengers by fiscal 2026. The further increase from fiscal 2020 levels will be brought about by increasing International operations by Indian low-cost carriers (LCCs) and under-penetration of international trips per capita for India compared with other developing countries, and increasing FTA due to tourism, VFR and business opportunities in India.

International passenger traffic in India (million)



Note: E: Estimated P: Projected
Source: Airports Authority of India (AAI), CRISIL Research

S1 – Base case – Third wave is contained and no lockdowns imposed. S2 – Pessimistic case – String third wave with cases at 50% of second wave peak leading to imposition of lockdowns.

7.7 Overview of annual domestic passenger volumes at top-30 airports in India

Annual domestic passenger volumes at top-30 airports grew at an 11.5% CAGR between fiscals 2010-2020

In India, annual domestic passenger volumes at the top-30 airports* tripled at an 11.5% CAGR, from ~84 million in fiscal 2010 to ~251 million in fiscal 2020. The annual domestic passenger volumes are largely dominated by metro airports, such as Delhi, Mumbai, Bengaluru, Kolkata, Chennai and Hyderabad. Other prominent non-metro airports include Pune, Ahmedabad, Goa, Cochin, Guwahati, Jaipur and Lucknow.

Annual domestic passenger traffic at the top-30 airports dropped to ~95 million in fiscal 2021, mainly on account of a drop in leisure and business travel originating from Tier-1/2 cities due to the pandemic-led travel restrictions.

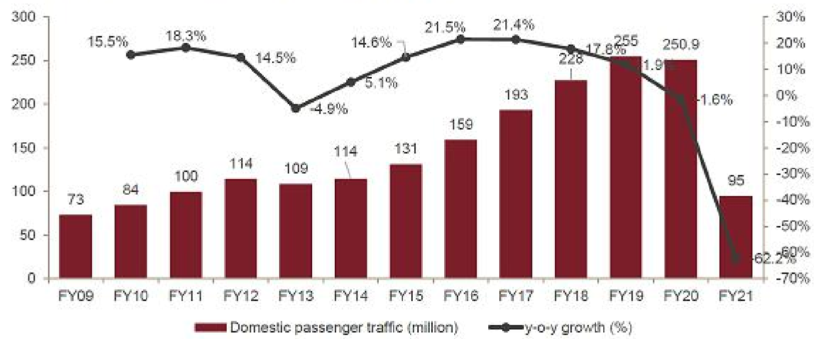
Note: *Top-30 airports include Delhi, Mumbai, Bengaluru, Kolkata, Chennai, Hyderabad, Pune, Ahmedabad, Goa, Cochin, Guwahati, Jaipur, Lucknow, Bhubaneswar, Patna, Srinagar, Visakhapatnam, Indore, Bagdogra, Coimbatore, Nagpur, Chandigarh, Varanasi, Trivandrum, Ranchi, Amritsar, Raipur, Port Blair, Mangalore and Jammu.

With airport infrastructure development in smaller Tier-2 and -3 cities, many domestic carriers have started direct flights to these cities. This is expected to reduce the prominence of metro airports as hubs, and shrink their share in domestic passenger traffic. Also, due to the congestion at metro airports, new route additions are picking up steam in the non-metro space.

Further, implementation of the Regional Connectivity Scheme (RCS) has provided a fillip to growth at non-metro airports, due to the extension of air connectivity to smaller cities which were earlier inaccessible by air, thus boosting passenger volumes. On October 21, 2016, the Ministry of Civil Aviation (MoCA) launched the RCS called UDAN, aiming to improve regional connectivity through a price-capped system by providing support through infrastructure and incentives for a period of 10 years. Apart from cost incentives, the scheme also provides viability gap funding (VGF) for the price-capped seats as decided through bidding. However, the scheme is limited to airports listed in the document and to states with value-added tax (VAT) on aviation turbine fuel (ATF) less than 1%, and willing to contribute 20% to VGF.

CRISIL Research expects airfares to rise 6-10% on-year in the current fiscal in the base case. Due to the extension of fare caps expected in the pessimistic case, airfares are seen rising 10-15% on year. The rise in fiscal 2022 is on a 8-12% rise in airfares in fiscal 2021.

Annual domestic passenger traffic at top-30 airports in India (million)



Note: Top-30 airports include Delhi, Mumbai, Bengaluru, Kolkata, Chennai, Hyderabad, Pune, Ahmedabad, Goa, Cochin, Guwahati, Jaipur, Lucknow, Bhubaneswar, Patna, Srinagar, Visakhapatnam, Indore, Bagdogra, Coimbatore, Nagpur, Chandigarh, Varanasi, Trivandrum, Ranchi, Amritsar, Raipur, Port Blair, Mangalore, and Jammu.

Source: Airports Authority of India (AAI), CRISIL Research

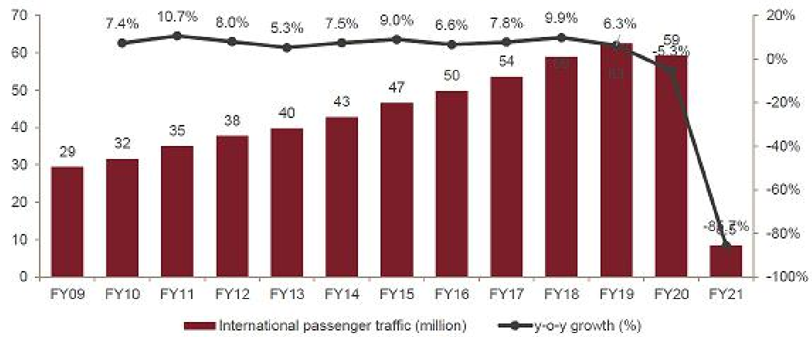
7.8 Overview of annual international passenger volumes at top-10 airports in India

Annual international passenger volumes at top-10 airports in India grew at a 7.9% CAGR between fiscals 2009-2019

Annual international passenger volumes (defined as inbound and outbound passenger traffic on international routes) at the top-10 airports* (*Delhi, Mumbai, Chennai, Cochin, Bengaluru, Hyderabad, Calicut, Kolkata, Trivandrum, and Ahmedabad*) in India nearly doubled at a 7.9% CAGR, from ~29 million in fiscal 2009 to ~63 million in fiscal 2019. These volumes are largely dominated by metro airports, comprising Delhi, Mumbai, Bengaluru, Kolkata, Chennai, and Hyderabad. Other prominent non-metro airports contributing significant international passenger volumes include Cochin, Calicut, Trivandrum and Ahmedabad.

In fiscal 2021, annual international passenger traffic at the top-10 airports in India was reported at ~8.5 million, which fell 86% on-year.

Annual international passenger traffic at top-10 airports in India (million)



Note: Top-10 airports are Delhi, Mumbai, Chennai, Cochin, Bengaluru, Hyderabad, Calicut, Kolkata, Trivandrum, and Ahmedabad.

Source: Airports Authority of India (AAI), CRISIL Research

Foreign travellers are increasingly looking at niche tourist destinations beyond Tier-1 cities in India, driven by religious events, such as Kumbh Mela in Prayagraj (erstwhile Allahabad in Uttar Pradesh), and wellness travel in Kerala, Goa, and Uttarakhand. In the last few years, there has been an uptick in the number of Indian travellers from Tier-2/3 cities undertaking foreign trips for business, with smaller business hubs coming up in non-metro cities, and for leisure, driven by rising incomes and higher aspirations. With the development of airport infrastructure in Tier-2 and 3 cities, many domestic and international carriers have started direct flights on international routes to/from Tier-2/3 cities. For instance, Air India and IndiGo started international flights connecting Chandigarh with Sharjah and Dubai, respectively, in September 2016.

7.9 Overview of airline-wise market share on domestic routes

New entrants to raise market share in the Covid-19 impacted fiscal 2022

Competition in the Indian aviation space is heating up, with incumbents such as Air India, IndiGo, SpiceJet, and GoAir challenged by new entrants such as Vistara, AirAsia India, TruJet and Star Air. The new entrants have been expanding their footprints in the trunk and new routes through direct flights, with their share of revenue passenger kilometre in the domestic market rising to ~15% in fiscal 2021 from 10% in fiscal 2019.

Post the resumption of domestic services in May 2020, the newer entrants have been swifter and nimbler in deploying capacity and attracting passengers, leading to their rising market share despite the pandemic environment. The ensuing period has also seen the entrance of regional operators, such as FlyBig and Air Taxi, in the domestic space.

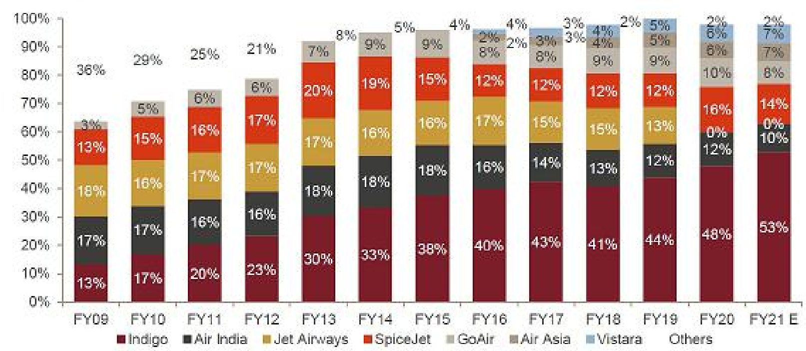
Two TATA group entities, AirAsia India and Vistara dominate the landscape for new players in the Indian market with the others accounting for around 5% as these are regional players.

In October 2021, TATA Group also emerged as the successful bidder of the national carrier Air India after submitting the winning bid of INR 1800 billion. As a result, TATA group will own 100% stake in AIR India post completion of the acquisition.

The UDAN scheme may need additional benefits to be offered by the Ministry of Civil Aviation to make it viable in the post-Covid-19 scenario as the financial position of airlines is expected to be stretched due to the pandemic-enforced lockdown and suspension of air services. There will be a huge shortfall in the collections from UDAN cess charged on departing flights due to a sharp drop in the number of departures in the current fiscal, thereby limiting the ability for the VGF paid out under UDAN. In a fiscal where its finances are already stretched due to lower tax revenue and higher allocation towards healthcare and social spends, the government may need to allocate funds to keep the UDAN scheme going.

A new airline, Star Air, had commenced domestic operations in January 2019 under the UDAN scheme. Star Air, which currently operates three Embraer aircraft with 50-seat capacity, is promoted by the Sanjay Ghodawat group. The group is well-diversified, with a presence across the agro, floriculture, food processing, energy, mining, realty, consumer products, textiles, and education industries. The company also charters helicopters on lease for dignitaries, political leaders and business icons. Regional airlines FlyBig and Air Taxi have commenced services in January 2021. FlyBig would operate ATR aircraft and is run by Sanjay Mandaviya (a former pilot turned entrepreneur), while Air Taxi would use Tecnam aircraft (which is run by two former pilots).

Overall airline market share on domestic routes in India (%)



Note: Others include airlines such as JetLite, TruJet, Air Carnival, Zoom Air, etc.
Source: Directorate General of Civil Aviation (DGCA)

7.10 Overview of market share of LCCs on domestic routes

Competitive pricing helps LCCs gain ~82% volume share

Low-cost carriers (LCCs) are airlines that offer basic service of carriage at cheaper prices. Full service carriers (FSCs), on the other hand, charge more and offer on-board services, such as food, in-flight entertainment and other amenities. LCCs in India include IndiGo, SpiceJet, GoAir, Air Asia, and TruJet.

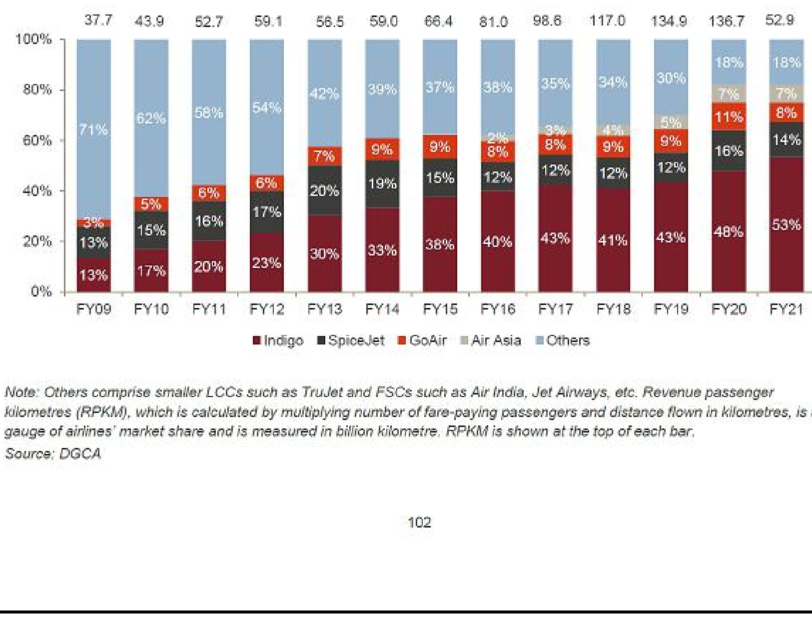
Over fiscals 2009-2021, combined share of LCCs in domestic passenger volumes has more than doubled from ~29% to ~82%. The surge has been primarily driven by IndiGo, which nearly tripled its share in domestic passenger volume on the back of strong fleet expansion and rapidly increasing popularity over the period.

