



BUSINESS PLAN · INDIA

OTA and Travel-Tech Startup

A marketplace whose supply side is trying to disintermediate you

TRAVEL

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out an **OTA / Travel-Tech Startup** in India — an online travel platform selling domestic flights, hotels, holiday packages and ancillary travel products through web and app, with contracted hotel supply, aggregated air content, in-house payments and a customer-service operation built around disruption and refunds.

This vertical has now demonstrated the same structural fact three separate times, and this plan is the one that has to build a business on top of it: a travel intermediary's suppliers compete with it directly. The travel agency found that the airline sells the identical seat on its own site. The homestay found that the platform which lists it also owns its reputation. The MICE producer found that venues sell to clients directly. An OTA is the purest form of the problem — it is constructing a marketplace whose entire supply side would prefer the customer had come to them instead, and which spends real money persuading exactly that. Airline loyalty programmes, "book direct for free breakfast", app-only supplier pricing and member rates are not incidental marketing; they are a deliberate campaign against this business model, funded by the parties whose inventory it sells.

The second point is the one an Indian OTA plan must confront rather than skirt: for most of this category's history, the product was the discount. Coupons, cashback, wallet credit and price-drop guarantees — funded from investor capital rather than from take rate — built enormous booking volumes and taught a generation of Indian travellers to compare platforms on the promo code rather than the service. A plan that models profitability must therefore answer a question the category has historically avoided: what happens when the discounting stops? The honest answer is that a substantial proportion of those "customers" were buying the discount and not the platform. This plan funds discounting at **28.6% of net revenue in Year 1, falling to 4.8%, and measures the only thing that settles the argument: **bookings from customers first acquired on a discount who subsequently returned at full price — 19% rising to 51%.****

The third is the funnel tax, which sits above this business and is easy to miss when reading its cost lines. A large share of travel intent now begins at a search engine or meta-search page, which surfaces prices, compares suppliers, and then sells the click. So the OTA pays for traffic to a booking page whose price was already displayed and already compared somewhere upstream — and the upstream party is, increasingly, also capable of taking the booking itself. Paid CAC therefore rises with scale from ₹640 to ₹780 even as blended CAC falls from ₹410 to ₹224 — the same trap the D2C plan in the FMCG vertical identified, and for the same reason: the falling number is diluted by repeat bookings and describes nothing about the cost of the next customer. This plan takes direct and app traffic from **22% to 54%, because that share is the only real escape from the tax.**

And the fourth is the operational reality that determines whether an Indian OTA is trusted, and it is almost never in the pitch deck: the refund is the business. A flight is cancelled, a hotel is overbooked, a schedule changes — and the customer, who bought from the OTA, contacts the OTA, which cannot force the airline to do anything and cannot release money it has not received. Refund handling is the single largest source of complaint against this category in India, it is a genuine cost centre, and it is where a platform's reputation is actually made. This plan staffs it accordingly — **24 of 85 people in Year 1 — and reports **refunds within committed SLA rising from 61% to 96%** and **money held on cancelled bookings beyond fifteen days falling from ₹94 lakh to ₹18 lakh.****

This plan models a platform requiring **₹3.80 crore** (₹1.90 crore promoter and angel + ₹40 lakh term loan + ₹1.50 crore working capital), moving from **₹42 crore GBV / ₹2.94 crore net revenue and a ₹1.14 crore loss** to **₹172 crore GBV /**

₹15.48 crore net revenue and ₹3.60 crore profit by Year 3. (Regional online travel platform — figures illustrative, and see the funding note: this profile suits equity rather than debt.)

2. Business Description, Vision & Legal Structure

Concept: A travel platform built on repeat booking and direct traffic rather than on funded discounting, with refund and disruption handling treated as the core product and take rate defended through supply relationships the customer values.

Vision: To be the app a traveller opens because it works, not because it has a code.

Mission: Measure repeat by cohort and publish it; report the cost of the next customer, not the average; refund inside the promise even when the airline is slow; never advertise a price we will not honour; and earn the booking that comes without a coupon.

Legal structure options

- **Private Limited** — required in practice: equity funding, ESOPs, IATA accreditation, payment-aggregator arrangements and supplier contracting all assume it.
- **LLP** — unsuitable where external equity is contemplated, which it is.
- **Proprietorship** — **unsuitable: this business holds customer money at scale and requires institutional supplier relationships.**

Regulatory anchor: the retail agency's obligations apply, with a technology and payments layer on top. **IATA accreditation with bank guarantee and BSP settlement for air ticketing, where the calendar is immovable** — the same non-negotiable payment the agency and TMC plans described. **RBI payment-aggregator rules where the platform holds or routes customer money, which determine whether funds can sit in the OTA's account at all and for how long** — a materially important constraint for a business whose refund practices depend on money movement. **GST charged on the commission or service fee where acting as agent, and on package value where acting as principal, maintained per line; TCS on overseas packages.** Then: **the Consumer Protection (E-Commerce) Rules, which require accurate price display, clear cancellation and refund terms, seller identity and a named grievance officer** — and which are enforced against travel platforms specifically because the category generates a high volume of complaints; **the Digital Personal Data Protection Act, engaged by traveller identity, passport and payment data at volume;** and **advertising standards on displayed fares, where the widespread practice of showing a base fare that becomes materially higher at checkout is both an ASCI issue and, under the e-commerce rules, a disclosure failure.**

3. Promoter & Ownership

Led by a promoter with travel-technology, product or marketplace background. Three competences decide outcomes: *cohort literacy*, because a founder who reads booking volume rather than retention will scale a discount programme and call it growth; *supply patience*, since contracted hotel supply is slow, unglamorous work that determines whether the platform has anything a supplier's own site does not; and *service seriousness*, because the refund queue is where this business is judged and it is the function every travel startup under-resources. Ownership, equity & investor terms are editable inputs.

