May 30, 2023

BSE Ltd. P J Towers, Dalal Street, FortMumbai – 400001 **Scrip Code: 543272**	National Stock Exchange of India Limited (NSE). Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400051 **Symbol: EASEMYTRIP**

Sub: Earning Call Transcript

Dear Sir/ Madam,

Please find enclosed the transcript of the earning call held on Friday, 26th May, 2023 , with regard to the audited financial results of the Company for the quarter and year ended 31st March, 2023.

The audio recordings of the said investor call are also made available on the Company's website at www.easemytrip.com.

Please take the same on your record.

Thanking you,

Yours faithfully,

For Easy Trip Planners Limited

PRIYANKA TIWARI
Digitally signed by PRIYANKA TIWARI
Date: 2023.05.30 13:47:16 +05'30'

Priyanka Tiwari
Group Company Secretary and Chief Compliance Officer
Membership No.: A50412

"Easy Trip Planners Limited
Q4 FY2023 Earnings Conference Call"

May 26, 2023

MANAGEMENT: **MR. PRASHANT PITTI - CO-FOUNDER & EXECUTIVE DIRECTOR**
MR. NISHANT PITTI - CO-FOUNDER & CHIEF EXECUTIVE OFFICER
MR. LOKENDRA SAINI – CHIEF OPERATING OFFICER
MR. ASHISH BANSAL - CHIEF FINANCIAL OFFICER
MR. BASAVRAJ SHETTY - HEAD INVESTOR RELATIONS
MR. RAJAT GUPTA - INVESTOR RELATIONS

Moderator: Good evening ladies and gentlemen, welcome to Q4 FY2023 earnings conference call of EaseMyTrip. Today in this call we have with us Mr. Prashant Pitti, Co-founder and Executive Director, Mr. Nishant Pitti Co-Founder and CEO, Mr. Lokendra Saini, COO, Mr. Ashish Bansal, Chief Financial Officer; Mr. Basavraj Shetty, Head of Investor Relations, and Mr. Rajat Gupta from Investor Relations. The results for Q4 FY2023 for the company, the investor presentation and the press release have been uploaded on stock exchange and on the company website. Before we start the call a disclaimer, this conference call may contain forward-looking statements about the company, which are based on beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. 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 "*" then "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Prashant Pitti, Co-Founder & Executive Director. Thank you and over to you Sir!

Prashant Pitti: Good evening ladies and gentlemen and thank you for joining us on this earnings call to discuss the financial results for the quarter and fiscal year ended March 31, 2023. Before we deep dive into the numbers and performance let me present an overview on the current status of industry and some trends to follow. The Indian travel industry has witnessed remarkable growth in FY2023 with the number of passengers increasing by 62% year-on-year to 136 million compared to 84 million in FY2022. The air travel sector has witnessed a particularly strong rebound surpassing pre-COVID level in Q4 of FY2023 by 43% as compared to Q4 of FY2019. Looking ahead, India is poised to become the third largest air passenger market globally and comprising both domestic and international travel by 2024. As indicated in February 2023 IBEF report India is expected to host over 480 million air travelers by 2036. Moreover Indian carriers are expected to double their fleet capacity reaching over 1100 aircrafts by 2027. The government has placed significant emphasis on infrastructure development and has envisaged increasing the number of operational airports to 220 by 2025 from 131 in 2022. The Airport Authority of India has outlined an investment plan of INR 25000 Crores over the next five years aimed at enhancing airport facilities and infrastructure. The concentrated effort aligning with the increasing demand for travel & tourism driven by growing middle class population with the means to engage in domestic and international tourism. As a prominent OTA player EaseMyTrip is well positioned to expand and take advantage of emerging opportunities in the travel industry. We come with a strong track record and are well equipped to navigate the evolving landscape by leveraging our expertise to capitalize favourable market condition.

EaseMyTrip has had an exceptional last year with record breaking gross booking revenue of INR 8050.6 Crores. The journey of the company and this milestone is reflective of our encouraging growth of 116.7% increase in GBR in FY2023 from INR 3715.6 Crores in FY2022. Despite a seasonally weak quarter Q4 FY2023 has seen sustained growth of 83.0% year-on-year increase reaching to INR 2143 Crores as against to INR 1170 Crores for Q4 of FY2022 thereby reinforcing our leadership execution capabilities and commitment to value creation. Further continuing with the growth momentum EaseMyTrip has reported 68.6% growth in adjusted revenues to INR 675 Crores in FY2023 as against to INR 400 Crores in FY2022. In Q4 FY2023 our adjusted revenue was at INR 178 Crores which was 81.1% year-on-year as compared to the corresponding quarters of adjusted revenue of INR 98 Crores. We remain bullish in our newly started business operations in Dubai especially with the excited initial response to our operations there. The business in Dubai continues to thrive crossing the milestone of INR 100 Crores in GBR in the first year of operation itself. In Q4 of FY2023 alone we saw GBR of INR 43.3 Crores contributing to the total of INR 118 Crores for the full financial year of FY2023. Our operating leverage continues to be one of the significant factors that put us above our peers. In FY2023 as marketing spend as a percentage of GBR was 1% which was just slightly above 0.9% of FY2022 reflective that we continue to invest in our brand. Our employee expenses stood at 0.7% of a GBR which were in the lines of FY2022 level even as we continue to invest in our human capital. In FY2023 our air segment grew by 62.2% and we sold 1.15 Crores air tickets net off cancellation as against 70.9 lakhs in FY2022. In Q4 of FY2023 it was up by 56.4% to 32 lakh air tickets. We have witnessed robust demand for the air travel segment and given our customer centric initiatives we have performed significantly better than the previous year.

