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August 20, 2024

Listing Manager, **National Stock Exchange of India Limited** **Exchange Plaza, C-1 Block G** **Bandra Kurla Complex, Bandra (E)** **Mumbai – 400051, India** **Symbol: YATRA** **ISIN No.: INE0JR601024**	**Manager - CRD** **BSE Limited** **Phiroze Jeejeebhoy Towers** **Dalal Street,** **Mumbai – 400001, India** **Scrip Code: 543992** **ISIN No.: INE0JR601024**

Dear Sir/Madam,

Sub: Intimation – Transcript of Earnings Conference Call for the quarter ended June 30, 2024.

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith the transcript of earnings conference call for the quarter ended June 30, 2024.

The above information will also be made available on the website of the Company at www.yatra.com.

This is for your information and records.

Thanking You,

Yours sincerely,
For Yatra Online Limited

DARPAN BATRA
Digitally signed by DARPAN BATRA
Date: 2024.08.20 19:40:27 +05'30'

Darpan Batra
Company Secretary and Compliance Officer
M. No. A15719

Encl.: as above

Yatra Online Limited
(Formerly known as Yatra Online Private Limited)

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“Yatra Online Limited

Q1 FY25 Earnings Conference Call”

August 13, 2024

MANAGEMENT: **MR. DHRUV SHRINGI -- WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER – YATRA ONLINE LIMITED**
MR. ROHAN MITTAL -- GROUP CHIEF FINANCIAL OFFICER – YATRA ONLINE LIMITED
MR. MANISH HEMRAJANI – VICE PRESIDENT, CORPORATE DEVELOPMENT AND INVESTOR RELATIONS – YATRA ONLINE, INC.

MODERATOR: **MS. EKSHA MODI – JM FINANCIALS**

Moderator: Ladies and gentlemen, good day and welcome to the Yatra Online Limited Q1 FY25 Earnings Conference Call hosted by JM Financials. As a reminder, all participant line 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 the 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 over to Ms. Eksha Modi from JM Financials. Thank you and over to you ma'am.

Eksha Modi: Good morning everyone. Thank you for joining the Yatra Online Q1 FY25 Earnings Conference Call. Before we begin, let me mention a short caution statement. Some of the statements made in this earnings call may be misleading. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management beliefs as well as assumptions made by and information currently available to management.

Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings call is to purely educate and inform you about the company's fundamental business and financial quarter under way. Now, let me introduce you to the management participating with us in today's conference call and hand it over to them for opening remarks. We firstly have with us Mr. Dhruv Shringi, Whole Time Director and Chief Executive Officer, Mr. Rohan Mittal, Group Chief Financial Officer and Mr. Manish Hemrajani is VP Corporate Development & IR. With that, I request Mr. Dhruv Shringi to start with his opening remarks. Thank you and over to you sir.

Dhruv Shringi: Thank you and good morning everyone and thank you for joining us for our first quarter 2025 earnings call. For the quarter ended June 30, 2024, we reported revenue of INR1,008 million representing a decrease of 9% year over year. Adjusted air ticketing margin was impacted by a 24% decrease driven by lower volumes. The decline was primarily by the decline in volumes in the B2C segment as we optimized discounts amid intensifying price competition in the market.

Despite challenges in the B2C segment during the June quarter, the corporate travel segment showed robust growth across all key metrics. The company successfully secured 34 new corporate customer accounts representing an annual billing potential of INR2,028 million with average billing potential up 77% sequentially. As the leader in the corporate travel market in India, our customer acquisition rates remain strong, consistently outperforming industry benchmarks. We also continue to actively evaluate strategic opportunities to further bolster our corporate travel segment.

In addition, we made substantial progress in our meetings, incentives, conferences and exhibitions which is the MICE category this quarter. A newly onboarded team has started ramping up operations and while MICE contributions are modest for the June quarter, early signs for the September quarter are very encouraging with significant business already being secured.

