Date: July 22, 2021

To,
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

To,
Listing Department,
National Stock Exchange of India Limited
C-1, G-Block, Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051

Sub: Transcript and Audio Recordings- Investor Call
Ref: Symbol: EASEMYTRIP, Scrip Code: 543272
ISIN: INE07O000101

Dear Sir/ Madam,

Please find enclosed the transcript of the investor call conducted after the meeting of Board of Directors on Tuesday, 15th June, 2021, with regard to the financial results of the Company for the quarter and year ended 31st March, 2021.

This information will also be available on the website of the Company.

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

Request you to kindly take the same on record.

Thanking you,
For **Easy Trip Planners Limited**

Preeti Sharma
Company Secretary and Compliance Officer
Membership No.: A34417

"Q4 & FY2021 Earnings Conference Call of Easy Trip Planners Limited"

June 16, 2021

MANAGEMENT: **MR. PRASHANT PITTI – CO-FOUNDER & EXECUTIVE DIRECTOR – EASY TRIP PLANNERS LIMITED**
MR. ASHISH BANSAL – CHIEF FINANCIAL OFFICER – EASY TRIP PLANNERS LIMITED
MR. SAGAR SHROFF - ORIENTAL CAPITAL

Moderator: Good evening, ladies and gentlemen. Welcome to Q4 and FY2021 Earnings Conference Call of Easy Trip Planners Limited. 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 involves 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 this conference is being recorded. I now hand the conference over to Mr. Prashant Pitti, Co-Founder and Executive Director for Easy Trip Planners Limited. Thank you and over to you Sir!

Prashant Pitti: Hello everyone. Good evening. First and foremost, I hope you all are keeping safe and healthy during these unprecedented time. Today on the call, I am joined by Mr Ashish Bansal, Chief Financial Officer and Orient Capital, our investor relationship partner.

I would start by thanking all of our shareholders for supporting us during IPO and showing trust in our company. We have uploaded our investor presentation on the stock exchanges and company website. I hope everybody had an opportunity to go through the same. Since, this is our maiden earning call, I would like to share a brief overview about the company, our journey so far and the growth strategies going forward. This will be followed up by the operational and financial performances for Q4 and FY2021 post that we will open up the floor for the Q&A.

Ease My Trip was founded in 2008 and now is the second largest online travel portal in India based on gross booking volumes for nine months of FY2021. Ease My Trip provides end to end solutions for all your travel needs from air ticket to hotels to holidays, rail ticket, bus ticket and other services. Ease My Trip is one stop travel solution for all your travel needs. Over the years, we have grown primarily via word of mouth and our happy and satisfied customers are one of the biggest assets to attract new customers. We have grown at CAGR of 47% in terms of gross booking revenues during FY2018 till FY2020. I am not considering FY2021 in this since it has been largely impacted by COVID-19 pandemic. Our growth has primarily been supported by our strategy of charging No Convenience Fees to our customers. This has helped us grow. Customers instead of searching for discount coupons on the internet and end up paying convenience fees on the last page, they choose Ease My Trip where they do not have to pay convenience fees at all. This strategy from the start has panned out very well for us and has helped us grab the market share and grow faster. Since the last 13 years, we have always been profitable. Our EBITDA for FY2021 stood at Rs. 88 Crores and PAT at Rs. 61 Crores. We remained profitable all this while. We have grown to this level by the way of internal accruals. We are the only company in the OTA space, which has been able to grow profitably while remaining bootstrap all this way. By bootstrap we mean that we have not raised any external money and we have continued to grow year-on-year while remaining profitable while the competition is still in red. The primary reason we are profitable is due to our lean cost operation. We have been very cost conscious. We work very efficiently to manage our cost well and attain profitability. To give you an example, our advertisement and promotion expenses were only Rs.27 Crores for FY2020, which is just 0.7% of our gross booking revenues for FY 2020. Similarly, our other expenses and employee expenses for FY2020 were just 1.7% and 0.7% respectively of our GBR for FY2020. Despite the COVID year where our gross booking revenue fell to 50%, our overall expenses, we successfully managed to reduce our overall expenses also by 50% in this year. We have been continuously innovating and increasing operational efficiencies to attain better profitability. For instance, we are one of the first companies in OTA space to go live with whatsapp chat box where the queries of customers can be resolved over whatsapp rather than on the call. This enables our executives to manage eight to nine customers at a time rather than attending one call of a customer at a time. There are other multiple initiatives taken by the company to continuously innovate for better customer experiences and attend more and more efficiency in operations.

