



June 05, 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 and year ended March 31, 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 and year ended March 31, 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
Q4 FY '25 Earning Conference Call”
May 30, 2025



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

MODERATOR: **MR. NITIN PADMANABHAN – INVESTEC CAPITAL
SERVICES INDIA PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Q4 and FY '25 Earnings Conference Call of Yatra hosted by Investec Capital Services India Private 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. Nitin Padmanabhan from Investec Capital Services India Private Limited. Thank you, and over to you, sir.

Nitin Padmanabhan: Thank you, Alrik. Good afternoon, everyone. Thank you for joining the Yatra Q4 FY '25 and full year FY '25 earnings call. Before we begin, let me mention a short cautionary statement. Some of the statements made in today's call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. We have with us Mr. Dhruv Shringi, our Whole Time Director and CEO; and Mr. Anuj Kumar Sethi, CFO, on the call.

I now hand over the call to Dhruv for his opening remarks. Over to you, Dhruv.

Dhruv Shringi: Thank you, Nitin. Good morning, everyone, and thank you for joining us today. As we reflect on fiscal 2025, I'm thrilled to present our performance that demonstrates such story of resilience, strategic growth and unwavering momentum that solidifies Yatra's position as India's premier corporate travel service provider.

Before diving into the details, I want to spotlight our landmark achievement. Q4 FY '25 was the most profitable quarter in Yatra's history. This milestone reflects the strength of our business model, the success of our strategic initiatives and our commitment to delivering exceptional value to shareholders. It's a proud moment that underscores our upward trajectory and sets an optimistic tone for what lies ahead.

For FY '25, we are pleased to report annual revenue of INR7,914 million, up 87% year-over-year. Our full year revenue reflects the momentum we have built across our corporate travel and MICE businesses. These have been pivotal in navigating a competitive landscape. Notably, our profitability metrics underscore our disciplined execution. EBITDA for the year was up 105% and PAT was up 912% year-over-year to INR366 million.

On a quarterly basis for the March quarter, we reported revenue of INR2,190 million, up 103% year-over-year driven by the growth in our MICE business and the inorganic contribution from the Globe acquisition. Our revenue less service costs, which is our gross margin for the quarter came in at INR1,094 million, up 28% year-over-year. Adjusted EBITDA of INR251 million, was up 62% year-over-year with 21% EBITDA to gross margin ratio.

Now let's take a broader look at the landscape. India's travel industry is in a transformative stage. IMARC forecasts corporate travel in India, which is currently at 42 billion will hit 80 billion by 2033, driven by globalization of business operations, which has encouraged multinational companies to expand their business into India, plus growth of the domestic sector.

Add to that, rising investments by public and private agencies for improving travel infrastructure and the growing online penetration. Other factors include rapid digitization, the rising partnership between businesses and airlines, the increasing trend for business leisure travel, continuous improvement in the airline hospitality and tourism industries and the development of meeting incentives and conference which is the MICE segment are positively influencing the markets in India. India is not just growing in the travel sector, it is thriving. And against this backdrop, Yatra's success and future potential continues to look bright.

India's GDP at almost INR4 trillion is currently the fourth largest economy globally and is on track to become the third by 2028. This economic ascent is boosting individual prosperity with GDP per capita reaching \$2,700 in 2024, which is a six fold increase over the past 2 decades. Rising incomes are unlocking new opportunities for travel as more Indians prioritize leisure and business travel.

Our Corporate Travel business remains a key growth engine for us. In Q4, we added 35 new corporate clients contributing to INR1.4 billion in expected annual business. For FY '25, we secured 148 new clients, contributing INR7.5 billion in expected annual business, reinforcing our market leadership. We continue to expand our corporate sales team across India targeting high-growth sectors like IT, manufacturing, FMCG and consulting. This effect has quadrupled our sales pipeline, reflecting strong demand.

Our MICE business has emerged as a standout performer, with significant revenue growth and margin expansion in the fourth quarter, building on the strong foundation laid throughout fiscal 2025.

Globe has long been recognized for its deep domain expertise and strong client relationships in the MICE sector. By leveraging our expanded capabilities and Globe's expertise, we've captured a larger share of this high-margin segment, positioning Yatra as a dominant player in India's MICE market.

The Globe acquisition has also expanded our reach into a diverse and largely nonoverlapping client base, enhancing our exposure across multiple industries. This broader portfolio opens up meaningful cross-sell opportunities across our hotel inventory and expense management solutions, allowing us to deliver more integrated and customized travel programs to corporate customers. In just the last 9 months of fiscal '25, our combined MICE platform handled over 600 trips and served more than 80,000 travelers, a testament of the growing demand and our ability to execute at scale.

In India, MICE market is estimated at 3.3 billion in 2023 and expected to grow to 10.5 billion by 2030, representing an 18% CAGR. We see a significant runway ahead and remain fully committed to aggressively expanding our presence in this high-growth segment. When we set

up our MICE business about 15 months ago, we set ourselves a target of becoming one of the top three players over the next 3 years. I'm happy to share that I strongly believe that on the current run rate, Globe and Yatra combined would become one of the top three players in this fast-growing segment in the current fiscal year itself.