Coming to the hotel segment, we continue to operate our hotel business in a non-traditional way which is the aggregator model which has given us stable returns in the past. In FY2023 we sold 3.5 lakhs hotel night an increase of 121% compared to FY2022. For Q4 of FY2023 our hotel segment saw an increase of 121.9% year-on-year basis as we sold 1 lakh hotel night as compared to half a lakh for Q4 of FY2022. Since our inception consistent profitability has been the hallmark of the business and I am pleased to share that our commitments to financial success remain steadfast. In line with the tradition, we have achieved EBITDA of INR 191 Crores for FY2023 a 30.2% increase as compared to the previous fiscal year of EBITDA of INR 146.9 Crores. Our EBITDA margins were at 41.2% for FY2023 and 38.6% for Q4 of FY2023. We reported PAT of INR 134 Crores in FY2023 showing a growth of 26.6% compared to the previous fiscal year of INR 105.9 Crores. In Q4 of FY2023 our PAT stood at INR 31.1 Crores making a 33.1% year-on-year increase as compared to the corresponding quarters.

Moving to some operational highlights for the quarter. First we are honored to have been awarded a title of Best Online Travel portal in India at a prestigious Economic Times Ascent Business Leader of the Year award this quarter. This accolade reinforces our position as one of the leading players in online travel industry in India. Second to celebrate the completion of two successful years of going public we offered our shareholders remarkable deals as a mark of our gratitude. Furthermore, I would like to highlight some other notable milestones achieved by EaseMyTrip during the quarter which reflects our resolute pursuit to grow profitability and exceptional service delivery to our valued customers. As a part of our strategic expansion in Indian market we have opened up our first franchise store in Patna, Bihar. The physical presence strengthens our ability to serve our customers more efficiently catering to their travel needs particularly in holiday segment. In our ongoing endeavor to enhance the customer experiences we have launched an exclusive program for our elite customers called as EMT Royale. This special invite-only programme offers highly personalized and tailored services for flight and hotel booking as well as holiday, charter services and cruise packages. EMT Royale exemplifies our promise of providing unparalleled travel experiences to our customers fostering the sense of value and appreciation. Collaboration has always paid pivotal role in our success. In this quarter we have forged several strategic partnerships that have bolstered our brand presence. We are delighted to continue our relationship with the country's most loved sport – cricket, as we have signed 5-year agreement with the owners of UP Warriorz team in the Women's Premier League. This collaboration which commenced in the inaugural session of WPL in March 2023 allows us to leverage their platform and promote our brand to the wider audience. Additionally, we have also become an associate sponsor of IBA Women's World Championship 2023 thereby augmenting our brand exposure. We have recently partnered with Swiggy, India's leading on-demand delivery platform for campaign that will enable both brands to tap into each other's consumer base. A similar collaboration has been forged with HT Digital facilitating our expansion efforts. We have also established valuable partnership with Chennai Blitz in the Prime Volleyball League, the Republic Summit and signed a MoU with Andhra Pradesh government. These collaborations have immensely contributed to increasing our brand recall and solidifying our position as preferred choice for all the travel needs among our customers. With this I request the moderator to please open the floor for the question and answers.

Moderator: Thank you. Ladies and gentlemen we will now begin with question and answer session. The first question is from the line of Pritesh Chheda from Lucky Investment Managers. Please go ahead.

Pritesh Chheda: Sir I have three questions from your P&L and the balance sheet. So in the P&L there is other expense as a percentage of sales has moved up by 40 basis points and it is a fairly large jump if you could explain that and in your balance sheet I was surprised to see that your receivables have shot up a lot and your other financial assets where entire cash flow of the company has gone so if you could just give clarifications on these three things?

Prashant Pitti: I will answer the trade receivable part and I will invite Ashish Ji who is our CFO to answer the other two. The trade receivables have gone up as well as share of GMV from B2B business has gone up from 9% to 12%. Our trade receivables for FY2022 was about INR 52 Crores which has jumped to INR 155 Crores and primarily it is because of the B2B business which is why the trade receivables has gone up. AshishJi if you can just answer the other two following questions that will be great.