Let me spend a couple of minutes on industry trend. We have witnessed a black swan event of COVID-19 in FY2020 where all India lockdown and subsequent travel restrictions have practically pressed the pause button on travel and tourism industry. We however witnessed a V shaped recovery for Q4 of FY2021 where our gross booking revenues were as high as 89% of Q4 of FY2020. We believe there is a huge pent-up demand for travel and tourism over the vaccination drive across India and people are waiting to travel and go on holidays. Once the situation normalized and is under control, we anticipate that there is going to be a revenge travel and we foresee good growth in coming years across this sector. We are working on ground and monitoring the situation very closely and adapting to all the evolving environment for increasing our efficiency and growth prospects. Our strategies going forward will be to sustain and attain high growth in air travel segment. We are entering into partnership with international airlines to boost our international air segment. We recently signed up a deal with Justdial where all their flight tickets on their portal will be exclusively powered by Ease My Trip giving access to their millions of customers. We are also focusing on hotel and holiday segment and strengthening that vertical with multiple innovative business models. Our revenue contribution from hotel and holiday packages has increased to 5.4% in FY2020, which was 2.7% in FY2019. Our strategy will be to focus on not charging convenience fees and grow via word of mouth and provide better customer experiences.

Now let me take you through our operational and financial highlights for Q4 and FY2021. As mentioned, we witnessed a V shaped recovery in Q4 of FY2021. Our gross booking revenue for Q4 stood at Rs.907 Crores as compared to Rs.1024 Crores for Q4 of FY2020 down only by 11%. Gross booking revenue for entire FY2021 stood at Rs.2128 Crores as compared to Rs.4200 Crores that was majorly impacted due to COVID-19 and subsequent travel restrictions. Our adjusted revenues include revenues from operation, discount that we offer to customers and income from claims return back & UAC. For Q4 of FY2021 that number stood at around Rs.100 Crores as compared to Rs.54.9 Crores for Q4 of FY2020, a growth of 82% on year-on-year basis. Detailed breakup of revenue has been uploaded along with the investor presentation. Our adjusted revenue for FY2021 stood at Rs.198 Crores as compared to Rs.286 Crores in FY2020. Despite low gross booking revenues and income for FY2021, our PAT for FY2021 grew by 86% from Rs.33 Crores in FY2020 to Rs.61.4 Crores in FY2021. The increase in profitability was driven by increase in margins and commission from airlines and reduction in operational expenses including reduction in discounts, marketing, sales promotion and employee expenses. The net impact on the reduction of total expenditure was from Rs.135 Crores in FY2020 to Rs.67 Crores in FY2021. Our adjusted total income, which includes discounts offered to customers as a percentage of gross booking revenue for FY2021 stood at 9.88% as compared to 7.26% in FY2020.

Few balance sheet highlights. We are a zero debt company with cash and term deposits in hand of Rs.242 Crores as on 31st March 2021, which was Rs.146 Crores at the end of FY2020. Our cash flow from operation stood at Rs.73.8 Crores in FY2021 as compared to Rs.27.5 Crores in FY2020. Our OCF to EBITDA for FY2021 stood at 84% demonstrating that the company's strength of converting EBITDA to cash. Return on capital employed stood at 48.3% for FY2021, which was 275 bps higher compared to the last year and return on equity stood at 37.5% for FY2021, which was 493 bps higher compared to the last year.

To conclude, we would like to highlight that the increasing revenue on the back of huge pent-up demand for the sector, operational efficiency and increasing margin due to operating leverage will significantly improve the return ratios and free cash for the company in the future. With this, I would like to open up the floor to discuss.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Manish Ostwal from Nirmal Bang. Please go ahead.

