



August 18, 2025

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
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Sub: Intimation – Transcript of Earnings Conference Call for the quarter ended June 30, 2025.

Dear Sir/Madam,

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, 2025.

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
Company Secretary and Compliance Officer
M. No. A15719

Encl.: as above

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“Yatra Online Limited
Q1 FY '26 Earning Conference Call”
August 11, 2025



MANAGEMENT: **MR. DHRUV SHRINGI – WHOLE-TIME DIRECTOR AND
CHIEF EXECUTIVE OFFICER – YATRA ONLINE
LIMITED**
**MR. ANUJ SETHI – CHIEF FINANCIAL OFFICER –
YATRA ONLINE LIMITED**

MODERATOR: **MR. BIPLAB DEBBARMA – ANTIQUE STOCK BROKING
LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Yatra Online Q1 FY '26 Earnings Conference Call hosted by Antique Stock Broking Limited. As a reminder, all participant lines will be in the 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Biplab Debbarma from Antique Stock Broking Limited. Thank you, and over to you, sir.

Biplab Debbarma: Thank you, Manav. Good mornings, everyone, and welcome to the Q1 FY '26 earnings call of Yatra Online, hosted by Antique Stock Broking. Please note, certain statements made during this call may be forward-looking in nature and are subject to risks and uncertainties. Actual results may differ materially.

Today, we have with us the management of the company represented by Mr. Dhruv Shringi, Whole-Time Director and CEO; Mr. Anuj Sethi, Chief Financial Officer.

Without further ado, let me hand over the call to Mr. Dhruv Shringi. Over to you, Dhruv.

Dhruv Shringi: Thank you, Biplab, and good morning, everyone. Thank you for joining us to discuss our first quarter financial year '26 earnings. I'm pleased to share that our first quarter performance delivered strong financial and operational results with growth well ahead of our annual guidance despite the disruption in the travel industry in India on account of cross-border tension and the unfortunate air crash in June 2025.

This momentum was driven by sustained demand in business travel and strong execution across our platforms. For Q1 FY '26, we are pleased to report revenue of INR209 million, up 108% year-over-year. Revenue less service cost for the quarter of INR115.6 crores, up 44% year-over-year.

Our growth in revenue and gross margins reflects the momentum we have in our corporate business and in the higher-margin hotels and packages business on account of continued momentum in MICE and stand-alone hotel cross-selling to existing customers. Notably, our profitability metrics underscore our disciplined execution. EBITDA for the quarter at INR 24.2 crores was up 247% year-over-year and PAT was up almost 3x to INR16 crores.

Our adjusted EBITDA of INR24.9 crores was up 138% year-over-year with 21% EBITDA margin. Our gross margin and adjusted EBITDA growth rates for the quarter were significantly ahead of our annual guidance of 20% growth for gross margin and 30% growth for adjusted EBITDA.

These results reaffirm the strength and sustainability of our business model as well as our commitment to delivering value to our shareholders. The corporate travel market is expected to reach around US\$20 billion by FY '27; however, online penetration in this segment remains low at just around 20% in FY '24 compared to almost 45% for the overall travel industry in India. This indicates substantial headroom for digital adoption across the corporate travel industry. Online penetration is accelerating, driven by rapid adoption of digital booking platforms and the uptake of self-booking tools and integrated expense management solutions as they continue to rise across the corporate segment.

In the lodging space, branded hotels and curated packages are witnessing increasing demand for both leisure and MICE travelers, supported by improving supply, better service standards and a growing preference for experiential stays. Overall, this large and expanding market, coupled with increasing digital adoption presents a significant opportunity for Yatra, particularly in the underpenetrated corporate segment.

Our corporate travel sector continues to deliver strong momentum for Yatra. In Q1, we onboarded 34 new corporate clients, collectively adding an annual billing potential of approximately INR200 crores. On the B2C front as well, we continue to make good progress on rationalizing our cost of acquisition and finding avenues to scale profitably.

B2C bookings were more impacted by the macro events of the quarter, as I mentioned earlier, and declined marginally year-over-year. Had it not been for the effect of these macro events, it was likely that B2C gross bookings would also have registered a marginal increase year-over-year. On the technology front, we introduced a more refined user interface, which makes it easier to upsell branded fares across airlines.

These fares offer unique airline-specific fare options bundled with benefits such as baggage allowance, seats and flexible changes. This allows us to be able to cross-sell and upsell more value-added products to the customer. And as you would know, these value-added products typically carry higher margin for us.

We have also recently launched the beta version of our AI assistant DIYA, which stands for Digital Intelligent Yatra Advisor which assists customers not only for the usual customer service inquiries, but also helps refine the search and help book personalized travel products. AI-enabled servicing will provide us with further operating leverage in the quarters to come and a more refined search process should enable us to attract new customers.

Early indications are that we would be able to optimize the work of about 70 to 100 people by the end of this fiscal year and about 200 people by the end of next fiscal year. Additionally, our expense management solution offers an end-to-end travel and expense solution with Gen AI-powered receipt passing, ERP integration and advanced analytics and visualization, and it continues to get very positive feedback from its initial customers.

In sales and marketing, we continue to amplify partner offers from banks and airlines through our own marketing and social media channels, ensuring consistent visibility and engagement.

Our content marketing initiatives further strengthen brand reach with compelling travel stories, seasonal campaigns and milestone celebrating that resonate with our audiences.

We also executed innovative brand collaborations with leading consumer brands, Maggi being one of the more prominent ones, delivering impactful outdoor campaigns and co-branded experiences that capture attention and drove conversion. As we look ahead, we see strong sustained growth opportunities driven by rising digital adoption across both leisure and corporate travel segments.