In addition, we've also scaled up teams to focus on the mid-market corporate segment and new products including Visa, car rental services for corporate travellers.

Adjusted EBITDA came in at INR105 million, a decrease from INR173 million in the same period last year partly reflecting the lower volumes in the B2C space and partly due to the added cost of onboarding the new teams for the initiatives that I just spoke about. The cost of such incremental hire is close to INR40 million and this is for the quarter. There is a team of over 80 people that's being hired.

Ex investments in new initiatives during the quarter I believe EBITDA would have been closer to INR145 million. I do want to talk about the importance of us ramping up some of these new initiatives in a relatively short period of time. This is critical I feel from a business repositioning perspective. Over the past few months and particularly in the last quarter, we've seen the country's largest airline begin to offer deeply discounted fares exclusively on its website and B2C mobile app. This is a great initiative that they've launched on the B2C side of things.

In light of this recent consolidation within India's domestic aviation sector and the current aircraft supply constraint, this trend is significantly increasing customer acquisition costs in the B2C space for intermediaries like us. As a result, it is imperative that we rapidly expand our corporate travel business and we are actively exploring both organic and inorganic growth opportunities to achieve this. The MICE industry presents a compelling growth opportunity and it's got a very attractive margin profile.

It's a very good strategic fit to our corporate portfolio alongside our visa facilitation and car rental services. Additionally, as a company, we've also initiated a cost optimization program and we are streamlining our non-corporate businesses and seeing how we can optimize cost in these areas and we've streamlined almost 100 positions and the benefits of this should start flowing through in the month of September after accounting for any notice period obligations.

For the quarter ended 30th of June 2024, we reported revenue, as I mentioned earlier of INR1,008 million down 9% year over year and adjusted revenue of INR1,388 million down 16% year over year mainly driven by lower gross bookings on account of the decrease in the B2C air ticketing segment. While it is our strategy to position ourselves as a corporate provider of choice, we recognize that our ideal customer mix should be maybe a bit more strategically balanced and we are determined to win back our B2C share by implementing certain strategies in the coming quarters.

These are more tech-enabled kind of strategies that we've identified, more partnership-enabled plays, so these will not entail any significant expense on the P&L as we recover the market share. Meanwhile, we continue to expand our corporate customer base and this is demonstrated by the strong additions of new corporate customer wins during the first quarter as well. We believe that our momentum in garnering reputable corporate clients serves as a testament to our excellent service and attractive platform offerings. Travel volumes in the IT sector, however, have remained subdued in Q1 FY25 as well.

However, we are pleased to report that our performance in the sector outpaced industry trends. While travel spend on the Yatra platform by IT services customers was approximately 30% down versus pre-COVID levels, industry reports that we've seen recently indicate a nearly 50% decline in overall IT services travel spend compared to pre-COVID. This demonstrates Yatra's ability to capture an increased share of wallet within the IT services sector.

I would also like to take the time to highlight some of our more recent strategic initiatives to expand our market and growth potential. As mentioned last quarter, we are expanding our software services to better meet the needs of our clients through the launch of our expense management solution.

We are calling our solution RECAP, which stands for Receipt Capture and Processing. RECAP leverages cutting-edge technologies including Gen AI, large language models for receipt analysis to enable more accurate and comprehensive expense tracking and significantly reducing errors and saving time for our customers. We are currently working with a handful of clients on the expense front as part of our pilot program as we look to cross-sell this product further into our current install base.

Expense management is a large and highly profitable segment and our product capabilities make it a product that is suitable not just for the Indian market, but for international markets as well. Our initial response from customers has been very encouraging and this solution allows us to further deepen our relationship with our customers.

With a focus on the corporate segment and our commitment to expanding our presence and offering, as mentioned earlier, we've recently on boarded a team in the mice segment as well and the early indications are highly encouraging. To provide some context on the market potential, the India mice market was valued at approximately INR27,500 crores in 2023 and is projected to grow to INR85,000 crores by 2030 reflecting a compounded annual growth rate of 18% from 2023 to 2030.