4. Market Analysis — India

Indian online travel has grown substantially with smartphone penetration, digital payments and rising domestic travel. The market is large, the category is well established, and the incumbents are both well capitalised and, in several

cases, still working out how to be profitable.

Demand drivers

- **Domestic leisure and visiting-friends-and-relatives travel**, the volume base and increasingly app-first.
- **Tier-2 and Tier-3 traveller adoption**, where first-time online bookers are entering the category.
- **Digital payments maturity**, which removed the principal friction from online travel purchase.
- **Unbranded and independent hotel supply** that has no distribution of its own — **the one part of the supply base that genuinely needs a platform.**
- **Ancillary attach** — insurance, transfers, activities — where take rates are materially better than air.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Indian online travel bookings	Very large; incumbent-dominated
SAM	Segments where the platform adds something a supplier site does not	Supply-differentiation bounded
SOM (Yr 1-3)	Repeat customers × bookings per year × take	GBV ₹42cr → ₹172cr; take 7.0% → 9.0%

The strategic question for any new Indian OTA is not how to acquire customers — that is answerable with money — but what it offers that the supplier's own website does not, and the honest answer determines whether the business has a future. On a single domestic flight between two metros, the answer is: nothing. The airline's site has the same seat, frequently at the same or a better price, with loyalty accrual and no intermediary in the refund chain. Competing there is buying traffic to resell a commodity at a thin margin against a supplier who wants the customer back and is willing to pay to get them. Three areas are genuinely different, and this plan concentrates on them. **First, independent and unbranded hotel supply — the small property with no booking engine, no marketing and no distribution is the one supplier for whom a platform is a genuine service rather than a tax, and contracted supply of that kind is the closest thing an OTA has to a moat. Second, multi-product itineraries**, where a customer assembling flight, hotel and transfer across three supplier sites experiences real friction that a platform removes. **Third, disruption handling — the traveller whose flight is cancelled at 22:00 is not comparing prices; they are looking for somebody to answer, and this is the moment a supplier's website cannot compete with a service operation that works. An OTA that positions itself as a cheaper way to buy the same thing has chosen a fight it cannot win against parties who own the inventory. One that positions itself as the place where travel is assembled and where problems are solved has chosen ground the suppliers have largely vacated.**

5. Competition & Competitive Advantage

Landscape: large established Indian OTAs with brand recognition, scale and years of accumulated customer data; airlines and hotel chains selling direct and incentivising it; meta-search and search engines capturing intent upstream and selling the click; global platforms with capital; and — at the independent-hotel end — a long tail of regional booking sites. **This business is squeezed by parties above it in the funnel and parties below it in the supply chain simultaneously.**

The business's edge

- **Contracted independent hotel supply** that has no distribution of its own — the closest thing to a moat available.
- **Refund and disruption handling** resourced as a product rather than tolerated as a cost.

- **Direct and app traffic share** built deliberately to reduce the funnel tax.
- **Cohort repeat measured and reported honestly**, including in the years it is unflattering.
- **Price integrity** — the displayed fare is the fare, which is rarer in this category than it should be.

The discount question deserves a direct answer because it determines what this business actually is, and the Indian category's history makes evasion easy. For a decade, growth in Indian online travel was purchased: cashback into a wallet, coupon codes distributed at volume, price-drop guarantees, and promotional fares subsidised from the platform's own margin or from investor capital. It worked — booking volumes grew enormously — and it produced a customer base trained to open three apps and compare promo codes before booking. The uncomfortable consequence is that a large proportion of those bookings were not loyalty to a platform but loyalty to a price, and the platform's own metrics could not easily tell the two apart, because a booking looks identical either way. This plan therefore treats discounting as a customer-acquisition expense with a defined test attached rather than as a permanent feature of pricing. **Discounts funded from the platform's own take fall from 28.6% of net revenue to 4.8%** — a deliberate weaning, and the plan is candid that **booking volume growth would be faster if it did not happen**. The test is the metric that matters: **bookings from customers first acquired on a discount who subsequently returned and paid full price, rising from 19% to 51%**. A platform where that number stays low has not built a customer base; it has rented one, and the rent is due every month. Reading it honestly is uncomfortable in the first year and is the only way to know whether the marketing spend is building anything. The same logic the FMCG D2C plan applied to cohort retention applies here with a sharper edge, because travel is purchased a handful of times a year rather than monthly, so a platform can go a very long time believing it has customers it does not have.

6. Product, Take Rate & the Price-Display Question

Line	Take-rate character	Strategic position
Domestic air	Very thin; convenience fee led	Traffic driver, not a margin source
Contracted independent hotels	Best take rate; supplier needs us	The closest thing to a moat
Chain and branded hotels	Negotiated, moderate	Necessary for credibility; supplier prefers direct
Packages & multi-product itineraries	Better take; real friction removed	Where the platform genuinely helps
Ancillaries (insurance, transfers, activities)	Materially better than air	Attach rate is a first-order metric
Displayed fare that rises at checkout	NIL — by policy	An e-commerce disclosure failure and a trust failure
Discounting as a permanent pricing feature	Reduced to 4.8% of net revenue	An acquisition expense with a test attached

Price display is the most common integrity failure in Indian online travel, and it is worth naming because it is both a regulatory exposure and the fastest way to destroy the repeat behaviour this entire plan depends on. The practice: a headline fare is displayed in search results, and by the time the customer reaches payment the figure has grown — convenience fee, seat and baggage charges, payment-gateway surcharge, an insurance product pre-selected by default. It converts well in the short run, because the customer is already several screens in and re-comparing is tedious. It also guarantees that the customer's final impression of the

transaction is that they were misled, which is a strange thing to buy with a marketing budget aimed at repeat usage. Under the Consumer Protection (E-Commerce) Rules this is a disclosure obligation rather than a matter of taste, and the ASCI position on displayed pricing points the same way. **This plan's policy is that the price shown in search is the price paid, with taxes and unavoidable fees included, optional products opt-in rather than pre-ticked, and any genuinely variable charge disclosed at the point it becomes applicable.** The cost is real and should be stated: a platform showing all-inclusive pricing looks more expensive than competitors showing base fares, in a comparison the customer performs in three seconds, and will lose bookings for it. The offsetting argument is the one this whole plan rests on — a business built on repeat booking cannot afford a moment at checkout where the customer feels tricked, because that moment is precisely when the decision about whether to return is being made.