Yatra is well positioned to capture this growth through our expanding corporate client base, enhanced technology offerings and a growing share of high-margin hotels and packages business and MICE business. We remain committed to disciplined cost management, profitably scaling and delivering long-term value to our shareholders while strengthening our competitive edge in the evolving global travel ecosystem.

Thank you, everyone. And I will now request our CFO, Anuj Sethi, to brief you on the financial performance for the quarter under review.

Anuj?

Anuj Sethi:

Thank you, Dhruv. Good morning, everyone. For the first quarter of financial year 2026, on a consolidated basis, our revenue from operations grew 108% year-on-year to INR2,098 million, driven by continued momentum across key segments, including robust growth in our Hotels & Packages business and a meaningful contribution from our MICE business. Our gross margin, defined as revenue less service costs rose 44% year-on-year to INR1,156 million, underscoring the strength of our diversified business model.

Adjusted EBITDA surged 138% year-on-year to INR249 million, translating to a healthy 21% EBITDA to gross margin ratio. As a result, profit after tax increased 300% year-on-year to INR160 million.

In terms of segmental performance, our Air Ticketing passenger volumes declined 9% year-on-year to about 1,206; however, gross bookings grew 4% year-on-year to 14,103 million, and our gross margin rose 54% year-on-year to INR647 million, with margins improving from 3.10% to 4.60%.

On the Hotels & Packages segment, total room nights grew marginally by 1% year-on-year to 423,000. Gross bookings increased 43% year-on-year to INR3,433 million, while the gross margins expanded 74% year-on-year to INR311 million with the margin improving from 7.46% to 9.05%. While macroeconomic headwinds and the recent air crash impacted volumes in both segments, we successfully delivered higher revenue and stronger margins.

On the liquidity front, cash and cash equivalents and term deposits stood at INR2,208 million as of 30th June 2025, as compared to INR1,906 million as of 31st March 2025. Gross debt has been significantly reduced from INR546 million as of 31st March '25 to just INR29 million as on the 30 June 2025.

With this, I would like to hand it back to the moderator and open up for question-and-answer session.

Thank you.

Moderator: We have our first question from Anmol Garg from DAM Capital.

Anmol Garg: Congratulations on good profitability. A couple of things that I wanted to understand. Firstly, in this quarter, we have seen a strong growth in the take rate, both on sequential and Y-on-Y basis. So what has led to this? Is there any value-added product that is particularly scaling up in our business?

Dhruv Shringi: So if I look at from a take rate point of view, firstly, referring to the air take rates. Air take rates year-over-year have improved by about 50 basis points. But if I look at from a gross margin to net margin ratio, that net margin ratio, as Anuj mentioned, has improved from 3.1% to 4.6%. Its been driven by two factors. First, optimization of discounting.

So we've been working quite closely with our banking partners and other marketing partners and affiliate partners through whom we are able to now drive customer acquisition without needing to discount to the same level from our side. So that's definitely a big driver for improving our overall net margin.

And then what's also happened is as more and more airlines are seeing the kind of growth that we are delivering on corporate travel side, we are able to get some higher margins for value-added products that we are cross-selling or the higher fares that we are cross-selling, right.

So I think we've discussed this in the past as well that the average ticket size on business travel is about 1.5x higher than the average ticket size on the retail platform. So airlines are quite keen to get a larger share of business travel.

And given that in this quarter, especially we saw softness in the overall B2C demand, we were able to work closely with our airline partners to be able to focus on growing the corporate travel piece. So its a combination of optimization of discounting on the B2C side and a higher mix on the corporate side, where margins are better from a net retention point of view that drove this improvement.

Anmol Garg: Understood. Understood. Usually, what happens here is that our B2C take rates are usually higher on a gross basis, not on a net basis, but on a gross basis, our B2C take rates are higher. And on a gross basis, only our take rates have improved in this quarter. But is it but you're saying that this is not from the B2C business, right.

Dhruv Shringi: A smaller part of it is from the B2C business. A larger part is coming from the corporate travel business. because what's happening is that the corporate travel business is growing, its allowing us to achieve higher PLB thresholds, higher earning thresholds from the airlines.

- Anmol Garg:** Understood. Understood. Okay. Secondly, I wanted to understand that now we have achieved decent profitability in this quarter. Any guidance for the full year profitability that you are giving both on the EBITDA and the PAT side? And also any guidance on the revenue side as well?
- Dhruv Shringi:** So the guidance that we had given last time around, right, we had given a 20% growth guidance on gross margin and 30% growth for adjusted EBITDA. We remain firm on that, and we would let our numbers do the talking. But we are very confident of achieving our guidance and continue to outperform.
- Anmol Garg:** Right. So can we expect going ahead some improvement in the B2C part of the business as well?
- Dhruv Shringi:** So as I mentioned, Anmol, had it not been for the events, unfortunate events that happened in the month of May and June, B2C also would have started seeing growth. We are seeing definitely post that recovery continue to happen after a short disruption of about 30 to 35 days. We've seen growth coming back in the B2C segment as well. So my sense, at least is that B2C also will continue to recover at a healthy momentum.
- Anmol Garg:** Understood. And lastly, Dhruv, I wanted to understand that in this quarter, we have seen sequential jump up in the hotel and packages gross bookings. But if I look at the service cost that has actually dipped in this quarter. which is a little contrast. So just wanted to understand that what has led to the same.
- Dhruv Shringi:** So this has been led by the cross-sell of hotels to our existing corporate customers. So there, its not MICE, which has driven this. So for MICE, as you would recall, seasonally, this is still a weaker quarter, right. But we've had new customer wins on the corporate side. Those customers have been hotel-led customers. So the implementation of those customers is what is giving us the increase in terms of gross bookings of stand-alone hotels.
- Moderator:** We have our next question from the line of Nitin Padmanabhan from Investec.
- Nitin Padmanabhan:** Congrats on a very solid quarter. I have two questions from my end. So one is through last year as we pivoted from consumer to corporate, obviously, we have seen the overall air volumes sort of come off, obviously, at better profitability. But do you think considering we are now crossed Q1 and now you are sort of rebased, you think from here on, we should start seeing volume growth as well on a year-on-year basis?
- Dhruv Shringi:** Thank you. And yes, we would definitely look at volume growth from here on in the overall air segment now. We've begun to see some kind of flat lining to marginal growth on the B2C side. So the decline, which was there all of last year is no longer going to be the case going forward and corporate, obviously, we are seeing volume growth happening. So, we should see volume growth happening on air as well going forward.
- Nitin Padmanabhan:** Perfect. And when we look at the service cost for Q1 and basically compare that with maybe Q2 of last year, it maybe Q2 of last year was 49% higher. And fair to assume that Q2 seasonality obviously is going to be from a MICE perspective, will be very strong. And even if one sort of assumes that there is some drop in take rate, which can obviously happen through the course of the year, still we should be able to sort of deliver from a profitability perspective?

