November 25, 2026 LTTL/L&S/2026-27/11/06

To,
The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Maharashtra, India

The Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Maharashtra, India

Dear Sir/Madam,

Sub : Announcement under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Updated transcript of the Earnings Call pertaining to the financial results for the quarter and half year ended September 30, 2026, incorporating corrections to transcription, typographical and other inadvertent errors

Ref : Le Travenues Technology Limited (the "Company")

NSE Symbol: IXIGO and BSE Scrip Code: 544192

This is in furtherance of our letter bearing reference number LTTL/L&S/2026-27/10/16 dated October 27, 2026, regarding the submission of the transcript of the Earnings Call conducted on October 19, 2026, pertaining to the financial results of the Company for the quarter and half year ended September 30, 2026.

Upon subsequent review, certain transcription, typographical and other inadvertent errors were identified in the transcript. Accordingly, the necessary corrections have been incorporated into the transcript to ensure the accuracy and clarity of the information presented therein.

In view of the above and pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the updated transcript of the Earnings Call.

This updated transcript is also available on the website of the Company at https://investors.ixigo.com/.

This is for your information and records.

Thank you,

For Le Travenues Technology Limited

SURESH KUMAR BHUTANI
Digitally signed by SURESH KUMAR BHUTANI
Date: 2026.11.25 18:34:55 +05'30'

Suresh Kumar Bhutani
(Group General Counsel, Company Secretary & Compliance Officer)

Le Travenues Technology Limited ("**ixigo**") Q2, FY27 Earnings Conference Call

October 19, 2026

MANAGEMENT: **MR. ALOKE BAJPAI, CHAIRMAN, MANAGING DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICER OF LE TRAVENUES TECHNOLOGY LIMITED**
MR. SAURABH DEVENDRA SINGH, GROUP CHIEF FINANCIAL OFFICER OF LE TRAVENUES TECHNOLOGY LIMITED

MODERATOR: **MR. ANMOL GARG FROM DAM CAPITAL ADVISORS LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Le Travenues Technology, also known as ixigo, Q2 FY27 Earnings Call, hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference call over to Mr Anmol Garg from DAM Capital Advisors. Thank you, and over to you, sir.

Anmol Garg: Thank you, Iqra. Good evening, everyone. On behalf of DAM Capital, I welcome you all to ixigo's Q2 FY27 Earnings Call. With us are Mr Aloke Bajpai, Chairman, MD, and Group CEO of the company, and Mr Saurabh Devendra Singh, Group CFO of the company.

Before I hand over the call to Aloke and Saurabh, I would like to highlight the safe harbour statement on the second slide of the presentation, which is assumed to be read and understood.

I now hand over the call to you, Aloke. Thank you, and over to you.

Aloke Bajpai: Thank you. Good afternoon, everyone, and thank you for joining our Q2 FY27 Earnings Call on what is technically a long weekend. And I'm assuming many of you have booked your long weekend this time using ixigo, ConfirmTkt or AbhiBus.

At ixigo, our ambition is to build the best customer experience for travel. We've built our business by understanding where our journey becomes stressful and then using technology to give people more certainty and peace of mind. Once we prove our ability to deliver peace of mind, we have seen that it builds customer loyalty and trust.

This quarter, we have made progress across the business in quite different market conditions across these lines of business. Trains recovered with some of the base effect of policy changes starting to go away, buses continued to grow strongly and secularly, and hotels took a great leap forward, getting to a critical mass that makes it large enough to start disclosing.

Flights faced a tougher external environment with high fares and limited capacity affecting bookings growth, and the overall market was down nearly 6% in volume terms in the quarter. Despite that, the team pulled off 8% segment growth, which in itself is an achievement.

In Q2 FY27, we delivered resilient growth on quarterly GTV as well of INR5,304 crores, up 22% Y-o-Y, and revenue from operations of INR321 crores, up 13% Y-o-Y. Our PAT was an all-time high, aided by our partial sale of stake in Freshbus.

Flight and bus led the quarter with GTV growth of 37% and 32% Y-o-Y, respectively. From this quarter onwards, we are also disclosing a new line of business of hotels, which grew GTV 2.6x Y-o-Y, to 111 crores, with a gross take rate of more than 12%.

Before Saurabh takes you through the numbers in detail, let me deep dive a bit into each line of business and give some colour on the choices we are making for the next phase of growth. The recovery in trains was encouraging.

Advanced bookings for Dussehra and Diwali helped volumes, and we stepped up our focus on growth again, while maintaining healthy unit economics. However, we want to see that momentum continue beyond the festive season before calling it a sustained recovery.

I also want to mention that ConfirmTkt now has a 4.9 rating on the Google Play Store. And among the apps that have a scale of over 100 million downloads, it has become the highest-rated travel app in the world that operates at this kind of scale. For us, that is a meaningful endorsement from the travellers we serve.

We are also expanding our relationship with travellers beyond the ticket, food on trains, metro tickets and our new Bharat Darshan rail package offerings. These have enhanced our ixigo train app, where we are able to serve more parts of the journey.

In buses, AbhiBus has been growing faster than the overall OTA bus market for close to 3 years. Expanding supply, building our brand in markets where we have room to grow, and improving the travel experience continue to drive that performance. Our new women's zone is a good example of how we are improving this experience.