Pritesh Chheda: If it has gone up by 3%, 3% on INR 8000 Crores GMV is INR 240 Crores so the INR 240 Crores would be throughout the year but we would have done the business of INR 240 Crores throughout the year but there is INR 110 Crores receivables jump straight in this period?

Prashant Pitti: So, the business is floating business, right and which is why the numbers have gone up because of the corporate business as well, there is a corporate business as well which has come up and then there is a B2B business both of them have added to this number of about INR 100 Crores.

Ashish Bansal: At the same time our revenue also increased and we received a revenue on periodical basis from the airline side, so trade receivable includes commissions and incentives recovered periodically which we have to recover from the airlines, so since our revenue is increasing and trade receivable is also increasing and your another question was other expenses. So other expenses the major increase is due to the B2B business increase so our commission payout also comes under other expense so that is the main reason of increase and third thing you are talking about other financial asset which represents basically the FDR, long-term FDR and if you see the current assets our other financial assets in current assets has been increased so there is a set off for long-term and short-term in financial asset.

Pritesh Chheda: Could you give some colour on the GMV growth that you are planning for the coming year?

Prashant Pitti: As you have said that we are continuing our efforts to grow our GMV in the higher side of double digits number as what you have already witnessed in the last year we have grown by 116% odd. For the corresponding year we expect our GMV to grow by more than 50%.

Pritesh Chheda: Thank you very much Sir.

Moderator: Thank you. The next question is from the line of Pranay Jain from Dealwell Securities. Please go ahead.

Pranay Jain: Congratulations gentlemen on strong year and thank you for the opportunity. One I wanted to understand what are the efforts that we are taking to expand our business from overseas markets I think earlier this month we had held a Board meeting also to assess some acquisition and inorganic opportunities domestic as well as overseas, so if you could throw light on the plan and strategy over there with some number if possible?

Prashant Pitti: Sharing any name and number would be very difficult at this stage. However, there is a very concentrated effort going on within the organization to grow our overseas business. The beautiful part about the overseas business is that most of our operations and technology continue to run out of India while the average ticket size in overseas business can be up to three times more than what it is in India and then the competition is also something which we feel very fair to take on to because there is no other OTA in the world which can sustain without charging convenience fees. Given all these three reasons where at EaseMytrip, we can afford to not to charge convenience fees and yet be profitable the average ticket size can go up by 2 to 3 times and the entire operations and technology continue to run out of India gives us extreme amount of comfort to grow our businesses overseas and there are multiple efforts which the company is envisaging and is working on one is in the format of the promotion by basically creating different kind of alliances with the banks, the credit cards which exist in the foreign land and work along with them so that we can promote, we can give them some additional discounts to their consumer base and they offer our product. They introduce our product to their consumer base is one of the bigger one and then of course we already have grown in the market to become the second largest travel portal in India and we have enough tricks up our sleeves which we may not be able to disclose right now, which we would want to continue to use to grow in overseas businesses as well.

Pranay Jain: Directionally your strategy is appreciated but let us say over the next two years say by FY2025 then how much contribution would you be aspiring to have from overseas markets?

Prashant Pitti: The GMV for Dubai market for the last particular financial year was about INR 118 odd Crores. Given our efforts in all the directions I would be surprised if it is not the north of INR 700, 800 Crores from all the newer operational areas, overseas areas, in the next couple of years.

Pranay Jain: Thank you and also I think we are assessing something on the insurance side, so I am intrigued to understand what is our thought in terms of foraying and growing that piece?

Prashant Pitti: So you know at EaseMyTrip we have a consumer base of about 1.5 Crores users who are the cream of the country and we wish to try to see if we could basically offer alternate services to these people. We already are offering them a travel insurance product on our website and we wish to experiment and see if we can offer them another kind of insurance product as a mediator or as an aggregator in between but this is something which we want to try and experiment, but I will not be able to share any further details around it.

Pranay Jain: So that is at preliminary stage and quite some distance away from reaching advanced action?

Prashant Pitti: The actions are happening as we speak. AshishJi want to say something?

Ashish Bansal: We have B2B model also, so we want to empower our B2B agents, which has a network of customers to sell the insurance through our platform, so we are targeting B2B segment and at later stage B2C also.

Pranay Jain: Lastly before I get back in the queue what is the kind of revenue and margin that we are looking for say over the next couple of years, but I am particularly interested in margins because there were quite some levers and I am sure that we can improve from where we are at present levels which is earlier we have enjoyed higher numbers so what is the action plan there?