7. Go-to-Market — Repeat Before Reach

Acquisition

- **Performance marketing measured on contribution**, not on booking volume or ROAS in isolation.
- **App installs with a reason to keep the app**, since an uninstalled app is a customer re-acquired at full price later.
- **Independent hotel supply as a demand hook** — properties genuinely unavailable elsewhere.
- **Referral and word of mouth**, which in travel follows a good disruption experience more than a good price.

Retention

- **Cohort repeat at M12** as the primary health measure, given travel's low purchase frequency.
- **Disruption handling**, the single strongest driver of return in this category.
- **Saved traveller profiles and itinerary history**, which make the second booking materially easier than the first.
- **No coupon dependency** — the second booking should not require a code.

Travel's low purchase frequency makes retention harder to read than in any consumer category, and it is where OTA founders most often deceive themselves. A customer books twice a year, so a cohort takes a full twelve months to say anything, and a platform can spend eighteen months believing its customer base is compounding when it is in fact churning slowly. This plan uses M12 cohort repeat — 24% rising to 43% — rather than any shorter window, and accepts that the number arrives too late to be comfortable.

8. Operations Plan (contract supply, sell honestly, settle, refund, retain)

- **Supply contracting**: independent hotel acquisition as a dedicated field function, **because this supply does not arrive through an API and is the only inventory a supplier site cannot undercut.**
- **Rate and availability integrity**: connectivity maintained so displayed inventory is real — **a booking that fails after payment is worse than no booking at all.**
- **Pricing**: all-inclusive display, optional products opt-in, no post-search escalation.
- **Payments**: gateway and aggregator arrangements structured within RBI rules, **with money movement designed around the refund obligation rather than around float.**
- **Settlement**: BSP calendar treated as immovable; hotel settlement terms negotiated to sit inside the cash cycle rather than outside it.
- **Disruption & refunds**: refund SLA committed publicly and met from the platform's own funds where the supplier is slow — **the single most important operational decision in this plan.**
- **Customer service**: staffed for the disrupted traveller at the hour disruption happens, not for office hours.

- **Measurement:** cohort repeat, paid versus blended CAC, contribution per first booking, discount-acquired full-price return rate.

Control points

Area	Activity	Control point
The honest test of the discount	Discount-acquired customers returning at full price	19% → 34% → 51%
Weaning	Discounts funded as % of net revenue	28.6% → 8.1% → 4.8%
The number that lies vs the one that matters	Blended CAC vs paid CAC	₹410 → ₹224 falling / ₹640 → ₹780 rising
Escaping the funnel tax	Direct and app traffic share	22% → 38% → 54%
Where the platform is judged	Refunds within committed SLA	61% → 84% → 96%
Customer money not returned	Held on cancelled bookings beyond 15 days	₹94L → ₹52L → ₹18L
Real health	Cohort M12 repeat / contribution per first booking	24% → 43% / -₹186 → +₹118

The refund decision is the single most important operational choice in this plan, and it is a choice about whose problem the delay is. The situation recurs constantly. An airline cancels; the customer is entitled to a refund; the airline will remit to the platform in anything from two weeks to several months, and sometimes disputes the amount. The platform has two options. It can pay the customer when the airline pays it — which is defensible, is what most of the category does, and means the customer experiences a platform that took their money instantly and returns it slowly. Or it can refund inside its own committed SLA from its own funds and pursue the airline separately — which costs working capital, occasionally results in a shortfall, and means the customer experiences a platform that stood between them and the problem. This plan takes the second position, and it is expensive: it is why the working-capital facility is sized as it is, and it is a genuine reason a competitor can price lower. The justification is not sentiment but arithmetic. Refund handling is the largest single source of complaint against Indian travel platforms; complaints are public, searchable and permanent; and this business's entire economic case rests on a customer booking again in twelve months' time. A customer who was refunded within the promise while the airline was still deliberating tells that story; a customer chasing a platform for four months tells a different one, at length, in a review that the next prospective customer reads. In a business where the first booking loses ₹186 and the profit is entirely in the repeat, buying the second booking with a refund handled properly is cheaper than buying it with a coupon.

9. RBI, E-Commerce Rules & Compliance (India)

- **IATA accreditation with bank guarantee and immovable BSP settlement** for air ticketing.
- **RBI payment-aggregator rules** where customer money is held or routed — determining whether funds may sit in the platform's account and for how long, which directly constrains refund practice.
- **Consumer Protection (E-Commerce) Rules** — accurate price display, clear cancellation and refund terms, seller identity, named grievance officer — **enforced against travel platforms specifically because the category generates a high complaint volume.**

- **Displayed-fare integrity** — a base fare that becomes materially higher at checkout is a disclosure failure under those rules and an ASCI issue, not merely a conversion tactic.
- **GST on commission or service fee as agent, and on package value as principal**, maintained per line; **TCS on overseas packages**.
- **DPDP obligations** across traveller identity, passport, payment and location data at volume, with consent, retention and breach notification.
- FEMA and authorised-dealer arrangements for international supplier settlement; professional indemnity and cyber-liability insurance.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / founders	1	1	2
Engineering & product	26	42	66
Customer service, disruption & refunds	24	44	76
Supply contracting (independent hotels)	14	24	38
Marketing & growth	12	20	32
Finance & admin	8	13	20
Total	85	144	234

Customer service is the second-largest function from day one and overtakes engineering by Year 3, which will look wrong to anybody reading this as a technology plan and is the point. A travel platform's differentiation against a supplier's own website is not the booking flow — the airline's flow is fine — it is what happens when the trip goes wrong. An OTA that staffs service like a software company and marketing like a consumer brand has built the two functions that suppliers can match and under-built the one they cannot. Note equally the supply contracting team: independent hotel inventory does not arrive through an API and cannot be acquired with a marketing budget; it is fourteen people visiting properties, and it is the only supply this platform will have that a supplier's own site cannot undercut.