Manish Ostwal: Thank you for the opportunity and congratulations for a good set of numbers for FY2021. My first question on the revenue mix trajectory for the company over the medium term, currently we have the largest pie from the airline ticking booking? You alluded in the analyst meet at the time of IPO also and today also you want to increase the revenue from the hotel and holiday segment so if you see three to five years perspective where do you see the pie shifting from the current heavy airline mix to the other segments?

Prashant Pitti: Well thank you Manish for asking this question. The company is taking every possible step to increase our business on the other side, but to give you a background this was important for us to focus on one particular segment and get it right and that is precisely what the company has done, but in the last two or three years, the company has started seeing the tail wind moving towards getting more businesses from the other directions as well and one of the simplest policies which the company is using right now is that the company has created a humongous amount of goodwill by not charging customer convenience fees over the last 13 years and we are utilizing that goodwill that our company is a fair pricing company and we are utilizing that goodwill by doing cross selling. If somebody is buying an air ticket we are offering them a hotel. We are offering them our holiday packages via email, via whatsapp information and other details and that is how the company is growing and I have shared the number of how the growth happened from FY2019 to FY2020. This COVID year is likely is an exception however we look forward to continue growth in our hotel and holiday department in the near future.

Manish Ostwal: Okay and just on one of the media articles recently they said the promoter have other interests apart from the Easy My Trip business so can you clarify what is the other interest of the promoter apart from the Ease My Trip?

Prashant Pitti: The article you might be mentioning is a dated article a three year old article and promoters do not have any other business line as an interest. We are solely focused on Ease My Trip. There is so much more for us to grow and we are growing in this right direction.

Manish Ostwal: And last question how do deploy your cash on balance sheet? Have you strengthened your positioning in the market place through acquisition or higher dividend payout, what is the overall strategy of the capital allocation because you are generating a lot of cash in your business?

Prashant Pitti: That is a very valid question. What you are asking is the company is generating a lot of PAT and how we will be utilizing this PAT. So to answer that question, we do have a dividend policy and the company distributed Rs.21.7 Crores as an interim dividend, our board will focus on sustainable return through an appropriate capital allocating strategy in medium or long term range. About the organic or inorganic growth I may not be able to comment anything right now about it.

Manish Ostwal: One question on the industry side since the last one year has been very tough for the travel industry so do you see the competitive intensity especially in the online ticket booking space will decline over the next couple of years because already companies are facing a lot of losses so I am talking of the larger players will have more prudent approach in terms of pricing? What is your view Sir?

Prashant Pitti: My view is of the same as what you have suggested. I believe that this pandemic probably will bring sanity to the industry where people will realize that cash is the key and there is no point burning money on unnecessary marketing and discount and we believe our company will be one of the biggest beneficiaries as the competition intensity decreases and everybody move toward becoming profitable.

Manish Ostwal: Right Sir thank you very much for answering my question. Thank you.

Moderator: Thank you. The next question is from the line of Venkat Samala from Tata Asset Management. Please go ahead.

Venkat Samala: Congratulations on a very successful listing and very good set of results. So, my first question is I just wanted to understand that the commission rate or the take rates that you get from the airlines has gone up quite a bit right compared to last year so what has actually caused the same and how much sustainable is this?

Prashant Pitti: Thanks Venkat for asking this question. Well if you see that our other current assets have increased during this time period. If you look at our balance sheet you will find that our current assets have increased. Now that has increased because we are giving advance deposits to airlines specifically to LCC and also bus operators and also few hotels. Now these advance deposits are going to them. These advance deposits do not have any end period and we are usually giving them five or six days in advance to get better commissions from them. We understood during the pandemic time that most of our suppliers would be slightly cash hungry and that is how we were able to take advantage of getting better commissions from them.

Venkat Samala: Understood. Could you quantify this amount what would that be at the end of March 31, FY2021?

Prashant Pitti: So I think our other current assets is around Rs.81 Crores, which was around Rs.30 Crores a year back. So effectively it is almost about Rs.50 odd Crores as given open advance, which is growing, but this is bringing beautiful results to the company.