GoAir's share dropped marginally to 8% in 2021 from 11% in 2020 and SpiceJet's from 16% to 14%. Air Asia India, a joint venture (JV) between Tata Sons Ltd and Air Asia Berhad, commenced operations in fiscal 2015 and managed to garner ~7% share as of fiscal 2021.

In the international segment, current fiscal is an outlier as bulk of the International services have been operated by Air India under the Vande Bharat mission which has pushed up FSCs' share. Going forward, we expect LCCs' share to continue to rise as they operate short-haul international services more frequently. Indian LCCs have been expanding their international operations on short-haul destinations with increasing range, possible due to induction of new-generation aircraft that possess higher range than their older counterparts.

LCC proliferation has also reduced the cost of flying. In the price-sensitive Indian market, this is leading to higher traction. Their share expanded sharply due to collapse of Jet Airways in fiscal 2020, leaving Air India as the sole FSC (Vistara is still in the infancy of its international operations).

Market share of LCCs in domestic routes in India (%)



Note: Others comprise smaller LCCs such as TruJet and FSCs such as Air India, Jet Airways, etc. Revenue passenger kilometres (RPKM), which is calculated by multiplying number of fare-paying passengers and distance flown in kilometres, is a gauge of airlines' market share and is measured in billion kilometre. RPKM is shown at the top of each bar.

Source: DGCA

7.11 Fleet forecast for Indian carriers

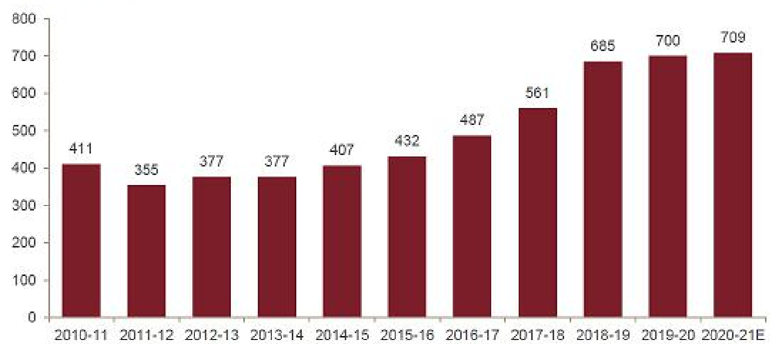
Fleet additions likely to continue for some players; overall fleet count to drop

The pandemic is bound to affect the net fleet addition of Indian carriers, which had ~900 aircraft on order as on March 31, 2020, because traffic is unlikely to rebound to even fiscal 2020 level in the medium term. Fleet on hand is likely to fall in fiscal 2022 as a major Indian carrier has already guided for a drop in its fleet this fiscal. In addition, non-payment of lease rentals has resulted in repossession of some aircraft of another airline and Air India would see retirement of its older aircraft which are nearing or past their usable years. The drop in fleet comes after healthy net addition of 45-50 aircraft per year over the past 3 years. While lessors had granted lease rental extensions/ holidays to Indian airlines in fiscal 2021, it is unlikely to be extended in the current fiscal as the western aviation market has started recovering and lessors could place their assets in those markets, which was not the case in the previous fiscal.

In the milieu, fleet additions are likely to be limited to fleet replacements, with newer generation aircraft replacing older generation leased aircraft. The airlines will lack the balance sheet heft to add new fleet and the market conditions do not require addition of new aircraft as capacity is unlikely to return to fiscal 2020 levels in the near term.

Hence, while fiscal 2019 is estimated to have seen an ~18% rise in capacity, domestic airlines' fleet size remained flattish in fiscal 2020 due to grounding of Jet Airways' entire aircraft, which stood at ~124 as of December 2018. SpiceJet inducted 22 Boeing 737 aircraft from Jet Airways' fleet in May 2019 and had plans to add eight more of them. Over fiscals 2020-2024, we expect capacity growth to be slower as airlines rationalise capacity. Over the next five years, we expect IndiGo to have the highest net fleet addition, followed by SpiceJet and GoAir.

Fleet size of Indian carriers



Source: DGCA, CRISIL Research

7.12 Impact of Covid-19 pandemic on tourism industry

Indeed, the pandemic has dealt a huge blow to the travel and tourism sector. Many countries suspended flights or halted international travel in the wake of the pandemic all of a sudden. Even domestically, national and sub-national jurisdictions instituted shelter in place orders. Many businesses were forced to close temporarily, often unfortunately resulting in permanent closures. Businesses that remained open only saw limited activity. All these transpired such that at the peak of the crisis, travel and tourism jobs were lost daily during the period. As around 90% of the global population stayed home due to travel restrictions and fearing infection, the sector came to a near-total standstill. Communities, large and small, depending on tourism were reeling under financial difficulties due to low revenue, and millions have been furloughed or laid off within a span of a few months. As per the WTTC, the travel and tourism sector lost almost $4.5 trillion and its contribution to global GDP declined 49.1% from 2019 level.

CRISIL Research expects domestic travel and tourism industry to recover in the near term from 2020 levels on the back of a drop in afflictions and wider coverage of vaccination.

8 Overview of the hospitality industry

8.1 Classification of hotels

Classification and hotel concepts

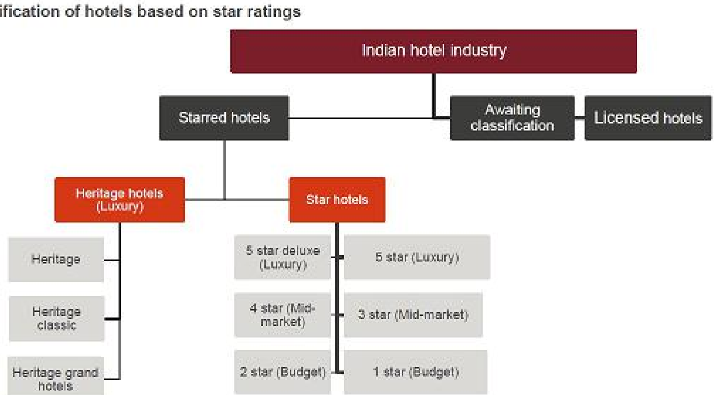
Hotels in India can be broadly classified based on:

- Star rating
- Location
- Level of service
- Theme

Hotels can be classified into luxury/ premium, mid-market and budget category hotels

The Ministry of Tourism (MoT) classifies hotels in India based on star ratings as heritage hotels, five-star deluxe, five-star, four-star, three-star, two-star, and one-star. Are per CRISIL Research's categorisation, luxury/ premium hotels are those with a rating of five stars, five-star deluxe, and heritage hotels; mid-market hotels are those with three- and four-star ratings; and budget hotels are those with two and one star. Non-starred hotels include those awaiting classification by the MoT (hotels approved by the ministry, but not classified under any star category yet) and those that have not applied for any classification (they have received a licence from the requisite authorities, but chose not to be classified under any star category).

Classification of hotels based on star ratings



Source: CRISIL Research

Brands such as the Taj Group, ITC, Bharat Hotels, Marriott, Leela Group, Carlson Rezidor, and Accor operate across categories, eyeing a larger pie of the Indian hospitality industry.

Leading hotel chains in India

Company name	Brands across luxury/premium segment	Brands across mid-market segment	Brands across budget category
Indian Hotels Company Ltd	Taj, Vivanta by Taj	Gateway by Taj	Ginger Hotels
ITC Ltd	ITC hotels, WelcomHotel, WelcomHeritage	Fortune Hotels	NA
East India Hotels (EIH) Ltd	Trident, The Oberoi	NA	NA
Hotel Leela Venture Ltd (HLVL)	The Leela and The Leela Palace	NA	NA
Bharat Hotels	The Lalit, Vibe By The LaLiT Traveller	The Lalit Traveller	NA
Royal Orchid Hotels	Royal Orchid	Royal Orchid Central, Regenta	NA
Concept Hospitality Pvt Ltd	The Fern	The Fern Residency	Beacon Hotels & Resorts
Marriott International*	Marriott Hotels and Resorts, JW Marriott Hotels and Resorts, Renaissance, Ritz-Carlton, Westin, Sheraton, W hotels, St Regis, Le Meridien	Courtyard by Marriott, Fairfield by Marriott, Four Points by Sheraton, Aloft	NA
Carlson Rezidor	Park Plaza, Radisson Blu, Radisson hotel, Radisson Red	Country Inn & Suites, Park Inn	NA
Accor	Sofitel, Fairmont, Swissotel, Pullman, Grand Mercure	Mercure, Novotel	Ibis
Lemon Tree Hotels	NA	Lemon Tree, Lemon Tree Premier	Red Fox
Park Hotels	The Park	Zone by The Park	NA

*Note: *Marriott International includes Starwood Hotels; NA: Not applicable, since the company does not have properties in the segment*

Source: CRISIL Research

- Indian Hotels Company Ltd (IHCL) and its subsidiaries are collectively known as Taj Hotels, Resorts and Palaces. Incorporated by Jamsetji Tata, the company opened its first property, The Taj Mahal Palace Hotel, Mumbai, in 1903. It is one of the country's largest domestic hotel companies in terms of revenue and room inventory.

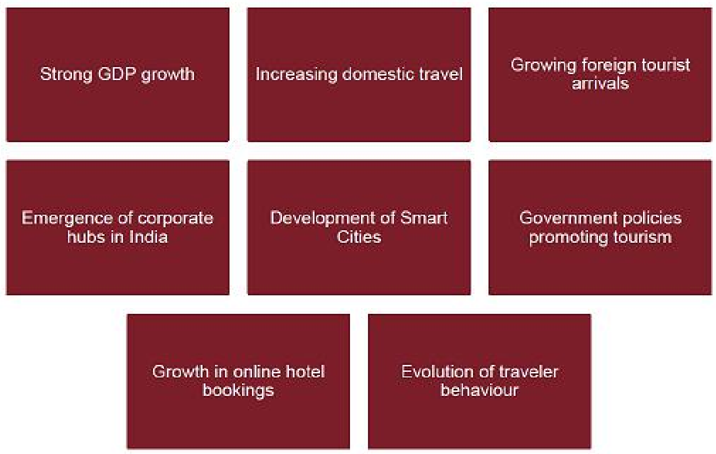
- Concept Hospitality Pvt Ltd (CHPL) was started in July 1996 in Mumbai by a team of hotel consultants. CHPL sets up and operates restaurants, hotels, clubs and resorts for different owners. It provides various hotel management and operations services such as pre-opening services, post-operative services, hospitality consultancy, marketing, and ecotel services. In the premium segment, it operates hotels under the brand The Fern, in the mid-market under The Fern Residency, and in the budget segment under Beacon Hotels & Resorts. It also operates independently branded hotels The Wall Street and Rodas in the mid-market segment. It has ~3,739 rooms across ~66 hotels under its own brands and five independently branded hotels.

- Marriott International Inc, established in 1992, is an American hospitality company. In September 2016, Marriott acquired Starwood Hotels & Resorts Worldwide for $13 billion. It has been gaining growth momentum through aggressive addition of inventory through management contracts and franchisee models.