Hence, it's a very natural extension for us and will help us drive both incremental value and volume from our customers. Now turning to the broader economic landscape, business travel in India is on an upward trajectory. Currently, India ranks as the ninth largest market globally in terms of business travel spends.

The market is expected to reach 38 billion this year and is projected to grow by 18% next year, surpassing pre-pandemic levels. This growth is underpinned by a strong economic outlook for the country with the Reserve Bank of India projecting real GDP growth of 7.2% in FY25, driven by increasing private consumption and a resurgence in demand from rural areas, making the fourth consecutive year of 7% plus growth in India.

The RBI also highlighted the positive impact of healthy balance sheets among banks and corporates, along with the government's ongoing focus on capital expenditure and we believe this translates into greater demand in the corporate travel segment. While domestic travel remains stable with expected growth in the high single digits, outbound travel is expected to grow significantly. Reports suggest that India's outbound departures have nearly tripled or could nearly triple to 50 million by 2030, fuelled by improved connectivity, more direct and affordable flights and a growing desire for international travel.

Additionally, several countries including Egypt, Azerbaijan, Georgia, and Southeast Asian nations like Indonesia and Malaysia have relaxed visa requirements, making them popular destinations for Indian travellers. While the June quarter has posed challenges for our B2C segment, we are encouraged by the strong momentum we are witnessing in our corporate travel business. The growth in new corporate accounts and the exciting development in our MICE business underscores our commitment to driving long-term value for our stakeholders.

We continue to fine-tune our strategic initiatives to maintain our dominant position in the corporate sector while working to regain share in the direct-to-consumer market as well. With that, let me hand the call over to Rohan to walk you through the details of the financial performance. Rohan, over to you.

Rohan Mittal: Thank you, Dhruv. I will now review our numbers for the quarter ended 30th June 2024. Our gross bookings reduced by 17% on a Y-o-Y basis. This was predominantly due to the 20% fall in our gross bookings as explained by Dhruv. Hotel and package business bookings remains flattish. Our overall adjusted margin for the quarter was at INR1.2 billion. Adjusted margin percentages for the air ticketing business was 6.5% and for the H&P, the adjusted margin percentage was 11.6%.

Moving on to the expenses, as a percentage of total gross booking value, our marketing sales promotion including consumer promotion and loyalty decreased by 50 bps with a sharp decrease of 25% on a Y-o-Y basis. Our personal expenses increased by 21% Y-o-Y. This is on account of the investment in the team as we build out our mid-market MICE, visa and expense management businesses.

Other costs have remained relatively range-bound compared to the year-ago quarter. On an overall basis, adjusted EBITDA was INR105 million as compared to INR173 million in the quarter ended June 2023. Lastly as of 30th June, we were carrying cash and cash equivalents and term deposits on our books of INR4.4 billion. Our gross debt is down to our lowest level of INR210 million compared to INR1.7 billion year-ago same period. With this, we conclude our prepared remarks. I'd like to hand it over to the moderator for the Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Manik Taneja from Axis Capital. Please go ahead.

Manik Taneja: Hi. Thank you for the opportunity. I just wanted to get more details about the comments that you made in terms of competitive intensity. If you could elaborate in terms of what are you seeing in terms of price competition in the market. The second question was with regards to your strategy of optimizing discounts.

While I do see that your customer inducement costs at an overall level have come off, but when I see this segment by segment especially on the hotel side, what is driving that number higher, especially in the context of the fact that you've been speaking about driving growth on the B2B side and in that backdrop why should this cost be going up over there? And then what is also driving the muted growth on the hotel business side, given that last year we had some challenges with exits of certain businesses, but this year also this number essentially appears very muted. Yes, those are my questions?

Dhruv Shringi: Sure. Thank you for that, Manik. Manik, in terms of competition, what we've seen is that and this is for the B2C business, so one can easily evaluate this if you go to, let's say, a Meta search platform like a Skyscanner or to Google Flights, you'll see that Indigo has significantly started offering a reduced fare which is available on their website only.