It helps women travelling alone make more informed choices through ratings from other women, information about seats next to other women and other women-friendly features that build trust in making operator choices and see choices with more confidence.

Flight remains challenging in the near term as capacity has not returned as quickly as we had expected, and we are seeing the impact of oil prices reflected in the 30% increase in fares Y-o-Y on several routes. International travel has been more encouraging, with our international flight GTV growing 59% year-on-year.

Let me spend a little time on hotels because we see a significant opportunity to build our next major business here. We are disclosing hotels in the same level of detail as other businesses now because product-market fit is emerging and the business has become more material.

This reflects our growing confidence even as we recognise that we are still early in this journey. We now do more than 5,100 room nights per day net of cancellations, 4.7 lakh room nights for the quarter, a growth of 3.9x compared to last year and a growth of over 50% versus the comparable Q1 number.

In Q2, hotel GTV reached INR111 crores, up 39% sequentially and 2.6x year-on-year. Revenue grew more than six-fold year-on-year to INR8.1 crores, and our gross take rate exceeded 12% and became the highest in our business. Contribution margin improved from minus 55% of revenue a year ago to minus 15%, with a contribution loss of INR 1.2 crores

this quarter.

The reason why our unit economics are able to develop some headroom is that more than 86% of our hotel bookings came from travellers which were already on our platforms or our captive users. Having said that, as we said in the past, we will not be shy about continuing to invest in growing hotels as a strategic category for our business and aspire to remain the fastest-growing OTA in our country in this line of business as well.

The TAM of the hotel opportunity is proven in India, and it is the largest profitability pool globally for OTAs. ixigo's opportunity is particularly compelling in the budget, mid-market and independent hotels, where online penetration is low, and travellers need greater reliability and peace of mind.

About 60% of hotel room nights in India sell below 2,000 a night, and independent hotels account for 73% of rooms as per the recent VIDEC industry report. Out of the 70,000 hotels in India that we sell, we are now tied up directly with over 12,000 hotels across about 1,100 towns, up from 10,000 hotels last quarter.

Our thesis on hotels fits our customer base closely. 94% of our transactions involve travel to or from Tier 2 and 3 cities, and more than 9 out of 10 trips we sell out by train or bus. Many travellers looking for an affordable room are already booking their journey with us. Our aspiration remains to become the largest player serving this part of the hotel market over the next 4 to 5 years.

The size of the opportunity supports that ambition. VIDEC estimates India's hotel market at about INR 1.57 lakh crores in FY26, projected to reach INR 1.94 lakh crores by FY28. Lodging represents as much as 30% of total travel spending. Hotel bookings through OTAs are projected to grow around 19% annually from INR40,200 crores to INR57,000 crores over that period.

Hotels are already the second largest OTA category, around 3x the size of the OTA rail market. These estimates may still understate the opportunity, particularly non-hotel accommodation that remains largely offline.

Building this business requires investment. Much of our spending on hotels, product, technology and people sits in the group costs below contribution margin. So the segment's contribution loss captures only a small part of what we are investing, and Saurabh will explain this in more detail in a bit.

Our core business profitability gives us the capacity to keep funding this opportunity. We have an existing customer base, and we are now going to expand the direct supply. And as the unit economics start to come in, there is a lot of work to be done ahead in order to drive repeat business and achieve reliable state based on direct supply, better fulfilment and support when things go wrong.

And we need to build peace of mind products in this category as well. Our ambition is to become the largest player serving this part of the market. And over the next 4 to 5 years, we believe we can achieve that ambition.

We will continue to calibrate our investment based on that progress and the long-term returns that we see. Across the group, AI is helping us improve our service and productivity even as we continue to invest further in enhancing our capabilities with it. TARA handled 43 lakh queries before and after the booking and now resolves 94% of chat queries without human intervention and 82% of customer calls end-to-end.

AI-handled queries more than doubled year-on-year while customer service costs did not rise in proportion. That is already giving us greater capacity to serve travellers as we grow. We also remain conscious of the advances that consumer AI agents could bring to travel discovery and booking.

Our platforms are already available as natively integrated apps on ChatGPT, and we are continuing to build on ixigo NEXT, our own agentic AI products and voice-first experiences. We believe that in a world where AI agents develop the potential to do consumer bookings on behalf of the customer, there is an opportunity to become the most contextually aware AI agent for travel for our users.

In fact, we demoed a fully agentic booking flow complete with payments at the recently concluded GFF conference in Mumbai, and we await regulatory clarity before launching the same.

Further, we want to stress again on this, that we will differentiate our company by actually building the best peace-of-mind products for our travellers and using AI to solve their real-world problems more meaningfully by building those relevant products suited for our market.

For example, our recently launched Smart Lock product for flights is a perfect example of using AI to build better experiences. Smart Lock is an agentic AI product that finds and locks the cheapest flights based on preferences. You can tell it your route, budget, and travel preferences.

It scans the airfares 24/7 and locks the first flight that fits within that budget and matches your preferences. If nothing matches by the time scanning ends, you get your full premium back in ixigo money right away.