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0–6	Platform and apps built, IATA and payment-aggregator arrangements in place, first independent hotel supply contracted, all-inclusive pricing implemented, refund SLA defined and staffed
Launch	Month 6–12	₹42cr GBV / ₹2.94cr net revenue; ₹1.14cr loss; take 7.0%; discounts 28.6% of revenue; direct traffic 22%; refund SLA 61%
Build	Year 2	₹96cr GBV; take 8.0%; discounts down to 8.1%; direct traffic 38%; refund SLA 84%; M12 cohort repeat 33%; ₹7.68cr net revenue, ₹45L profit
Scale	Year 3	₹172cr GBV; ₹15.48cr net revenue, ₹3.60cr profit; take 9.0%; discounts 4.8%; direct traffic 54%; refund SLA 96%; M12 repeat 43%; discount-acquired full-price return 51%

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. Cohort repeat, direct traffic share and refund SLA are the levers; GBV is not one, because it can be bought with a coupon.

12.1 Project cost & means of finance

Capital requirement	₹
Technology build (platform, apps, booking engine, payments)	96,00,000
Initial operating losses	88,00,000
Marketing & launch customer acquisition	68,00,000
Working capital & supplier settlement float	62,00,000
Supply onboarding & contracting	24,00,000
Office fit-out, deposits & customer-service centre	22,00,000
Legal, registrations, IATA/bank guarantee & insurance	20,00,000
Total project cost	3,80,00,000
Promoter & angel equity	1,90,00,000
Working-capital facility	1,50,00,000
Term loan	40,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
GROSS BOOKING VALUE (customer money — NOT revenue)	42,00,00,000	96,00,00,000	1,72,00,00,000
NET REVENUE (commission, fees, margin)	2,94,00,000	7,68,00,000	15,48,00,000
Take rate	7.0%	8.0%	9.0%
— Contracted independent hotels	1,10,00,000	3,08,00,000	6,42,00,000
— Chain & branded hotels	62,00,000	1,64,00,000	3,26,00,000
— Domestic air (convenience fee led)	58,00,000	1,42,00,000	2,74,00,000
— Packages & multi-product itineraries	38,00,000	98,00,000	2,02,00,000
— Ancillaries (insurance, transfers, activities)	26,00,000	56,00,000	1,04,00,000
Salaries	1,68,00,000	3,12,00,000	5,48,00,000
Marketing & customer acquisition	96,00,000	1,74,00,000	2,86,00,000
Discounts & cashback funded by the platform	84,00,000	62,00,000	74,00,000
Technology infrastructure & payment gateway	34,00,000	58,00,000	96,00,000
Customer service & refund operations	28,00,000	52,00,000	88,00,000

Rent, utilities & office	14,00,000	22,00,000	32,00,000
Admin, compliance & insurance	12,00,000	20,00,000	32,00,000
Finance cost (interest)	8,00,000	14,00,000	20,00,000
Depreciation & amortisation	6,00,000	9,00,000	12,00,000
Total expenses	4,08,00,000	7,23,00,000	11,88,00,000
Net profit / (loss) before tax	(1,14,00,000)	45,00,000	3,60,00,000
Net margin (on net revenue)	(38.8%)	5.9%	23.3%
Net profit as % of gross booking value	(2.71%)	0.47%	2.09%
DISCOUNTS FUNDED AS % OF NET REVENUE	28.6%	8.1%	4.8%
DISCOUNT-ACQUIRED CUSTOMERS RETURNING AT FULL PRICE	19%	34%	51%
PAID CAC — cost of the NEXT new customer (rising)	₹640	₹710	₹780
Blended CAC (the flattering number, shown for contrast)	₹410	₹296	₹224
CONTRIBUTION PER FIRST BOOKING (after all costs incl. CAC)	(₹186)	(₹42)	₹118
COHORT M12 REPEAT BOOKING RATE	24%	33%	43%
DIRECT & APP TRAFFIC SHARE (vs paid and meta-search)	22%	38%	54%
REFUNDS PROCESSED WITHIN COMMITTED SLA	61%	84%	96%
Customer money held on cancelled bookings beyond 15 days	94,00,000	52,00,000	18,00,000
Refund complaints per 1,000 bookings	34	18	8
Contracted independent hotels / ancillary attach rate	4,200 / 11%	11,600 / 18%	24,800 / 26%
Displayed fares that increased at checkout	NIL	NIL	NIL

12.3 Unit economics & break-even

- **The first booking loses ₹186 and the business is entirely in the repeat** — the same structure the FMCG D2C plan described, **except that travel is bought twice a year rather than monthly, so the payback period is measured in years and the founder learns the truth very late.**
- **Paid CAC rises while blended CAC falls, and only one of those is real. A platform reporting only blended will believe it is becoming more efficient in the exact period the next customer is becoming more expensive.**
- **Discount weaning from 28.6% to 4.8% of net revenue is the plan's central financial movement**, and the test is whether discount-acquired customers return at full price — **19% to 51%. A platform where that stays low has rented a customer base, and the rent is due monthly.**
- **Refund SLA compliance costs working capital and is the cheapest retention spend available: in a business where the first booking loses money, buying the second with a properly handled refund is cheaper than buying it with a coupon.**
- **Break-even: Year 2, thinly. The constraint is capital and cohort maturation, not demand — this platform can buy more bookings than it can profitably retain.**