Dhruv Shringi:

So Nitin, you're absolutely right. Q2 should be a much stronger quarter for MICE. And yes, we expect that our profitability levels, we have defined the baseline now, and we should be able to grow from here. But what I would look at this is I would look at this on a more annualized basis. So quarters will have seasonal impact. But at least from an annualized basis, we are very, very confident that our business should continue to trend in the right direction from a profitability point of view.

The advantage which we have now is given the higher mix of corporate business, there is much more stability of earnings, right. So there is much lesser volatility in the overall earnings, which we had seen when we were more B2C skewed.

Moderator:

We have our next question from the line of Moksh Ranka from Aurum Capital.

Moksh Ranka:

Congratulations on a good set of numbers. My first question was, if I see your gross bookings for FY '23, '24, '25, so all those figures, mostly the gross bookings there has not been much growth. They have mostly been flat. So when do we see gross bookings increasing from here?

Dhruv Shringi:

So, if you look at on a Q-on-Q basis sorry, year-over-year basis in the current quarter, gross bookings have grown in this quarter year-over-year, right. So that's the first time we've seen after some, what I would call, stabilization, we've seen a 9% growth in terms of gross bookings this year in the Q1 versus Q1 of last year.

Going forward, as I was responding to Nitin as well, right, we should see improvement happening and growth happening in gross bookings also. This was over the last year or so, more on account of rebalancing of our business mix between B2C and corporate. Now that we are lapping that, we will begin to see growth in terms of gross bookings as well.

Moksh Ranka:

Okay. And if I see for the corporate side, for growth, we need working capital, and that's the reason we have negative cash flow. Do you have any guidance of when we can turn cash flow positive?

Dhruv Shringi:

See, if I look at last fiscal year also, we were positive in terms of cash flow. Even in the current quarter, we would be positive when it comes to cash flow as well. So while you're right that the corporate business does consume working capital, but we are at a size and scale today in terms of profitability where the internal accruals being generated are taking care of the working capital needs.

Now there might be some blips quarter-on-quarter, which will be there. So if you sign up a large corporate customer, for example, or there's a large MICE, which is happening closer to the cutoff period, there might be some aberration on account of that. But on a consistent basis, we feel from a working capital point of view, our profits should be able to take care of the working capital requirements. I mean, if I look at last year, last year, that was our first full year of positive working capital as well from operations of about INR7.3 crores.

Moksh Ranka:

Okay. And so if I look at we had planned for launching a corporate card, and I think its for the H2 of this year. So apart from that, the rationale for launching the corporate card was reducing our working capital intensity. So are we taking any other initiatives of reducing, for example,

the debt outstanding or any other things to reduce our working capital so that we don't have much risk on our balance sheet and we can transfer that risk to somebody else?

Dhruv Shringi:

So there are definitely some conversations which are undergoing at this point of time to see how we can optimize for this working capital. As you mentioned, working on business travel cards, migrating more customers to the card platform, those are definitely some of the more low-hanging fruits that we are pushing at this point of time. But there are other solutions as well, which we are evaluating, which we feel will help us optimize our working capital requirements as we go forward.

Moksh Ranka:

Okay. And my last question was regarding our corporate. We are increasing our mix of corporate customers, and there is low penetration, but still the growth in gross bookings have not been that substantial as we compare to any other OTA players. So do you think that corporate as a customer is a low growth customer base for us? And for high growth also, we might have to stretch our working capital and it increases the risk in the balance sheet. So how exactly are we planning to grow from it?

Dhruv Shringi:

So firstly, just to again clarify, what you see is the blended average growth rate includes the B2C business as well, right. And like I had explained earlier, our B2C business was still marginally negative in terms of growth rate. So the corporate business overall will be growing closer to 20-plus percent in terms of gross bookings. The difference out here on the corporate side is that unlike, let's say, B2C, corporate offers very strong operating leverage. So 20% growth in gross bookings will result in 35%, 40% growth in terms of EBITDA. So that is the advantage of the corporate business.

Now corporate business, because it's a technology-led implementation cycle that we go through, yes, it's not going to have as high a growth rate as B2C. On the B2C side, if you do a high degree of discounting, you do a high degree of consumer marketing, you can always drive high volume growth or gross booking growth, but the profitability impact of that is not going to be as positive, right.

Whereas on the corporate side, you build out a more defensible platform by implementing technology solutions, which are integrated within your corporate customers that entail a much longer lifetime value and that platform drives much better operating leverage.