Switching tracks to our expense management solution, our expense management platform recap continues to gain traction with multiple customers now live and actively using the solution. Early feedback has been very encouraging, validating RECAP's relevance as a complementary offering to our core travel services.

We see strong cross-sell potential within our existing client base and the broader opportunity in the expense management space remains significant, both in India and select international markets. As adoption scales, RECAP is poised to drive deeper customer engagement while contributing meaningfully to our margin profile. We focused on accelerating this momentum and building RECAP into a pillar of our enterprise offering.

I'm also pleased to share that in FY '25, Yatra became one of the first travel management companies in India to integrate the new distribution capabilities, which is a transformative distribution technology developed by the IATA, which is the main airline body. Some of the benefits of Yatra's NDC integration for corporate travelers is it offers more flight options and better pricing.

NDC integration provides corporate travelers with access to a wider array of flight options potentially including exclusive NDC fares that may be lower than those available through traditional channels. More and more airlines are adopting this kind of a distribution format wherein there are certain fares, especially the more cheaper fares, which are available only through these kinds of exclusive channels.

There is real-time updates on seat availability and potentially dynamic pricing, which means fares can fluctuate based on demand and other factors offering opportunities for cost savings. There are personalized offers and richer content, which is available through this program, which can include preferential seating, extra baggage or bundled offerings.

Overall, Yatra's move to integrate NDC with its self-booking platform for corporate travelers aims to enhance the customers' booking experience, improve cost efficiency and streamline travel planning even further for our customers. This reinforces Yatra's commitment to innovation and leadership in corporate travel management, ensuring that we remain at the forefront of technology advances that benefit our customers.

In our B2C business as well, we were able to address most of the decline. And in Q4, gross bookings fell only 6%. The silver lining is that we've seen stabilization in our B2C business now. And despite facing competitive headwinds, in Q4 bookings were almost flat, thanks to optimized discounting, SEO improvements and increase in personal travel attach rate through our corporate channel.

Based on the current trends, we expect to start seeing gradual growth in our B2C business in the second quarter of the current fiscal year. This would most likely have been the situation in the

current quarter as well had it not been for the disruption of 10 to 15 days due to war like situation. Thankfully, things have normalized pretty quickly and business is back on track, and I'll talk more about this going forward.

On the AI front as well, we continue to embrace AI to enhance our customer experience both on the corporate and on the consumer side. On the corporate front, last quarter, we introduced our AI-enabled Low Fare Finder, this is like a smart tool, which post-booking optimizes the search process and continues to look for fares, which might have dropped after the customer has booked. If a lower fare becomes available on the same flight up to 6 hours before departure, the system automatically alerts the traveler, giving them the option to rebook at the reduced price.

This delivers tangible value to the customer while reinforcing trust in our platform. By integrating real time pricing intelligence into the post-purchase experience, we are not just helping users save, we're also using technology to redefine what proactive travel services can look like.

We've also been building intelligent bots to automate customer service, e-mail queries and calls. These bots will continue to improve as the LLMs evolve at a rapid pace, and we will be able to significantly drive down the cost of servicing in the near term.

I'm also pleased to highlight a few recent accolades and awards that Yatra has received from its airline partners. These underscore the strength of our supplier relationships and the trust we've built with the global airline ecosystem. We were recognized by Singapore Airlines as its top travel partner in India.

Similarly, with Air Canada, we were honored with the prestigious Circle of Excellence. We received accolades from Etihad as well as one of their largest partners in the Asian region. These recognitions reflect our ongoing commitment to delivering value not only to our customers but also to our partners. They reinforce our position as a preferred travel platform in the eyes of leading global carriers.

As we look ahead to fiscal 2026, we are encouraged by the momentum across our businesses, strong corporate client acquisition, continued growth in our MICE segment and ongoing investment in our proprietary technology platform, including AI-powered personalization and booking tools position us well for the next phase of growth.

For FY '26, we are introducing preliminary guidance of 20% growth in revenue less service cost or our gross margin and 30% growth in EBITDA. This will be driven by 3 pillars: expansion in corporate travel, continued scaling of MICE and hotel packages and the full cross synergies from Globe.

I want to highlight 2 factors out here in this. One, our MICE business has a certain amount of seasonality. The second quarter and third quarter are typically higher quarters for the MICE business followed by Q4 and Q1. So, there will be a seasonal impact, which will be there as we go through the year.

And secondly, today, our B2C business is now about 35% of our overall gross bookings. And on a next fiscal year basis, we expect our corporate and B2B business to be between 65% to 70% of our overall gross bookings.

Before I close, I'd like to also just provide a quick update on the recent geopolitical developments that briefly disrupted travel. April began on a very strong note for us. But following the unfortunate incident in Pahalgam, one of India's key summer destinations and the subsequent escalation of tension between India and Pakistan, we experienced a temporary disruption in travel activity. This led to a short-term dip in both leisure and corporate bookings, particularly in Northern India.