Now, Indigo obviously is 60% of the market and with the market leader providing a fare that's available only on their website which is not accessible to other OTA platforms, that does create a bit of a challenge in terms of customer acquisition. And the margins on low-cost carriers are anyway way so thin.

So there is not enough headroom for us to be able to come anywhere, even remotely close to the price which is being offered by them. So that is one challenge which is happening and if you want to then gain volume on the other airlines, that means you have to discount and this is not just for us.

This then leads to a scenario where everyone else is playing for the other airlines which is part of the Air India group or Akasa. So there is a new competition for those limited then opportunities. So that's what's playing out on the B2C air side and my sense is this is maybe similar to the global trends which are there. We've seen in the past airlines like Southwest, Ryan Air, easyJet do similar things for a period of time and I think it's now reaching the Indian shores as well.

So it just in a way tells us and reinforces our belief that the corporate from a long-term point of view in a market where suppliers are going to be concentrated is a much better place. We have to focus our efforts on really doubling down on the corporate side of things. So that's what's happening on the air front.

In terms of on the hotel side, hotels we feel is slightly different from a supply perspective. Hotels offer a more fragmented supply base, hence that's another area that we are looking at scaling up and there is some incremental marketing effort which is going into driving up volumes on the hotel side. The only reason you're not seeing it in the current quarter is because of a base effect for the same reason that we've mentioned for the last three quarters or so, which is that we had the partner's volumes have dropped off significantly and that's the reason why the base effect is there.

In the current quarter, which is the September quarter, the base effect will start nullifying. So you will then start seeing the organic growth come through on the hotel side as well in the September quarter.

Manik Taneja: Sure, but just to understand the higher customer inducement costs on the hotel side, what is driving that given the business mix is moving towards more of B2B/corporate side on hotel business?

Dhruv Shringi: Yes, so on the hotel side as well, on the B2B front, there's some introductory offers that we are making to our corporate customers to help them migrate onto our platform. These are typically ranging between three to nine months kind of introductory offers where they're seeing some special sales and prices to migrate onto our platform. But this is part of a larger contract commitment, so we'll even out.

Manik Taneja: Okay, so should we be building in similar kind of promotional activity on the hotel side to continue while we continue to remain much more disciplined on the airline side? Is that the way you should be thinking about FY25?

Dhruv Shringi: That's right. Till December at least, you should expect this to be in a similar manner because there are two or three large customers where we are working with them in terms of these introductory offers for a period of time ranging from three to nine months.

Manik Taneja: And the last one from my end, basically you had provided a certain outlook during the time of India listing. Any updates on that front because you did mention in the Q4 call that there might be some adjustments on that front, but it would be great to get the management's view on the same?

Dhruv Shringi: Yes. See, unfortunately, there are two headwinds which have come through which were not there at the time when we guys were looking at the India listing. One is obviously the supply side constraint that has come on account of Indigo's 75-plus aircrafts getting out of circulation for the engine repair issue.

That started in January of this year and then obviously it's only intensified in the current quarter and the other is I think the trend that I'm seeing with Indigo in terms of their pricing proposition. To me, that I think is a bigger challenge for the B2C business, while supply I think will obviously come back.

It's only a matter of time that supply side starts coming back, but the direct price competition from a supplier, especially in a consolidated market would be more challenging for the B2C business. So that's the reason why we are pushing so heavily towards ramping up teams. We added almost 90 people between the mice and the mid-market team in the course of the last four-odd months.

Manik Taneja: Sure. Thank you. And all the best for the future.

Dhruv Shringi: Thank you.

Moderator: Thank you. The next question is from the line of Swapnil from JM Financial. Please go ahead.

Swapnil: Hi, thanks for the opportunity. So I have a couple of questions. So first is on your mix. So given that our B2C business has not done well in this particular quarter, can you give some sense as to what would be the latest mix now, B2C, B2B? And how should we look at the mix going ahead? Because I think that has also affected your take rates a bit. If you can just elaborate on that?