So there is obviously a certain amount of trade-off just because of the nature of the business between growth and profitability. Corporate provides maybe slightly lower growth but more stable profitability and a much more longer lifetime value of the customer.

Moderator:

We have our next question from the line of Manik Taneja from Axis Capital.

Manik Taneja:

Dhruv, I just wanted to pick your thoughts around the improvement in profitability that we are witnessing as the business pivots away. And you've been talking about our margins as a percentage of revenue less service cost or the conversion from gross profits to EBITDA, which have been around the 20%, 21% levels over recent quarters.

If you could give your thoughts as to how do you think these dynamics of these margins evolve over the next medium term? And what do you think is the North Star in terms of these margins going forward? That's question number one.

The second question is, if you could also help us understand your confidence in sustaining the growth momentum outside of the acquisition-related tailwinds that we've enjoyed over the course of recent quarters.

Dhruv Shringi:

So firstly, in terms of the gross margins, right, our gross margin to EBITDA ratio, which is currently at about 21%, we think in the near term, right. So let's say, in a 12- to 18-month horizon, we should be able to get this to 25%. And in under 36-month period, we do expect this to be closer to 30%. In terms of North Star, having seen people who are operating at high amount of scale, right, people like Bookings.com and some other players like Navan, which are doing more of a technology-led corporate business, we would expect this number to be somewhere around the 35% kind of mark as the North Star that we are chasing. But in the near term, we should be able to get to 25% before getting to 30%.

And in terms of on the growth rate side as well, right. So as I mentioned that on the B2C side, we are beginning to see offshoots of growth coming through on the B2C side. So my expectation would be that we would start seeing gross booking growth as well in the second half of this year, which will take care of the tailwind from the acquisition as well. So that will then be all organic growth that you will see in the second half of the year. So we are not very far from that. We are already trending well in that direction.

Manik Taneja:

Sure. And if you could call out the impact of the Globe acquisition in terms of our financials for the current year, if you were to do a like-to-like comparison?

Dhruv Shringi:

See, if we were to do a like-for-like as well, our growth rates would not have been I mean, our growth rates, again, we don't call out Globe separately. But if I was to look at organic EBITDA growth also, you would see those numbers being in the very high double digits. The 60%, 70% plus kind of growth rate, right, even more.

Moderator:

We have our next question from the line of Chirag Kachhadiya from Ashika Group.

Chirag Kachhadiya:

Hello, am I audible?

Dhruv Shringi:

Yes, Chirag.

Chirag Kachhadiya:

So I have a question like to maintain this growth trajectory and operating profitability, what generally the tech capex we're going to initiate in coming years, considering to maintain this growth trajectory generally in tech platform or tech-led businesses to maintain the growth as new initiatives required. So if you can guide on tech capex. And also this amortization part, like what in coming years, it is going to be in the similar range in line with what revenue growth will be or it will be lower?

Dhruv Shringi:

Chirag. So in terms of tech capex, right, we've done the heavy lifting on the tech capex over the course of the last 2 years, right. So there is a significant amount of investment that we've already

made in terms of building out our expense management solution, enhancing our corporate travel platform doing a lot of work on the AI automation and the Agentic bots. So the heavy lifting to a great extent on the tech capex has been done.

And now its more closer to maintenance capex. There are still, let's say, some pockets where we need to enhance the platform, but the vast majority of it has been done. So we should not see any significant increase from here on in terms of capex, right. Whatever levels you are seeing right now, we would expect capitalization and depreciation and amortization to be at current levels, plus/minus 10%, right. That's the kind of range in which I would expect this to be, from, let's say, next year onwards.

At this point of time, there will still be some tail of projects which are currently in working capital, sorry, in capital work in progress, which will get capitalized in the coming quarters. But next year onwards, we will see stability in this number. So we won't see a very significant change in terms of our capex, right, going forward.

Moderator: We have our next question from line of Khush Gosrani from InCred Asset Management.

Khush Gosrani: Congratulations on good set of numbers. Two bookkeeping questions is, one, we have seen a drastic reduction in ESOP charge on the P&L. So if you could highlight what would be the trajectory of the ESOP cost going ahead? And is there new pool being created?

Dhruv Shringi: So at this point, we would expect ESOPs to be in this kind of range. We'll see a little bit of increase from this, right, but not a very significant increase from this, at least in the near term. With regards to creation of a new pool, I think that's something that we will look at in the next financial year. So at least at this point of time, we are not seeing any significant change in the ESOP cost.

Khush Gosrani: Got it, sir. And in the other services, we have seen a good decline in this quarter. So this is only because of some seasonality element? How should we look at that part?

Dhruv Shringi: Yes, that's more seasonality, especially when it comes to seasonality and macro factors because freight business because of all this tariff up and down, got disrupted a little bit, right, in the months of especially April and May. So that's the reason why you see the other services number come down right now. So it was a difficult quarter for freight given the seesaw that we saw on tariffs.

Moderator: We have a next question from the line of Deepak Poddar from Sapphire Capital.

Deepak Poddar: Yes. So I will have more than a couple of queries, but I will be pretty quick. So I would just request, please allow me to have those queries. So sir, just first up, I wanted to understand on the GTV side, I mean, our volume growth is 9%, but our revenue growth is 108%. So you mentioned this volume growth is lower because of some rebalancing between B2C and corporate. But then how our revenue growth is so high? I mean, can you just explain me through how is this happening?