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance (excluding customer money held for suppliers)	96,00,000	68,00,000	44,00,000	24,00,000
Collections (bookings)	9,86,00,000	10,42,00,000	10,84,00,000	11,18,00,000
Supplier settlements, refunds, salaries, marketing & overheads	10,14,00,000	10,66,00,000	11,04,00,000	11,32,00,000
Closing balance	68,00,000	44,00,000	24,00,000	10,00,000

This business holds customer money at scale, and the travel agency's warning at the head of this vertical applies here with an additional regulatory dimension. Bookings are collected instantly; suppliers are settled on their own cycles; refunds are owed on cancellations before the airline has remitted anything. At any moment a substantial balance sits in the platform's accounts that belongs to suppliers and to customers awaiting refunds — and it looks exactly like working capital. The additional dimension is that RBI payment-aggregator rules constrain how long customer money may be held and in what form, so the loose float practices that destroyed traditional travel agencies are, for a regulated platform, not merely unwise but non-compliant. The commercial temptation is nonetheless identical and stronger, because a growing platform's float grows with it and funding marketing from it is invisible until bookings slow. Three controls. Customer money and supplier obligations tracked separately from the platform's own funds regardless of account structure, so the business always knows what it actually owns. The refund reserve funded deliberately — this plan refunds inside its SLA from its own funds while pursuing suppliers separately, which is a working-capital commitment and is why the facility is ₹1.50 crore against ₹2.94 crore of Year-1 revenue. And growth paced against the facility rather than against demand, since every additional booking increases both the settlement obligation and the refund exposure before it contributes any margin.

12.5 Key Performance Indicators to Monitor

- **Real health:** cohort M12 repeat; contribution per first booking; paid CAC on the next customer; discount-acquired full-price return rate.
- **Funnel independence:** direct and app traffic share; app retention; meta-search and paid dependence; branded versus generic search mix.
- **Trust:** refunds within SLA; money held beyond 15 days; refund complaints per 1,000 bookings; displayed-fare integrity.
- **Supply moat:** contracted independent hotels; exclusive or differentiated inventory share; ancillary attach rate; take rate by line.

13. Funding Requirement & Bankability

Total ask: ₹1.90 crore promoter and angel equity, ₹1.50 crore working-capital facility and a ₹40 lakh term loan. Four points, and the first is the most important. This is an equity proposition with a working-capital facility attached, not a debt proposition — it has no securable assets beyond office equipment, its principal investment is software and customer acquisition, and it loses ₹1.14 crore in Year 1 by design. A promoter approaching a bank for the whole ₹3.80 crore has misread the plan, and a lender asked to fund it should decline the equity portion rather than structure it as debt. Second, the working-capital facility is genuine and sizeable relative to revenue because this plan refunds customers inside its own SLA while suppliers are still deliberating — that is a deliberate commitment of capital to a service standard, and removing it would improve the cash position and damage the only durable asset the business is building. Third, the most useful

diagnostic available: ask for cohort M12 repeat and the proportion of discount-acquired customers who returned at full price. Booking volume in Indian online travel has historically been purchasable, and a platform showing strong GBV growth with weak full-price return is renting its customers rather than owning them — the distinction is invisible in the top line and decisive in the third year. Fourth, note the structural position honestly: this business's suppliers actively want to disintermediate it and its upstream traffic sources are increasingly capable of transacting directly. The defensible ground is contracted independent supply and disruption handling, both of which are labour-intensive and neither of which is technology — a lender or investor evaluating this as a software business will misjudge where the value is.

13.1 Funding utilisation

Use of funds	₹	% of total
Technology build (platform, apps, booking engine, payments)	96,00,000	25.3%
Initial operating losses	88,00,000	23.2%
Marketing & launch customer acquisition	68,00,000	17.9%
Working capital & supplier settlement float	62,00,000	16.3%
Supply onboarding & contracting	24,00,000	6.3%
Office fit-out, deposits & customer-service centre	22,00,000	5.8%
Legal, registrations, IATA/bank guarantee & insurance	20,00,000	5.2%
Total	3,80,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
Your suppliers are trying to disintermediate you	SETS THIS PLAN'S GOVERNING CONVENTION AND COMPLETES A PATTERN THIS VERTICAL HAS NOW SHOWN THREE TIMES: THE TRAVEL AGENCY FOUND THE AIRLINE SELLS THE IDENTICAL SEAT ON ITS OWN SITE; THE HOMESTAY FOUND THE PLATFORM LISTING IT ALSO OWNS ITS REPUTATION; THE MICE PRODUCER FOUND VENUES SELL DIRECTLY. AN OTA IS THE PUREST FORM — CONSTRUCTING A MARKETPLACE WHOSE ENTIRE SUPPLY SIDE WOULD PREFER THE CUSTOMER HAD COME TO THEM, AND WHICH SPENDS REAL MONEY PERSUADING EXACTLY THAT. LOYALTY PROGRAMMES, "BOOK DIRECT FOR FREE BREAKFAST", APP-ONLY SUPPLIER PRICING AND MEMBER RATES ARE NOT INCIDENTAL MARKETING BUT A DELIBERATE CAMPAIGN AGAINST THIS BUSINESS MODEL, FUNDED BY THE PARTIES WHOSE INVENTORY IT SELLS → concentrate on the three areas that are genuinely different: INDEPENDENT AND UNBRANDED HOTEL SUPPLY (the one supplier for whom a platform is a service rather than a tax), MULTI-PRODUCT ITINERARIES, AND DISRUPTION HANDLING; AN OTA POSITIONING ITSELF AS A CHEAPER WAY TO BUY THE SAME THING HAS CHOSEN A FIGHT IT CANNOT WIN AGAINST PARTIES WHO OWN THE INVENTORY

