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This report is a compilation of our analysis of Financial / Business performance “**Rategain Travel Technologies Limited**” from an investment perspective

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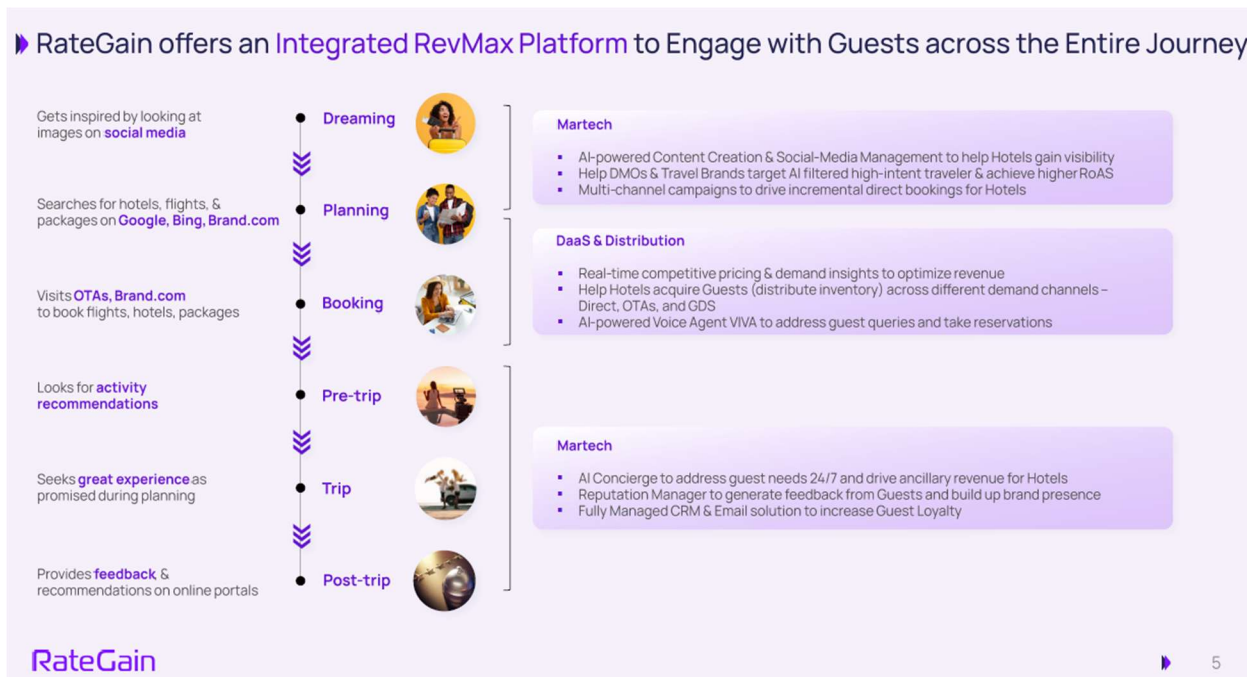
Company Analysis – Rategain Travel Technologies Limited

12th June 2026

Company overview and business model

RateGain Travel Technologies Limited is a travel and hospitality technology platform focused on revenue maximization, guest acquisition, distribution, digital marketing and travel-intent data. The company began in 2004 and has evolved from rate-intelligence software into a multi-product AI-led SaaS and marketing platform used by hotels, airlines, online travel agencies, car rentals, destination marketing organizations, cruises and other travel enterprises.

The business is not comparable to a conventional IT services company. RateGain owns domain-specific products, data pipelines and integrations that sit inside commercial workflows of travel companies: revenue managers use its competitive pricing data; hotel chains use its distribution pipes to connect inventory to demand channels; and marketing teams use its intent data and campaign tools to acquire guests and improve return on ad spend.



The most important change in RateGain is the transition from a narrower travel SaaS company into a larger AI-first travel-intelligence and MarTech platform. Adara (an earlier acquisition) expanded the data and audience layer in FY23/FY24, while Sojern, acquired in FY26, expanded customer count, MarTech scale, North America exposure and the company's presence across independent hotels, destinations and travel corporates.