During this period, we worked proactively with our airline and hotel partners to support customers through flexible cancellation and rebooking options. I'm pleased to report that this situation has now stabilized and the ceasefire in effect, we've seen prompt recovery in bookings across the country. Excluding the directly impacted area where demand is still gradually normalizing.

In closing, we believe Yatra is well positioned for sustained success. Our emphasis is on high-margin growth, operational excellence and strategic innovation.

Thank you for your support, and I will now request our CFO, Anuj Sethi, to brief you on the financials in more details. Anuj?

Anuj Sethi: Should I go ahead with my remarks now, Dhruv?

Dhruv Shringi: Yes, please, Anuj, over to you.

Anuj Sethi: Thank you, Dhruv, and good morning, everyone. Let me brief you on our financial performance for the period under review. For the fourth quarter of financial year 2025, revenue from operations grew 103% year-on-year to INR2,190 million, driven by a 54% increase in hotels and packages, growth in MICE and inorganic Globe contribution. More notably, our gross margin which is revenue less service costs jumped 28% year-on-year to INR1,094 million, driven by our focus on higher-margin areas like corporate travel and MICE.

The adjusted EBITDA sold 62% year-on-year to INR251 million, yielding a 21% EBITDA to gross margin, highlighting our operational leverage. PAT for the quarter surged 173% to INR152 million, which is our highest ever quarterly reported profit.

For the annual results for the financial year 2025, revenue from operations grew 87% year-on-year to INR7,914 million, fueled by stellar growth in overall corporate travel business. Adjusted EBITDA rose 25% to INR667 million and net profit turned sharply positive, reaching an INR366 million, a 912% improvement from last year's loss. These results showcase our ability to scale efficiently and deliver a shareholder value.

Looking at the liquidity, cash and cash equivalent and term deposits stands at INR1,906 million as on 31st March 2025 while gross debt reduced from INR638 million as on 31st March 2024 to INR546 million as on 31st March, 2025. This strong financial position, foundation provides

us with ample flexibility to pursue growth initiatives and strategic investments. With that, handing back to you, Dhruv. Thank you.

Dhruv Shringi: Thank you, Anuj, and thank you, everyone, for your continued support, and we look forward to updating you on our progress in the continued quarters.

With that, we'd like to open the floor up to questions, please.

Moderator: The first question comes from the line of Parth from Bastion Research.

Parth: Congratulations on a good set of numbers. So, if I look back at full year FY '25, your air ticketing revenue is actually up 7% and the volume is down 24%, right? And similarly, in the Hotel and Packages segment revenue is up 35%, but volume is down like 1.7%.

So essentially, your realization per transaction has improved this year, and that has largely led to the growth. I just wanted to understand what, how did this happen? What did you guys do which will make this happen and is this sustainable?

Dhruv Shringi: Sure. So, what we've been focused on, Parth, and thank you for your question, is on moving more and more towards our corporate business, right? So, what we've done is replace effectively lower volume B2C bookings with high-value corporate bookings. The margins and the absolute realization on corporate travel are significantly higher than on B2C part of it.

And because of that, you see while volumes have dropped the gross bookings have improved and the earnings have improved much more meaningfully. So, it's an attempt on our part to rebalance our business more towards corporate, which has been in line with our strategic initiatives, right, and our strategic approach that we've adopted for the last 2 years. So, this is a continuation of that same trend only.

As I mentioned in my opening remarks as well, we are now at a stage where about 65% of our gross bookings are coming from our corporate and B2B part of our business. And we expect in the current year as well, this will continue to move more and more towards the corporate sector.

Parth: And secondly, on the hotel booking part, this quarter, sequential basis, you're seeing some decline in the hotel booking. Is it seasonality or is there something else to it?

Dhruv Shringi: Yes, it's only seasonality. As I touched upon earlier that for our MICE business, Q2 and Q3 are the seasonal strongest quarters followed by Q4 and Q1.

Parth: Okay. Okay. Just a final question from my side. How much during the quarter is Globe contributing to your revenue, out of the total revenue.

Dhruv Shringi: While we don't call out yes, so growth overall contribution to our revenue on an annualized basis, right, we would expect that to be in terms of our revenue less service cost in the range of about 10%.

Moderator: The next question comes from the line of Anmol Garg from DAM Capital.

Anmol Garg:

Congratulations on good profitability. Dhruv, just wanted to understand that our B2B business proportion is increasing every year. So how do we plan to manage the working capital which gets associated to it with a higher number of working capital days on the B2B side of the business. And proportionately, do you believe that we will become cash flow from operation positive going ahead in next year?

Dhruv Shringi:

Anmol, so on the working capital side, we continue to work not just with banks on factoring services, which are available to us, but also work closely with our corporate customers to migrate some of these corporate bookings from credit on to a credit card platform. This is a journey that we've undertaken a few years ago, and now we are at a stage where almost 30-plus percent of our bookings are on credit card, corporate credit card platforms. So that will continue to happen and that will help reduce the working capital needs of the business.