Prashant Pitti: This is the beauty of the Internet business, your cost of operations need not go in the same direction as what your business is growing and hence with each passing year we also expect our margins to get better. I can tell you one particular area where the margin should continue to improve dramatically as we see which is basically the payment gateway charges. The payment gateway charges for this particular financial year is about 0.6% and as more and more UPI get perculated within the country this percentage should continue to diminish this 0.6% of an expense should continue to diminish and also I believe now we have created a very strong robust team of 1000 people and going forward I do not envisage our employee cost to grow up dramatically as what it has grown in the last couple of years. We have grown from 425 employees to 1000 employees in the last two years. However now we feel that the team is extremely, and this number increase has also happened because of the inorganic acquisitions which has become our subsidiaries right, so those numbers are also getting added up into the company and however going forward we believe that our employee cost not the marketing cost, marketing cost will revolve around 0.9% to 1% of the GMV because that is a continued effort to grow; however, the employee cost in the next couple of years should reduce as the business continues to improve and hence we are looking forward to enjoy better margins as more and more business continues to come towards these markets.

Pranay Jain: So as a result of these investments and partnerships and there are going to be many other moving pieces always, but simply looking at your statement in the presentation we are at 41.2% at the close of FY2023 at the EBITDA margin level and last year we were at 58.8% so how do we narrow this, do we have something in mind a range that we want to see by the end of FY2024-FY2025?

Prashant Pitti: Last year was a COVID infected year and hence it was an exceptional year, we do not envisage that 58% to come back, but it was an exceptional year; however, going forward I believe that a good number to look forward would be about 45% - 46%.

Pranay Jain: The revenue growth would be similar to this year or you would believe that kind of run rate we will be able to maintain?

Prashant Pitti: So the minimum GMV growth expectation which we have internally is about 50% for this year.

Pranay Jain: Thank you and wishing you all the very best.

Moderator: Thank you. The next question is from the line of Samir Palod from AUM Fund Advisors LLP. Please go ahead.

Samir Palod: Thanks for the opportunity. PrashantJi a few macro questions while if you look over the last few years the overall take rate which is the interplay between your take rate as well as discount from customers is coming down, how are you seeing that going forward because your GBR you are projecting to grow at 50% but is the take rate now stable, likely to come down further because I believe it is down 2.5% in just one year between 2022 and 2023 so what is going on there if you can just explain that to us?

Prashant Pitti: As I said that FY2022 is not a fair year to compare. In FY2023, starting Q4 of FY2022 till the Q4 of FY2023 which is five last quarters our adjusted take rate has always been hovering between 8.2% and 8.7% and I believe that this is a fair assumption to make that this is what the status quo is from going forward.

Samir Palod: Hotel sector which is growing much faster than your air that has a much higher take rate right?

Prashant Pitti: See basically we give back whatever amount which we get, firstly the amount of the hotel booking is still in single digit even though it is growing much faster the overall impact on the take rate is very minimal. The hotel take rate is about 12% and the air take rate is about 8%, so hence I would not quantify that the air take rates are decreasing and just because hotel business is growing the air take rate has changed significantly, they are not, they have been hovering anywhere between 8.2 to 8.7% in the last five quarters you may please look it up and we as a company believe that this is a fair assumption for the future as well. The hotel is still in the single digit for us and hence even though it grew almost doubled up in the last one year it is barely making a dent on overall take rate for the company right now.

Samir Palod: Thanks for that and my next question is just on the cost side can you explain while every single cost line item cost has gone up much more disproportionately than revenue growth and really talk about more on a yearly basis rather than for the quarter?

Prashant Pitti: I would also like to talk more on the yearly basis and the way we look business is actually in the format of GMV not on the basis of revenue because revenues are a function of take rates and hence as I said that FY2022 was not a normal year and hence take rate of FY2022 should not be compared with FY2023. FY2023 onwards take rates are stable and hence if you look at the percentage of GBR they have not changed much at all. For employee costs our employee cost as a percentage of GBR is 0.7% for FY2023 and FY2022 exact same 0.7%. Our marketing and promotion costs for FY2022 were 0.9% and for FY2023 are 1%, have not changed much as you think and the discounts gone down dramatically for FY2023. For FY2022 it was a 4.4% and for this particular year it is at 2.9% and even after reducing the discounts dramatically we have been able to grow our business by more than 100% is something which I would like to give applauds to our entire team which is that even after reducing the discounts we have been, just imagine if we had continued with the same discount we would have grown much, much better than past year but that is not the DNA of the company. The DNA of the company is to maintain the very fine balance between growth and profitability and that is what the team is up to and we have reduced our discounts dramatically and yes the profitability has continued to increase. So I would encourage you to look at the cost on the basis of GMV on the basis of total bookings which we have done not on the basis of revenues.

Samir Palod: Fair enough. So can we look forward to next year with a 50% growth on the overall GBR, you are saying there will be steady take rates in the 8.5%?