The revenue model is partly annuity-like and partly usage/campaign-linked. FY26 revenue mix was 66.7% subscription, 22.0% transaction and 11.3% hybrid. Subscription and hybrid revenue improves visibility, while transaction and campaign revenues scale with travel volumes, customer usage, advertising budgets and digital booking activity. The combination gives RateGain operating leverage when travel demand and customer spending are healthy, but it also makes growth sensitive to the travel cycle and marketing budgets.

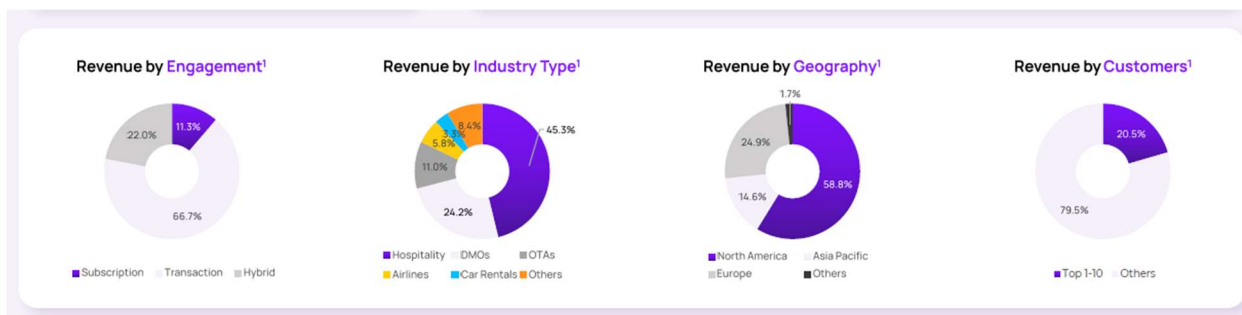
The cost structure is asset-light compared with manufacturing companies. Key costs include employee and R&D expense, cloud and data infrastructure, global sales and customer success teams, advertising and campaign execution costs, integration expense, amortization of acquired intangibles, and interest costs after the Sojern transaction. This creates strong scalability when revenue grows faster than people and platform costs

The various business segments and services under each segment is listed below

DaaS	Distribution	MarTech
Rate intelligence	OTA connectivity	Guest marketing
Rate parity	GDS connectivity	Paid digital marketing
Price recommendation	Direct booking rails	Reputation management
Travel intent data	Voice connectivity / VIVA	Social media management

Business model

Dimension	Overview
Revenue visibility	FY26 revenue mix was 66.7% subscription, 22.0% transaction and 11.3% hybrid. Gross revenue retention was 94.9%, net revenue retention was 99.6%, new contract wins were ₹322 crore, and total pipeline was ₹659 crore, with the contract-wins and pipeline figures excluding Sojern.
Customer and geography	Post-Sojern, RateGain reported 13,410 customers, 700+ partners and operations across 160+ countries. FY26 revenue was led by North America at 58.8% and Europe at 24.9%. Top 10 customers represented 20.5% which reduces customer risk
Entry barriers	Travel-specific data scale, GDS/OTA connectivity, integration with hotel and airline workflows, first-party travel-intent partnerships, customer switching costs and long enterprise sales cycles create barriers
Cost structure	People, R&D, cloud/data infrastructure, sales and customer success, marketing operations, third-party platform costs, amortization of acquired intangibles and interest costs are the key cost buckets. Reported FY26 margins were affected by Sojern-related deferred consideration and exceptional expenses.
Scalability	Main levers are cross-sell across DaaS, Distribution and MarTech, Sojern customer monetization, Adara travel-intent data, RevMax/UNO, AI Concierge, VIVA voice connectivity, AirGain VUE and global enterprise sales coverage.



Platform transition and group mix

RateGain's platform mix has changed during the year. FY25 was a balanced three-segment model with MarTech at 47.6% of revenue. FY26 is structurally different: MarTech became 69.1% of revenue after Sojern, while DaaS and Distribution became smaller in percentage terms, even though they remain important because they provide the data and connectivity layers that strengthen the overall platform.