Having said that, today, from a business point of view, we have almost INR160-odd crores of unutilized banking facility is also available with us. And we have enough and more capital available, which will allow us to at least double our corporate business, if not take it 2.5x from where it is right now.

In terms of your question on free cash flow and operating cash flow. So from a cash flow from operations, including changes in working capital, in the current year, we expect to be positive. We do expect to be positive because we now feel that the business is getting to a scale in the current year, where the profits of the corporate business should be able to take care of the working capital needs of the business to grow at 20% to 25%. It's ultimately down to growth rate, Anmol, as you would understand, right? If we want to grow faster in the short term, you will end up deploying more working capital.

And the corporate business, given that it has a 97% retention rate has a strong moat. So I do believe it's important for us to continue to grow faster in the short- to medium-term as opposed to worrying more about the cash flow from operations. I would focus, and I would request you also to focus on the profitability at the moment, right, and how we are driving profitable growth. Once we're able to build a large defensive business, right, which is what we are trying to do, then automatically, then the fallout from an operating leverage point of view into free cash flow will be extremely high.

So I want to first build out a larger base and then use that larger base from a farming point of view to cross-sell more products and services. And after that, get to the stage from a cash flow point of view. That is like the 2- to 3-year journey that I'm mapping out in my mind. So for me, the next 2, 3 years are more about continuing to drive scale and growing at upwards of 25% and maybe even closer to 30% on the corporate side.

Anmol Garg:

Understood. Understood, Dhruv. Dhruv, secondly, I wanted to understand on the volume increase from the next year perspective. So this year, we have seen some impact on our overall volumes while our pricing, our per passenger pricing has increased, but the volumes have been impacted a bit. So from the next year's perspective, as you said, your guidance is around 20% on the gross margin, would that mean that, can we assume that we are assuming a similar kind of volume increase in next year as well or this will be a function of higher realization.

- Dhruv Shringi:** The volume increase would be closer to 15%, Anmol, the reason being because the mix of hotels which are higher yielding and more profitable is also going up in the business. So from an air volume point of view, air volumes, we would expect them to grow closer to 15%. And the profitability will be driven by a combination of this volume growth and higher growth in the hotel segment.
- Anmol Garg:** Understood. Understood. And lastly, Dhruv, I wanted to understand what is our discount in the B2C part of the business? What is our discount as a percentage of the GTV in the airline business?
- Dhruv Shringi:** The discounts are something we continue to optimize on, Anmol, and we are currently at a stage where the discounts are hovering based on competitive pressures at different times. But if I was to average out the quarter, it would be, the median would be between 3.5% to 4.5%.
- Moderator:** The next question comes from the line of Manik Taneja from Axis Capital.
- Manik Taneja:** Dhruv, while your question, while the question related to how the balance sheet behaves with regards to a transition in the business has been answered, if you could also talk about the customer acquisition costs, which have come down materially since second half this year as the business has tilted towards a higher share of corporate and MICE business.
- How should we be thinking about the customer acquisition costs, which have come down from almost about 4.7% in FY '24 to essentially as low as 2.8% in Q4 '25 and thereby those comments will be welcome.
- Dhruv Shringi:** Sure. So in terms of looking at customer acquisition costs, I think we should start looking at the current run rate to be the new normal. We should be trending at these levels with some variation on account of seasonality or some variation in terms of competitive pressures at times. But it will broadly trend around this number of 2.8%.
- So if I was to model it, right, we are modeling it between 2.6% and 3%. That's why we would look at this going forward. And this is happening on account of optimization work that we've been doing and being able to drive cross-sell of personal travel from our corporate customers.
- Manik Taneja:** Sure. And, Dhruv, just to clarify on the seasonality aspect of also on these things, typically, you will have a higher proportion of B2C business in Q1 and Q3. So these are the quarters where one should be building in higher customer acquisition cost and then moderation on that front in second quarter and fourth quarter. Is that the way?
- Dhruv Shringi:** That is absolutely right. Yes.
- Moderator:** The next question comes from the line of Moksh Ranka from Aurum Capital.
- Moksh Ranka:** I would like to know the timeline for merging our subsidiaries and the cost savings, which we will have?
- Dhruv Shringi:** So, in terms of merging of the subsidiaries, this process is currently going through the NCLT process. The first order has already been passed in our favor. So, we would expect this to get

completed sometime around the August time frame, right? So, by end of August, we would expect this to be completed. And if I look at from an expense point of view, our current tax outflow is in the range of about INR4 million to INR5 million a quarter. We would expect that to go away as we move forward.

Moksh Ranka: INR40 lakh to INR50 lakh per quarter?

Dhruv Shringi: Per quarter, yes. Yes.

Moksh Ranka: Okay. Okay. And what is our SaaS opportunity and fintech opportunity, which you have presented in the investor presentation. Could you provide some more color on that?