Prashant Pitti: Your assumption is correct.

Samir Palod: On the expense side then we should see and you talk about higher EBITDA margins, so we are in the profitability side will be faster than the 50% growth?

Prashant Pitti: Your assumption is correct.

Samir Palod: Thank you.

Moderator: Thank you. The next question is from the line of Madhuchanda Dey from MC Pro. Please go ahead.

Madhuchanda Dey: Couple of questions. I will just give you the numbers. In terms of hotel night Q3 hotel nights were something like 95875 and that has crossed 100000 in Q4 but if you look at your segmental reporting on the hotel package the revenue in Q3 was something like INR 23.7 Crores which is down to INR 5.2 Crores in Q4?

Prashant Pitti: Yes that was because of a MICE movement. There was one significant MICE movement which was reported in the holiday segment, hotel and holiday segment which happened, which was one of MICE movements in Q3. AshishJi please correct me if I am wrong but this is what I remember that was the big reason of that is correct right AshishJi?

Ashish Bansal: Yes.

Prashant Pitti: There was big MICE movement, one particular booking which brought lot of revenue to the company in Q3 because of which you are seeing that number to go down.

Madhuchanda Dey: Can you explain why is there a kind of a segmental loss in the hotel segment?

Ashish Bansal: There is no loss.

Madhuchanda Dey: It is a negative figure, so it is a small negative figure.

Ashish Bansal: Yes, there is a gross income in hotels segment and if we apportion the costs in the revenue then it is a loss.

Prashant Pitti: Madhu as we mentioned in our previous commentary right now our endeavor is to grow our hotel business at breakeven pace and this notional loss which you are seeing is basically breakeven for us. Whatever 12, 13% commissions we are getting we are passing it back to the consumers in the format of discount, as you already know that our hotel team basically is extremely lean team because of our aggregator model hence whatever commissions we get we pass it back to the customers and there is barely any other cost to the company which is why you are seeing a small negative number.

Madhuchanda Dey: I have two more questions one is we have done some acquisitions last year like YoloBus and one in the hotel segment, can you start putting up the financials at least in your presentation every quarter so that we know what kind of traction we are seeing in those acquisitions.

Prashant Pitti: Your point is noted. We will consider it.

Madhuchanda Dey: If you could show some light on the performance of those acquisitions?

Prashant Pitti: See Spree Hospitality continues to grow profitably, it is adding almost 5 to 6 hotels on every quarter basis into its kitty and it is doing extremely well and we are extremely proud of the team they are growing the business very well. YoloBus again started operations only six to seven months ago, we did see one particular month where the company was almost at breakeven pace and of course the company the YoloBus team desires to expand as the market is extremely large, we continue to wait it out, wait out for the breakeven part and grow YoloBus operations in North India and South India both direction, hence for Yolo to breakeven we will have to wait it out for some time; however, the market is humongous and entire YoloBus team feels extremely excited to grow the company, but I do take your point that we want to consider.

Madhuchanda Dey: The last question is about the receivables from GoAir have you provided INR 6.92 Crores which is in the auditors' report?

Prashant Pitti: The company has an exposure on the GoAir side, but we are hopeful that they will start their operations, we have received an e-mail from them as well that soon they will start the operations and whatever exposure is there will get adjusted with the sales as soon as the operation begins.

Madhuchanda Dey: I am sure it will not happen, but in case if it does not happen your outstanding receivables from GoAir are INR 6.9 Crores is that a correct figure?

Prashant Pitti: That is INR 69 Crores.

Madhuchanda Dey: INR 69 Crores is your outstanding receivables from GoAir right?

Prashant Pitti: That is correct and it should be the entire industry of course has that exposure, nobody has taken any write off because we are hopeful that they will come back, we have received an e-mail, we have received verbal confirmation, so you are also tracking that story then we are expecting them to come back and as they come back this amount will first get adjusted with the sales which happens.

Madhuchanda Dey: Thank you and all the best for next year.

Moderator: Thank you. The next question is from the line of Kishore Sonekar from Posa Capital. Please go ahead.

Kishore Sonekar: If you see the website it is not very user friendly like MakeMyTrip, suppose once we book the ticket, the ticket format which comes it looks very simple and the same format when we receive from MakeMyTrip it looks very different, this is one and the second is that while booking hotels we do not have many options like MakeMyTrip, whether we are willing to book from EaseMyTrip also we need to go for MakeMyTrip and book hotels from there we do not have many options here?