Platform	FY2026 revenue / contribution	Strategic role	Current status
DaaS	~₹368 crore; 20.2% of FY26 revenue	AI-led rate intelligence, price parity, price recommendation and travel-intent data used by hotels, OTAs, airlines, car rentals and travel brands.	FY26 segment growth was 7.8%. AirGain added MIAT Mongolian Airlines and Myanmar Airways; AirGain VUE and AI-powered route insights extend the product roadmap.
Distribution	~₹195 crore; 10.7% of FY26 revenue	Connectivity layer helping hotels distribute inventory through OTAs, GDS, direct booking channels and voice connectivity.	FY26 revenue declined 12.4%. Key actions included Hotelogix partnership with UNO, Stripe integration, Expedia Elite Connectivity Partner recognition and VIVA voice connectivity.
MarTech	~₹1,260 crore; 69.1% of FY26 revenue	Digital marketing, social, reputation management, guest marketing, intent-based audience targeting and campaign optimization.	FY26 total growth was 146.0%, with organic growth of 18.9%. Sojern materially changed the scale; RateGain also launched SoHo Suite, FIFA World Cup Dashboard and expanded AI Concierge with Red Roof.

Platform	FY2026 revenue / contribution	Strategic role	Current status
Adara	Included across DaaS and MarTech	Permissioned travel-intent data platform that strengthened audience targeting, campaign ROI and travel data depth.	Acquired in 2023. Strategic rationale included 70+ data partners, cross-sell/up-sell through RateGain's global sales and cost synergies through India development and shared functions.
Sojern	Consolidated in FY26	AI-powered hospitality and travel marketing platform with 13,000+ customers at acquisition, focused on traveler insight, intelligent audiences, multichannel activation and guest experience.	Management stated FY26 integration was delivered ahead of plan. The acquisition created a step-change in customers and revenue, but also added debt, goodwill, intangible assets and integration complexity.

Competitor and industry analysis

RateGain operates at the intersection of travel technology, SaaS, distribution connectivity, revenue management, digital marketing and adtech. The relevant industry drivers are AI adoption, hotel and airline technology modernization, direct-booking initiatives, first-party data-led marketing, campaign ROI optimization and the need for real-time pricing and demand intelligence.

There is no comparable peer set of companies. There are no listed Indian companies that exactly match RateGain's travel-specific DaaS, Distribution and MarTech combination.

Affle can be compared as a performance marketing and consumer-intelligence comparison. MapmyIndia and IndiaMART are useful Indian data/platform comparables. Route Mobile is a digital communications platform with transaction-linked revenue characteristics.

Company	Comparables
RateGain Travel Technologies	Travel-specific revenue maximization platform across DaaS, Distribution and MarTech, with deep exposure to hotels, airlines, OTAs, car rentals, DMOs and travel marketing.
Affle 3i	Mobile advertising technology and consumer-intelligence platform; closest listed adtech comparison but not travel-specific.
C.E. Info Systems / MapmyIndia	Digital maps, geospatial data, APIs and SaaS/PaaS solutions; useful data-platform comparison.

Company	Comparables
IndiaMART InterMESH	B2B marketplace with subscription-like revenue and network effects; useful platform economics comparison.
Route Mobile	CPaaS and enterprise messaging platform with transaction-driven revenue; useful comparison for scale and volume-linked digital infrastructure.

These companies at best have similar business models in terms of digital economics/platform structure but they are not in the same business. These set of companies are more useful from a valuation perspective

Competitive analysis

Factor	Assessment	Why it matters for RateGain
Entry barriers	Moderate to high in travel-specific niches	Travel data scale, customer workflow integration, OTA/GDS connectivity, permissions-based data partnerships and enterprise trust protect the stronger parts of the business.
Supplier power	Moderate	RateGain depends on data partners, cloud infrastructure, advertising platforms, travel demand channels and GDS/OTA ecosystems. Diversified partners reduce risk but do not eliminate it.
Buyer power	Moderate to high	Large hotel chains, airlines, OTAs and DMOs are sophisticated buyers who demand ROI, uptime, integration and commercial flexibility. However, embedded workflows increase stickiness.
Substitutes	Moderate	Customers can build in-house pricing tools, buy point products, use large ad platforms directly or rely on PMS/CRS and marketing agencies. RateGain's advantage is combining data, distribution and marketing execution.
Rivalry	High	Competition comes from travel-tech specialists, adtech networks, global SaaS platforms, distribution technology vendors, search tools and marketing agencies.
Exit barriers	Moderate	Acquired platforms, customer contracts, integrations, employee expertise and data partnerships require ongoing investment

Financial metric

FY26 shows the combined effect of organic growth, Sojern consolidation and acquisition accounting. Reported PAT declined despite strong revenue growth because FY26 included Sojern-related deferred consideration, amortization, finance cost and exceptional costs. Adjusted profitability gives a cleaner view of operating performance, but the reported numbers are important for valuation and balance sheet assessment.