Finally, a word on Freshbus. We are proud to have backed the team early. Reducing our stake now reflects our focus on being an asset-light tech and distribution platform. And the lessons from that investment that we learned now help us to service bus operators with more understanding of the unique opportunities and challenges that EV-based operator. Freshbus remains a valued commercial partner, and Saurabh will explain the exceptional gain portion separately in a bit.

As we look ahead, our priorities are very clear: strengthen our core business, continue the acceleration of our hotel trajectory to keep gaining share and continue investing in building AI platforms to improve both customer experience and productivity. We will keep balancing these opportunities with the responsibility to deliver long-term returns for our shareholders. Thank you to our customers, partners, teams and shareholders for your continued trust.

With that, let me hand over to Saurabh, who will take you through the numbers.

Saurabh Devendra Singh: Good afternoon, and thank you, Aloke. I'll start with the headlines. Now this was a quarter of growth in the core business, a deliberate step-up in investment and also a quarter where the numbers need to be read carefully, given the impact of a significant one-off.

Now all figures are in rupees crore unless specified otherwise, and year-over-year comparisons would be Q2 FY27 against Q2 FY26. Passenger segments grew by more than 11% to 3.98 crores. GTV grew 22% to INR 5,304.47 crores. Revenue from operations grew 13% to INR 320.96 crores, and contribution margin grew 14% to INR 124.86 crores.

Adjusted EBITDA was INR23.58 crores against INR28.48 crores a year ago, down 17%. Reported PAT was INR63.42 crores, but this includes an exceptional gain, which, as always, I will discuss at the end.

Let's go to the business lines. Trains had some recovery, and thus, we shifted from conserving margins to leaning on growth. Passenger segments grew -- rose about 7% year-over-year to 2.9 crores. Revenue grew 16% to INR 149.14 crores, and contribution margin grew 29% to INR 47.23 crores. CM is at 32% of revenue. Our share of the OTA rail market is now close to 64%.

Now buses continue to compound. GTV grew 32% to INR 752.65 crores. Revenue grew 24% to INR 81.04 crores, and contribution margin grew 27% to INR 43.14 crores. CM% is at 53% of revenue.

As Aloke mentioned, flights were the difficult part of the quarter, something we'd also flagged in August. Capacity cuts and very high fares held the booking back. GTV grew 37% on the back of higher fares, but revenue fell 8% to INR 82.66 crores, and the contribution margin fell 10% to INR 35.68 crores.

Gross take rate fell from 9.4% to 7% as the base fare and the international mix increased. With fewer bank offers in the market, we funded more discount, which is why -- and that is the base in this, which is why the contribution margin as a share of revenue held at 43%. As Aloke has already mentioned, October started softer than we would like, with capacity not yet back.

We had indicated that we would share more about the hotel business as it evolved and with growing confidence in the product-market fit. We are following through on that commitment

this quarter, as you might have already guessed from Aloke's section.

Now, hotel-supported -- hotels are now reported as a separate segment, where GTV grew 2.6x to INR 111.34 crores, with approximately 4.7 lakh room nights and a gross take rate of over 12%. The segment reported a loss of INR 1.21 crores compared to a loss of INR 0.71 crores in the comparable quarter.

Now remember, across quarters, we will prioritise different lines where we will invest. And in this quarter, we have prioritised people and technology for this segment. And according to management estimates, we would have spent a further 10 crore in the people and technology line for hotels, taking the total investment in hotels to slightly north of INR 11 crores this quarter. We began consolidating Brevistay this quarter. So part of this growth is inorganic.

Now, below contribution margin, adjusted EBITDA went down 17% from INR 28.48 crores to INR23.58 crores. Other income was INR22.08 crores against INR5.17 crores a year ago, now reflecting the treasury income, and it is excluded from adjusted EBITDA.

On the balance sheet, the total cash and cash equivalents, including fixed deposits and mutual funds and net of borrowings, is about INR1,831.71 crores. Operating cash flow of the year was INR76.44 crores against INR91.55 crores last year.

Now in the disclosures, we have made -- we have made 3 changes. Hotels are a separate segment. Food on train services have been moved into trains. And Brevistay is consolidated within hotels. We have restated earlier periods on the same-to-same basis.

Now this time, as we changed the format, we had asked for questions from investors, and a number of you have replied. Between Aloke and me, we've tried to -- we've tried to cover a lot of these. Now one of the questions, which has been asked quite frequently, has been on the use of capital on the balance sheet, especially the inorganic part.

Now I would say something which we've said before: we would pursue selective acquisitions where there is a strategic fit, strong team, technology or distribution synergy and reasonable pricing. Now, as we've said before, whenever something crystallises, we will inform the markets right away.

I'll get on to the last section, which is the one-offs and the callouts that were there in Q2 FY27, which included the sale of a stake in Freshbus on August 13, resulting in a one-time gain of INR 40.66 crores. Share of loss from Freshbus and Sqaas, with which we have been associated, till Freshbus was an associated company was INR 2.49 crores.

The one-offs and the callouts that were there in Q2 FY26 included a one-time ESOP accounting charge of INR 26.93 crores on account of early achievement of performance thresholds specified in the grant terms and share of loss of Freshbus, which was an associate company then, of INR 1.47 crores.