Dhruv Shringi: Sure. So our mix at this point would be getting more skewed in favor of the B2B business as opposed to being more skewed in favor of B2C business. Historically, if you recall, our mix would have been 55% to 60% being B2C. We are now getting to a situation where we are seeing 55% odd coming from the corporate side, from the B2B side of things.

Swapnil: Yes. And on the take rates, what would be the impact because of the mix change? And how should we model it?

Dhruv Shringi: Yes. So on the take rate, what will happen is while take rates will get adjusted on account of this mix effect only, but your net revenue retention should improve. So your revenue rates should improve because on the corporate side, there is then no marketing or customer couponing which comes into the picture.

So while take rates will get marginally depressed because of this change in mix, in my sense, if I just do a quick math on that would be in the 30 to 50 basis points kind of change at the overall take rate level, but in terms of the net revenue flow through that should improve on account of the higher mix of corporate.

Swapnil: Got it. And would there be an impact on your payment gateway charges also? Because I see that the charges have come down meaningfully. It's now 0.6% as a percentage of GBR?

Dhruv Shringi: That's because of the mix in business only. Because B2C has payment gateway charges. On the corporate side, payment gateway charges are more limited. So because of that as the mix skews in favor of corporate and B2B business versus B2C the payment gateway charges will come down.

Swapnil: Got it. And if I were to ask you more medium term question, earlier we used to guide for 15% to 20% top line growth. Now, because of the current challenges, how should one think about growth because I'm presuming the expectation was that the B2C will grow at a faster rate than the corporate, but now that may not be the case. So any change in the guidance because of that?

Dhruv Shringi: So in terms of the overall growth rate, so our growth rate that we were looking at what we had projected to 15% to 20%, that's based on corporate growing at about 25%, B2C growing between 10% to 12%. Our sense is that B2C will actually be closer to flat which means growth rates will be between the 10% and 15% mark as opposed to the 15% to 20% mark in terms of gross bookings.

Swapnil: Okay. And on the product side, air and hotels?

Dhruv Shringi: Air should be again - air will be closer to 10. Hotels after this base effect gets adjusted, should be closer to 20.

Swapnil: Got it. Thanks a lot.

Dhruv Shringi: Hotels we are seeing significant amount of traction right now.

Swapnil: Sure. Got it. Thank you for the opportunity.

Moderator: Thank you. The next question is from the line of Anmol Garg from DAM Capital. Please go ahead.

Anmol Garg: Hey, hi. Thanks for the opportunity. Dhruv can you talk about how the traffic is panning out on the application and the website? And if you can talk about how is the view-to-book ratio in the company and how has it changed in the last three to four quarters?

Dhruv Shringi: Sure. So if I look at on the traffic side, Anmol on the traffic front we've been optimizing our own marketing spend and our own traffic and focusing more on quality of traffic versus the quantity of supply. That's why we've been scaling back from some of the Meta search platforms where there is more intensive price competition that's happening.

So in terms of overall traffic, we've seen almost 15% closer to 17%, 18% kind of decline in traffic if I look at from the last two to three quarters, but in terms of our look-to-book because the quality of traffic has improved. Our look-to-book is up almost double digits. So part of the traffic decline is being offset by the look-to-book which is in a much better shape right now, given the better quality of traffic that's coming through onto the website.

So it's helping us two ways. One, it's optimizing our marketing spend because we don't have to spend as much in terms of from a traffic acquisition point of view. And second obviously the stress on the internal data center, utilization of IT capacity, etc that is also getting optimized on account of the better conversion.

Anmol Garg: Secondly, earlier we had heard that some of the Meta search platforms had and one of the larger one particularly had increased their commission rates quite a bit. So from that perspective do Yatra will be on the Meta search platforms or are we planning to move away from that?