- In 2012, Carlson Hotels and Rezidor Hotel Group combined to form the Carlson Rezidor Hotel Group, a global hospitality and travel company. In March 2018, Carlson Rezidor Hotel Group rebranded itself as the Radisson Hotels Group.
- Accor is a France-based hotel company, present in 109 countries with over 4,500 hotels and more than 660,000 rooms. In India, the company operates under the brands Sofitel, Fairmont, Pullman, Grand Mercure, Mercure, Novotel, and Ibis. Its portfolio encompasses all categories from budget to luxury and includes around 30 brands.
- Lemon Tree Hotels Pvt Ltd is a hotel chain that owns and operates mid-segment and budget category hotels under the brand names Lemon Tree, Lemon Tree Premier, and Redfox by Lemon Tree. Lemon Tree Hotels opened its first hotel in Gurugram (erstwhile Gurgaon) in May 2004. In 2009, the company launched its budget hotel under the brand Red Fox in Delhi.
- The Park Hotels is a collection of luxury boutique hotels in India by the Apeejay Surrendra Group. The first hotel under the brand was set up in Kolkata in 1967. The company has also forayed into the mid-market segment through the brand Zone by The Park.

8.2 Growth drivers for the Indian hospitality industry

The Indian hospitality industry is driven by demand from foreign and domestic travellers who visit the country for leisure and business purposes. Both foreign and domestic travel demand are further driven by various factors. Some of the major growth drivers for the Indian hospitality industry are:



Source: CRISIL Research

Development of Smart Cities to boost business travel

In June 2015, the Ministry of Urban Development (MoUD) laid down operational guidelines for the formulation, approval and execution of projects under the Smart Cities Mission. The mission is aimed at driving economic growth and improving the quality of life by enabling local area development and harnessing technology. The two major components of the project are area-based development and pan-city improvements. It is proposed to be funded by the central and state governments, urban local bodies, user charges and taxes, public-private partnerships (PPPs), land-based financing instruments, and municipal bonds. Assistance is also expected from the World Bank ($500 million), Asian Development Bank ($1 billion), and the National Investment and Infrastructure Fund (initial corpus of Rs 200 billion).

The cities for the project were selected over various stages from January 2016 to January 2018. The following cities submitted winning approvals across stages:

Round	Month of selection	No of cities	Cities
Round 1	Jan 2016	20	Bhubaneshwar, Pune, Jaipur, Surat, Kochi, Ahmedabad, Jabalpur, Vishakhapatnam, Solapur, Davanagere, Indore, NDMC, Coimbatore Kakinada, Belagavi, Udaipur, Guwahati, Chennai, Ludhiana, Bhopal
Fast track	May 2016	13	Lucknow, Warangal, Dharamshala, Chandigarh, Raipur, Newtown Kolkata, Bhagalpur, Panaji, Port Blair, Imphal, Ranchi, Agartala, Faridabad
Round 2	Sept 2016	27	Amritsar, Kalyan-Dombivali, Ujjain, Tirupati, Nagpur, Mangaluru, Vellore, Thane, Gwalior, Agra, Nashik, Rourkela, Kanpur, Madurai, Tumakuru, Kota, Thanjavur, Namchi, Jalandhar, Shivamogga, Salem, Ajmer, Varanasi, Kohima, Hubballi-Dharwad, Aurangabad, Vadodara
Round 3	June 2017	30	Thiruvananthapuram, Naya Raipur, Rajkot, Amaravati, Patna, Karimnagar, Muzaffarpur, Puducherry, Gandhinagar, Srinagar, Sagar, Karnal, Satna, Bengaluru, Shimla, Dehradun, Tiruppur, Pimpri Chinchwad, Bilaspur, Pasighat, Jammu, Dahod, Tirunelveli, Thoothukudi, Tiruchirapalli, Jhansi, Aizawl, Allahabad, Aligarh, Gangtok
Round 4	Jan 2018	9	Silvassa, Erode, Diu, Biharsharif, Bareilly, Itanagar, Moradabad, Saharanpur, Kavaratti

Source: Ministry of Housing and Urban Affairs

The timeline for the completion of smart city projects according to the rounds in which they were selected is given below:

- Round 1 cities – fiscals 2020 to 2021
- Round 2 cities – fiscals 2020 to 2022
- Round 3 cities – fiscals 2021 to 2022
- Round 4 cities – fiscals 2021 to 2023

Smart Cities Mission budget and progress

Round	Winning proposals	Total area-based development cost (Rs billion)	Total pan-city solution cost (Rs billion)	Total cost of projects (Rs billion)	Funds released until 31 March 2018 (Rs billion)
Round 1	20	371.23	109.41	480.64	39.2

Fast-track	13	259.74	38.21	297.95	20.83
Round 2	27	425.24	113.79	539.03	37.62
Round 3	30	469.79	105.15	574.93	7.03
Round 4	9	116.05	22.58	139.17	0.29
Overall	99	1,642.04	389.14	2,031.18	104.97

Source: Ministry of Housing and Urban Affairs

This mission is expected to increase commercial activity and boost business travel in these cities, which, in turn, will drive the hospitality industry.

Government policies key to hospitality sector's growth

Following are the steps the government has taken to promote travel and tourism in the country:

- Development of tourism infrastructure via schemes, such as Swadesh Darshan, Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive (PRASHAD), Adopt a Heritage, and Special Tourism Zones (STZ). These are focused on improving overall tourism infrastructure in the country and bringing it at par with international standards, which will help attract both domestic and foreign tourists
- Facilitative visa regime is a pre requisite for increasing inbound tourism. The MoT engages with the Ministry of Home Affairs and Ministry of External Affairs to achieve this. As of September 2021, e-visa facility is extended to 156 countries under five sub-categories — e-tourist visa, e-business visa, e-medical visa, e-medical attendant visa and e-conference visa.
- RCS-UDAN was introduced with the main objective of facilitating/ stimulating regional air connectivity by making air travel affordable. Towards this end, the central government, state governments and airport operators offer concessions to reduce the cost of operations of airlines and financial support to meet gaps, if any, between the cost of operations and expected revenue on such routes. Under the RCS-UDAN-3, 46 tourism routes got air connectivity. These included iconic sites, of which eight routes have been operationalised to date. This is expected to have a cascading effect on the hospitality industry.

The government has also taken the following steps to support the hospitality sector n the following manner:

- The Goods and Services Tax (GST) Council announced a cut in tax rate on hotel room tariffs, a move aimed at giving a boost to the hospitality sector. The GST rate on hotel rooms with tariffs of up to Rs 7,500 per night has been cut to 12% from the existing 18%. Similarly, tax on rooms tariff above Rs 7,500 has been slashed to 18% from the existing 28%. There will be no GST on room tariffs below Rs 1,000 per night. GST on restaurants and eateries has been brought down to 5%, irrespective of whether they are air-conditioned or not.
- As of now, there are 46 institutes of hotel management or IHMs (21 Central and 25 under states) and 14 food-craft institutes (FCIs), which have come up with the support of the ministry.

8.3 Challenges for the Indian hospitality industry

The Indian hospitality industry also faces certain challenges. Some of them are illustrated below.

- Cyclicality
- Seasonality
- High land cost
- Shortage of talent pool
- Emergence of alternative accommodation options

Source: CRISIL Research

Hotel industry is cyclical in nature

The hospitality sector is cyclical in nature. During positive business cycles, it witnesses periods of sustained growth and healthy average room rates (ARRs) and occupancy rates (ORs). The trend reverses in case of an economic downturn or of excess supply in the sector. Usually, ORs begin to decline when recession sets in and this is followed by a decline in ARRs. In the recovery phase, ORs start to move up and subsequently, ARRs.

Revenue per available room (RevPAR) growth in business destinations is more sensitive to macroeconomic indicators, such as nominal GDP growth. For instance, during the global economic crisis of 2008, RevPARs in business destinations declined ~27% (while the decline in leisure destinations was ~8%.

Note:

Average room rate (ARR) is defined as the average rate paid for rooms sold, and is calculated by dividing total room revenue by number of rooms sold during a given period (ARR = room revenue / rooms sold)

Occupancy rate (OR) is defined as the percentage of rooms sold out of total available rooms during a given period (OR = rooms sold / rooms available)

*Revenue per available room (RevPAR)is defined as the total room revenue divided by the total number of available rooms. RevPAR is a product of average room revenue and occupancy rate (RevPAR = ARR * OR)*

Leisure destinations, on the other hand, are more sensitive to non-economic factors, such as terror attacks and health-related travel warnings. This is reflected in a sharper reduction in RevPAR growth in such destinations during fiscal 2002 (following the 9/11 terror attack on the World Trade Centre). Another instance is in 2008, when foreign tourist flow to Mumbai declined largely because of the terror attacks on November 26, 2008, and swine flurelated travel advisories. Consequently, RevPARs in leisure destinations fell in fiscals 2009 and 2010. The global slowdown compounded the negative effect.

Due to intense competition and economic slowdown over fiscals 2011-2017, RevPAR growth in India had declined at a CAGR of ~2%. At 7%, the decline was more drastic during fiscals 2013 and 2014, due to huge supply addition. However, it started to improve then on with economic conditions improving.

In fiscal 2021, as a result of the pandemic and supply-demand dynamics, RevPAR is estimated to have declined a steep ~61% on-year, primarily due to massive drop in occupancies and room rates. As occupancies across destinations came under strain due to Covid-19 and subsequent adverse impact on corporates, hoteliers were compelled to cut rates to revive demand. However, despite a huge hit on ORs, some players did not cut prices as they did during earlier global economic slowdown because rate recovery from those levels was not easy. Some brands also tried to bring in some revenue during this period to help owners manage their liquidity via schemes that allowed for advance bookings for next year at discounted rates (which has a limited time period).

In fiscal 2022, leisure demand saw strong recovery in the second quarter as the second wave tapered off. The trend is expected to continue in the second half, when offices are expected to reopen helping recovery in corporate travel.

Unlike leisure, business travel is fairly immune to seasonality

Seasonality in another challenge the sector faces. The nature of demand in the hotels industry is seasonal. However, the trend in ORs shows a significant divergence in business and leisure destinations. Though the peak season (January-March) is the same for both business and leisure destinations, both the segments exhibit a markedly different trend during the rest of the year. Business destinations maintain relatively constant ORs (albeit 5-10% lower than the January-March period) from April to November. However, in December, which is an international holiday season, the occupancies in business destinations see decline on-month. Demand for hotel rooms in business destinations is generally concentrated around weekdays. As a result, occupancies are usually lower on weekends. On the other hand, leisure destinations witness low ORs (55-70%) during May-September, because of unfavourable weather (hot, humid and rainy). During December, they see good ORs (above 70%).

High land cost a deterrent for budget and mid-market hotels

The hotel industry is highly capital-intensive. However, overall cost depends on the locality where the property is constructed, as land cost is a significant component of the cost of construction. Industry estimates indicate land cost forms 25-30% of overall project cost and could be even higher in metros and tier-I cities. Along with high land prices in metros and tier-I cities, land ownership and title issues are also a major impediment. This acts as a deterrent, especially for budget and mid-market hotels, which take longer to break even.

Talent pool remains an issue due to the shortage of skilled staff

Shortage of trained and experienced staff remains a major concern for the hotel industry. Rapid expansion by hotel chains has outpaced demand for requisite talent pool over the past few years and this is expected to continue in the short to medium term. This has prompted hotel chains, such as Taj, ITC, and Oberoi, to operate their own training institutes or offer vocational programmes. Additionally, employee cost across guest services, housekeeping and kitchen management, along with managerial positions, form a major part of a hotel's operating costs and these are independent of occupancy levels.

Emergence of alternative accommodation options could pose a threat in the long term

The past few years have seen the emergence of several alternative accommodation options, which are gaining traction among travellers. Travellers, especially urban millennials, are increasingly looking at homestays, self-catering villas, camps and farmhouses as alternatives to conventional hotel rooms in order to experience the authentic culture and cuisine of a destination. Many such places also offer related activities, such as farming, fruits or vegetable picking and pottery, which add to the authenticity of the accommodation. Typically, such alternative accommodations are also more economical than hotel stays. Moreover, reviews on social media platforms and online travel portals have also played a role in popularising such options and tackling the issue of safety and security. Several online travel portals have come up to cater exclusively to these experiences, indicating the growing popularity of such options.

Another popular concept is Airbnb, which allows homeowners to host travellers in their houses for a price. Many young travellers are choosing Airbnb to get a taste of local culture. Couchsurfing, which allows travellers to find free-of-cost accommodation at like-minded travellers' homes, is also fast gaining popularity as an option to experience local culture while networking with people of similar tastes.

Even though most of these options are still in a nascent stage in India, they may pose a challenge to the formal hotel industry in the medium or long term.

8.4 Market size of the organised and branded hotel industry in India

Organised and branded hotel industry to grow at 2-4% CAGR between fiscals 2020 and 2025

CRISIL Research estimates the market size of the organised Indian hotel industry (includes premium, mid-market and budget hotels, but excludes other budget accommodations such as apartments, villas, hostels and lodges) to have been Rs 720-740 billion in fiscal 2020. The industry clocked ~10.7% CAGR between fiscals 2015 and 2020.