The discount was the product	FOR A DECADE, GROWTH IN INDIAN ONLINE TRAVEL WAS PURCHASED — CASHBACK, COUPON CODES AT VOLUME, PRICE-DROP GUARANTEES, PROMOTIONAL FARES SUBSIDISED FROM MARGIN OR INVESTOR CAPITAL — AND IT WORKED, PRODUCING A CUSTOMER BASE TRAINED TO OPEN THREE APPS AND COMPARE PROMO CODES. THE UNCOMFORTABLE CONSEQUENCE IS THAT A LARGE PROPORTION OF THOSE BOOKINGS WERE LOYALTY TO A PRICE RATHER THAN TO A PLATFORM, AND THE PLATFORM'S OWN METRICS COULD NOT TELL THE TWO APART BECAUSE A BOOKING LOOKS IDENTICAL EITHER WAY → discounting treated as an acquisition expense with a defined test (funded discounts 28.6%→8.1%→4.8% of net revenue), and the test itself reported: DISCOUNT-ACQUIRED CUSTOMERS RETURNING AT FULL PRICE 19%→34%→51%. A PLATFORM WHERE THAT NUMBER STAYS LOW HAS NOT BUILT A CUSTOMER BASE; IT HAS RENTED ONE, AND THE RENT IS DUE EVERY MONTH. The plan is candid that BOOKING VOLUME GROWTH WOULD BE FASTER IF THE WEANING DID NOT HAPPEN
The funnel tax	A LARGE SHARE OF TRAVEL INTENT NOW BEGINS AT A SEARCH ENGINE OR META-SEARCH PAGE WHICH SURFACES PRICES, COMPARES SUPPLIERS AND THEN SELLS THE CLICK — SO THE OTA PAYS FOR TRAFFIC TO A BOOKING PAGE WHOSE PRICE WAS ALREADY DISPLAYED AND COMPARED UPSTREAM, AND THE UPSTREAM PARTY IS INCREASINGLY CAPABLE OF TAKING THE BOOKING ITSELF → direct and app traffic 22%→38%→54% as the only real escape; and the CAC pair reported honestly — PAID CAC RISES ₹640→₹780 WHILE BLENDED FALLS ₹410→₹224, THE SAME TRAP THE FMCG D2C PLAN IDENTIFIED, BECAUSE THE FALLING NUMBER IS DILUTED BY REPEAT BOOKINGS AND DESCRIBES NOTHING ABOUT THE COST OF THE NEXT CUSTOMER
The refund is the business	ALMOST NEVER IN THE PITCH DECK AND DECISIVE IN PRACTICE: A FLIGHT IS CANCELLED, THE CUSTOMER CONTACTS THE OTA, WHICH CANNOT FORCE THE AIRLINE TO DO ANYTHING AND CANNOT RELEASE MONEY IT HAS NOT RECEIVED. THE PLATFORM CAN PAY WHEN THE AIRLINE PAYS — DEFENSIBLE, WHAT MOST OF THE CATEGORY DOES, AND MEANS THE CUSTOMER EXPERIENCES A PLATFORM THAT TOOK THEIR MONEY INSTANTLY AND RETURNS IT SLOWLY — OR REFUND INSIDE ITS OWN SLA FROM ITS OWN FUNDS AND PURSUE THE AIRLINE SEPARATELY, WHICH COSTS WORKING CAPITAL AND MEANS THE CUSTOMER EXPERIENCES A PLATFORM THAT STOOD BETWEEN THEM AND THE PROBLEM → the second position taken, and it is expensive: it is why the facility is ₹1.50cr against ₹2.94cr of Year-1 revenue and is a genuine reason a competitor prices lower. Justified by arithmetic not sentiment — IN A BUSINESS WHERE THE FIRST BOOKING LOSES ₹186 AND THE PROFIT IS ENTIRELY IN THE REPEAT, BUYING THE SECOND BOOKING WITH A REFUND HANDLED PROPERLY IS CHEAPER THAN BUYING IT WITH A COUPON (SLA 61%→96%; money held beyond 15 days ₹94L→₹18L; complaints per 1,000 bookings 34→8)
Price display integrity	THE MOST COMMON INTEGRITY FAILURE IN INDIAN ONLINE TRAVEL: A HEADLINE FARE IN SEARCH RESULTS THAT GROWS BY CHECKOUT THROUGH CONVENIENCE FEES, SEAT AND BAGGAGE CHARGES, GATEWAY SURCHARGES AND A PRE-SELECTED INSURANCE PRODUCT. IT CONVERTS WELL BECAUSE THE CUSTOMER IS SEVERAL SCREENS IN AND RE-COMPAREING IS TEDIOUS — AND IT GUARANTEES THAT THE CUSTOMER'S FINAL IMPRESSION IS THAT THEY WERE MISLED, WHICH IS A STRANGE THING TO BUY WITH A MARKETING BUDGET AIMED AT REPEAT USAGE → all-inclusive display, opt-in optional products, variable charges disclosed when applicable (displayed fares increasing at checkout: NIL). THE COST IS REAL — ALL-INCLUSIVE PRICING LOOKS MORE EXPENSIVE IN A COMPARISON THE CUSTOMER PERFORMS IN THREE SECONDS — BUT A BUSINESS BUILT ON REPEAT CANNOT AFFORD A MOMENT AT CHECKOUT WHERE THE CUSTOMER FEELS TRICKED, BECAUSE THAT IS PRECISELY WHEN THE DECISION ABOUT WHETHER TO RETURN IS BEING MADE