Prashant Pitti: No as a customer I do take your feedback and I can see that you are coming from the sense of improving our services so I duly take your feedback and we will work on it; however, I would like to present you some factual information which might change your mind for the company already. First thing the factual information in terms of number of hotels which EaseMyTrip has, we report about 2 million hotels which are listed on EaseMyTrip while our competitor reports about 1.1 million hotels which they list on the platform. So clearly, we believe that the number of hotels which are bookable on EaseMyTrip is certainly not less compared to our competitors; however, if you have felt that we will definitely double check from that part and the first point which you said which is basically in terms of user friendliness and the response time. On the response time basis there are multiple websites which are out and available which would give you the statistics on response time, I could name a few, but there are multiple out there, Similarweb that is one of those and then there are multiple others. Consistently we have seen that we outperform in terms of response time compared to all of our competitors in fact this is one of the biggest reasons why our organization has grown without raising any capital that we have invested a lot of time and energy not to say to beautify our website, I would take that one but in terms of beautification we could do better, but at least in terms of core technology and response time you may be speaking anecdotally where there might be one of the cases that we might not be responding as fast as we usually do or your internet speed might not be as high at that moment; however if you look at the aggregate level there are multiple websites out there which will very clearly consciously concisely tell you that EaseMyTrip always outperforms in terms of our API calls, in terms of response time.

Kishore Sonekar: I am not saying the number of hotels if you go for Nagpur booking in Marriott it is not available, if you go to Kashi or many places the good hotels which are star rated hotels they are not available, so this is my experience.

Prashant Pitti: We take your point. Thank you.

Moderator: Thank you. The next question is from the line of Gowtham an Individual Investor. Please go ahead.

Gowtham: I think some of my questions were already answered earlier, but just one. Can you update on the Nutana Airways the chartered flight thing that we have purchased sometime back, has it started its operations, so how is it going and what is the outlook for that?

Prashant Pitti: The operations are yet to begin in a way where we would want to present it. It is in the initial phase right now, so there is no update on Nutana.

Gowtham: Sure Sir, that is all from mine.

Moderator: Thank you. The next question is from the line of Sajan Joseph from Individual Investor. Please go ahead.

Sajan Joseph: I see that the number of employees has increased to 1000 what percentage of these is in IT side of things?

Prashant Pitti: We would have about 120 people in technology.

Sajan Joseph: What about the other because previously in the previous calls you have mentioned that you have a team size of 320 and 70 are in the tech team?

Prashant Pitti: I assume that you asked the tech team strength; earlier it was 70 now it is 120 people.

Sajan Joseph: So the remaining is in the marketing?

Prashant Pitti: We have call centers, we have marketing, finance, audits, accounting, there are bunch of other organizational structures.

Sajan Joseph: In terms of the Traviate acquisition of us can you give us an update?

Prashant Pitti: We did not exchange hands with the Traviate; there was something which was missing in the organization because of which we did not complete the transaction. I did update that about 2, 3 quarters before, the YoloBus and Spree, they both got culminated and they both are growing pretty well.

Sajan Joseph: How many hotels are we managing under Spree, previously we have said about 28 hotels?

Prashant Pitti: I may not have the exact numbers for this particular quarter. AshishJi would you know what that number is?

Ashish Bansal: Number is around 30 to 35.

Sajan Joseph: Thank you. The other question was around the Patna store this is the first physical store that we are presenting and what is the advantage of such a store?

Prashant Pitti: You know even currently even till today almost 90% of all holiday booking are happening offline and which is because in an air ticket there are not multiple touch points, there are not multiple questions which you want to ask, but in holiday there could be hundred plus questions which you want to be answered, which is why even till today most of holidays are actually being sold offline by the travel agents and in order to grow our holiday business we already have very strong pipeline related to the leads which we generate in our website, the endeavor is to basically pass those leads to the franchisees and help them grow the business. In Patna we had our inaugural month this time and in the month itself we did about 20 to 25 lakhs worth of booking from that particular center. So we expect this particular line of business to expand quite dramatically, the margins in holiday which we enjoy are much, much better and holiday as a product requires you to service where you can sit across somebody and cross verify multiple questions and answers and then be able to book your package. So we would use our strength of B2B business which was the main business for EaseMyTrip years ago. We would use that strength; we would tap our travel agent network and create franchisees across India to sell holidays better in other parts of India.

Sajan Joseph: That is quite interesting to note and why Patna in particular?

Prashant Pitti: The team did its work and understood where we could basically get decent amount of business and hence it seemed like a low-hanging fruit.

Sajan Joseph: Thank you very much for your time and for this lovely talk.

Moderator: Thank you. The next question is from the line of Adithya Krishna an Individual Investor. Please go ahead.

Adithya Krishna: Hi Prashant great interesting strong finish to the year I have been participating in every call. So I had couple of questions and my observation from our numbers. First one is we have a straight quarter-on-quarter topline decrease of 15% right and looking into your numbers a little detail it directly attributes to, so we have been doing well on the airlines side, but this directly attributes to decrease in revenue for the hotel packages side, which has suddenly become zero this quarter from INR 18 Crores and it is around INR 2, 3 Crores probably from last quarter to this quarter, quarter-on-quarter why this sudden decrease in just hotel revenue and nothing else?