Over fiscals 2015 to 2020, budget and mid-market hotels witnessed strong growth on account of an improvement in occupancy rates despite rising room inventories. An improving economic scenario and rising incomes led to a rise in the number of domestic travellers visiting various states and union territories (UTs) in India, and increasing awareness about Indian tourist destinations further helped growth. Moreover, as OTAs and aggregators gained popularity, visibility, especially for budget and mid-market hotels, increased. Competitive prices for hotel rooms offered by these agencies resulted in improved occupancy rates in these segments. The boom in the number of mobile subscribers and internet users, following availability of data at cheap tariffs, allowed domestic travellers to compare hotels and prices efficiently. These factors led to the budget and mid-market segments logging CAGRs of ~11.7% and ~13.3%, respectively, between fiscals 2015 and 2020.

The premium hotel segment (CRISIL Research has included heritage hotels in the premium hotel segment for this assessment) clocked ~9% CAGR over the same period, driven by strong economic growth, an uptick in business travel from large corporates, and growth of foreign tourist arrivals in India. During fiscal 2021, the hotel industry witnessed a significant drop in demand due to Covid-19, leading to a decline in occupancy rates. Business destinations observed a higher decline in demand than leisure destinations.

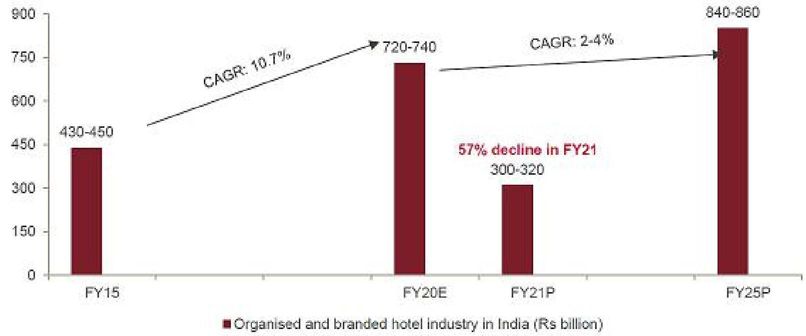
Over fiscals 2020 to 2025, demand in the premium segment is expected to marginally slow down amid the pandemic, resulting in only 2-4% CAGR in market size between fiscals 2020 and 2025. Premium hotels in popular or niche tourist destinations are also being looked at as venues for destination weddings, thereby addressing seasonality in demand. Upcoming Grade A commercial spaces could lead to an increase in business travel to these locations from large corporates and multinational companies (MNC); premium hotels in tourist destinations are also preferred for MICE tourism by large corporates.

Led by the after-effects of lockdowns, growth in budget and mid-market hotels is also expected to remain muted on account of a decline in room rents, sticky nature of room rent prices, and moderate expansion in room supply in the near term. However, the growth is expected to pick up in the medium term, by fiscal 2025. The pandemic has dealt a crippling blow to the Indian travel and tourism industry. This is one of the worst crises ever to hit the Indian tourism industry, impacting all its geographical segments – inbound, outbound and domestic – and almost all tourism verticals – leisure, adventure, heritage, MICE, cruise, corporate and niche segments.

Occupancy rates are estimated to have been 30-35% in fiscal 2021; while signs of recovery are visible in fiscal 2022, full recovery is expected to take another 2-3 years before the industry reaches pre-pandemic levels.

As a result, the overall organised hotel industry is expected to log 2-4% CAGR between fiscals 2020 and 2025.

Organised and branded hotel industry in India (Rs billion)



Note: E: Estimated; P: Projected
Source: CRISIL Research

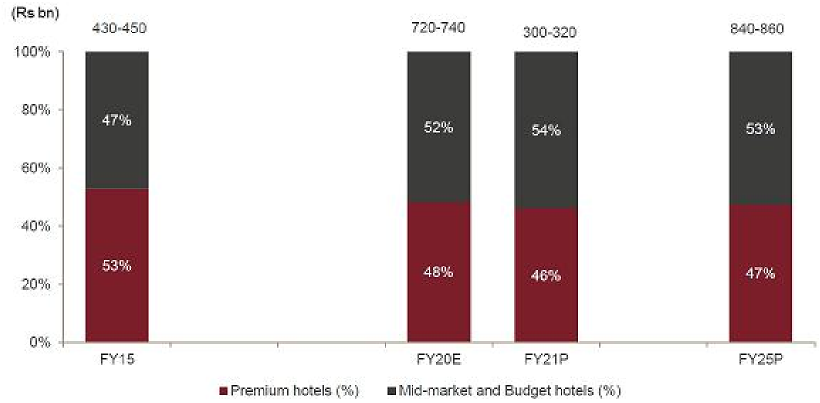
8.5 Share of the premium segment in the hotel industry

Premium-hotel demand to clock 2-4% CAGR between fiscals 2020 and 2025

CRISIL Research estimates premium-hotel demand to witness an uptick in fiscal 2022:

- Easing of lockdown and travel restrictions to aid demand for leisure destinations over a low base of fiscal 2021
- Revival in social functions and MICE meetings to further support growth
- With the workforce returning to office in the second half of fiscal 2022, corporate demand is expected to pick up as companies ease restrictions for work-related travel
- Lower incidences of Covid-19 cases and an increasing vaccination rate to also aid domestic leisure demand

Segment-wise share of organised and branded hotel industry in India (%)



Note: Market size (in Rs billion) of organised and branded hotels in India is shown at the top of each bar.
Note: E: Estimated; P: Projected
Source: CRISIL Research

8.6 Room inventory in the budget and mid-market hotel segments

Room addition to slow down in the budget hotel segment amid the pandemic impact

As of fiscal 2021, the budget hotel segment constituted half of the total room inventory of the hospitality industry in India. Room inventory in the budget hotel segment logged ~6% CAGR between fiscals 2015 and 2020, driven by an increase in the number of domestic travellers visiting various states/union territories in India for leisure. Room supply also grew on account of demand from business travel, especially among mid and small-sized companies. The share of the budget segment in total room inventory across hotel segments is estimated to have fallen from 53% in fiscal 2015 to 52% in fiscal 2020.

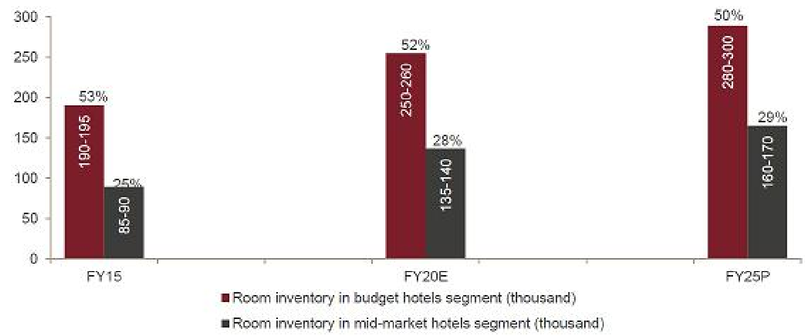
Budget hotel room inventory is expected to increase at a slower pace of 2-3% CAGR between fiscals 2020 and 2025, as hotels look to improve occupancy levels amid a pick-up in demand from leisure travellers and budget business travellers. Further, popularity of workcation, weekend breaks and staycation is expected to translate into some demand for the budget hotel segment during the Covid-19 scenario.

Supply addition of mid-market hotels to grow more than budget hotels, clocking 4.0% CAGR between fiscals 2020 and 2025

Between fiscals 2015 and 2020, room inventory in the mid-market segment logged ~9% CAGR, as mid-market hotels and hotel chains expanded aggressively to compete with premium segment hotels. Expansion was also targeted in Tier 2 and 3 cities as business and leisure travel to these cities witnessed a rise. Mid-market hotels are adding room supply to cater to the growing preference of middle-income customers for premium options, arising from their increasing affluence.

Between fiscals 2020 and 2025, room inventory in mid-market hotels is expected to clock 3-5% CAGR, as mid-market hotel operators aim to enhance their occupancy rates in the light of significant inventory levels.

Room inventory in the budget and mid-market hotel segments in India (in thousand)



Note: Share of the respective segment in room inventory across hotel segments in India is shown at the top of each bar.
Note: E: Estimated; P: Projected
Source: CRISIL Research

8.7 Proportion of hotel bookings made online

Share of online hotel bookings to improve to 34-38% over the next five years

CRISIL Research defines online bookings of hotels to include the following:

- Bookings made through captive websites of standalone hotels/hotel chains
- Bookings made using global distribution systems (GDS), which are a worldwide network of electronic reservation systems used by hotels and buyers to provide and avail of booking services
- Bookings made using central reservation systems (CRS), which are computerised reservation systems that store and distribute information of room rates and availability for further transmission to sales channels
- Bookings made via online travel agencies and online aggregators

Online bookings are typically done over the internet by using laptops, desktops, tablets and mobiles. Offline bookings include those made through phone calls, and walk-ins. Business-to-consumer (B2C) and business-to-business (B2B) bookings are typically categorised as online bookings.

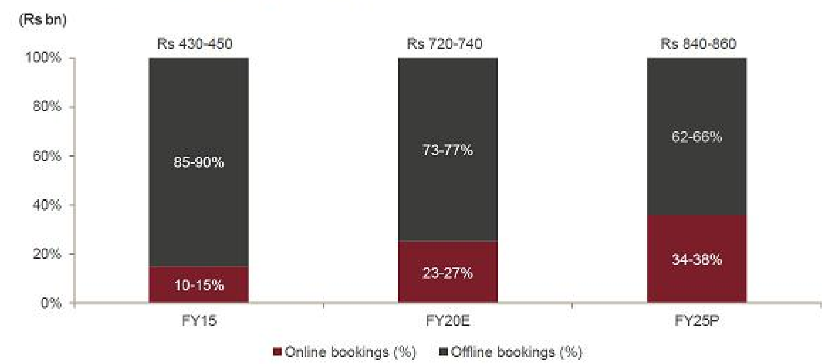
Industry estimates indicate that a mere 10-15% of hotel bookings were made online six to eight years ago, whereas offline bookings accounted for 85-90% share – online booking was a nascent concept five to seven years ago. On the demand side, low internet penetration, high data tariffs, and price barriers to mass adoption of smartphones resulted in lack of comfort and awareness about internet and smartphone usage. Safety concerns about internet banking led to lower acceptance of digital transactions among customers. On the supply side, relative newness of OTAs and online aggregators acted as a barrier for hotel chains to list inventory online. These factors contributed to low penetration of online bookings in overall hotel bookings.

However, the share of online bookings has improved and is estimated to have been 23-27% of total hotel bookings as of fiscal 2020. A rapid rise in internet penetration and smartphone usage, coupled with availability of cheap data packs for internet surfing, has brought about a behavioural change as Indian consumers have become more comfortable with digital communication. Tech-savvy youngsters are increasingly becoming comfortable with the ease, speed and safety offered by online bookings. Proliferation of online payment platforms, along with lucrative discounts from banks, is encouraging customers to opt for digital transactions. On the supply side, most of the big hotel brands and chains have moved to the online platform via captive websites, to target the millennial generation. Increased visibility offered by OTAs and aggregators, especially for smaller hotel chains and independent hotels, has also helped improve the share of online bookings. Among online channels, OTAs currently constitute a major share compared to captive websites of hotels, largely on account of the convenience offered in terms of comparison and competitive rates. User-generated reviews and visual previews of available options also aid customers in decision-making, thus adding to the convenience provided by OTAs.

However, there is still significant supply, especially among the mid-market and budget hotel segments, that is yet to become available online. Also, a large part of business travel bookings, which form a key segment for the hospitality industry, continues to be dominated by offline bookings. Corporates, especially the mid and small-sized ones, prefer offline booking channels for negotiating rates, rescheduling and cancellations, and customer support. As a result, offline bookings still hold 73-77% share in overall hotel bookings.

The share of online bookings is expected to reach 34-38% by fiscal 2025, led by both leisure and corporate travel, with OTAs garnering a majority share. Growth in online hotel bookings will be driven by continued rapid adoption of smartphones and digital transactions, a rising customer base of OTAs due to attractive offers and incentives, and a higher share of young travellers who are more comfortable with online bookings.