With that, I will pass it to the moderator.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. First question is from the line of Mr. Anmol Garg from DAM Capital Advisors.

Anmol Garg: I have a few questions. Firstly, if I look at revenue per ticket in flights, it has been reduced by 13%,14% over the average of, let's say, 5, 6 quarters. So this time, we have given higher discounts. That's what it looks like. So is it something that will continue going ahead as a form of market share gain, or is this something that we have done only sort of for this quarter?

Aloke Bajpai: Anmol, so I think -- if you look at the environment right now, right, it's fairly unique in the sense that the flight fares have gone up by about 30% like we indicated year-on-year. And therefore, the price delta between, let's say, a plane ticket and a flight ticket or a bus ticket and a flight ticket, has become substantial.

And as you know, there's a significant portion of our NBU users who make flight bookings, for whom we need to make it more affordable. So that has been one of the reasons for the increase in discounts there on that line. And that's why you see the net revenue sort of compressing a bit.

See the other reason in terms of how the optical take rate compression is it's largely to do with the fact that the international mix has improved and also, we have seen, as the sales go up, obviously, optically, the take rate compression because convenience fees are a larger part of the income.

But having said that, as and when things bounce back, and we have seen this in the past, right, in COVID or after COVID, we saw fares move up and down a lot. If the fares were to come down, we think we will also be the biggest beneficiaries of it because there is a lot of latent demand we are unable to serve today.

So the reason why we are not growing double digits on the flight side, the only reason is that the fares are so high. That this whole -- it's a much harder environment to sell flights into. And you're seeing the load factors also slightly edging down on the airline side.

So, we'll wait and merge, and we continue to remain cautious on how things will progress. But we are -- I don't think we will have to step the gap beyond this on discounts, if that is the question. Like, I think we are at a level, at least on the current fare levels, we are comfortable at, and we continue to take market share, to your point.

Saurabh Devendra Singh: And Anmol, if you see, there are 2 parts to things, right? One part is the pure discount part. So if you're looking at our CM2 per segment, which we get, that also, in a high-price environment, gets affected because the attach of the products becomes less at a point in time.

And we've talked about it last quarter, too, something like a travel guarantee or many of these

products become less attractive at a very high price point environment. So as that comes back, we see that improving.

And as Aloke said, we are not -- we don't believe as a company in gaining a temporary market share. We always, whatever we do and what we are trying to do here, is also make it possible for the loyal customers to travel more easily rather than just trying to gain market share aggressively.

Anmol Garg: Sure. And just one question in continuation of the previous question. In -- particularly for Q3, are we -- given that this is a festive quarter. So are we seeing some recovery, any early trends about Q3 that you can indicate, particularly in the flight segment?

Aloke Bajpai: Yes. Anmol, I think we mentioned it in the FAQ also that festive demand is a shade lower than what one would have expected this time of the year, right? We are not saying there's any major negative bump. I mean, it's actually -- obviously, the season always sees some bump up, but one would have seen a higher bump up if the sales were more amenable for the consumers.

And therefore, we are saying we remain a little cautious on the flight side heading forward. We are not going to guide any aggressive growth on that side at this point. We'll just try to do what we are doing, which is trying to keep growing. Despite the market degrowing, if we continue to keep growing, that itself is an achievement.

Anmol Garg: Understood. And secondly, good to see disclosures on the hotel segment and strong growth in the GTV as well. Here, I just wanted to understand 2 parts. One is that -- when can we get a number for when the gross take rate actually goes up to 16% to 17% like other OTAs, which will obviously require more directly contracted properties? When do you think we'll reach that kind of number? And in accordance, when do you think that this segment for us will become profitable?

Aloke Bajpai: Yes. Thanks, Anmol. So that's a good question. I'm sure a lot of people have this in mind. See, if you think about what the market structure looks like today, right? So -- like I mentioned, out of the overall hotel market, a very large portion is in the mid-tier budget and independent hotels.

Now also a reality of this market is that the take rates, the gross take rates, are actually higher on that side compared to the more premium side of the inventory, right? So in terms of the opportunity of tapping into the kind of take rates that you're indicating, well, in a small subset of the hotels we have directly contracted, we already operate at that take rate. It's just that on a blended basis, you're seeing a 12% number at this point in time, right?

So as our direct supply improves -- and we already added 2,000 more hotels last quarter, right? So we've crossed 12,000 on that. But as that continues going up -- and by the way, we are not in any mad rush to also take this 12,000 number up significantly in a short period of

time because it has to grow in tandem with our growth, right?

Because we also want our hotel partners to benefit as we grow. And therefore, we do expect to achieve the kind of take rates you're talking about over the long term. I think those are very much achievable in the long term.

I think in the short term, we are obviously going to see it edge up. Over the next 3 to 4 quarters, you will see them edge up for sure. But I'm not giving any guidance right now on where we'll be next year. It's just that we will be higher. That is a certainty.

Anmol Garg: Right. And on the profitability, sir, any target in terms of when we can expect profitability in this segment?

Aloke Bajpai: See, I think we said this last year also, but now that the numbers are in front of us, let me remind everyone that all OTAs that were built in the hotel category lost money for several years in this country before they built out the category. And even at the volume that we exist today, most OTAs were losing money, right? So it's not a novelty to be trying to build this by investing.