Prashant Pitti: Got it. Let me explain. First is that Q4 is usually a weaker quarter compared to Q3 hence the quarter-on-quarter approach might not work, travel is a cyclical business and Q3 is basically filled with holiday seasons, with vacations and hence Q3 is always a better quarter than Q4, you can even look at up in our competitors results and you will find the same result, the reason why and you are absolutely right, in the hotel side as I explained before there was one particular MICE booking, MICE is a group booking of a corporate which was basically part of hotel and holiday division that particular booking gave us huge impetus in Q3. There was one particular booking which gave us huge impetus and hence you see that difference existing for Q4. Overall our hotel business is growing at as I mentioned before as well. Our hotel business grows at breakeven pace we do not intent to make money in the hotel space for the next couple of years as our intentions are to grow our hotel business quite dramatically.

Adithya Krishna: Got it. Thanks for the clarification. My second question is around PAT right, now again looking at quarterly revenue we have not had a very strong year I agree, but looking at quarterly revenue and PAT Margins what we call it is dipped from 35% last year same quarter to 30% to now 25%, right this quarter I would want to know fine we are investing in marketing and all of that as we are growing but why such a big differential in PAT percentage as a percentage of quarterly revenue this quarter?

Prashant Pitti: Again I would encourage you to look at the numbers on the GBR basis not on the revenue basis. In the revenue basis what happens is that there are certain revenues which are not accounted in our businesses. For example if you look at our presentation we always talk about adjusted revenues not about the revenues because there is percentage of discounts which we give. Now discounts are always netted off in revenues and hence you may see a lot of variance if you do PAT divided by revenue because discount is our prerogative, in some quarters we maybe give high discount, in some quarters we may give lower discount, hence revenue is not a true testimony to our take rate. Our actual take rate is our revenue plus our discount and hence if you just do PAT divided by revenue you may see some numbers which may not make sense and hence my recommendation would be to always look at our PAT as a percentage of GBR and that you will find quite steady fast.

Adithya Krishna: So just following up on that, exactly what you just said right now, PAT as a percentage of GBR last quarter was 1.8%, this quarter it is reduced to 1.4% whereas last year same quarter it was 2% so there is a differential so that is one thing because that also attributes to higher tax rate may be similar tax rate...

Prashant Pitti: This particular quarter the employee expenses were on the slightly higher side because we usually give increment in December month to our employees, so there is a cyclical part for Q4 we usually give increments in December month that is our company policy, which is why you may see for this particular quarter we may have spent little bit extra plus in this particular quarter we basically tied up with Woman Premium League which was not there in the last quarter which is why the sudden expenses related to marketing have also gone up slightly, so all of this put together has reduced our PAT from 1.8 to 1.5% for this particular quarter.

Adithya Krishna: Got it. Fair enough that is pretty decent explanation. So everyone in the call people have spoken about 42% to 28% it has been PAT and as percentage of yearly revenue and that happens in internet businesses, but for the first time in probably or second time probably in history of our company we have moved to negative operating cash right, we have always maintained positive operating cash I think throughout most quarters, but this quarter and I think last quarter also we have moved into negative operating cash I know we are investing continuously what we make on growth probably but why this strategy of negative operating cash now?

Prashant Pitti: So, the negative operating cash comes from two particular sides. We as I mentioned in one of the questions before the trade receivables have increased and our other current assets have increased, our other current asset is basically the advances which we give to the airlines and sent to the hotels. Now these numbers are increasing in proportion to our GMV increase. As our GMV is increasing these numbers are increasing in the same proportion and which is why you see that the overall net operating cash for this particular year was negative.

Adithya Krishna: My last two questions. The first one is so I was still looking even more detail. There is a segment contract liability on your balance sheet which has jumped four times, right and there is increase of INR 50 Crores in your contract liability which means someone is to either we are owing someone INR 50 Crores or we have taken some kind of borrowing on a contract what is this attribute exactly?

Prashant Pitti: This is basically an advance which we have received from ITQ and there are some advances which have received from the agents as well. So the entire B2B business does not run on credit, there is some business which runs on advances as well and at EaseMyTrip we have received, we have received an amount from ITQ, ITQ is one of the GDS and they have given us advances in this particular year, which will continue to get set off as we made profits in the future.

Adithya Krishna: You said previously we are looking for 50% GBR run rate coming year or that is what you think, also assuming 50% run rate in GBR, so assuming PAT percentage is around we maintained or we improve it to 1.4 or 1.5% to around 2% that is still a huge delta increase, can we maintain it or we will still continue to focus on growth and then probably PAT percentage will be lower?