Dhruv Shringi: I think this is obviously a dynamic situation which is there at the moment. If the economics are optimal which they currently are. So in terms of the conversations that we've had, at least, they continue to be optimal. So we will be on the platforms, but if the cost of acquisition revises meaningfully and goes up, then I think that's a call that we will have to take.

But at this point of time, given the current kind of traffic mix that we are working with on the Meta platforms and the kind of conversion that we've optimized for, we are in a comfortable situation. We will carry on as usual.

Anmol Garg: Sure. And one on the corporate side so you have indicated that you have added 34 new corporates with billing potential of up to INR200 crores. So would that be annual billing potential or that would be for multi-year?

Dhruv Shringi: No, that is the annual potential.

Anmol Garg: Okay sure. Thank you so much Dhruv.

Dhruv Shringi: Thank you Anmol.

Moderator: Thank you. The next question is from the line of Nitin from Investec. Please go ahead.

Nitin: Hi, good morning. Just wanted your thoughts on the investments that we have done on the corporate business. By when should we start seeing those yield from a revenue perspective? And just broadly if you could just break it up into MICE and mid-market, how do you see that sort of evolving on a going forward basis?

Dhruv Shringi: Sure. Morning, Nitin. Nitin on the MICE side, in the September quarter itself, we will see that team get to break even in the September quarter itself and have a positive impact margin impact in the September quarter. That's for MICE. Mid-market has a slightly longer ramp-up cycle because the kind of customers that you're aggregating are more smaller by their very nature. So, you have to farm out first to a larger customer base to be able to get the right return.

So mid-market will take us till the Jan to March quarter to be able to ramp up to the stage where they are fully capturing their cost. But we will start seeing incremental return come through from this current quarter itself. But for MICE, MICE will have a positive impact in the September quarter as well.

Nitin: Sure. And how is the expense management and the throughput to the SMA business so far? What's been the experience?

Dhruv Shringi: So the expense is such an up to a very positive start. The feedback that we've got from the customers where we are running this as a pilot process with them is very encouraging. It will take us maybe another three to four months before we can actually say that now we are able to generate revenue from this at a meaningful level or at least the trendline is getting to a meaningful stage.

So it will take maybe a quarter or two to get to that stage, but the early response from the mid-size customers that we rolled it out to right now is quite positive. We are also excited that a couple of our large customers are also evaluating the solution and if it ends up meeting their needs, then I think that becomes a very significant breakthrough for us.

But that we will only know because it's going through a larger assessment cycle with the larger customers because we already have solution providers that will need to be dislodged for our solution to be installed.

Nitin: So, broadly, is the what you call the customer acquisition rate because of the bundling of the expense management better than what you would have seen normally?

Dhruv Shringi: Nitin, I think the way I would look at this and it's too early to say that whether it's going to be better. The initial start is obviously very positive, but before I comment on this long-term trend I think we need a few more data points. But what is encouraging is that our ability to improve pricing as a bundled solution.

So to give you an example if hypothetically, it was INR100 that we were charging for a domestic flight, 500 for an international flight. You can bundle it with an expense and charge 125 and 550 let's say hypothetically. So that bundling, at least initially is turning out to be quite encouraging.

Nitin: Got it. That's helpful. Thank you so much and all the best.

Moderator: Thank you. The next follow-up question is from the line of Nitin from Investec. Please go ahead.

Nitin: Yes. Hi. Thanks for the opportunity again. So, post the trimming down of headcount on the consumer business which you alluded to would that mean is there a risk that the consumer business sort of declines for the year? And would there be an impact on the year-end volume incentives that we normally see?

Dhruv Shringi: So, Nitin, that's a very good question. In terms of volume incentives, the way we are trying to balance out the volume incentives is through our B2B business, right? So on the corporate side, while it's there and there's organic growth which is happening in your customer acquisition, there is also incremental effort putting into the B2B travel agency market to make sure that we have the desired volume that we can get from there to support the highest slabs of the volume incentives. So, that's how we are looking at it. And we are balancing between B2C and the travel agency market to see wherever we are getting a lower cost of acquisition.