The advantage we have is that we have a captive user base where, even at this scale, we are operating at a contribution margin that, we believe, still has a lot of headroom in terms of driving growth because once we open out to third-party channels or once we start bringing in users from other platforms into the mix, this number, obviously, could edge up because we would have to invest more now.

But right now, what I'll say is our investment will go hand-in-hand with our growth. And only if we are seeing a return, so if I invest incremental dollars this quarter in the next 4 quarters, I see those customers coming back and booking more with me, it means my return is coming, and it's working; only then do we typically step up investment. That's how every category you see ixigo operate in got built in the past, right, whether it was flight or whether it was buses. And that's how we built those categories out.

So it will not be a different journey. But yes, for 2 to 3 years, we expect to continue investing in getting to a scale where we become comfortable that profitability becomes more important. But in the short to medium term, I don't see why we would want to not keep doing what we are doing, which is done for growth. Within guardrails, we've always said that we do this within guardrails.

We don't do it in an unmeasured way. We measure every single day, week, month, what the returns are. And in the subsequent quarters, you may see us invest more, invest at the same level; that will all depend on how we are seeing these numbers pan up.

Moderator: Next question is from the line of Pankaj from BofA Securities.

Pankaj: Congrats for a good show. I have a question picking up from my own question from earlier. And Aloke, just to your point, can you quantify what exactly do you mean by within guardrails? And I mean, basically, how to think about an overall bond envelope or investment that you are comfortable with on either an overall basis on an annual basis that you could quantify how to think of the framework that an x crore of investment, let's say, goes into building hotel business out there?

Aloke Bajpai: Yes, sure. Thanks, Pankaj. I think if you see what Saurabh said was because we invested more than INR1 crores above the contribution and INR10 crores below that, so about INR11 crores odd investment that we did in total. I think if we see the incremental returns better than what we expect, we will not be shy of stepping that up.

The guardrails that I talked about relate to the payback period. Whenever we acquire a customer either through discounts or performance, we always look at the payback period subsequently of that customer coming back to our platform to do more hotel bookings or to do more bookings in general.

So 2 things that we are focused on right now. Number one, in terms of the percentage of our existing users that are coming to book other things and then we are able to drive them into the hotel funnel and make them realize that we now have a product and rates where they can, in fact, get a wide choice as well as hotels within their budget.

I think that's our immediate focus and attention. And therefore, you don't see us as active on third-party platforms as some of the other OTAs might be. So this is largely being driven from inside our platform.

If we decide to go outside the funnel at some point, which will not happen probably in the next couple of quarters but may happen down the line, you could see us step up that investment. But if we see an opportunity to do it sooner, we'll not be shy about it.

So let me say that the biggest guardrail, which we mentioned last time around, was that, obviously, we don't want to -- we've traded a very difficult part to get to profitability 3, 4 years back and then stick to that profitability at the overall company level, right, and maintain that.

So we believe that guardrail is a very obvious one as a guardrail we will never try to breach. But even within where we operate today, which is mid-single-digit EBITDA, I think we would want to stick around there somewhere and not sort of go too much below where we operate at, let's say, this quarter.

Saurabh Devendra Singh: Pankaj, roughly, if you have to model, again, don't take this as a guidance over the next couple of quarters. Think of a similar range as this quarter, which is between INR 10 crores and INR 12 crores. Having said that, if the growth- if what we are seeing on the ground becomes more enticing or less enticing, either way we could move one way or the other, yes.

Pankaj: Got it. The second question is just from a very core conceptual perspective. How do you now define product-market fit in hotels, right? And a continuation of that is, what proportion of hotel supply on ixigo's platform, perhaps online, just because they're present on you and may not be available on any other online platform.

Aloke Bajpai: Yes. See, our product market fit is a function of 2 things. One is what you see versus what you get, being able to ensure that. And in cases where that is not happening, being able to course-correct that within a very short period for the customer, right?

Because what was happening on the budget side in India was, people were either not getting the rooms that they had been promised in terms of the pictures or the reviews or the ratings or the room type, or they would walk in and discover that there could even be a better rate being offered if a customer just walked into a hotel, right?

Now these kinds of problems exist and are very unique to our market, right? And the ways to solve that involve, obviously, having a more direct relationship to ensure that the experience on the ground matches the experience being shown on the app. But also, if something goes wrong, how quick are we to react and overcompensate for that?

And I think we have -- in a subset of our hotels, we've already sort of demonstrated to ourselves, certain benchmarks where we have customer satisfaction scores that are coming in are higher than other cohorts where we have repeat from those customers actually improving and where we also can say that the negative customer experiences such as bump rates or whether it's a mismatch, those coming within a certain tolerable limit, right?

So I think we'll be more explicit about it once we have peace of mind products built around this category out. As we indicated, we are working on some peace of mind products here as well. And then it will become more apparent what we are talking about.

Pankaj: And best of luck again for the upcoming quarters, and I wish you guys a happy Dussehra and Diwali.

Aloke Bajpai: Thank you, Pankaj. And I'm hoping that you booked your vacation on ixigo. We would be waiting for that too. But thanks.