Metric	FY2023	FY2024	FY2025	FY2026
Operating revenue	₹565.1 Cr	₹957.0 Cr	₹1,076.7 Cr	₹1,823.6 Cr
EBITDA	₹84.6 Cr	₹189.7 Cr	₹232.1 Cr	₹337.5 Cr reported / ₹358.3 Cr adjusted
EBITDA margin	15.0%	19.8%	21.6%	18.5% reported / 19.6% adjusted
PAT	₹68.4 Cr	₹145.4 Cr	₹208.9 Cr	₹194.4 Cr reported / ₹249.9 Cr adjusted
PAT margin	12.1%	15.2%	19.4%	10.7% reported / 13.7% adjusted
Debt/equity	Low	0.01	0.00	~0.47 post-Sojern

The table below compares RateGain with listed Indian software, data, adtech and digital-platform comparables. These companies are not strict peers but have comparable digital business models

Company	Sales (₹ Cr)	Operating profit (₹ Cr)	OP M %	PAT (₹ Cr)	ROCE %	Debt / Equity
RateGain	1,824	337	19	194 reported / 250 adjusted	13.7	~0.47
Affle 3i	2,709	610	23	455	16.8	0.00
C.E. Info Systems / MapmyIndia	474	169	36	134	22.0	0.01
IndiaMART InterMESH	1,569	475	30	475	28.0	0.01
Route Mobile	4,408	537	12	257	17.2	0.02

Growth comparison

Company	3Y sales CAGR %	3Y PAT CAGR %	Last-year ROE %
RateGain	48	49	12
Affle 3i	24	23	14
C.E. Info Systems / MapmyIndia	19	11	16

Company	3Y sales CAGR %	3Y PAT CAGR %	Last-year ROE %
IndiaMART InterMESH	17	19	21
Route Mobile	7	0	12

Rategain's growth is in the 12-15% range (adjusted for currency) and above growth is mainly due to acquisition. In our valuation exercise we will consider this growth

Management and governance

RateGain remains founder-led, but the operating model has become more professionalized as the company has scaled across continents and acquired platforms.

Executive / leader	Role
Bhanu Chopra	Chairman and Managing Director; founder-promoter continuity, strategic vision, AI-led platform direction and M&A-driven scale-up.
Ankit Aggarwal	Interim and Deputy CFO ; relevant for integration discipline, cash flow, leverage management and profitability reporting after Sojern.
Mukesh Kumar	General Counsel, Company Secretary and Compliance Officer from November 2024;

Execution scorecard

Area	Assessment	View
FY2026 revenue scale-up	Delivered	Operating revenue grew 69.4% to ₹1,823.6 crore, largely helped by Sojern consolidation and MarTech scale.
Sojern integration	Delivered / ahead of plan	Management stated the integration was delivered ahead of plan. The combined platform now has much larger customer reach and travel-intent data scale.
Margin protection	Partly delivered	FY26 adjusted EBITDA margin was 19.6% versus 21.6% in FY25. Q4 adjusted EBITDA margin was 23.5%, suggesting operating leverage returned late in the year.
Customer diversification	Delivered	Customer count rose to 13,410 and top 10 customers were 20.5% of revenue, reducing dependence on a small enterprise set.
Balance-sheet discipline	In progress	The company moved from net cash in FY25 to net debt in FY26 after Sojern. Debt is being paid down and company expects to be debt free by FY28
AI product roadmap	In progress	New AI-led products include AirGain VUE, SoHo Suite, AI Concierge, VIVA voice connectivity, FIFA World Cup Dashboard and other workflow automation initiatives.