Dhruv Shringi: Sure. So on the SaaS side, the SaaS obviously is our corporate travel platform that we have, this is a platform that we provide to all our business travel customers. More than 70% of our transactions are done by the customers using this platform. This platform then deeply integrates into the ERP systems, into the HRMS systems of the organizations, the company's approval process mechanism and purchasing flow for travel sits on our platform.

And from there, then it will go seamlessly integrate into an expense management solution as well for people to claim their expenses on trip. So that's the solution that we are offering. On the fintech side, while today, it's still relatively early days for the expense management, I think expense management combined with credit cards and credit cloud-led payment solutions are increasingly growing opportunity in the Indian corporate landscape.

More and more companies want to move away from handing out imprest and cash and automate all of that, using prepaid card instruments or prepaid wallets or credit card and credit card-led wallets. So that's what we are working on at this point of time. And this will be the next stage, which will be there at some point in the second half of the current fiscal year.

Moksh Ranka: Okay. And so, are we planning a co-branded credit card for the corporate client base so that our working capital problem gets resolved? Is that what we are trying to get to?

Dhruv Shringi: That is the general idea. That is the broad idea for sure. There are obviously nuances around it, but that is the idea. That's the direction in which we are headed.

Moksh Ranka: Okay. And will there be a co-branded credit card for the consumer platform also for B2C? Or it will be only for the corporate side?

Dhruv Shringi: See, for the B2C side, we already have a co-brand that's been running with SBI Cards, but this particular endeavour that we are working on right now would be more focused on the corporate side.

Moksh Ranka: And roughly how, what is the tangible benefit in working capital we will have through this, just rough idea?

Dhruv Shringi: See, if you look at from a DSO point of view, right, we are typically around a 28-day DSO cycle, and we get about 6 to 7 days of supplier credit. So net 21 days of working capital get deployed by us. And if you are doing on the, if I look at on the enterprise side, we guys are doing close to

about, let's say, INR400-odd crores a month. So on that 21 days effectively means about INR250 crores to INR300 crores of working capital that can be freed up over the next few years.

I mean it's not to say that's going to be an immediate move. It's going to be a gradual move that will happen, but that's the quantum of working capital that should get freed up as we successfully roll this solution out over the next 2 to 3 years.

Moksh Ranka: Okay. And for the corporate, we said that 30% plus bookings happened through our corporate credit card already currently on a credit card platform. So, what exactly is that?

Dhruv Shringi: So that is more of not our card platform. That is the card platform, which is offered by the likes of an Amex or a HDFC Bank or a Citibank. There are these 3 predominant platforms called BTA platforms or CTA platforms. So, these are business cards, which are there, right? So, our companies will have these business purchase cards, and payment comes through on these business purchase cards at T+1 or T+3 as the case might be.

Moksh Ranka: Okay. And so, what we plan to do is migrate these corporate customers who are having these platforms to our credit card platform? Is that what we are trying to do in the future?

Dhruv Shringi: That is right. That is right. Because that then creates an incremental revenue stream for us.

Moksh Ranka: Right. And are we going to, instead of helping us, actually helping us with our working capital? Will it also help in getting some fee income to the platform?

Dhruv Shringi: That is right. So, both those benefits will be there. Yes.

Moksh Ranka: Okay. I get it. I got the direction which we are heading to.

Moderator: The next question comes from the line of Raaj from Arjav Partners.

Raaj: Sir, I have done some calculations. I just wanted to recheck it. So out of INR791 crores of sales, is it right to say that INR444 crores have come from Packages and MICE?

Dhruv Shringi: So, if I look at the full year number approximately, yes, you're right, approximately INR440 crores would be coming from MICE.

Raaj: All right, all right. And rest INR347 crores are from hotel and air, right?

Dhruv Shringi: That is the commission income from hotels and air, yes.

Raaj: From hotels and air. Okay. And if I look at the EBITDA, it is INR55 crores, right? If we exclude the finance cost about 50, if we exclude other income and finance income, EBITDA would be INR44 crores only right?

Dhruv Shringi: Yes. But then the other income is not just non-operating income. But please go ahead.

Raaj: All right. Out of INR44 crores of EBITDA, can we say the whole EBITDA is coming from Package and MICE and from air and hotel, it is at, technically, it is at zero EBITDA.