Moderator: Next question is from the line of Karan Uppal from PhillipCapital India.

Karan Uppal: Just on the hotel segment, room nights per day are somewhere around 5,000 plus. How much can this scale, let's say, in the next 2 to 3 years' time frame? And as it scales, the ADV of 2,200, which we have currently, will that remain at that level? Or is there room for ADV to improve?

Aloke Bajpai: Yes. So I think the way to look at it is as follows, right, that the Pareto average transaction value for ixigo, given that we are proving on ground transportation and the fact that we serve

so many next billion users, the average transaction value will remain where the affordability for our kind of customers really is there, right?

And therefore, we expect that at these levels, because the penetration is so low out there in the market, like if you go to a budget category, we are talking about 10% to 15% online penetration, we expect that we can continue to grow pretty rapidly. I mean, obviously, even in the next 4 quarters, our target will be to continue growing in triple digits if we can, right?

But if I were to give you longer-term guidance, like 4 to 5 years, we want to be the largest hotel OTA in the budget to mid-market hotel category on a room night basis. And if you just look at the scale of that ambition and work backwards from where we are today, there is no choice; we have to grow.

This has to be the fastest-growing line of business for the next years to come, right, in that sense. So that's how we are looking at it. And we are not that obsessed with where the ATV will come in at because if we are solving this problem also for more premium customers, if you go to our flight app and look at the hotel section there and how you can use TARA to actually navigate many of the things that you want to do in that.

I think there is an experience-led playbook that is also bringing in Tier 1 customers to come and book hotels with us, which is an early trickle at this point. But depending on how this mix plays out in the future, we'll decide the direction of ATV. So the average room rate or ADR that we sell will be a function of how fast the Tier 2 and 3 versus Tier 1 customers grow.

So it's early to comment. It could be lower than this as well if we decide to bring in the next, to Pankaj's question earlier, like if we go after hotels, which are not on any OTA platform, the average room rate could be lower as well. But at the same time, we see an opportunity to continue growing on the Tier 1 side. So that could balance it out and keep it around where we are today.

Saurabh Devendra Singh: And Karan, if you see what we've done in our other line of businesses, which are more mature, what we essentially sell, and I can't stress more on that, is we're not just selling tickets. We are selling tickets and peace of mind. And the idea is that peace of mind has its own ATV. So as that develops, as we prove the ATV on the peace of mind, that is the point in time that starts taking precedence.

And you've seen it all, and you can compare all the numbers that are public for us, where the transaction value and the peace of mind transaction value gets added to hotels. So as Aloke said, it's tougher right now because we are earlier in that state.

Aloke Bajpai: Earlier development.

Karan Uppal: And just a follow-up, Aloke, in terms of the ATV being at 2,200, or maybe you're saying that

it can be lower than this as well, how do you ensure repeatability in this kind of a price point given that there are so many options for the customers? Yes, just your thoughts on that?

Aloke Bajpai: So I just want to remind you what I said earlier that 60% of hotel room nights in India are below INR 2,000 a night, right? So if a company ever won the whole market, the ATV would be closer to this than not, if you think about it, right? The reason why other OTAs have higher ATVs, most of them operate in the upper part of that pyramid and therefore, the ATV reflects the kind of value that comes in from there.

And the real under-penetration problem is on the mid- to lower end of this market where we are trying to make a difference, right? So we are not that worried about where this comes at as long as we solve the customer problems and pain areas. Because if we solve that piece of the pie, the fortune at the other end is much larger.

Saurabh Devendra Singh: The other part, you have to again remember, and it's -- I'll again go back, Karan, to the product. Even right now, if you see the repeat that the old users have for us across segments, the repeat ratio is high because of the product we have, because of the problems we are solving. We are in some segments which were conventionally thought of as pure commodity segments.

And we are giving you a contribution margin on that, and take a case of something like a train business where we have proved this continues to increase. We continue to increase market share. And we have done it because of the product. So repeatability doesn't come because of the segment where you are in.

Repeatability comes from what problem you are solving. So -- which is what we need to do. And again, I'm not saying that we've done it right now, but I remain confident, having seen the teams do it thrice, that they can achieve it another time.

Karan Uppal: Got it. Saurabh, just one more question on the contribution margins for the hotel segment. As the hotel business scales, so the current level of contribution margin, will it continue to improve or will it stay within the current time, which is it currently operating?

Saurabh Devendra Singh: No. The first part on contribution margin is what I said earlier: look, as a business, I choose which line I need to invest in, which can help benefit my customers more. So if you see the last 2 quarters, last quarter, that leaning was more above contribution margin. This quarter, that leaning was more below the contribution margin.

So that will -- as you're developing the business, that will vary across. And that will vary because right now, I'm not trying to optimise contribution margin; I'm trying to optimise a business which is a sustainable business in the long run, and where the customers who are travelling with me and outside to, as Aloke had mentioned, they kind of gain. So what I would say is that, in this sense, that will vary.

The other part of contribution margin is when it becomes a settled business. It will probably -- it will be between -- and when I say settled, I mean, in a couple of years, not tomorrow, not next quarter. But when it becomes a settled business, it will be one of the highest -- this and buses end up being the highest contribution margin businesses for us because of the nature of this business, because of fragmented supply.