Forensic checkpoints

Checkpoint	Assessment
Revenue recognition	Revenue is recognized under Ind AS 115 across DaaS, Distribution and MarTech. It was a key audit matter because of high transaction volumes, different contract terms, advertising spend, price points and distribution services. No adverse conclusion was reported
M&A accounting	FY26 profitability is affected by Sojern deferred consideration, amortization of acquired intangibles and exceptional expenses.
Goodwill and intangibles	Goodwill and intangible assets increased after Sojern. This is normal for acquisitions, but future impairment risk rises if cross-sell, retention or margin drops
Receivables and working capital	Trade receivables increased from 72 days to 94 in FY26 which is comparable to the past. Operating cash flow remained positive, but receivable conversion needs monitoring because MarTech and enterprise customers can have different billing and collection cycles.
Related-party transactions	Material inter-company arrangements with subsidiaries were reported as arm's-length arrangements.
Secretarial / governance	FY25 secretarial audit had no qualification, reservation or adverse remark requiring management response. Auditors did not report fraud under Section 143(12).

Key risks and mitigants

Risk	Details	Mitigant
Acquisition integration	Sojern and Adara make RateGain a larger but more complex company. Integration failure can hurt margins, retention, reporting clarity and product focus.	Management has executed multiple acquisitions and stated Sojern integration was ahead of plan. Cross-sell across DaaS, Distribution and MarTech is the main value lever.
Travel cycle and ad-spend sensitivity	Transaction and campaign-linked revenue can slow if travel demand or marketing budgets weaken.	High subscription and hybrid mix, global customer spread and exposure to essential pricing/distribution workflows provide some resilience.
Buyer power	Large hotel chains, airlines, OTAs and DMOs can push pricing, demand ROI proof and run competitive vendor processes.	Embedded integrations, breadth of platform, customer data scale and performance marketing ROI can improve stickiness.
Debt and acquisition accounting	RateGain moved from net cash to net debt after Sojern. Interest, amortization and deferred consideration can suppress reported PAT.	Healthy operating cash flow and adjusted EBITDA give deleveraging capacity. Company has started debt reduction and plans to pay down debt by FY28

Risk	Details	Mitigant
Technology disruption	AI tools, ad platforms, PMS/CRS vendors and global travel-tech platforms may compress differentiation.	RateGain continues to invest in AI-led products and has deep travel-specific datasets and customer workflows that generic AI tools do not automatically replicate.
Key Man risk	The company was founded by Bhanu Chopra and he has been the driving force behind it for the last 20+ years	The company is expanding its leadership internally and have added senior professionals in leadership roles via acquisitions. This provides management depth

Scenario analysis

Scenario	Interpretation
H1 / base case	Revenue compounds around based on the current run rate of around 3000 Cr; Sojern cross-sell is steady, MarTech remains the largest segment and DaaS grows in high single digits to low teens. Adjusted EBITDA margin stabilizes near 22% (management target excluding payout) and net debt reduces through operating cash flow.
H2/upside case	Revenue compounds ~18% if Sojern's customer base converts faster, Adara and Sojern data improve campaign ROI, Distribution stabilizes, AI Concierge/VIVA scale and enterprise cross-sell improves NRR. Adjusted EBITDA margin is maintained at 22%.
H3 / downside case	Revenue growth slows to low teens or below if travel advertising budgets weaken, Distribution continues to decline, integrations distract execution, receivables stretch or debt costs stay elevated. Operating margin drops to 5 year low of 18%

	H1	H2	H3
Sales	4200	4400	3400
OPM	22%	22%	18%
NPM	14%	14%	11%
Net profit	599	627	370
PE	26	35	23
Mcap	15561	21945	8504
Multiple	1.77	2.49	0.97

Conclusion

RateGain should be viewed as a travel-intelligence and revenue-maximization platform rather than a generic IT services or digital marketing company. The stronger part of the investment

case is the combination of travel-specific data, distribution connectivity, global customer relationships and AI-led products that sit inside commercial workflows of hotels, airlines, OTAs, car rentals and destination marketers.

The Sojern acquisition is a key change. It has created a larger company with a broader customer base and stronger MarTech position, but it also changed the risk profile through debt, goodwill, acquired intangibles and integration requirements. FY26 revenue growth was strong, but reported PAT was lower due to acquisition-related charges and finance costs. Integration is running ahead of schedule and company is already generating cash flow and paying down debt

The thesis RateGain depends on management converting a larger platform into profitable, cash-generative growth. If Sojern and Adara deepen the data moat while Distribution stabilizes and AI products increase wallet share, RateGain deliver above average growth which will further be driven by expansion in the Asia pac and EMEA markets

You can find the financials of the company at [Rategain Travel Technologies Ltd Financial Results - Quarterly & Annual, Quarterly Trends, Annual Trends | BSE](#)

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