- Dhruv Shringi:** No, that would not be correct because while we don't talk about the breakup, that would not be correct. The contribution of MICE to EBITDA would be approximately, and this is just directionally I'm sharing, about 50-odd percent, whereas the balance will come from corporate hotels and corporate air. In fact, MICE would be even lesser than that, right? So, it will be more like between closer to 35% to 40%.
- Raaj:** 35% to 40% would be MICE, because I'll just explain how I came to this figure. Your service cost is around INR404 crores, right? And if you are doing sales of INR444 crores from package and MICE. So, the EBITDA from packages and MICE would be INR40 crores, right?
- Dhruv Shringi:** No, but that's not, no that is not EBITDA. That's just the gross income, the gross margin, right? From that gross margin, then you will have the cost related to MICE as well, right? So, people cost, sales costs, servicing costs on all the other operating costs will be after that as well, right?
- Raaj:** Yes. How much would it be?
- Dhruv Shringi:** As I said, we don't specifically call that out, and that's why I'm directionally telling you that it would be about 30%, 35%, 35%.
- Raaj:** 35% would be the additional cost related to packages and MICE.
- Dhruv Shringi:** I'm saying the margin would be in that range, not the cost.
- Raaj:** No, no, it is still not clear. Sir, can you explain to me, again, see, out of INR44 crores of EBITDA, how much would be for packages and MICE?
- Dhruv Shringi:** Let me again reiterate that we don't as a company break out EBITDA by each and every line of business that we do, right, nor do we break out by each and every product line item because then there is allocation of common costs, etcetera, that also comes into the picture. Directionally, what I was sharing with you is that on the MICE gross margin that you have, you will have about a 35% kind of operating margin on that gross margin?
- Raaj:** All right, 35% operating margin.
- Dhruv Shringi:** Okay. Yes, yes. So that's directionally that I want to, that's at max what I can share with you.
- Raaj:** So, sir, going ahead in FY '26 and FY '27, how much growth can an investor would expect from package and MICE and from hotel and air?
- Dhruv Shringi:** See, if I look at from an overall growth standpoint, we are talking about a 20% growth in revenue less service cost, which is our gross margin. Out of the gross margin growth that we have, we will expect hotels and packages growth to be closer to about 25%, and we will expect Air growth to be closer to 15%.
- Moderator:** The next question comes from the line of Yash Modi from Ashika Group.

- Yash Modi:** Congratulations on a good set of numbers. Regarding our guidance of 20% top line and 30% EBITDA, is it just from our core business? Or are we taking, building in some revenues from the cross-sell opportunities that we keep talking about?
- Dhruv Shringi:** Thank you. Thank you, Yash. And in terms of the growth that we are looking at, this is the blended growth from both organic and the cross-sell because cross-sell also at the end of the day, is part of the organic efforts of the team, right? It's being sold to the same customer base as well. And the cross-sell is what drives a faster growth in earnings versus the growth in revenue.
- Yash Modi:** Sure, sure.
- Dhruv Shringi:** So, this would be a combination of both, which would be there.
- Yash Modi:** Got it. So, in terms of, say, the SaaS opportunity, like last couple of quarters, we've been talking about these partnerships with a couple of Middle Eastern firms and some firm in Africa also. So where is the SaaS, like how big can say, 3 years down the line, 4 years down the line if I look at it, how big can the SaaS opportunity actually become for the company?
- Dhruv Shringi:** Yes. I think if I look at this 3 to 4 years down the line, I would expect this to be in terms of bottom line contribution, right, about, it's between INR10 crores to INR15 crores, right? So, we are looking at somewhere between \$1.5 million to \$2 million of profitability coming from this over the next 3 years.
- Yash Modi:** And similarly, if we were to look at, say, the expense management tool and the fintech opportunity, like say, not immediate, not this year, but say, 3, 4 years down the line, would these cross-sell opportunities in your model form, say, 30%, 40% of profitability of Yatra say, 5 years down the line?
- Dhruv Shringi:** So, on the expense management and card solutions, I'm a lot more bullish on that, right? I do see that as a very healthy opportunity. And if I look at this 3 to 5 years down the road, I do think that from an income point of view, one third of our income could potentially come from these, and the expense management solution could be not just an India-focused solution but will be a combination of India plus international markets. There are steps that we are trying to take in, you know put in place, whereby we can have separate teams, which are focused on driving much faster growth in these areas.
- Moderator:** The next question comes from the line of Sriram an Individual Investor.
- Sriram:** Sir, at the beginning of the call, you had mentioned that the corporate travel has higher realizations than B2C. Is that correct?
- Dhruv Shringi:** That is right because corporate travelers will typically book at the last minute and the book much more bundled fares, which will include seat, meal bags included in that, there is a much higher mix of business and first-class in corporate versus consumer. So, the average realization on corporate for an air ticket and the same would hold true for hotels is about 1.5x to B2C realization.

Sriram: Okay. 1.5x B2C. The reason why I'm asking you this is because the hotel industry works in a different way, right, because retail pitches them higher realizations than corporate. So, I'm just trying to understand how does this work actually?

Dhruv Shringi: So, on the corporate side as well for hotels, the same actually holds true because of a timing difference. See, while retail will typically book 15, 30 days in advance, corporate bookings are typically happening on a D minus three. So, the average realization is still higher on the corporate side.

Now there will be some corporates, right, who will have specially negotiated rates. But what we've seen over the course of the last 2 years as demand has really surged in the Indian hotel industry that number of times and the corporate rates are actually those deep discounted rates that corporate had are actually available is shrinking quite significantly.