And in some sense, the supply that naturally comes with us is a supply which is even more fragmented because it's been very tough for anybody to reach them, and we have invested the past 1.5 decades in solving problems for that demand. So it's a very different problem that we are trying to solve.

Moderator: The next question is from the line of Chirag Kachhadiya from Motilal Oswal Financial Services.

Chirag Kachhadiya: Can you hear me?

Aloke Bajpai: Yes.

Chirag Kachhadiya: Yes. So, a couple of questions. So from the next 3 to 4 years' point of view, what one can visualize the GTV mix considering we are aggressive on the hotel part? That is question number one.

Second, at the aggregate level, considering we have a very good market share in the rail bookings side, should we assume that this market share gain will continue over the next 3- to 4-year time frame?

And third, in the bus segment, will this margin trajectory on net and gross take rate continue? Yes, these are 3 questions I have, yes.

Aloke Bajpai: Yes. So I think I'll answer this in 2 parts. One is, if you look back to the history of us building any line of business, right, pick flights, for example. And if you asked me 4 years ago that 4 years from now, what will your GTV mix of flight be? And if I said 40%, it would have been laughed off by people because it was not an obvious thing to do, right?

And I think today, when I'm starting hotels at 2.1% of GTV, if I tell you that in a few years' time, this should be one of the top 2 GTV contributors for me in 4 to 5 years, I think it will be something that you may not appreciate at this point.

But if you just do the math on us being the largest by room nights, even at the ATVs we operate at today, you will see why I say that, right, in 4 to 5 years, why that will be the case. That it will be, if not the largest, maybe the second largest GTV in our mix.

Now coming to trains, right? We are already the market leaders. We are already at 64% of the OTA market, and the overall capacity growth is barely 4% to 5% every year. So, like -- I do not foresee that GTV shares over time for trains improving. I see it as reducing.

In fact, at one point, we were at more than 50% GTV on trains. Today, that has come down to the early 40s, right? And this might go down further in terms of contribution to the overall GTV.

Will it continue growing? Of course, we see, I think growing in trains is a function of 2 things. One is creating new products for that traveller, which we have historically always been able to launch something more meaningful every year for the train traveller.

And the second is how do we leverage the opportunity to cross-sell, upsell more into that base, right, which is whether it's food, whether it's metro, whether it is hotels, whether it is other facilities. I think there is always more opportunity to do that on the train side.

Buses is the most interesting vertical because -- I think we have proven that with just focused execution, innovation on product and deepening relationships with the supply side, where we have actually won over a lot of new supply on both private and SRTCs, and we have built meaningful products for them, I think there is scope to continue operating at decent levels of contribution margin.

And buses should remain our second fastest growing GTV line because hotels will now become the fastest growing GTV line, right? So that should be the case, at least for the midterm. I don't see why that should change, right? So I don't know if I gave you a good enough answer, but I think the mix on this pie will evolve a lot over the next 3 years, just like it evolved a lot in the last 3 years.

Moderator: The next question is from the line of Swapnil from JM Financial.

Swapnil: My first question is with your -- with regards to your comments on consumer AI agents gaining popularity. And I was reading through, and I think you talked about a differentiated customer base of lower tier cities, also fragmented supply especially in the bus category.

My question to you is of the 4 segments that you currently operate in, which one is more prone to consumers using personal AI agents like in Instinct or Muse going ahead in a meaningful manner, right? And if you can do the order of -- in which those segments will be prone. And also any mechanism through which you can address -- you can make this threat into an opportunity for your -- each of these businesses?

Aloke Bajpai: Yes. So Swapnil, I'll take this. Aloke here. Look, I think let's start with the facts on the ground today -- as of today, right? I mean, then we'll address the opportunities and challenges. So as of today, traffic from all AI platforms put together remains a low single-digit percentage of traffic, not just for us, but we also know as a fact for our category, right.

At least in India, that is the case. So we do not see any meaningful traffic contribution yet from any of these, as there's no game-changing traffic contribution we are seeing right now, even though we are experimenting with various kinds of integrations by making ourselves

more discoverable on these platforms by actually creating plug-ins with them or being more exposed on their platforms. I mean, obviously, some of them haven't even launched in India yet.

But the fact is the following, right? I mean, in a world where we believe that more and more AI agents will do things for us. I think it will boil down to how useful and how consumer-friendly your AI agent is versus somebody else's, right? And for -- it's a fact that when it comes to Indian supply and Indian consumers, the amount of data that we see every day is nontrivial.

And therefore, the depth to which we can solve some of these problems- even what we see people asking TARA and then when we are able to solve them or even if we are not able to solve them, then it gives us the data point of what we need to build to be able to solve that, right?

I think that is the most precious part because the differentiation in a few years will largely be: are you able to solve the customers' problems faster, cheaper, better and also in a more contextually aware manner, right, using the history that you have with the customer and how much you understand the supply side.

So if I need to get you an exceptional refund from a certain airline, is that process known to my agent versus some other agent? If I need to actually suggest some hotels, do you recommend some hotels to me? How much do I know about you? It will be a function of what I recommend to you because if you travelled on our train third AC, I might recommend a certain different kind of hotel to you versus if you arrive there on a flight booking, right?

