

MATERIALITY POLICY OF RATEGAIN TRAVEL TECHNOLOGIES LIMITED ("THE COMPANY")

INTRODUCTION

This policy ("**Policy**") has been formulated to define the respective materiality policies of RateGain Travel Technologies Limited ("**Company**"), pursuant to the disclosure requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) ("**SEBI ICDR Regulations**"), in respect of the following:

- A. Identification of material companies to be disclosed as Group Companies;
- B. Identification of 'material' litigation (excluding disciplinary actions against the promoters, criminal proceedings, statutory/regulatory actions and taxation matters); and
- C. Identification of 'material' creditors.

APPLICABILITY

The board of directors of the Company ("**Board**") at their meeting held on August 5, 2021 discussed and approved this Policy, which is further updated by way of Board resolution dated 22nd November, 2021. This Policy shall be effective from the date of approval of Policy by the Board.

In this Policy the term "**Offer Documents**" shall mean the draft red herring prospectus, the red herring prospectus and the prospectus to be filed and/ or submitted by the Company in connection with the proposed initial public offering of its equity shares with the Securities and Exchange Board of India, the Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi and/or the stock exchanges where the equity shares of the Company are proposed to be listed, as applicable.

All other capitalised terms not specifically defined in this Policy shall have the same meanings ascribed to such terms in the Offer Documents.

A. Identification of material companies to be disclosed as group companies

Requirement:

The SEBI ICDR Regulations define "Group Companies" as "*such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer*".

Therefore, as per the requirements of the SEBI ICDR Regulations, group companies shall include:

- (i) companies (other than the subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in the Offer Document(s); and
- (ii) companies as considered material by the Board.

With respect to point (i), based on the restated audited consolidated financial statements of the Company for Fiscals 2019, 2020 and 2021 and for the five months period ended August 31, 2021, below related party entities are identified as Group Companies:

1. Ridaan & Ruhan Buildwell Private Limited; and
2. Ridaan & Ruhan UK Limited

Policy on materiality:

With respect to point (ii), for the purpose of disclosure in the Offer Documents, companies (other than subsidiaries of the Company) with which there were related party transactions after the period in respect of which restated audited consolidated financial statements of the Company are included in the Offer Documents until the date of filing of the Offer Documents, shall be considered material and will be disclosed as a 'Group Company'.

B. Identification of 'material' litigation (excluding disciplinary actions against the promoters, criminal proceedings, statutory/regulatory actions and taxation matters)

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall disclose the following pending litigation involving the Company, its Directors, Promoters and Subsidiaries (collectively, "**Relevant Parties**");

- (i) All criminal proceedings;
- (ii) All actions by regulatory authorities and statutory authorities;
- (iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding action;
- (iv) Claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount; and
- (v) Other pending civil litigations - as per policy of materiality defined by the Board and disclosed in the Offer Documents.

Further, as per the requirements of SEBI ICDR Regulations, the Company shall also disclose such outstanding litigation involving the group companies which has a material impact on the Company.

Policy on materiality:

Other than litigations mentioned in points (i), (ii) and (iv) above, any pending civil litigation involving the Relevant Parties would be considered 'material' for the purpose of disclosure in the Offer Documents, if:

- (i) The aggregate monetary amount of claim involved, whether by or against the Relevant Parties, in any such pending proceeding is in excess of ₹ 26.4 million i.e., 1% of the total revenue of the Company on a consolidated basis, as per the restated audited consolidated financial statements (included in the Offer Documents) for Fiscal 2021; and
- (ii) where the monetary impact is not quantifiable or lower than the threshold mention in point (i) above, but an outcome in any such litigation would materially and adversely affect the Company or Subsidiary's business, prospects, operations, financial position or reputation.

Pre-litigation notices received by the Relevant Parties from third parties (excluding governmental, statutory or regulatory authorities or notices threatening criminal action) shall, in any event, not be considered as litigation until such time that Relevant Parties are impleaded as defendants in proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

The above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed under the Companies Act, 2013 and the rules thereunder with respect to disclosure of litigation, notices, disputes and other proceedings in the offer documents or by SEBI and/or such other applicable authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the offer documents, or disclosures that may arise from any investor or other complaints. In this regard, it is clarified that the above policy on materiality is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the offer documents and should not be applied towards any other purpose.

C. Identification of 'material' creditors

Requirement:

As per the requirements of the SEBI ICDR Regulations, the Company shall make relevant disclosures in the Offer Documents and on the website of the Company for outstanding dues to creditors as follows:

- (i) Based on the policy on materiality defined by the Board, details of the creditors which include the consolidated number of creditors and the aggregate amount involved, will be disclosed in the Offer Documents;
- (ii) Consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved will be disclosed in the Offer Documents; and

- (iii) Complete details about outstanding dues to material creditors along with the name and amount involved for each such material creditor shall be disclosed on the website of the Company with a web link thereto in the Offer Documents.

Policy on materiality:

For identification of material creditors, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents, if amounts due to such creditor exceeds 2% of total outstanding dues (that is 'trade payables') of the Company as of the end of the most recent period covered in the restated audited consolidated financial statements included in the Offer Documents.

GENERAL

This policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time.