Low purchase frequency hides churn	TRAVEL IS BOUGHT TWICE A YEAR, SO A COHORT TAKES A FULL TWELVE MONTHS TO SAY ANYTHING AND A PLATFORM CAN SPEND EIGHTEEN MONTHS BELIEVING ITS CUSTOMER BASE IS COMPOUNDING WHEN IT IS CHURNING SLOWLY — THE PAYBACK PERIOD IS MEASURED IN YEARS AND THE FOUNDER LEARNS THE TRUTH VERY LATE → M12 cohort repeat used rather than any shorter window (24%→33%→43%), accepting that the number arrives too late to be comfortable; contribution per first booking tracked (–₹186→+₹118)
Customer money and the regulated float	THE TRAVEL AGENCY'S FLOAT WARNING APPLIES WITH AN ADDITIONAL REGULATORY DIMENSION: RBI PAYMENT-AGGREGATOR RULES CONSTRAIN HOW LONG CUSTOMER MONEY MAY BE HELD AND IN WHAT FORM, SO THE LOOSE PRACTICES THAT DESTROYED TRADITIONAL AGENCIES ARE FOR A REGULATED PLATFORM NOT MERELY UNWISE BUT NON-COMPLIANT — WHILE THE COMMERCIAL TEMPTATION IS IDENTICAL AND STRONGER, BECAUSE A GROWING PLATFORM'S FLOAT GROWS WITH IT AND FUNDING MARKETING FROM IT IS INVISIBLE UNTIL BOOKINGS SLOW → customer money and supplier obligations tracked separately regardless of account structure; refund reserve funded deliberately; GROWTH PACED AGAINST THE FACILITY RATHER THAN AGAINST DEMAND, SINCE EVERY ADDITIONAL BOOKING INCREASES BOTH SETTLEMENT OBLIGATION AND REFUND EXPOSURE BEFORE CONTRIBUTING ANY MARGIN
Incumbents, capital & compliance	Established OTAs hold brand, scale and years of customer data; global platforms hold capital → compete on contracted independent supply and service rather than on price or reach. CONSUMER PROTECTION (E-COMMERCE) RULES ARE ENFORCED AGAINST TRAVEL PLATFORMS SPECIFICALLY BECAUSE THE CATEGORY GENERATES A HIGH COMPLAINT VOLUME → price display, refund terms, seller identity and grievance officer maintained; IATA/BSP immovable; DPDP across traveller identity, passport, payment and location data; GST agent-versus-principal per line; TCS on overseas packages

15. SWOT Analysis

Strengths Contracted independent hotel supply — the one inventory a supplier site cannot undercut; refunds honoured inside SLA from own funds; all-inclusive price display in a category where that is rare; cohort repeat measured at M12 and reported honestly; service staffed as the product rather than as a cost.	Weaknesses Suppliers actively fund campaigns to disintermediate it; first booking loses ₹186 with payback measured in years; 28.6% of Year-1 revenue still spent on discounting; no securable assets — an equity proposition; loses ₹1.14 crore in Year 1 by design.
Opportunities Tier-2 and Tier-3 first-time online bookers entering the category; independent hotel supply with no distribution of its own; ancillary attach at materially better take rates; disruption handling as ground the suppliers have largely vacated; digital payments maturity removing purchase friction.	Threats Meta-search and search engines capturing intent upstream and transacting directly; well-capitalised incumbents with accumulated data; a customer base that may be loyal to discounts rather than to the platform; RBI and e-commerce rule changes affecting money handling; supplier direct-booking incentives deepening.

16. Recommended AiSevak Tools for This Business

This travel platform would use AiSevak's Travel vertical tools in operations:

- **Real health: cohort M12 repeat by acquisition month, contribution-per-first-booking model, paid-versus-blended CAC reporting, discount-acquired full-price return tracker.**

- **Funnel independence:** direct and app traffic share monitor, app retention and uninstall tracking, meta-search dependence and branded-versus-generic search mix.
- **Trust operations:** refund SLA clock with supplier-recovery tracking, money-held-beyond-15-days report, complaint-per-1,000-bookings analysis by cause, displayed-fare integrity audit.
- **Supply moat:** independent-hotel contracting pipeline, differentiated-inventory share, take rate by line, ancillary attach rate.
- **Money:** customer-money-versus-own-funds separation, supplier settlement calendar with BSP immovability flagged, refund reserve adequacy, growth paced against facility headroom.