So it's those kinds of nuances, final nuances, that will determine what these consumer AI agents can achieve over the long term. Yes, there will be horizontal agents that will aim to do it all. But just like it happened on apps or on the Internet, over time, people gravitate to specialists.

We do not think that it will not happen again. I mean, I think there is a reasonable chance that in every vertical, you will have specialist AI agents who can do that vertical job far better than any horizontal AI agent will, right? That's our view. And are we investing in it?

Are we actually acutely aware of this opportunity as well as the challenge? Yes, we are. And we believe that at the right time, we will obviously come out with products that address this opportunity. So yes, I hope that answers.

Saurabh Devendra Singh: And Swapnil, the other part of this is also -- again, I'll keep on repeating this, but look, we're selling both peace of mind as well as tickets. The peace of mind needs to be a very specialised solution because that is why the attach rate remains what it is, trying to understand the problems that appear. It's a lot of our proprietary database which nobody else has.

And in some sense, I would say that the ixigo NEXT presentation video that Rajnish did is a good video to go back to see what we are -- what our view is on this, on where our solution and our edges are in this kind of a problem.

Swapnil: No, sure. So I understand your thought process on the contextual data and how the agents are being used. My question actually is like there are certain simplistic use cases, right? Let's just say someone travelling from Mumbai to the -- now, for such a use case, there's not much data needed, right? Whoever cracks it does it. So those kinds of use cases, don't you think, can be quickly adopted by the horizontals?

Aloke Bajpai: Yes. So Swapnil, I think building products is the easy part, right? I think -- and we already demonstrated at GSF, a fully agentic booking flow, right, which can solve this Delhi to Mumbai problem in seconds and even with payments, et cetera, integrated into it, right? I don't think building the product is the hard part; getting the trust of the customer involves a lot more than that, right?

And the fact that we have reached a certain scale of distribution by winning that trust and by building certain peace-of-mind products, I think that's the nontrivial part to crack. So AI has allowed people to build a lot of things much faster than, let's say, 5 years ago, right? However, how many of those products are able to reach a critical mass in terms of distribution, scale, livability and trust?

I think that's a question that still remains unanswered at this point in time. Yes, some early adopters love certain products and will spare by them, but I also know those early adopters who use these same products, and these products are failing at certain use cases, which are deeper, right?

So I think it's too early to comment on whether a horizontal AI agent will actually do everything conceivable for you with the same level of depth and trust as any vertical app in the world is doing.

That's a broader question. But the fact of the matter is that we have a large distribution base where, if we were to build anything, we can distribute way faster. And we already have the trust of the customer to start using it, right, which is what the ixigo NEXT philosophy is all about, and that's why we are going all in on that.

Swapnil: Got it, Aloke. The other question is with respect to your hotel business. And now you called out an INR 10 crore fixed-cost investment this quarter. Would it be fair to say -- and I'm presuming this is mainly related to employee costs or some bit of tech costs.

So will it be fair to say that we are broadly done with this fixed-cost investment in our hotels business or more investments are yet to come? And if yes, what will be the nature of those investments?

Saurabh Devendra Singh: As I said, look, broadly, there are 3 areas where you could invest technically, and there is a customer inducement, which is a broader block. There is technology; there will be people. Now, as the hotel grows, it will shift between these. What I told on Pankaj's question is where we see it over the next couple of quarters.

Now, beyond that, the differentiation would be. Now, if we are seeing the product being sticky and we feel that the product is the -- what we are getting as feedback or the popularity of the product is going well, and it makes sense to invest more, that is the point of time we could move out of this or if we see things are not moving as nicely as they can, we could also decrease it.

But what I've given you is a broad idea of where things would be now between the line items; how does it move? Is it something which we are too early in the stage to commit on either of where it will move. What I can say is that the long-term plan, which Aloke talked about last time and reiterated this time, is where we have our eye on and which we feel comfortable and confident about.

Swapnil: Okay. Okay, sir. Just a last one here. So your bus business grew around 28% in segment terms. The question in my mind is like, could this business have grown much faster than 28%, especially given that there are challenges on the supply side for flights, and also -- trains also is not growing in a meaningful manner. So this segment, should it not be growing at a much faster rate than what we delivered this quarter?

Saurabh Devendra Singh: So the way to think of it, and I've been reasonably consistent about where we see this business to grow as in there is a growth margin trade-offs that you take in a business. And if you see this business, again, like we always have said, and you can go back 6 quarters, 8 quarters, I have said broadly the same thing, and we are very comfortable with this pace of growth at this CM. So we are very comfortable with this. Now I am not making a business for a quarter. I'm making a business which can solve customer problems in the long run. And this space fits nicely for us on that.

Moderator: Ladies and gentlemen, we will take that as a last question for today. I would now like to hand the conference over to the management for closing comments.

Aloke Bajpai: Thank you, everyone, for joining our Q2 FY27 earnings call. Because it's the start of the festivities, I would want to wish you all a great Dussehra and have a great Diwali. We'll speak on the other side of this quarter. Take care.

Moderator: Thank you very much. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.