- Dhruv Shringi:** Yes. So given the revenue growth number that you're seeing, that is also partially on account of the accounting of MICE. So the better measure that we've been speaking about for the last now 5, 6 quarters is to look at the revenue less service costs. Okay. Now gross bookings were up 9%. Revenue less service cost was up about 45%.
- The reason revenue less service costs grew at a significantly higher pace to gross bookings was on account of multiple factors led by, one, optimization of discounting. So the kind of consumer promotions and discounts that we were giving, we've been able to optimize that. We've been able to work with banking partners to be able to get better kind of offers that we can provide to our customers without needing to discount the same proportion from our pocket.
- Second, its the higher mix of hotels and packages. Hotels and packages have net margins closer to about 11% compared to about 3% to 4% net margin for Air. Our mix of hotels and packages year-over-year has changed from about 15% of gross bookings to about 20% of gross bookings, right. And the third, again, is in terms of the change in business mix, we've got a much higher share now of corporate travel as opposed to B2C.
- B2C does have a higher amount of couponing and marketing. So net retention on corporate tends to be better. So these are the factors on account of which while we've had 9% growth in terms of gross bookings, revenue less service cost has grown at about 45%. So its better margin realization.
- Deepak Poddar:** Okay. Okay. I got it. And so what sort of gross booking growth we are targeting for this entire year, FY '26?
- Dhruv Shringi:** FY '26, we will see maybe closer to about 15% for the full year in terms of gross booking growth. And going forward, our endeavor is to be closer to about 20% in terms of gross booking growth.
- Deepak Poddar:** Okay. So this year, about 15% and overall, maybe from next year onwards, 20% kind of a growth. So in terms of our guidance, aren't we conservative when we are saying we want to see 30% growth in adjusted EBITDA?
- Dhruv Shringi:** So having been on the other side, when we did the IPO, we had come out with certain expectations around profitability and the macro environment changed significantly, right, which led to us not being in the first few quarters being closer to where we had not guided, but where we had indicated. So this time around, we'd rather be conservative and beat those numbers as opposed to give out a more aggressive guidance.
- Deepak Poddar:** Okay. Okay. Okay. I got it. And in terms of parameter you mentioned in terms of gross margin, I mean, 21% to 25% to 30% in 36 months and 25% in 12 months. So what exactly is the parameter we are talking here?
- Dhruv Shringi:** So this is the margin of EBITDA to gross margin. So revenue less service cost to EBITDA ratio.
- Deepak Poddar:** EBITDA to gross profit?
- Dhruv Shringi:** That's right. EBITDA to gross profit. Yes.

Deepak Poddar: And gross profit, we are calculating based on revenue less service, right.

Dhruv Shringi: That's right. Yes.

Deepak Poddar: Okay. Okay. And just one last thing from my side. In terms of holding structure, I mean, can you throw some light? I mean, in terms of US and India, how is the holding structure?

Dhruv Shringi: So we have a US listed entity, which is the Holdco and that Holdco owns about 65% of India and India then has about 35%, which is public and institutional shareholding, largely institutional shareholding.

Deepak Poddar: Okay. So India entity, about 65% is held by your Holdco, which is a US listed entity?

Dhruv Shringi: That is right. Yes.

Deepak Poddar: And remaining 35% would be. Okay. Fair enough. That's pretty clear and very helpful.

Moderator: We have our next question from the line of Parth Agarwal from Bastion Research.

Parth Agarwal: Congratulations on a good set of numbers. My question was more around, so I read somewhere in the presentation that almost 70% of your transactions are being done via basically a self platform that has been integrated with customers' ERP or HRMS system, right. So my question is what kind of stickiness can the customer have, right. Is it easy for him to move to, let's say, Make My Trip or some other vendor or it could be a bit difficult for them?

Dhruv Shringi: Parth, I think that's an excellent question. So in terms of customer stickiness, right, that is the beauty of the product that we are building. Our product integrates quite tightly with the customers, and that introduces switching cost on the side of the customer. So if I look at our top 100 customers, right, 73 of our top 100 customers have been with us for more than 5 years, right.

So that gives you the kind of retention that we have, right. And our annual retention rate is upwards of 97%. So it's a highly sticky proposition, right. And that's what gives us this kind of high operating leverage in the business.

Parth Agarwal: So essentially, I can assume that at the same time, it would be difficult for you to gain new customers from your competitors because of the same stickiness.

Dhruv Shringi: No, there is a big difference in that, right. Actually, there's a big difference in that, right. But from an online penetration point of view, right, we are the guys who are the leaders in the market when it comes to online penetration. Most of our competitors still service customers in the offline manner, right, with minimal amount of integration.

That is why for us, there is a large opportunity right now to go and penetrate into the digital adoption that's happening in mass across the industry, right. More and more companies want to digitize their business processes, and that's what's driving the growth on the corporate side for us.

- Parth Agarwal:** Got it. And secondly, so as far as I know, Yatra does not allow railway booking, right. So if I am a corporate and I want to book a basically railway ticket because of lack of connectivity of flight. So I will have to get out of the Yatra platform and...
- Dhruv Shringi:** No, no. We do allow rail bookings as well. We do offer rail bookings to our corporate customers. Yes.
- Parth Agarwal:** Just a final question from my side. So you have a website Yatra Corporate, where if I right now go and onboard myself, so is it counted as a plus 1 out of the 34 customers that have onboarded in the quarter? Or is it different metric to the other 34 customers that you...
- Dhruv Shringi:** No. So the 34 customers who are there are on the managed corporate side. So these are customers who will typically have upwards of INR5 crores of annual corporate travel spend. So anyone signing on the website in general with a GST number typically qualifies as an SME customer and not as a managed corporate travel customer.
- Moderator:** We have our next question from the line of Aman Jain from Paras Family Office.
- Aman Jain:** Congratulations on a good set of numbers. Just a couple of questions. Do you have any product superiority for winning the corporate business? Is it distribution? And secondly, within this, what's the annual new sign-ups we are targeting since we added INR200 crores of new business in the current quarter?
- Dhruv Shringi:** So on the corporate side, we have multiple levers, right, which are driving this kind of growth for us on the technology front. We offer an integrated self-booking tool platform with expense management to our corporate customers with very advanced analytics as well, which are available on a real-time basis or near real-time basis to our corporate customers.
- Our tool has multiple functionalities from being able to show the corporate rates, the retail rates especially negotiated rates, all of those in one single window to the corporate customer, which allows them to be able to choose whatever is the most appropriate for them.
- The kind of rules and policies that we can configure on our corporate platform are extremely evolved compared to most other products that are available in the country at this point of time. And that becomes a big win factor for us when it comes to large corporate deals, right. So I'm talking about the likes of customers like, let's say, an EY, PwC, KPMG, BCG, right.
- So these are the kind of large corporate customers that we service where we provide these kinds of technology solution, which is very customizable to the needs of the corporate customer and offers an integrated flow end-to-end from the approval process mechanism to the booking to then the filing of the expense.
- Aman Jain:** Okay. Wonderful. And any new acquisition plan? And can you also expect going forward a breakup between the B2C business versus the corporate business since that is not specifically called out?