Venkat Samala: Understood right, but this amount is being extended after due diligent right? There should not be any provisions moving forward right if some of them turn bad I mean the debtors?

Prashant Pitti: We are being extremely careful in whom we are choosing to give our advance amount and this is only for five days in advance. This is not for months in advance.

Venkat Samala: Understood right. So to that extent it may not be recurring right?

Prashant Pitti: So it is recurring in nature. You mean that would this continue post pandemic is that the question?

Venkat Samala: Right?

Prashant Pitti: So that depends. We are open to continuing this for eternity, but we will see where it goes, but yes it also depends on what the terms and conditions come in the future.

Venkat Samala: Right and just a followup to that is if I look at the results, which were put out by your peers, the take rate for them has also gone up? So this could be something which is sort of an industry phenomenon right?

Prashant Pitti: I cannot comment about how others are doing. This is how we are doing this business.

Venkat Samala: Sure fair enough. Okay and with respect to the savings that you were able to generate on your call what amount of that could be structural and what would be coming back as the revenues return to the normalcy?

Prashant Pitti: Great question. So a lot of structural savings, which we made are basically long in nature. For example, the amounts, the maximum value which we got was from the other expenses. The other expenses, the employee expenses, the marketing expenses, and the discount we reduced from all the places. I believe that the employee expenses and the other expenses is something, which probably will remain for the future as well. To elaborate more about it as soon as lockdown was enacted upon, our company knew that the business as usual will be slightly less. So we took a call of actually hiring more technology staff. We increased our technology staff team from I believe 45 people to 64 people in the first two months of the lockdown. Now why did we do that? We decided that we will keep our heads down and become even more efficient by doing as much as automation work as we can. So there are multiple things that the company has done during the lockdown period. To give you a few examples one of the things, which I mentioned was the whatsapp chat box right, which enables companies to basically be very less dependent on the call centers since one agent is able to chat with multiple customers at the same time while earlier he was on the phone with one customer at a time and also it is a great customer delight. As a customer why do we want to be on hold for half an hour? Instead, you would just drop a message on whatsapp and get your reply back right. That is one of the examples which we did. We actually completely revamped our API's for selecting your seat, for adding a meal, and for adding a baggage. Now we have made all these services automatic when you are booking the flight or even when you are modifying your flight. This is all done by APIs now, which again has given us huge reduction on employee side and also the margins are better for all the auxiliary services. The company has also automated a lot of our rescheduling APIs because of which we were able to cut down on our reschedule and rerouting from around 30 odd people to 5 odd people who are handling exceptions right now, so all these gains are there for the long period according to us.

Venkat Samala: Understood right. I will come back. Thank you.

Moderator: Thank you. The next question is from the line of Madhu Babu from Canara HSBC. Please go ahead.

Madhu Babu: Sir again the cash burn the airlines have increased in 1Q so do you expect similar take rates in 1Q as well I mean the funding and how actually this working capital cycle works? When I say I book a ticket for 30 days in advance so how do the payment and how that whole working capital cycle works? Thank you.

Prashant Pitti: I will explain about the working cycle first. So let us say you come to Ease My Trip and you pay us Rs.4000 for a ticket which is let us say even 100 days in advance, it does not matter. We immediately book the ticket using a real time system using the API. There is no pre purchase the company does. Immediately we make the purchase we have given them some advance as I mentioned and the money which let us say you purchase the ticket for Rs.4000, the Rs.4000 get deducted from our account the deposit, which we had given to them minus our commission. Some commission we get immediately. Some commission we get on quarterly basis or yearly basis. So, the money goes directly to the airlines right at the moment when you book the ticket and if you cancel the ticket, we collect the money from the airline and we give it back to you. This is how the payment cycle works. So in affect there is no liability, which the company holds on the payment side, which we have to pay to the airlines later. The money gets paid right away at that particular time and what was your first question?

Madhu Babu: The cash burn again in 1Q FY2022 has increased for airline so any change in our take rate and how that has gone to work?

Prashant Pitti: I cannot talk about Q1 right now specifically, but I believe that the industry is progressing the same way as it was progressing earlier.