Share of online bookings in overall hotel bookings (%)



Note: Market size (in Rs billion) of organised and branded hotels in India is shown at the top of each bar.
Note: E: Estimated; P: Projected
Source: CRISIL Research

8.8 Proportion of hotel bookings through mobile phones

Share of online hotel bookings through mobile phones estimated at 70-75% by fiscal 2025

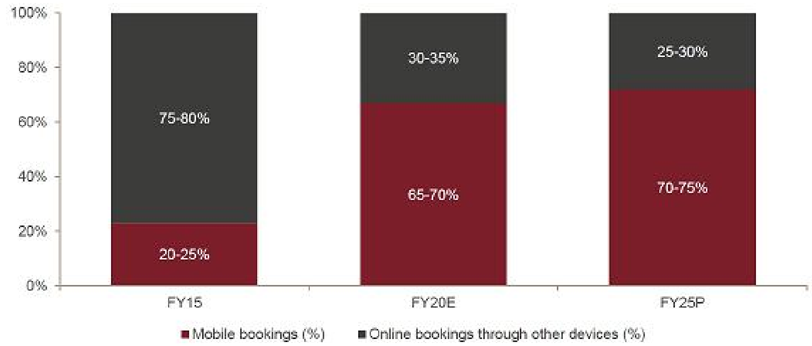
Online hotel bookings are typically made using desktops, laptops, tablets and mobile phones by accessing websites or applications. CRISIL Research has defined bookings via mobile phones to include those via websites and applications.

As per industry interactions, nearly 20-25% of online hotel bookings were made through mobile phones six to eight years ago, while online bookings made through other devices made up the remaining 75-80% share.

Over the last five years, however, technological advancements have enhanced the features and screens of smartphones, leading to an optimum viewing experience. The launch of fourth generation (4G) data in 2016 at cheap prices by Reliance Jio forced the other incumbents to lower their data tariffs to stay competitive, resulting in a price war that increased the affordability of 4G data for mobile subscribers. The availability of cheap mobile data, coupled with the entry of multiple Chinese players offering feature-rich smartphones at affordable prices, boosted the 4G subscriber base. At the same time, mobile users, particularly the tech-savvy young population, grew comfortable with mobile application usage, largely due to improving user experience, and the convenience of digital transactions, which picked up pace after demonetisation. Finally, companies also started focussing on providing user-friendly applications as technology improved. All these factors led to the share of mobile bookings in online hotel bookings jumping to 65-70% in fiscal 2020, even as the share of other devices dropped to 30-35%.

Going forward, with a substantial increase in the number of smartphone users, customers are more likely to prefer using mobile applications for hotel bookings. The share of mobile online hotel bookings is expected to rise to 70-75% in fiscal 2025, even as the share of other devices falls to 25-30%.

Share of online hotel bookings (%) made through mobile phones



Note: E: Estimated; P: Projected
Source: CRISIL Research

8.9 Split in hotel bookings made online by Tier 1, Tier 2 and Tier 3 cities

Share of Tier 2 and Tier 3 cities in online hotel bookings set to rise

As per the 7th Pay Commission, the Ministry of Finance has classified cities into X, Y and Z categories for the purpose of house rent allowance (HRA) – cities with a population of more than or equal to 5 million, between 0.5 million and 5 million, and less than 0.5 million, respectively, based on Census 2011. For the purpose of this study, CRISIL Research has considered the X, Y and Z category cities as Tier 1, Tier 2 and Tier 3 cities, respectively.

Based on industry interactions, Tier 1 cities accounted for 80-85% of online hotel bookings on a pan-India level six to eight years ago as higher customer awareness about the benefits of online bookings encouraged Tier 1 city hotels to list their inventory online. Customers from Tier 1 cities used online platforms provided by hotels, online travel agencies, and aggregators for online bookings. In contrast, hotels in Tier 2 and Tier 3 cities continued to operate largely via the offline mode, on account of lack of comfort in dealing with OTAs and other online aggregators. This was especially true in the case of smaller and independent branded hotels. Moreover, a majority of their clientele also preferred the offline mode for bookings. Limited internet connectivity, high tariffs, and low usage of smartphones and laptops/desktops compared with metro cities acted as barriers for hotels in Tier 2 and Tier 3 cities to list their inventories online. Consequently, the share of Tier 2 and Tier 3 cities together was limited to 15-20% of online hotel bookings.

However, factors such as increased 4G coverage, affordable handsets, and low wired-broadband infrastructure penetration in rural areas will drive 4G addition. Reliance Jio's (a 4G-only telco) plan to launch affordable 4G and 5G handsets will also support 4G data subscriber growth. With telcos expanding 4G services in rural areas in a focussed and aggressive manner, their subscriber base has grown rapidly in recent times. While growth in urban areas is expected to diminish, that in rural areas, where penetration remains low, is expected to drive overall growth. These factors have pushed up the combined share of Tier 2 and Tier 3 cities in online bookings to 30-35%, as of fiscal 2020, with the share of Tier 1 cities falling to 65-70%.

A further improvement in internet penetration, coupled with rising disposable incomes and growing business travel, in Tier 2 and Tier 3 cities is expected to push their combined share of online bookings higher to 40-45% in fiscal 2025.

Tier-wise split of online hotel bookings (%)

Note: E: Estimated; P: Projected
Source: CRISIL Research

9 Government initiatives

India ranked at 34th position in Travel and Tourism Competitiveness Index 2019

The Union Ministry of Tourism (MoT) is responsible for marketing and promoting India as a premier tourist destination inside the country and abroad. Towards this end, it formulates programmes and schemes, devises growth-oriented policy measures, and coordinates with private and government agencies. In order to make India a tourist destination throughout the year, it is augmenting tourism infrastructure, easing visa regime, assuring quality service by industry players, and promoting sustainable tourism.

Globally, the country has been consolidating its position as an important tourism destination. In the Travel and Tourism Competitiveness Index 2019 of the World Economic Forum, a global ranking, India improved its position to 34, jumping 18 spots from 52 in 2015. India (40th to 34th) had the greatest improvement over 2017 among the top 25% of all countries ranked in the report.

9.1 Key government initiatives for tourism

Over the years, the ministry has undertaken several initiatives to promote tourism in the country, at the national as well as global levels. Some of them are as follows:

National Tourism Policy 2002

National Tourism Policy 2002 aims to position tourism as a major engine of economic growth

A national policy on tourism was first formulated and presented in the Parliament in 1982, highlighting the importance of the sector for the country. Later in 2002, a National Tourism Policy (NTP) was introduced. The policy sought to enhance employment potential of the tourism sector and foster its integration with other sectors. A new draft National Tourism Policy was formulated in 2015 taking into account latest global developments and advancements that have had a strong impact on the sector. However, this is yet to be approved.

Salient features of the new draft policy

- Focus on employment generation and community participation in tourism development
- Stress on developing sustainable and responsible tourism
- Development of the sector through linkages with various ministries, departments, states/UTs and stakeholders
- Vision is to position India as a "must experience" and "must re-visit" destination for global travellers, while encouraging Indians to explore their own country
- Development and promotion of varied tourism products, including the culture and heritage of the country, as well as niche products such as medical and wellness, MICE, adventure, and wildlife
- Development of core infrastructure (airways, railways, roadways, waterways, etc.) and tourism infrastructure
- Development of quality human resources in the tourism and hospitality sectors, across the spectrum of vocational to professional skills development and opportunity creation

- Creation of an enabling environment for investment in tourism and tourism-related infrastructure, with an emphasis on technology
- Focus on domestic tourism as a major driver of the sector's growth
- Focus on promotions in established source markets and potential markets, with targeted and country-specific campaigns

With the MoT promoting niche tourism products, new destinations such as Bekal, Mahabalipuram and Puducherry have emerged as tourist attractions. With the advent of such destinations, the need for quality hospitality is also fast evolving. This is encouraging branded hospitality companies to set up new properties in such niche destinations. This is expected to augur well for the overall travel and tourism industry in the medium to long term.

Incredible India 2.0 campaign

Incredible India 2.0 campaign focussing on niche tourism products, including wellness, yoga, luxury and cuisine

The 'Incredible India' campaign was launched by the MoT in 2002 to promote the country as a popular tourist destination among the global audience by showcasing different aspects of the Indian culture, including yoga and spirituality. The campaign also sought to bring in a professional touch in tourism promotion by integrating communication strategies. In 2008, the ministry launched the 'Atithi Devo Bhava' campaign. The audience of this campaign was the domestic population. It sought to create awareness about the need for good behaviour and etiquette when engaging with foreign tourists. It complemented the Incredible India campaign.

In September 2017, the ministry launched the 'Incredible India 2.0' campaign, which shifted the focus from generic promotions to specific, theme-based ones such as spiritual, medical and wellness tourism. The schemes under the Incredible India 2.0 campaign include UDAN scheme, Bharatmala and Sagarmala projects, and the Holistic Island Development plan that focuses on the Andaman & Nicobar (A&N) and Lakshadweep islands. This creates jobs for the islanders and increases connectivity through infrastructure projects. The 'Find the Incredible You' campaign won the Pacific Asia Travel Association (PATA) Gold Award 2019.

In June 2018, the MoT revamped the Incredible India website, showcasing the country as a holistic destination for spirituality, heritage, adventure, culture, yoga and wellness. The website is fully responsive with mobile phones, and is easy to navigate on a wide range of web browsers and portable devices.

Swadesh Darshan

Rs 59.5 billion sanctioned for 76 projects until July 2021

In January 2015, the ministry launched the Swadesh Darshan scheme for integrated development of five theme-based tourist circuits, namely Himalayan Circuit, North-East Circuit, Krishna Circuit, Buddhist Circuit and Coastal Circuit. By 2017, 10 more thematic circuits were introduced, taking the total to 15.

As per the official Swadesh Darshan website accessed on October 18, 2020, the ministry has sanctioned a total of Rs 59.0 billion for 75 projects across 30 states and UTs under the scheme. Apart from the above-sanctioned projects, the ministry has sanctioned three projects for a total amount of Rs 1.8 billion under the Swadesh Darshan scheme in Gujarat as per a press release on August 2, 2021. As per a government press release in Rajya Sabha on July 20, 2021, the MoT has sanctioned a total of Rs 59.5 billion for 76 projects.

Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive (PRASHAD)

Rs 12.14 billion sanctioned as of July 2021

In fiscal 2015, the ministry launched the Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive (PRASHAD) scheme in order to develop tourism infrastructure in the country. As many as 12 sites – Ajmer (Rajasthan), Amritsar (Punjab), Amaravati (Andhra Pradesh), Dwarka (Gujarat), Gaya (Bihar), Kedarnath (Uttarakhand), Kamakhya (Assam), Kanchipuram (Tamil Nadu), Mathura (Uttar Pradesh), Puri (Odisha), Varanasi (Uttar Pradesh) and Vellankani (Tamil Nadu) – were brought under the scheme. During fiscals 2016 and 2017, a total of 13 additional sites were added, taking the total number to 25.

After discontinuation of Heritage City Development and Augmentation Yojana (HRIDAY) of the Ministry of Housing and Urban Development, the projects for development of heritage destinations were brought under the PRASHAD scheme. Accordingly, the scheme's guidelines were modified. It was also renamed as the National Mission on Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive or PRASHAD in October 2017.

A government press release of July 2021 said that an amount of Rs 1,214.19 crore has been sanctioned for 37 projects in 24 states.

Sites identified under PRASHAD scheme as of July 2021

States	Sites
Andhra Pradesh	Amaravati, Tirupati, Srisailam
Arunachal Pradesh	Parasuram Kund
Assam	Kamakhya, Guwahati
Bihar	Patna, Gaya
Chhattisgarh	Balmeshwari Devi Temple
Gujarat	Dwarka, Somnath
Haryana	Gurudwara Nada Saheb, Mata Mansha Devi Temple
Jammu & Kashmir	Hazratbal, Katra
Jharkhand	Deogarh, Parasnath
Kerala	Guruvayoor, St. Thomas International Shrine, Cheraman Juma Mosque
Madhya Pradesh	Omkareshwar, Amarkantak
Maharashtra	Trimbakeshwar
Meghalaya	Babedpara, West Jaintia Hills and Sohra
Nagaland	Kohima District , Mokokchung District
Odisha	Puri, Ramachandi
Punjab	Karuna Sagar, Valmiki Sthal at Amritsar
Rajasthan	Ajmer
Sikkim	Yuksom
Tamil Nadu	Kanchipuram, Vellankani

States	Sites
Tripura	Tripura Sundari
Uttar Pradesh	Mathura, Ayodhya, Varanasi
Uttarakhand	Badrinath, Kedarnath, Gangotri & Yamunotri
West Bengal	Belur

Source: The Ministry of Tourism, PIB release dated July 2021

Adopt a Heritage

As of October 2021, 27 MoUs have been signed under the scheme

The initiative was launched in September 2017 and is a collaborative effort between the MoT, Ministry of Culture, Archaeological Survey of India (ASI), and state governments/UTs. Under the scheme, the government invites public sector companies, private sector companies and individuals to become 'Monument Mitras' and adopt heritage sites to develop amenities and facilities at these sites. The 'Monument Mitras' will construct, landscape, illuminate and maintain activities related to provision and development of basic and advanced tourist amenities at the adopted site.