- Dhruv Shringi:** At this point of time, our B2B, B2C mix is about late 60s of gross bookings coming from B2B and early 30s in terms of percentage of gross bookings coming from B2C. Our expectation would be that by next fiscal year, this would be closer to about 70-30 with 70% of our gross bookings coming from B2B segment and about 30% coming from B2C.
- Aman Jain:** Okay. And currently, you said late 60s for B2B, right.
- Dhruv Shringi:** Sorry, Aman, the last part was not clear.
- Aman Jain:** And you said currently, we are in late 60s for B2B business.
- Dhruv Shringi:** Yes, late 60s. We are about 66%, 67% at the moment in terms of B2B business. So this for the full year, we would expect this to be closer to about 70%.
- Aman Jain:** And last question, in general, why are volumes falling on air? Since you check numbers for other listed competitors like Indigo or MakeMyTrip Globally, their Q-on-Q, Y-o-Y both volume, volume, I'm talking about is rising. And you also mentioned earlier in the call that you're getting superior volume incentives. But if you look at absolute numbers, the volumes are actually falling. So how are we getting those better margins even though the absolute number falling?
- Dhruv Shringi:** So the volume is changing on account of the mix between B2C and B2B. So what we have done is given up some of the low-value kind of bookings, which are there on the B2C side where the customer is extremely price sensitive and an absolute discount shopper. Those are the ones that we have willingly given up, right, and focus more in terms of driving from corporate customers where the average ticket size is about 1.5x higher than the B2C platform. So its the rebalancing of the mix between the business, which has resulted in this volume decline.
- As we move forward, as we begin to baseline this, we will start seeing volume begin to grow gradually in the coming quarters. But the last year, its been more of an issue of baselining or rather rebalancing the business between the 2 parts of B2C and B2B.
- Aman Jain:** Okay. And specifically on the volume incentive part since the volumes are actually falling and still you're getting incentives.
- Dhruv Shringi:** The volume is rising on the corporate side, right, where the incentive is coming from. So B2C volumes are falling, right. So I don't know if you're familiar with us, but in the last-to-last fiscal year, let's say, if we were to take FY '24, our mix was more heavily skewed in favor of B2C, right. So its been a gradual rebalancing of the business away from B2C into the more profitable and higher net margin B2B business.
- Aman Jain:** Okay. So airlines are looking at us as a source for acquiring even B2B customers rather than just low-end B2C customers?
- Dhruv Shringi:** That is right. And that is the reason, right. Because let's take the case of an average domestic segment, right. On the B2C platform, it would be around INR5,200, INR5,300. On the B2B platform, it would be about INR7,500, right. Corporate travelers will book at the last minute. They will book much more flexible fares. Those are the places where the airlines also make

money, right. Airlines don't make money on a customer who's booking 30 days in advance and buying the cheapest fare.

- Moderator:** The next question is from the line of Tejas Gutka from Electrum Portfolio Managers.
- Tejas Gutka:** I remember last year, we reduced our employee base and you mentioned today as well that because of the chatbot you're looking at reducing employees further. Also as probably B2B, the mix grows, we do need to add a lot of employees, but I see that operating expenses are still growing at a healthy clip.
- So just some thoughts on that. I also remember you mentioned that the ESOP cost would probably just go away completely this year. But sometimes you said that probably go up a little more. So what's happening there?
- Dhruv Shringi:** Sure. Tejas. So in terms of the other expenses, other expenses, the year-over-year growth is largely on account of the inclusion of Globe's numbers. If I look at on a sequential basis also, there isn't a significant increase in the other expenses numbers quarter-on-quarter.
- Tejas Gutka:** Should that remain at this level? Or you think it will grow further from here on in line with the top line growth?
- Dhruv Shringi:** No, no, it won't grow anywhere close to the top line growth level. It will grow at a much slower pace than the top line growth numbers.
- Tejas Gutka:** Understood. Understood. And on ESOP?
- Dhruv Shringi:** And on ESOP, as you would have seen, our ESOP cost has come down pretty significantly year-over-year, right. And what you are seeing at this point of time is largely the tail effect of it that's left off.
- Tejas Gutka:** Understood. And last bit is any update on the expense management software that we were piloting?
- Dhruv Shringi:** The expense management software is currently being piloted with a few customers, and its got very positive feedback. We've now put a full-fledged team in place to be able to take that to market. So we will, or rather, we've already started pushing that much more actively now given that we've got very positive feedback from the initial customer.
- Tejas Gutka:** So we should expect that maybe a few quarters down the line, you'll start reporting numbers on this one? I'm assuming right now, we don't make a lot of revenue on this.
- Dhruv Shringi:** No, no. At this point of time, the revenue numbers are still relatively small. But my sense is its only next fiscal year that you will start seeing meaningful revenue because expense management also, as we sign up customers, it first will have a 2- to 3-month kind of gestation period of sign-up customers or even if its a cross-sell customer, right, it will have a month or 2 of a sales process, and then it will go through a month or 2 of implementation as well, right. So its only in the next fiscal year that you will see the numbers coming in from the sale of software or expense management solutions.