17. Key Assumptions & Notes

- OTA / travel-tech startup: online travel platform selling domestic flights, hotels, packages and ancillaries through web and app, with contracted independent hotel supply, aggregated air content, in-house payments and a customer-service operation built around disruption and refunds. □ **TENTH PLAN IN THE TRAVEL VERTICAL — PLATFORM SUB-MODEL, INHERITING THE FMCG D2C CONVENTIONS ON CAC AND COHORT REPEAT.**
- ▲ **GOVERNING CONVENTION FOR THE PLATFORM SUB-MODEL, SET HERE:** (a) **YOUR SUPPLIERS ARE TRYING TO DISINTERMEDIATE YOU** — the third and purest instance of a pattern this vertical has now shown three times, and loyalty programmes and book-direct incentives are a deliberate campaign against this model funded by the parties whose inventory it sells. (b) **THE DISCOUNT WAS THE PRODUCT** for most of this category's history, and a plan modelling profitability must answer what happens when it stops — the honest answer being that many "customers" were buying the discount, not the platform. (c) **THE FUNNEL TAX SITS ABOVE YOU:** intent begins at a search or meta-search page that already compared prices and is increasingly able to transact. (d) **THE REFUND IS THE BUSINESS** — the largest source of complaint against Indian travel platforms and where reputation is actually made. (e) **LOW PURCHASE FREQUENCY HIDES CHURN**, so only M12 cohort repeat is meaningful and it arrives too late to be comfortable.
- **ON WHAT THE PLATFORM ACTUALLY OFFERS: ON A SINGLE DOMESTIC FLIGHT BETWEEN TWO METROS THE ANSWER IS NOTHING — THE AIRLINE'S SITE HAS THE SAME SEAT, FREQUENTLY AT THE SAME OR A BETTER PRICE, WITH LOYALTY ACCRUAL AND NO INTERMEDIARY IN THE REFUND CHAIN. THREE AREAS ARE GENUINELY DIFFERENT: INDEPENDENT AND UNBRANDED HOTEL SUPPLY, WHERE THE SMALL PROPERTY WITH NO BOOKING ENGINE IS THE ONE SUPPLIER FOR WHOM A PLATFORM IS A SERVICE RATHER THAN A TAX; MULTI-PRODUCT ITINERARIES, WHERE ASSEMBLING FLIGHT, HOTEL AND TRANSFER ACROSS THREE SITES IS REAL FRICTION; AND DISRUPTION HANDLING, BECAUSE THE TRAVELLER WHOSE FLIGHT IS CANCELLED AT 22:00 IS NOT COMPARING PRICES BUT LOOKING FOR SOMEBODY TO ANSWER → 24 of 85 Year-1 staff in customer service, overtaking engineering by Year 3; 14 in independent-hotel contracting, WHICH DOES NOT ARRIVE THROUGH AN API AND CANNOT BE ACQUIRED WITH A MARKETING BUDGET.**
- **ON THE REFUND DECISION, WHICH IS A CHOICE ABOUT WHOSE PROBLEM THE DELAY IS: PAY WHEN THE AIRLINE PAYS, AND THE CUSTOMER EXPERIENCES A PLATFORM THAT TOOK THEIR MONEY INSTANTLY AND RETURNS IT SLOWLY; OR REFUND INSIDE THE COMMITTED SLA FROM OWN FUNDS AND PURSUE THE SUPPLIER SEPARATELY, AND THE CUSTOMER EXPERIENCES A PLATFORM THAT STOOD BETWEEN THEM AND THE PROBLEM. THE SECOND COSTS WORKING CAPITAL AND IS WHY THE FACILITY IS ₹1.50CR AGAINST ₹2.94CR OF YEAR-1 REVENUE — justified because COMPLAINTS ARE PUBLIC, SEARCHABLE AND PERMANENT, AND IN A BUSINESS WHERE THE FIRST BOOKING LOSES ₹186 AND PROFIT IS ENTIRELY IN THE REPEAT, BUYING THE SECOND BOOKING WITH A REFUND HANDLED PROPERLY IS CHEAPER THAN BUYING IT WITH A COUPON.**
- **Economics & cash — THE FIRST BOOKING LOSES ₹186 AND THE BUSINESS IS ENTIRELY IN THE REPEAT, THE SAME STRUCTURE AS THE FMCG D2C PLAN EXCEPT THAT TRAVEL IS BOUGHT TWICE A YEAR RATHER THAN**

MONTHLY, SO PAYBACK IS MEASURED IN YEARS AND THE FOUNDER LEARNS THE TRUTH VERY LATE. THE PLATFORM HOLDS CUSTOMER MONEY AT SCALE, AND RBI PAYMENT-AGGREGATOR RULES MAKE THE LOOSE FLOAT PRACTICES THAT DESTROYED TRADITIONAL AGENCIES NOT MERELY UNWISE BUT NON-COMPLIANT — WHILE THE TEMPTATION IS STRONGER, BECAUSE A GROWING PLATFORM'S FLOAT GROWS WITH IT AND FUNDING MARKETING FROM IT IS INVISIBLE UNTIL BOOKINGS SLOW (Y1 —₹1.14cr → Y3 ₹3.60cr; net margin —38.8%→5.9%→23.3%; net profit on GBV —2.71%→2.09%; take 7.0%→9.0%; M12 repeat 24%→43%; break-even Year 2; THE CONSTRAINT IS CAPITAL AND COHORT MATURATION, NOT DEMAND — THIS PLATFORM CAN BUY MORE BOOKINGS THAN IT CAN PROFITABLY RETAIN). Regulatory: IATA with immovable BSP; **RBI PAYMENT-AGGREGATOR RULES CONSTRAINING HOW LONG CUSTOMER MONEY MAY BE HELD, WHICH DIRECTLY SHAPES REFUND PRACTICE;** Consumer Protection (E-Commerce) Rules on price display, refund terms, seller identity and grievance officer, **ENFORCED AGAINST TRAVEL PLATFORMS SPECIFICALLY BECAUSE THE CATEGORY GENERATES HIGH COMPLAINT VOLUME;** displayed-fare integrity as a disclosure obligation rather than a conversion tactic; DPDP; GST agent-versus-principal per line; TCS on overseas packages; FEMA. Funding note: **THIS IS AN EQUITY PROPOSITION WITH A WORKING-CAPITAL FACILITY ATTACHED, NOT A DEBT PROPOSITION — NO SECURABLE ASSETS BEYOND OFFICE EQUIPMENT, PRINCIPAL INVESTMENT IN SOFTWARE AND CUSTOMER ACQUISITION, AND A ₹1.14 CRORE YEAR-1 LOSS BY DESIGN; A PROMOTER APPROACHING A BANK FOR THE WHOLE ₹3.80 CRORE HAS MISREAD THE PLAN; ASK FOR COHORT M12 REPEAT AND THE PROPORTION OF DISCOUNT-ACQUIRED CUSTOMERS WHO RETURNED AT FULL PRICE, SINCE BOOKING VOLUME IN INDIAN ONLINE TRAVEL HAS HISTORICALLY BEEN PURCHASABLE AND A PLATFORM WITH STRONG GBV GROWTH AND WEAK FULL-PRICE RETURN IS RENTING ITS CUSTOMERS — INVISIBLE IN THE TOP LINE AND DECISIVE IN THE THIRD YEAR;** and **NOTE THAT THE DEFENSIBLE GROUND IS CONTRACTED INDEPENDENT SUPPLY AND DISRUPTION HANDLING, BOTH LABOUR-INTENSIVE AND NEITHER TECHNOLOGY — AN INVESTOR EVALUATING THIS AS A SOFTWARE BUSINESS WILL MISJUDGE WHERE THE VALUE IS.** ₹3.80cr, GBV 42→172cr, net revenue 2.94→15.48cr, 85→234 staff, direct traffic 22%→54%. Figures illustrative, exclude GST.

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