Nitin: Okay. So, the Q4 bump that we usually see, that could still remain, at least, that's not at risk. You'll still see a bump, but the only risk is maybe slightly lower is the worst case. But Yes, it will still be rest?

Dhruv Shringi: Yes.

Nitin: Perfect. That's helpful. Thank you so much.

Moderator: Thank you. The next follow-up question is from the line of Swapnil from JM Financial. Please go ahead.

Swapnil: Yes. Hi. Thanks for the opportunity again. Just one question. There is a mention of a provision of around INR3.6 crores. If you can just elaborate on that, what is that relating to?

Dhruv Shringi: Sure. See on the provision side there is obviously a continuous assessment that happens on liabilities that we are carrying. This is an assessment based on discussion with advisors that pertains largely to some earlier defunct airlines which is being recorded as a one-time thing.

Swapnil: If I'm not wrong, you had already taken a Go related impairment in your numbers, right? Is this something new in some other airlines?

Dhruv Shringi: Yes, this is going back even further than Go.

Swapnil: Any more such one-time provisions expected?

Dhruv Shringi: No, we don't anticipate anything further.

Swapnil: Okay got it. Thank you.

Moderator: Thank you. The next question is from the line of Vinay from Hathway Investments Private Limited. Please go ahead.

Vinay: Yes. Thanks for the opportunity. Just wanted to understand that the amalgamation that you have announced, how exactly is it going to be impacted by when will it be done and what do you expect to be incremental cost saving because of that?

Dhruv Shringi: So, Rohan, maybe you can walk Vinay through that.

Rohan Mittal: Sure, Dhruv. Hi, Vinay. So, basically, the intent is that we have wholly owned subsidiaries, majority of which Vinay are acquisitions that we've done in the past over the last decade or so and some of them are LOB specific, some of them are product specific. So, what we are trying to do is we are merging all these wholly owned subsidiaries into the main listco which is Yatra Online Limited. The reason for that is one to streamline operations that includes both business operations as well as finance operations.

Two, what happens is that in Yatra Online Limited, the listco, we have carry forward losses, significant carry forward losses from the early years. While in the wholly owned subsidiaries, these have typically been taxpaying entities. So our intent is to optimize and use those carry forward losses of Yatra Online Limited as the business continues to grow and we continue to remain profitable quarter on quarter.

Third, there are legal, professional, other expenses, audit fees, all those things which come in at an entity level. Our intent is to start reducing that across by merging all these entities into the main listco. Because automatically for those six entities which are getting merged, there will not have to be a separate audit, tax audit, etc., which would have to be carried out. So, that's a cost saving that would start happening. Those are the three primary reasons why we are doing this right now.

Vinay: And could you just quantify what will be the timeline and also the cost benefit that you would accrue in Yatra Online?

Rohan Mittal: Sure. So as far as the timelines are concerned, the first step was streamlining all our registered offices to the same location. That process is already done and dusted. We closed that in the month of April and May. Now, the board has approved and therefore what we will do is we will file an application with NCLT.

The early estimates of timelines that we've received are that hopefully they should get through somewhere around March-April of the coming calendar year. Please note that these are subject to final approvals from all regulatory authorities, etc. So, please take the timelines with that into account. Third, as far as the savings are concerned, our estimate is that that number should be in the range of close to approximately INR5 crores to INR6 crores annually.

Vinay: And the appointed date is 1st April, 2024?

Rohan Mitta: That's right.

Vinay: Okay. Thanks a lot.

Moderator: Thank you. As there are no further questions from the participants, I now hand the contents over to the management for closing comments.

Dhruv Shringi: Thank you everyone for being on the call today. As always, we are fully committed to driving the recovery and growth of the business. We are all available if you have any follow-up questions and we look forward to your active participation in the days ahead. Thank you for your time this morning.

Moderator: On behalf of JM Financials, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

Note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.