- Moderator:** We have a next question from the line of Souresh Pal from KRSP Capital.
- Souresh Pal:** I have 2 questions. My first question is, what is the growth guidance that you have given to some earlier participants? And my second question is a qualitative question. Sir, I'm new to the company. So I can see that from last 3 quarters, the top line has been more or less stagnant; however, the EBITDA and PAT numbers has been rising quite fast. So can you explain this phenomena? These are my 2 questions, sir.
- Dhruv Shringi:** Sure. So in terms of the growth guidance, the guidance for the year that we've given is we've given a 20% growth in gross margin and we've given a 30% growth in EBITDA, right. That's the guidance that we've given out. In terms of the second part of your question around why from an overall point of view, while you're seeing volumes remain stagnant of gross bookings remaining flattish, but profitability improving, its because of the change in the business mix that's happening.
- So over the last 1.5 years, we've been working towards driving more and more of our business coming in from corporate customers and the corporate business has higher operating margins as compared to the B2C business. So this is the culmination of that strategy that we had adopted about almost 18-odd months ago to push more aggressively on the corporate side and become a more dominant corporate player. So these are the results of that, that you're seeing.
- Souresh Pal:** Okay. And sir, just a follow-up on the first question. Sir, if our EBITDA grows by 30%, then our PAT should grow even faster, right, due to operating leverage that you just explained?
- Dhruv Shringi:** That is right. Yes, we will see faster PAT growth, yes.
- Moderator:** We have a follow-up question from the line of Khush Gosrani from InCred Asset Management.
- Khush Gosrani:** I was just reading your SEC filing. There is a note that by October 13, there should be a minimum share price of \$1. So if we do not meet that criteria for a some reason, how should the delisting process move ahead then or what would happen? Is there any penalty we would have to pay?
- Dhruv Shringi:** No, no, there is no real complication in that. Khush, you can simply as a company, you can do a reverse stock split.
- Khush Gosrani:** Okay. Okay. Got it.
- Dhruv Shringi:** So there is no complication in that. Yes, that's just more of a procedural thing.
- Moderator:** We have our next question from the line Swapnil Potdukhe from JM Financial.
- Swapnil Potdukhe:** A couple of questions. First is that we have been mentioning this annual billings potential of new corporates every quarter. And if I were to look at your numbers for the last 2 years, that number adds up to around INR1,300 crores of this new potential billings. Now I would like to understand how much of that has been realized in the past for all these billings.

I mean, so while it optically, in my opinion, that number looks good, INR200 crores of new billings getting added every quarter. But how much is actually getting realized, if you can start sharing that number will be great going forward.

Dhruv Shringi:

Just to give you a sense at this point of time, right. So out of the INR1,300 crores, about INR750-odd was in the last fiscal year, right. And what was signed up in the last 6 months of last fiscal year is typically what would currently be in the process of implementation. If you look at, for example I'll give you one example out here, right.

If you look at the stand-alone hotels business, right, you've seen a strong jump happening sequentially as well in the stand-alone hotels business, so net of MICE, that is happening on account of implementation of customers who were acquired in the previous quarters. So we would today have a situation where maybe about out of this, let's say, INR1,300-odd crores, about INR600 odd would have, INR600 crores to INR700 crores would have been implemented.

Swapnil Potdukhe:

Okay. So is there any particular reason why the entire INR1,300 crores or a number closer to that, we have not been able to get through?

Dhruv Shringi:

See, it goes through an implementation cycle, right. So typically, depending on the level of customers, there will be a larger integration cycle as well, which will be there, right. So customers who would have been acquired in the last quarter of last year, for example, that will still be in the process of implementation and some of the customers from the previous quarter as well will still be in the process of implementation.

So that's why I'm saying, so 700 plus would have been implemented by now. And I know at least the balance is currently in the implementation pipeline, and you will start seeing the effect of that in the coming quarters.

Swapnil Potdukhe:

Got it. Got it. And the second question is on your organic growth. So there was a question earlier too, I think ex of Globe, if you were to look at your bookings revenue and EBITDA, if you can just break it down some color on the organic growth there. And please do not include Globe numbers in that.

Dhruv Shringi:

Yes. So we don't call that out separately. But just to give you an indication, and I'll repeat the same answer that I gave the gentleman earlier, Swapnil, that in terms of organic growth, if we were to look at from an EBITDA point of view, the organic growth in EBITDA as well would have been upwards of like 70% to 80%.

Swapnil Potdukhe:

And what about the top line side, bookings or revenue? Any sense on that side?

Dhruv Shringi:

So on the revenue side as well, Globe's impact on our revenue would be about maybe around 12% odd, right. So we would be upwards of 30% on revenue as well organically.

Swapnil Potdukhe:

So this is the Y-o-Y number you're suggesting?

Dhruv Shringi:

I'm referring to Y-o-Y, yes. So if you were to look at revenue less service cost, right. That's the main measure that we look at, which has grown 45% year-over-year on an organic basis as well,

that would have grown upwards of 30% and EBITDA would have grown upwards of like 70%, 80% on an organic basis.

Moderator: We have our next question from the line of Soham from RV Investments.