So more and more corporate business is moving to bar rates, and bar, as you would know, closer to check-in is meaningfully higher than 15, 30 days out. What you're saying was absolutely correct in the pre-COVID era, but given the surge in demand that we've seen post-COVID and the scarcity of supply in the Indian hotel market, that dynamic is no longer true.

Sriram: Okay. Okay. And sir, what is our market share in the corporate travel?

Dhruv Shringi: In the managed corporate travel space out of the 13-odd thousand customers that we have identified as companies that we've identified as a key target in the managed corporate travel space, we are now addressing about close to 1,150 to 1,200. So, getting on to about a 9% kind of market share in terms of customers in the managed corporate travel space. In terms of spend levels because we are addressing some of the largest customers in the category, our spend levels we estimate will be between 11% to 12%.

Sriram: 11% to 12%. Okay. Okay. That helps.

Moderator: The next question comes from the line of Nitin Padmanabhan from Investec Capital Services.

Nitin Padmanabhan: Congrats on a strong quarter. Dhruv, couple of questions. One is the, when we look at the deal bookings on corporate, do we still have a higher share of hotels within the order backlog at the moment?

Dhruv Shringi: Nitin, firstly thank you. Yes, that would be the case, yes. We continue to have because what we are seeing is that the cross-sell opportunity on hotels is extremely large today. More and more customers want to move into a managed hotel program as opposed to letting employees book directly because hotel prices have gone up pretty sharply over the course of the last couple of years. Sorry, sorry, Nitin.

Nitin Padmanabhan: So, from a hotel mix in corporate, how has it evolved versus last year? And how should we probably think about this on a going forward basis? Has this been the highest margin segment?

Dhruv Shringi: That is right. So, if you look at the growth rates that I'm talking about, we expect air to grow at closer to 15% and hotels to grow at closer to 25% plus. Today, in terms of mix on the corporate

side, it would be about 60% coming in from air and 40% coming in from hotels and packages - hotels and MICE. So, we would expect that to grow at 25% or upwards of 25% and we would expect air to grow closer to 15%.

Nitin Padmanabhan: Perfect. Now from a profitability perspective, considering the business has changed from a mix perspective over the last year quite meaningfully. Historically, we used to see a seasonality on profitability. Do you think the seasonality on profitability should be much lower on a going-forward basis, more consistent within a narrow range? How should we think about it?

Dhruv Shringi: No, Nitin, the seasonality will still remain because of MICE. As I articulated in my prepared remarks, MICE does tend to be a bit lumpy, and it's countercyclical to B2C, right? Because for MICE, there are large events, which are happening, you need thousands of rooms at times. So, availability during peak season is low.

That's why MICE will typically be highest in Q2, in the early parts of Q3 and then followed by Q4 and Q1. So, there will still be seasonality, right? And that's why I want people to start focusing more on the full year trends as opposed to the seasonality of the quarters. The quarter seasonality can be viewed year-over-year.

Nitin Padmanabhan: Right. So, the Q2 would have the highest profitability. Is that the way to look at it, Q2, Q3?

Dhruv Shringi: Q2 would have higher profitability for sure. Yes.

Nitin Padmanabhan: Right. So, in the same order, Q2, Q3, Q4, Q1. So that's how it will be. So Q1 should be better than Q4. And Q4 should be, Q3 should be better than Q4. Got it. The last question is on the Globe integration, we still have margin synergies to play out by when do you think, that should play out?

Dhruv Shringi: They will play out within the current quarter now.

Nitin Padmanabhan: Okay. And what kind of synergies should one expect from that?

Dhruv Shringi: See, in terms of overall from an impact on profit or in terms of margins?

Nitin Padmanabhan: Profitability and margins, both.

Dhruv Shringi: So, in terms of profit, I think the incremental synergies will add about INR1 crores to INR1.5 crores a quarter, somewhere in that kind of a range.

Moderator: The next question comes from the line of Raaj from Arjav Partners.

Raaj: I just wanted to ask you, so I asked a question about EBITDA. So, when we say 40% technically is the contribution of MICE and package from EBITDA, so what number are we taking for the EBITDA? Is it INR76 crores? Or is it INR55 crores of 40%?

Dhruv Shringi: No, we're taking INR55 crores. We are taking INR55 crores.

Raaj: So around INR20 crores, INR25 crores is from, MICE side, right? MICE and package.