As per the official Adopt a Heritage website accessed on October 23, 2021, 27 MoUs have been signed under this programme.

MoUs signed as of October 2021

Monument Mitra	Name of monument/heritage site/tourist site or technological intervention
The Arts and Cultural Heritage Trust (TAACHT) and the Museum & Arts Consultancy (MAC)	Dara Shikoh Library Building, Delhi
Drishti Lifesaving Pvt Ltd	Aguada Fort, Goa
Mandore Fort	Mehrangarh Museum Trust, Rajasthan
Apeejay Surrendra Park Hotels Ltd	Jantar Mantar, Delhi
Bird Heritage Foundation	Bara Lao ka Gumbad, Delhi
Resbird Technologies Pvt Ltd	Multilingual audio guide application for tourist sites at Goa, Rajasthan, Assam, Kerala, Bihar
M/s Dalmia Bharat Ltd	Red Fort, Delhi
M/s Dalmia Bharat Ltd	Gandikota Fort, Andhra Pradesh
Adventure Tour Operators Association of India	Area surrounding Gangotri Temple and trail to Gaumukh, Uttarakhand
Adventure Tour Operators Association of India	Mt. Stok Kangri Trek, Ladakh, Jammu & Kashmir
Yatra Online Pvt Ltd	Qutub Minar, Delhi
Yatra Online Pvt Ltd	Leh Palace, Jammu & Kashmir
Yatra Online Pvt Ltd	Ajanta Caves, Maharashtra
Yatra Online Pvt Ltd	Hampi (Hazara Rama Temple), Karnataka
M/s Bliss Inns Pvt Ltd (V-Resorts)	Surajkund, Haryana
Akshar Travels Pvt Ltd	Rani-ki-Vav, Patan, Gujarat
Akshar Travels Pvt Ltd	Sun Temple, Modhera, Gujarat
Akshar Travels Pvt Ltd	Champaner-Pavagadh Archaeological Park, Gujarat

Monument Mitra	Name of monument/heritage site/tourist site or technological intervention
Akshar Travels Pvt Ltd	Buddhist Caves, Junagadh, Gujarat
Interglobe Foundation	Tomb of Abdur Rahim Khan-i-Khana, Delhi
Drishti Lifesaving Pvt Ltd	Bekal Fort, Kerala
M/s Resbird Technologies Pvt Ltd	Development of multilingual audio guide application for five tourists sites (Colva Beach in Goa, Amer Fort in Rajasthan, Kaziranga in Assam, Kumarakom in Kerala, Mahabodhi Temple in Bihar)
M/s Resbird Technologies Pvt Ltd	Development of multilingual audio guide application for nine tourists sites (ASI monuments – Dholavira in Gujarat, Somnath in Gujarat, Humayun's Tomb in Delhi, Red Fort in Delhi, Purana Qila in Delhi, Fatehpur Sikri in Agra, Taj Mahal in Agra, Mahabalipuram in Tamil Nadu, Khajuraho in Madhya Pradesh)

Source: Adopt a Heritage website

Special focus on the north-east region

North-east India has huge potential for tourism

The MoT provides special financial assistance to the north-east states (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim) for development of tourism infrastructure, promotion of fairs/ festivals and tourism-related events in the region, information technology-related projects, publicity campaigns, market development assistance, human resource development, market research, etc. Some of the initiatives taken by the ministry for the region are as follows:

- Regular familiarisation (FAM) tours to the north-east for travel and media representatives from overseas
- Domestic campaigns to promote tourism in the region
- International Tourism Mart organised annually to highlight the tourism potential in the region
- As of April 2019, the government is developing Majuli Island in Assam as a world heritage tourist resort to attract domestic and foreign tourists
- Under the Swadesh Darshan scheme, during fiscal 2018, Rs 2,226 million was released for the region
- In October 2018, the Ministry of Development of North Eastern Region (DoNER) launched North-East Tourism application to facilitate a single-point portal for information about the region

As per the interim Union Budget announced in February 2021, the proposed allocation for the north-east increased 33% to Rs 680 billion in fiscal 2022 over fiscal 2021 revised budget estimates

Tourism-related initiatives under Swachh Bharat Mission

The MoT undertook the Swachhta Action Plan for fiscal 2021, implemented by the Indian Institute of Tourism and Travel Management, Gwalior. In fiscal 2021, due to the pandemic, the ministry carried out Swachhta Action Plan activities via Video Conference through webinars, audiovisuals, etc at 55 sites (110 activities in total) in 12 states/UTs to create awareness among school / college students and stakeholders of tourist centres.

Statue of Unity

Inaugurated in October 2018, the statue of Sardar Vallabhbhai Patel, also known as Statue of Unity, is situated in Gujarat's Narmada district. It is the tallest statue in the world at 182 metres. The project, which is well-connected to expressways and the rail system, is estimated to have been visited by over 30,000 every day during its inauguration month, as per media reports, quoting government spokespersons. The statue is expected to boost the tourism and hospitality industry in the state.

9.2 E-visa

As of 2020, e-visa facility was available to nationals of 171 countries, restored for 156 countries as of October 2021

In order to make travelling to India easier, the Government of India introduced the tourist visa on arrival (TVOA) scheme in January 2010 for citizens of Finland, Japan, Luxembourg, New Zealand, and Singapore. A year later, the scheme was extended to six more countries - Cambodia, Indonesia, Laos, Myanmar, the Philippines, and Vietnam, taking the total number to 11.

The scheme was aimed at attracting foreign tourists by encouraging them to plan tours to India even at short notice. For the grant of TVOA, tourists from the 11 countries were required to fill a simple visa application form on arrival at designated airports.

TVOA also allowed group visas, under which foreign tourists arriving in groups of four or more, sponsored by MoT-approved Indian travel agencies and with a pre-drawn itinerary were granted collective landing permit for a period not exceeding 60 days, with multiple entry facilities.

In September 2014, the government launched tourist visa on arrival enabled by electronic travel authorisation (TVOA-ETA) for 46 countries to facilitate short duration international travellers. The facility allowed online pre-authorisation of visa, which was handed to tourists on arrival. TVOA-ETA was single-entry visa valid for 30 days.

The nomenclature TVOA-ETA, though, led to confusion, and many tourists presumed that the visa would be granted on arrival in India. Thus, the TVOA-ETA scheme was renamed e-tourist visa (eTV) in November 2014. In February 2016, 150 countries were brought under the scheme. Effective April 2017, eTV was further subdivided into three categories – e-tourist visa, e-business visa, and e-medical visa – and extended to 161 countries. As per a PIB release dated November 2018, two new categories of e-visa were introduced – e-conference visa and e-medical attendant visa.

As of March 2020, before Covid-19 restrictions, the e-visa scheme was applicable to citizens of 171 countries.

With the advent of e-visa facilities, the number of foreign nationals utilising the same to arrive in India has been trending up.

Trend in e-visa arrivals in India

Year	FTA in India (million)	Arrivals on e-visa (million)	Share of e-visa arrivals in FTA (%)
2014	7.68	0.04	0.5
2015	8.03	0.45	5.5
2016	8.80	1.08	12.3

Year	FTA in India (million)	Arrivals on e-visa (million)	Share of e-visa arrivals in FTA (%)
2017	10.04	1.70	16.9
2018	10.56	2.37	22.4
2019	10.93	2.93	27.0
2020	2.74	0.84	30.5

Source: Ministry of Tourism website, Indian Tourism Statistics

9.3 Key government policies for hospitality sector

The hospitality sector is an important component of, and a key contributor to the travel and tourism experience. In order to provide uniform standards of facilities and services in hotels in India, the MoT has formulated a voluntary scheme for classification of hotels across star categories, from five star deluxe to one star, and across heritage category hotels.

Some of the key policies related to the hospitality sector in India are:

Inclusion of three star and above category hotels in harmonised master list of infrastructure

The Ministry of Finance (Department of Economic Affairs) has issued the harmonised master list (HML) of infrastructure sub-sectors, which includes hotels under the category of social and commercial infrastructure. As per the October 2017 notification, under tourism infrastructure, the following have been included:

- Three-star or higher category-classified hotels located outside cities with population of more than 1 million
- Ropeways and cable cars

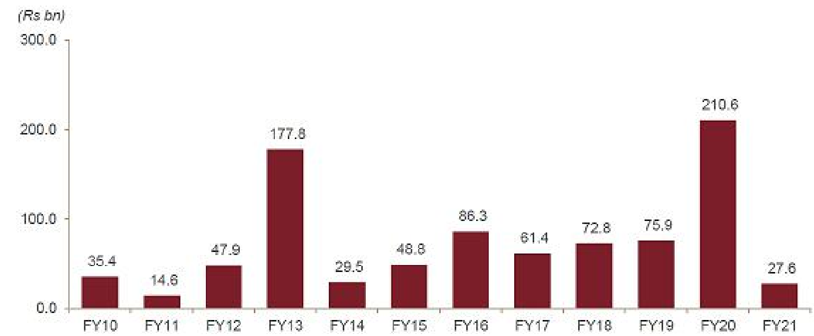
The categories included in the infrastructure sub-sectors guide all agencies responsible for supporting infrastructure in various ways, including easier access to long-term funding and lower interest rates. This is expected to provide an impetus to development of hotel infrastructure in India.

100% FDI allowed to encourage investments in hotel infrastructure

In India, 100% FDI is permitted for all construction development projects such as hotels and resorts, recreational facilities, city and regional level infrastructure. Although FDI in the sector is subject to a lock-in period of three years based on certain conditions, special dispensation has been given for construction of hotels and resorts, recreational facilities, hospitals, educational institutions, special economic zones, old age homes, and investment by non-resident Indians. Further, conditions regarding minimum capitalisation and area restriction have been removed.

The hotel and tourism sector received FDI equity inflow of Rs 945.4 billion ($15.7 billion) between April 2000 and March 2021, accounting for 2.96% share of cumulative FDI equity inflow in the country during the period.

Year-wise trend in FDI equity inflows in hotel and tourism sector



Source: Department of Industrial Policy & Promotion

Impact of Goods & Services Tax on the hotels industry

GST charged on transacted room rate instead of declared tariff

Prior to implementation of GST, hotels across India charged taxes such as VAT, service tax, and luxury tax as per respective state policies, and these varied widely from one state to another. Post implementation of GST in July 2017, hotels were brought under uniform tax slabs of 12%, 18% and 28%, based on their declared tariff rates. This resulted in considerable confusion, wherein customers who secured bookings below the declared tariffs were still charged GST as per the declared tariff rates. To counter this, the GST Committee changed the base by replacing declared tariff value with value of supply, or actual transacted value.

In September 2019, the GST Council also reduced taxes for hospitality sector effective October 1, 2019 to provide a boost to the sector.

Applicable GST slabs for hotels and restaurants

Services	GST rates (applicable before October 1, 2019)	GST rates (applicable after October 1, 2019)
Hotel stay with room rate of less than Rs 1,000 per day	Nil	Nil
Hotel stay with room rates between Rs 1,000 and Rs 2,500 per day	12%	12%
Hotel stay with room rates between Rs 2,500 and Rs 7,500 per day	18%	12%
Hotel stay with room rates charged above Rs 7,500 per day	28%	18%
Restaurants in five-star hotels (with standard room rate < Rs 7,500)	5% (no input tax credit)	5% (no input tax credit)
Restaurants in five-star hotels (with standard room rate > Rs 7,500)	18% (with input tax credit)	18% (with input tax credit)

Source: CRISIL Research

Union Budget 2021-22

Higher publicity and infrastructure spending, and development of iconic sites augurs well for tourism

In Union Budget 2021-2022, allocation to the tourism and culture ministries was enhanced to Rs 2,026.77 crore for fiscal 2022 from revised estimates of Rs 1,260 crore of the previous budget. However, the sum was 19% lower than the initial budget for fiscal 2021 (Rs 2,500 crore). Nevertheless, that budget has raised publicity fund from Rs 590.00 crore last fiscal to Rs 668.72 crore in fiscal 2022. Out of the Rs 668.72 crore allocated towards promotion and publicity, Rs 524.02 crore is for the overseas market, and Rs 144.70 crore for domestic tourists.