Soham: Sir, when we say this 34 customers we have added with a billing potential of 201. So this gets added into our 1,300 large and medium corporate customers, right.

Dhruv Shringi: That is right.

Soham: So sir, if you can tell me.

Moderator: Sorry to interrupt you, Soham. We can't hear you.

Soham: Yes. Sir, when we say the 34 customers which we added with a potential of 201 gets added to our large and medium corporate customers. So in the last three fiscal year, if you can tell me how many of these 1,300 have been active with us and the revenue potential of them, annual revenue potential?

Dhruv Shringi: So what I was just answering Swapnil as well. So out of the INR1,300 crores, which is there, we've already got INR700-plus crores, which is trading and the balance will end up getting implemented as part of the subsequent quarters in the next quarter or two. So its always a waterfall, which will be there, right. So customers, you're acquiring customers and then depending on the size of the customer, you are seeing customers being implemented in a, let's say, average 190 to 180-day kind of cycle.

Moderator: We have a follow-up question from the line of Aman Jain from Paras Family Office.

Aman Jain: Just last question, please. And most of the questions have been answered. Any new acquisitions planned? And what is the worst quarter for the corporate? That's it.

Dhruv Shringi: So in terms of acquisitions, we continue to keep our eyes and ears open for good opportunities that we come across especially on the corporate side or on technology solutions that can fit in within our corporate platform. So we continue to evaluate those as we move forward.

Aman Jain: And what is the best quarter for the corporate business?

Dhruv Shringi: The worst quarter for corporate business will typically be the third quarter because that has then the Christmas New Year break and the Diwali, Dussehra break, right. So you see a large number of corporates being off during those days. And in terms of seasonally best quarters, seasonally best quarters will typically be Q2 and Q4.

So part from Q1. So you will see corporate travel being strong middle of May onwards all the way through till end of September before we get into the Diwali, Dussehra break. And then again, it will start picking up in the first week of June, sorry, first week of Jan and then be again strong till 31st of March.

Moderator: We have another follow-up question from the line of Moksh Ranka from Aurum Capital.

- Moksh Ranka:** I just had a question on your US holding company. So I just wanted to ask, is there any plans to delist it? Yes, that's my question.
- Dhruv Shringi:** Yes. So Moksh, we are working on that. We put out some press releases earlier as well that we are working and evaluating a process, and we think we have a solution in place. And its hard to commit to a firm time line on that because there are multiple jurisdictions involved. There's Cayman, there is US, there is Singapore, Cyprus. So there are multiple jurisdictions which are involved in that, but that's something that we are actively working towards.
- Moderator:** We have next question from line Vinay Nadkarni from Hathway Investments.
- Vinay Nadkarni:** Just one question. I'm a little intrigued with your DIYA AI chatbot. Can you just elaborate what exactly it do?
- Dhruv Shringi:** What we are trying to do with DIYA, which is basically over and above the kind of customer servicing that you would see, right. Customer servicing is the most standard part where you can cancel your ticket, you can ask cancellation charges, you can ask for your e-ticket, right. Those kinds of, those are the more basic things.
- What we are trying to do out here over and above that is see how do we refine search. So if, for example, if I look at the traditional way of doing a search online, I come in, I enter 5, 6 parameters in the search results box and then I get maybe, if its a flight, I get maybe 100 options. If its a hotel in a city, I might get 1,000-plus options.
- What we are aiming to do is see how do we help the customer make his search much more contextual. So I can say, give me a flight on IndiGo day after tomorrow between 10:00 a.m. and 11 a.m., right. And we will try and find you that specific flight, right. You could say, I want a hotel near, let's say, Andheri which has 1, 2, 3 kind of amenities, has a swimming pool, offers breakfast, has a restaurant, right. And it will show you the more refined search options. That is what we are working towards.
- We do feel, and obviously, this is an iterative process, and it is much more complex than what I'm making it sound. But ultimately, we want it to be a scenario where as a customer, you can be as specific as you want and not have to filter through hundreds of results to get to the one hotel that you want to book or the one flight that you want to book.
- Vinay Nadkarni:** Okay. Will DIYA help me in scheduling my day for leisure travel when I'm on a trip?
- Dhruv Shringi:** So it will give you itineraries. It will give you suggested itineraries of recommended things to do. You could say what are the kind of things that would be recommended for a family of four with two young kids, right. You could ask for questions around what would be the ideal thing for teenagers to do in this city. Those are the kind of things that can recommend to you in addition to what I'm talking about on the search side.
- Vinay Nadkarni:** Great. And how many of your corporate travelers, I mean, employees of the corporate travelers when they are on MICE tours use your app?

Dhruv Shringi: So this app is a very recent initiative, right. This has just been launched. So its very early to say on the chatbot, how many of them will actually use the bot. But I feel that from an opportunity point of view, offers a very large opportunity for cross-sell. That's the whole logic behind it that when people are in destination, how do you become an enabler for them to be able to find out what else can they be doing when they're in the destinations.

Similarly, the concept of entire blending of business travel and leisure is also happening quite actively. So if you're a business traveler in a particular city and you have a few hours free, right, it can also prompt you that these are the activities based on your profile, which would be the right thing for all the interesting things for you to look at. Those are all evolutionary steps that we are working on.

Moderator: As there are no further questions, I now hand the conference over to the management for closing comments.

Dhruv Shringi: Thank you, and thank you, everyone, for taking out the time. As you would have seen from our numbers, our business is well poised for sustained growth. We've got strong momentum behind our business, and we look forward to your active support and participation as we move forward in this journey. So thank you for your time this morning. Thank you, operator.

Moderator: Thank you, sir. On behalf of Antique Stock Broking Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Anuj Sethi: Thank you.

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