Prashant Pitti: So again as I said before there is a very thin line between aiming for very high growth and continuing to focus on profitability side, it is a very fine balance which our company has exhibited for last 14 years and we would not want to forget our roots and continue to go with the same basics, which is that let us say for this particular year we have decided that we want to grow by 50%. In Q4 of FY2022 in the call I did say that in the coming year which is this year we would want to cross more than INR 7000 Crores as GBR and we did so. From INR 3700 Crores we have jumped to INR 8000 Crores, in fact we said INR 6500 Crores if you remember in Q4 of FY2022. We gave an indication of INR 6500 Crores; however, we have crossed INR 8000 Crores. Now for this particular year we anticipate that we will grow by 50% most likely we will overgrow that number, but we anticipate to grow by 50% while continuing to grow with a similar level of profitability as what you have seen right now. So hence this is the expectation which we have. Having grow the profitability and in profit margin to remain in the same lines of between 1.5% and 2% as what you have mentioned, is what we are looking forward to maintain while growing our GBR by more than 50% in this particular year.

Moderator: Thank you. The next question is from the line of Prashant, an Individual Investor. Please go ahead.

Prashant: Good evening everyone. Congratulations for a wonderful set of numbers. This is my first time in the conference call. I wish to ask that what kind of head winds or resistance are we facing as a company because in one of your interviews I have heard that we aspire to become the number one travel online portal company in India, so do you feel that any head winds or resistance you are facing which is keeping us at number 2?

Prashant Pitti: No there are no headwinds, we only have tailwinds, we only see things which are helping us grow in our business, the India story is aiding very well, the number of new airports is coming, travelers, and the overall business is growing quite steadyfast and in a strong manner as you can see already. There are no headwinds, the reason why we are number two because it takes time. We are not a very conventional e-commerce company which basically has raised tonnes of money and it is painting the town red by advertising everywhere about themselves to just grow the market share even if it is at loss. That is not the DNA of the company. We wish to continue to grow this company profitably and that is why it takes time to grow from number two to number one and as I have shared before we want to have a journey of three years to grow from that position to be the number one player.

Prashant: Thank you Sir. One more last question if I may ask. Sir what kind of support or policies do we expect from the government so that this particular travel online sector and particularly our company which can be conducive for further growth?

Prashant Pitti: It would be hard for me to say particularly for our company, the best part of government is to actually stay out of business and I think this government is doing fabulous job, they are trying to privatize most of the things. The reason why inbound tourism or overall travelers in India is growing exponentially is basically because of the efforts of this government. As you are aware of from 1947 till 2013 the number of highways which were constructed during those 60, 70 years is the same number of highways which were constructed in the last 10 years, so hence the country is progressing in terms of the newer airports, the better infrastructure, and we are all reaping the benefits of it and beyond that we do not need any particular support from the government. We do try to serve government institutions the best way we can, for example, in this particular quarter we have signed up a MoU with Andhra government. We met the honorable CM of Andhra Pradesh in Vijayawada and over there we discussed the potential of what all EaseMyTrip can do for Andhra Pradesh government and on the basis of that they basically floated a tender and EaseMyTrip basically won that contract, and we are working along with them to promote Andhra Pradesh as a tourism destination for rest of India. So similarly we look forward to work with various state level, international level tourism to promote their destination among the elitist of the elite customer base which we have as you already know that huge chunk of EaseMyTrip is flight bookers, not the train travelers or the bus travelers, which is why the user base of EaseMyTrip is cream of the cream and everybody would want to promote their particular destination on our user base and hence we would continue to work with government sectors in that particular aspect yes. Otherwise I think that India growth story related to travel is for all of us to see. We really believe that there is no COVID revenge travel which is happening anymore. The travel, which has grown exponentially, is just the new way people live now.

Prashant: Thank you so much. All the best for the next quarter.

Moderator: Thank you. Ladies and gentlemen that was the last question. I now hand the conference over to Mr. Prashant Pitti for his closing comments.

Prashant Pitti: Thank you everyone. On the concluding note I would like to appreciate the efforts of our team in striving to reach several milestones that we have been able to achieve during the quarter and FY2023 and it reinforces our position as a leading player in online travel industry in India. We remain committed to delivering exceptional services to our valued customers. These achievements are also reflective of unwavering trust and support of our valued customers, stakeholders and partners. As we strive to deliver excellence in all aspects and other operations, maintaining profitability, fostering longstanding and meaningful partnerships, expanding our services and reach, we will constantly work towards providing innovative solutions that redefine travel industry. We are thrilled and excited about the future that lies ahead and on that note I would like to thank all of you for joining this earnings call and we hope we have answered all your queries. In case if you have any further queries please feel free to reach out to our investor relationship team. Thank you.

Moderator: Thank you members of the management team. Ladies and gentlemen on behalf of EaseMyTrip that concludes this conference call. We thank you for joining us. You may now disconnect your lines.