9.4 Travel and tourism under Make in India initiative

Tourism and hospitality among sectors identified under Make in India

Make in India was launched in September 2014 with the aim to transform India into a global hub for manufacturing, research and innovation. Tourism and hospitality is one of the 25 sectors identified by the government under the programme. Additionally, sectors conducive to growth of tourism and hospitality - such as wellness, railways, roads and highways - have also been included in the scheme.

Sectors under Make in India programme

Automobiles	Aviation	Chemicals	IT & BPM	Pharmaceuticals
Construction	Defence manufacturing	Electrical machinery	Food processing	Textiles and garments
Ports	Leather	Media and entertainment	Wellness	Mining
Tourism and hospitality	Railways	Automobile components	Renewable energy	Biotechnology
Space	Thermal power	Roads and highways	Electronics systems	Oil and gas

Source: Make in India website

Some of the key initiatives specific to tourism and hospitality, and related sectors are:

- Under the HML of infrastructure, three star or above category hotels outside cities with population of more than 1 million have been included. The list also includes ropeways and cable cars
- Focus on skill development with several government-run hotel management and catering technology institutes and food craft institutes established to impart specialised training in hoteling and catering
- Development of ayurveda, yoga, naturopathy, unani, siddha and homoeopathy (AYUSH) infrastructure, comprising registered practitioners, dispensaries, hospitals, etc, in order to boost wellness-related tourism
- Liberal FDI policies across sectors such as hotels, AYUSH, railways, roads and highways, which is expected to improve overall infrastructure and connectivity

These measures are expected to provide a fillip to business as well as leisure travel to India, thereby benefiting the travel and tourism industry.

9.5 Key government policies for other sectors impacting the hospitality industry

CRISIL Research has considered the following related sectors for their impact on tourism and hospitality:

Aviation industry

National Civil Aviation Policy 2016 and UDAN under Regional Connectivity Scheme

The National Civil Aviation Policy was launched in 2016, under which the government proposed to take flying to the masses by making it affordable and convenient. The policy aims at enabling 300 million domestic ticketing by 2022, 500 million by 2027, and 200 million international ticketing by 2027. One of the key components of the policy is to enhance regional connectivity through fiscal support and infrastructure development. As aviation and tourism are interconnected, the policy will have significant beneficial impact on both sectors. To address the issue of regional connectivity and connectivity to tier II and III cities, the Ministry of Civil Aviation and the Government of India launched Ude Desh ka Aam Nagrik (UDAN) in April 2017. The scheme aims at providing connectivity to unserved and under-served airports of the country through revival of existing airstrips and airports. Key provisions under UDAN are:

- Price of Rs 2,500 (including all taxes) capped for one-hour flights with subsidised seats (minimum nine seats and maximum 40 seats)
- UDAN scheme also provides viability gap funding (VGF) for the price-capped seats as decided through bidding. However, the scheme is limited to airports listed in the document and subject to states with VAT on ATF less than 1%, with acceptance to contribute 20% to VGF
- The scheme is expected to be operational for 10 years

As per a PIB release dated August 2021, 361 routes and 59 airports (including five heliports and two water aerodromes) have been operationalised under UDAN.

Also, as per a PIB release dated March 2021, the Ministry of Civil Aviation (MoCA) has proposed ~392 routes under UDAN 4.1 bidding process. The UDAN 4.1 round is focused on connecting smaller airports, along with special helicopter and seaplane routes. In addition to these, some new routes have been proposed under the Sagaramala Seaplane Services, in consultation with the Ministry of Ports, Shipping and Waterways.

As the scheme aims at promoting tourism by developing the regional aviation market and making flying affordable, it is expected to act as a booster for business and leisure travel.

Wellness

India's traditional healthcare therapies - ayurveda and yoga - expected to drive medical tourism

The MoT categorises medical and wellness tourism under niche tourism. In line with this, medical visas were introduced to foreign travelers coming to India specifically for medical treatment. E-medical visas were introduced in April 2017 and were available to nationals of 171 countries as of March 2020, recently restored for nationals of 156 countries. Additionally, the National Medical and Wellness Tourism Board was set up in 2015 as an umbrella organisation to govern and promote medical tourism in India, including the Indian system of medicine covered by AYUSH.

While medical tourism is mainly driven by the private sector, the MoT has also taken steps to market and promote this concept in key markets.

Roads

The Ministry of Road Transport and Highways (MoRTH) is responsible for formulating and administering policies for road transport, national highways and transport research, in consultation with stakeholders, to increase efficiency of the road transport system in India. Some of the key projects undertaken, which are expected to improve connectivity and consequently aid travel and tourism industry growth, are:

- **Bharatmala Pariyojana**

  Bharatmala Pariyojana is the umbrella programme that aims to optimise efficiency of road traffic movement across the country by bridging critical infrastructure gaps. The project will focus on connectivity of areas of economic activity, places of religious and tourist interest, border areas, backward and tribal areas, coastal areas, and trade routes with neighbouring countries.

  As per data on the official website accessed on October 2021, ~24,800 km are being considered in Phase I of Bharatmala. In addition, Bharatmala Pariyojana Phase-I also includes 10,000 km of balance road works under National Highways Development Project, taking the total to 34,800 km, at an estimated cost of Rs 5,35,000 crore. Bharatmala Phase-I is to be implemented over five years, i.e. fiscals 2018 to 2022.

- **Setu Bharatam**

  Under this project, MoRTH has targeted replacement of level crossings on national highways by constructing 208 road over bridges /road under bridges not falling under any other programme, at an estimated cost of Rs 500 billion.

- **Chardham Mahamarg Vikas Pariyojna**

  The project aims to provide easy access to four *dhams* - Gangotri, Yamunotri, Kedarnath, and Badrinath - in Uttarakhand. These four *dhams* are prominent pilgrimage centres in India. The project entails development of 889 km of two-lane roads with paved shoulders at an estimated cost of Rs 120 billion. The project is being taken up on engineering, procurement and construction basis. Out of the total 53 civil works covering the entire length of 889 km under Chardham project, 40 civil works totalling Rs 9,474 crore (including cost of pre-construction works of Rs 491 crore) covering 673 km have been sanctioned. 34 works covering 604 km amounting to Rs 7,923 crore have been awarded, out of which 30 works totalling Rs 7,679 crore covering 589 km are ongoing and 78 km have been completed till March 2019, and two works to Rs 141 crore covering 1.1 km have been completed. For the remaining two works, dates and other details are yet to be given.

- **Multimodal Logistics Parks (MMLPs)**

  A network of 35 MMLPs have been identified for development in phase I of the Bharatmala Pariyojana project. These MMLPs will act as regional intermodal freight-handling facilities with mechanised material handling provisions, and comprise warehouses, specialised cold chain facilities, freight / container terminals, and bulk /

break-bulk cargo terminals. As per MoRTH's annual report for fiscal 2021, MMLP Jogighopa is the first project for which development work has begun.

Other landmark projects being implemented include:

– Vadodara-Mumbai Expressway
– Delhi-Mumbai Expressway
– Bengaluru-Chennai Expressway
– Nagpur-Hyderabad-Bengaluru Expressway
– Kanpur-Lucknow Expressway

Railways

Trains are a cheap and reliable mode of transport in India. Almost all places of tourism in India are accessible by rail. The Indian Railways encourages tourism by offering different promotional schemes, tour packages, special trains, charter trains, luxurious trains, and coaches. The Indian Railway Catering and Tourism Corporation (IRCTC), which is a subsidiary of the Indian Railways, handling catering, tourism and online ticketing operations of the Indian Railways, focuses on rail tourism via special trains, schemes and packages as detailed below:

- **Bharat Darshan Tourist Train**

  Bharat Darshan Tourist Trains are special trains and tour packages offered by IRCTC, primarily targeting budget tourists. These trains operate from various cities across the country on various circuits, covering various tourist destinations. Priced at Rs 900 per day per passenger for non-AC sleeper class (plus applicable GST), the tour package is inclusive of rail and road travel, meals, sightseeing and accommodation. Additionally, tourists are insured for accidental claim up to Rs 1 million. In fiscal 2020, IRCTC operated 92 trips of Bharat Darshan Tourist Trains.

- **Pilgrim special trains**

  For travellers seeking to enhance their spiritual experience, pilgrimage special tour packages have been developed by IRCTC. Tickets are attractively priced at Rs 900 and Rs 1,500 per day per person + GST for sleeper class and 3rd AC class passengers, respectively.

- **Buddhist Circuit Special Train**

  Started in 2007, the Buddhist Circuit Special Train is a fully air conditioned train offering seven nights/ eight days package covering all major Buddhist pilgrim locations in India and Lumbini in Nepal. In fiscal 2020, 365 tourists availed this tour package.

- **Gandhi Circuit Special Train**

  The IRCTC started the Gandhi Darshan Special Circuit Train in June 2017 to commemorate the centenary celebration of Sabarmati Ashram in Gujarat. The train offers an all-inclusive tour package across major tourist places connected to the life of Mahatma Gandhi.

- **Maharajas' Express**

Maharajas' Express was launched in 2010 and has been the recipient of the world's leading luxury tourist train consecutively from 2012 to 2017 at the World Travel Awards. The train operates on five different itineraries, out of which three are of seven nights/ eight days and two are of three nights/ four days, covering Ajanta, Udaipur, Jodhpur, Bikaner, Jaipur, Ranthambore, Agra, Balasinor, Gwalior, Khajuraho, Varanasi, and Lucknow. The train carried 1,074 tourists in fiscal 2020 over 25 trips.

- **State Special trains**

  The IRCTC runs special tourist train tours in collaboration with state governments. These train tours cover various destinations of tourist and pilgrim importance across India. In fiscal 2020, IRCTC tied up with state governments of Delhi, Madhya Pradesh, Odisha, Rajasthan and Jharkhand to operate State Special trains. During the year, 64,733 tourists availed these tours in 68 trips. An income of Rs 94.94 crore was generated from the operation of State Special trains

- **Tourism portal**

  The IRCTC launched its tourism portal www.irctctourism.com in March 2007. It offers online booking of tourist trains, air tickets and tour packages through rail/ air/ land, hotels, and cabs. As per the annual report for fiscal 2019, the IRCTC revamped the website to improve user-friendliness and facilities offered,and planned to introduce offerings such as cruise and river cruise packages, cargo business, AC tourist trains, adventure tourism packages, foreign exchange, visa, and international travel insurance.

- **E-catering services**

  The IRCTC launched e-catering services in 2015, wherein passengers can log onto the e-catering website, enter a valid PNR and choose from the menu. Orders are accepted over call or SMS as well. Further, to make the services passenger-friendly, online and cash-on-delivery services are available for e-catering services. Besides food from IRCTC-managed food plazas and fast food units, reputed food chains such as McDonald's, KFC, Switz Foods, Only Alibaba, Dominos, Haldiram, Bikanerwala, Nirulas, Sagar Ratna, and Pizza Hut have tied up with IRCTC to serve passengers. As of fiscal 2020, average daily bookings under e-catering totalled 21,571 meals, up from 11,859 meals in fiscal 2019.

10 Overview of air and port freight industries in India

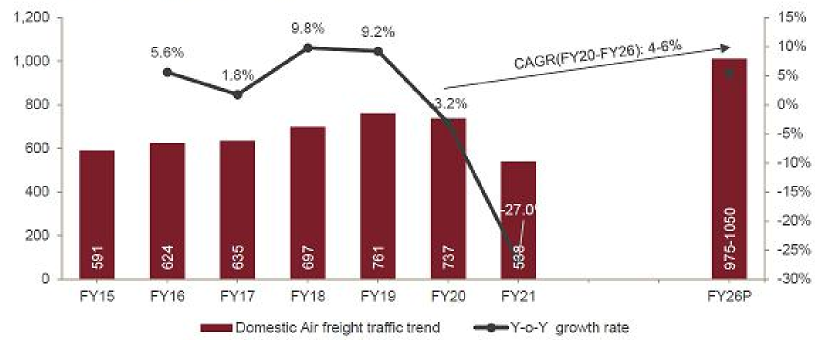
10.1 Review and outlook of air freight

Domestic air freight traffic to grow at 4-6% CAGR up to fiscal 2026

Domestic freight traffic is projected to grow at 30-35% on-year in fiscal 2022 to 675-725 thousand tonne over a low base, owing to revival of the economy and increased capacity deployment. Rise in e-commerce activity, attributable to a permanent shift brought about by the pandemic, has also led to a rise in freight demand, both domestically and globally. Transport of vaccines by air remains a monitorable, and would provide a tailwind to freight traffic. In fiscal 2021, though, domestic freight declined 27% on-year because of Covid-19-induced lockdowns and suspension of air services for two months in the first quarter of the fiscal, lower capacity deployment upon resumption, and contraction of the economy.