- Dhruv Shringi:** No, it's MICE and packages. So, it's even lower again, I don't really want to get into non-public information, right? I think we are bordering on that repeatedly. I would request that we stay to public information, please?
- Moderator:** The next question comes from the line of Moksh Ranka from Aurum Capital.
- Moksh Ranka:** I wanted to ask, we have mentioned that air should grow by 15% and hotel and MICE should grow by a higher percentage. So, 3, 4 years down the line, where do you see the mix going towards? So, are we trying to get more hotel bookings and MICE bookings because those are basically higher margin and higher take rates?
- Dhruv Shringi:** That is right. That is right. So, on a blended overall business basis, we want to get to a stage in the next 3 years, where we have at least a 50-50 mix, which is there between air and hotels and packages.
- Moksh Ranka:** Okay. And how do you see the take rate because in our air ticketing and as well as hotel bookings, our take rates have deteriorated a little bit. So, in the future, do you see take rates improving or you see them declining?
- Dhruv Shringi:** So, the take rate change which is happening is only happening on account of change of the business mix. The take rate on consumer, and this is the optical take rate, right, not the revenue less service cost or the gross margin, the take rate is only declining on account of the change in the business mix. On the corporate side, you don't charge the convenience fee that is charged on the B2C side, right? But then on the corporate side, you don't have any consumer promotion or marketing either. So, at an operating profit level, it turns out to be more profitable.
- Moksh Ranka:** Okay. And on competitive intensity
- Dhruv Shringi:** Just to again reclarify, there is no change in take rate per se. It is just the business mix, which is driving the change in take rate. Yes. Sorry, go on, please.
- Moksh Ranka:** Okay. Yes. So, I wanted to understand, we have added 35 new corporate clients. So, going forward, are we seeing heightened competitive intensity while adding new clients? Because I think we have MakeMyTrip who is actually now getting aggressive in corporate they have a bigger platform than us. So how are we looking at competitive intensity for, especially for the corporate side?
- Dhruv Shringi:** So, on the corporate side, we continue to do extremely well on the corporate side from a competitive perspective. We think we have a very strong corporate travel solution, which is the most evolved that is available in the market today. Also do take into account that while, yes, we've got 1 MakeMyTrip, there are lots of other competitors as well who are in the market who may not have the technology chops to be able to compete effectively in the market, right?
- So, it's not a zero-sum game between only MakeMyTrip and us. We expect that we will continue to thrive and continue to grow our business rapidly on the back of the solution that we are offering to our customers. We've also expanded our sales teams to be able to further accelerate the growth rate, which is there. So, I don't see a reason for us any time in the near term to slow

down in terms of corporate growth, irrespective of what the competition or what the competitive landscape might be.

Moksh Ranka: Okay. And are we able to add many international clients as well or most of our corporate clients are Indian?

Dhruv Shringi: See, it's a healthy mix between domestic and international customers. While yes, some of the largest international customers will have global mandates in baking those global mandates with a number of the large consulting firms in India, like 3 out of Big 4 firms in India work with Yatra, right?

So, they were all at some or the other global mandates that we've been able to break through. So, we continue to have strong success. As the industry structure lies today, a larger part of international customers will still be with the global players, which are governed by the global mandates which are decided as part of RFPs in the global headquarters.

Moderator: The next question comes from the line of Vinay Nadkarni from Hathway Investments.

Vinay Nadkarni: Dhruv, just one question on RECAP. You would be, you're continuing to offer it only as a complementary, or have you already started monetizing it?

Dhruv Shringi: We've just started monetizing it, Vinay. The initial few customers were more complementary. In some of the more recent ones, we've started monetizing it. The monetization also, there are different monetization structures that we are adopting, where it might be complementary for a period of time and then start being charged, right? So, it's like a freemium kind of service.

Vinay Nadkarni: Okay. And it will be per user or per, so there will be different types of monetization?

Dhruv Shringi: Yes. Yes, but it's largely per user per month.

Vinay Nadkarni: Okay. And just one last question, is it possible? Or are you looking at adding the inventory of good quality Airbnb properties also?

Dhruv Shringi: See, we've looked at that a couple of times, but the demand for that in the corporate sector is extremely low. So, corporates have this demand for guest houses, right, which are the corporate managed guest houses. So those we are bringing on to our platform. But in terms of pure home sales, like what an Airbnb would offer, the demand on the corporate side for that is extremely low. So, it's not really something which is in the priority set for the moment for us.

Vinay Nadkarni: Congrats on a good set of numbers, Dhruv.

Dhruv Shringi: Thank you so much, Vinay. Thank you.

Moderator: Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to Mr. Dhruv Shringi, the CEO of Yatra, for the closing remarks.

Dhruv Shringi: Thank you, moderator, and thank you, Nitin, for hosting us today. I'd also like to thank all of you for joining us on our call today. As you would have seen, the business continues to perform

really well. Over the last 4 quarters, we've consistently improved our profitability, and we expect to do the same in the years to come as well. The business model is well established, and there is strong operating leverage in the business that we have.

If I was to just recap for a minute, if I look at from an adjusted EBITDA point of view, our adjusted EBITDA has improved from INR10.4 crores in Q1 to INR13.6 crores in Q2 to INR17.3 crores in Q3 to now INR25 crores. Similarly, on the PAT side, we started with a PAT of INR4 crores in the first quarter, which went up to INR7.3 crores in the second, improved further to INR9 crores and is now at INR15 crores.

So, we continue to see strong momentum behind the business. We reiterate our commitment to the business and the kind of growth rate that we've spelled out in our guidance, and we are looking forward to a successful year with all of you. So, thank you so much for your support.

Moderator:

Thank you, sir. Ladies and gentlemen, on behalf of Investec Capital Services India Private Limited, 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.