In the long term, i.e. up to fiscal 2026, domestic freight traffic is projected to touch 975-1,050 thousand tonne, with increased capacity and connectivity on domestic routes, and higher GDP growth leading to high transfer of goods within the country.

Domestic air traffic trend (000 tonne)



P: Projected
Note: Data for fiscal 2021 includes unscheduled cargo operations, including Lifeline UDAN and cargo charter flights
Source: DGCA, CRISIL Research

International air freight traffic estimated to grow at 4-6% CAGR between fiscal 2020 and 2026

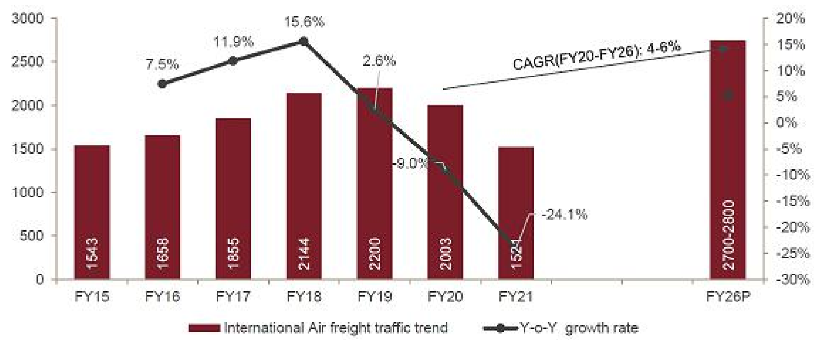
International freight traffic is expected to surpass fiscal 2017 levels, surging 20-30% on-year to 1,800-1,900 thousand tonne, with increasing capacity in the international market and rising air shipments because of bottlenecks in the supply chains and unavailability of containers. In fiscal 2021, though, international freight traffic plunged 24% on-year because of:

- Covid-19 outbreak in India and globally, and subsequent lockdowns and suspension of scheduled international air services
- Contraction in global and Indian economies; and, hence, despite resumption of air services, goods trade and consumption activity declining, thereby lowering international freight volume
- Limited network operated by airline post resumption translating into reduced capacity deployment on certain routes, while some routes saw temporary suspension of air services

Also, international freight traffic was affected as scheduled international services remained suspended. Another fallout was increasing self-reliance and manufacturing in India, which reduced imports; however, this boosted exports.

Over the long term, i.e. up to fiscal 2026, though, international freight is seen at 2,700-2,800 thousand tonne, which is a CAGR of 4-6%.

International air traffic trend (000 tonne)



P: Projected
Note: Data for fiscal 2021 includes unscheduled cargo operations, including Lifeline UDAN and cargo charter flights
Source: AAI, CRISIL Research

10.2 Review and outlook of port traffic

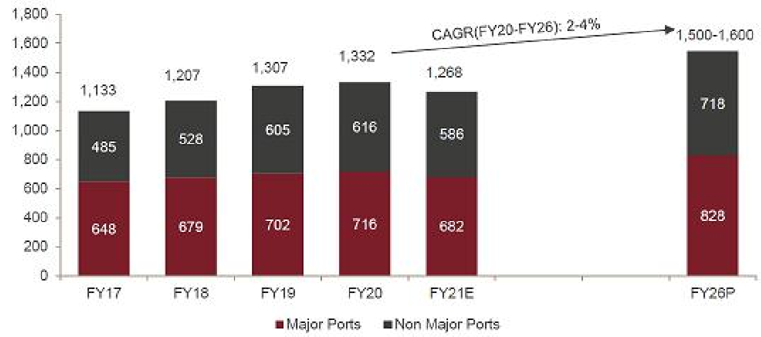
Port traffic estimated to grow at 2-4% CAGR between fiscals 2020 and 2026

Port traffic declined 4.8% on-year in fiscal 2021 because of an economic slowdown amid lockdowns in India (and globally) to contain the spread of Covid-19. The print was on the back of already slowing port traffic in fiscal 2020, which rose a tepid 2.2% on-year vis-à-vis last five years' CAGR of 4.6%. In fiscal 2021, traffic slowed across all key commodities, such as coal, container, and petroleum, oil and lubricants (POL). Iron ore, though, bucked the trend, with rising exports.

Over fiscals 2020 to 2026, traffic at Indian ports is expected to rise 2-4% CAGR. However, tapering increase in coal and POL segments, led by slower demand for crude oil, and import substitution, and plateauing of iron ore exports are expected to moderate cargo traffic over the long term.

That said, the share of major ports has been reducing as non-major ports provide better efficiencies and lower turnaround time with competitive rates. Over the next five years as well, CRISIL Research expects growth of non-major ports to outpace major ports, led by the container segment.

Port traffic trend (million tonne)

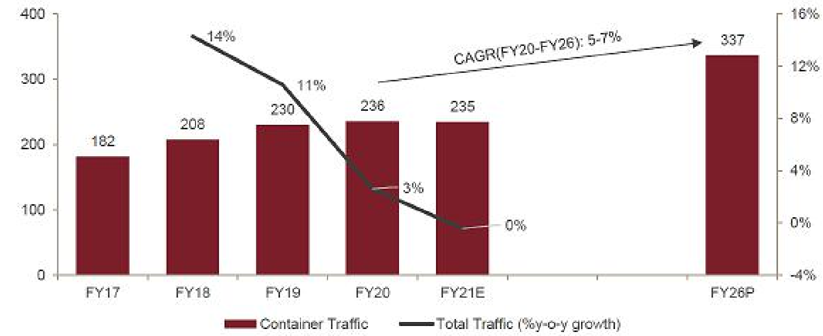


E: Estimated; P: Projected
Note: Numbers at the top indicate total annual port traffic
Source: Indian Ports Association (IPA), CRISIL Research

Container traffic estimated to grow at 5-7% CAGR between fiscal 2020 and 2026; to reach 330-340 million Tonnes by 2026

Amid challenges heaped by the pandemic, container traffic at non-major ports was relatively flat at -0.1% in fiscal 2021 over a low base (in fiscal 2020, the segment grew only 2.5%) as the economy was already slowing down. In fiscal 2021, post an on-year plunge of 24% in the first quarter and a relatively flat second quarter, container traffic rebounded 14% in the third quarter with revival in demand. Over fiscals 2020 to 2026, the container segment is expected to post a growth of 5-7% CAGR vis-à-vis 6.6% rise during the previous five years. During the period, the share of container traffic is expected to shift towards non-major ports, owing to faster turnaround times and setting up of new container terminals.

Container traffic trends (million tonne)



E: Estimated; P: Projected

Note: Numbers at the top indicate total annual port traffic

Source: IPA, CRISIL Research

11 Addendum I to the report title 'Assessment of travel industry in India dated November 11, 2021'

2nd February 2022

Additional global competitive analysis

CRISIL Research has compiled additional profiles of key global players in the travel industry on the basis of operating revenue, net profit margin, various financial ratio as detailed below. Information in this section is sourced from publicly available sources, including annual reports and investor presentations of listed players, regulatory filings, rating rationales and/or company websites, as relevant.

Key players in the market

Players	Year of commencement of business	Company headquarters	Key segments of business	Employee count
Yatra Online, Inc	2005	Gurugram, Haryana	Flights, hotels, holiday packages, trains, buses, cabs, corporate travel, freight	1,006[3]
TripAdvisor, Inc.	2000	Needham, Massachusetts, United States	Travel guidance through reviews & places to visit, flight, hotels, holiday packages, car hire through partner sites	2,596[4]
Trivago NV	2005	Dusseldorf, Germany	Comparison of hotel booking prices from various sites and platforms	834[4]

Note: The above list is not an exhaustive list of global competitors
3: As of FY21
4: As of December 31, 2020
Source: Companies' annual reports, CRISIL Research

Brief profiles of key players

TripAdvisor, Inc: TripAdvisor operates a global travel guidance platform that connects the world's largest audience of prospective travellers with travel partners through rich content, price comparison tools, and online reservation and related services for destinations, accommodations, travel activities and experiences, and restaurants. Under its flagship brand, Tripadvisor, it launched www.Tripadvisor.com in the U.S. in 2000. Since then, it has launched localized versions of the Tripadvisor website in 48 markets and 28 languages worldwide. As of December 31, 2020, Tripadvisor featured 884 million reviews and opinions on 7.9 million hotels and other accommodations, restaurants, experiences, airlines and cruises. In addition to the flagship Tripadvisor brand, it owns and operates a portfolio of online travel brands and businesses, operating under various websites, including the following: www.bokun.io, www.cruisecritic.com, www.flipkey.com, www.thefork.com (including www.lafourchette.com, www.eltenedor.com, www.bookatable.co.uk, and www.delinski.com), www.helloreco.com, www.holidaylettings.co.uk, www.housetrip.com, www.jetsetter.com, www.niumba.com, www.seatguru.com, www.singleplatform.com, www.vacationhomerentals.com, and www.viator.com.

Trivago NV: Trivago NV is a metasearch engine that compares accommodation prices and offers provided to it by many different online booking sites. It compares and displays different offers from many booking sites, and these sites pay Trivago a fee if a user clicks on their specific deal. Trivago works with many booking sites worldwide, including online travel agencies, as well as accommodation chains and independent hotels. In total, trivago's sites cover more than 2.5 million hotels and other types of accommodations across approximately 190 countries.

Key financial parameters CY20 in USD (CY20 for TripAdvisor, Inc. and Trivago NV, FY21 for Yatra Online, Inc.)

Players	Net revenue (USD million)	Net revenue CAGR (CY18-20)	Operating margin	Net profit (USD million)	Net profit margin	Net profit YoY growth	ROCE	Gearing ratio	Interest coverage ratio
Yatra Online, Inc*	17.2	-64.5%	-45.3%	-16.1	-93.4%	N.Ap.	-177.5%	0.5	-2.3
TripAdvisor, Inc.	604.0	-38.9%	-26.5%	-289.0	-47.8%	-329.4%	-64.0%	-9.1	-3.9
Trivago NV	283.9	-48.8%	-17.9%	-279.3	-98.6%	-1567.8%	-90.9%	0.0	-507.3

*Note: *All parameters for Yatra Online, Inc. are for FY21, while for others it is for CY20. Similarly, past growth for Yatra Online, Inc. is compared with FY, while it is compared with CY for others*

For Yatra Online, Inc., financials converted from INR to USD at average FY21 rate of 1 USD=74.225 INR, 1 USD=70.897 INR for FY20, 1 USD=69.9229 INR for FY19

For Trivago NV, IMF data on currency rates is averaged out for CY20, the rate used is 1 EUR=1.1403 USD, 1 EUR=1.1196 USD for CY19, 1 EUR=1.1815 USD for CY18

N.Ap. stands for Not applicable

Source: Companies' annual reports, CRISIL Research

Key financial parameters CY19 in USD (CY19 for TripAdvisor, Inc. and Trivago NV, FY20 for Yatra Online, Inc.)

Players	Net revenue (USD million)	Net revenue YoY growth	Operating margin	Net profit (USD million)	Net profit margin	Net profit Year on Year growth	ROCE	Gearing ratio	Interest coverage ratio
Yatra Online, Inc*	103.6	-24.5%	-2.6%	-11.8	-11.4%	N.Ap.	-58.4%	-5.1	0.5
TripAdvisor, Inc.	1,560.0	-3.6%	20.1%	126	8.1%	11.5%	41.9%	0.4	36.6
Trivago NV	939.9	-13.1%	4.8%	19.0	2.0%	N.Ap.	11.9%	0.0	87.4

*Note: *All parameters for Yatra Online, Inc. are for FY20, while for others it is for CY19. Similarly, past growth for Yatra Online, Inc. is compared with FY, while it is compared with CY for others*

For Yatra Online, Inc., financials converted from INR to USD at average FY21 rate of 1 USD=74.225 INR, 1 USD=70.897 INR for FY20, 1 USD=69.9229 INR for FY19

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N.Ap. stands for Not applicable

Source: Companies' annual reports, CRISIL Research

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