Madhu Babu: Okay and just last one on the hotel booking, which you plan to scale up so how the take rate and how the dynamics there works, thanks?

Prashant Pitti: So the dynamics for the hotel business, the way we do our hotel business is slightly different. We have 23 aggregators on the backend. So let us say you are searching for XYZ hotel on Ease My Trip, we will fetch the price from 23 aggregators whom we have on the backend and whoever is showing the cheapest price we show that price to you, you pay that amount to Ease My Trip. You do not get redirected. You pay that amount to Ease My Trip. We keep our commission, which is usually 10% to 15%. We keep our commission and we pass on the remaining amount to the aggregator. That aggregator gives us the hotel voucher. We put our stamp on it and we give it to you. No way you were redirected. The customer does not know where we bought this hotel voucher from. The customers experience is the same as what they are experiencing on our competitors website and this way the transaction is complete. Now through this mean we have a higher likelihood to show you a cheaper price because it is not just one of my teams who is negotiating rate with the hotel. I am getting rates from 23 different vendors who have negotiated rate with hotels and likelihood for me to get cheaper prices increase dramatically. This is the innovative business model, which we are following in our hotels and which is helping us grow in cash EBITDA positive fashion.

Madhu Babu: Sir just lastly on the Justdial tie up I mean obviously have gone live on that so how is that working because Justdial is good on the B2C so any leverage that has come from that? Thank you.

Prashant Pitti: So the business is very new. I may not be able to share any number, but you are absolutely right Justdial is big on B2C. They have millions and millions of their own customers and if you go to Justdial.com right now you will see a slide button over there. One you click on that slide button the entire page is powered by Ease My Trip and any ticket which is booked on Justdial will be powered by Ease My Trip and all those numbers will be added to our B2B section.

Madhu Babu: Okay Sir thanks.

Moderator: Thank you. The next question is from the line of Prateek Kumar from Antique Stock Broking. Please go ahead.

Prateek Kumar: Good evening Sir. Thanks for the opportunity and congrats for a great result. My first question is regarding this other current assets you mentioned? So like for forecast purpose so would it like sort of grow as a percentage of sales something like that or how would this sort of grow in like 2022 or 2023?

Prashant Pitti: So right now we are treating this as an interim value, which the company is able to derive by offering additional advances to the suppliers. That may not be true over the long period of term. We do not know that yet. Only time will tell, but in short it should be a function of our GMV if that is that you are saying. I hope I answered your question.

Prateek Kumar: Yes. Secondly on this related what is this current loan related to on our balance sheet?

Prashant Pitti: The loans are also deposits to the suppliers primarily to our subsidiary, foreign subsidiary.

Prateek Kumar: Okay and just final question on ad spends to pile our revenue are bookings sort of grow or are expected to grow by this year or next year so how could our ad spends like can it like go back to Rs.25 Crores to Rs.30 Crores like earlier years?

Prashant Pitti: So we do not actually take the actual amount into consideration. The way we look at the business is we would want to spend as much as we could, but while remaining profitability in a healthy manner. This is how we work. We know that this is the margin which we are going to get. Now of the margin how much money do we want to allocate in marketing is the thought process of the company and usually we would want to keep it between 0.5% to 0.7% of the entire gross booking revenue, which the company is going to generate in that particular quarter or that particular financial year.

Prateek Kumar: Thanks I will get back in the queue.

Moderator: Thank you. The next question is from the line of Jayesh Shah from OHM Portfolio . Please go ahead.

Jayesh Shah: Congrats for a very impressive set of numbers. Can you just explain this discount to customers item that you have because what I am seeing that the run rate for the last quarter is Rs.33 Crores, but for the full year you just had Rs.60 Crores and what is interesting is when I compare the last years Rs. 20 Crores run rate versus last year’s overall discount cost of Rs. 124 Crores so what am I missing here because apparently this does not seem to give a very clear picture so if you can explain that?

Prashant Pitti: I understand your question. In the interest of others I will actually explain your question little bit more deeper. The question is why are discount to customers particularly grew during this quarter, the Q4. Now the answer to that is very simple. The discount to customer is actually a function of how markets are doing, how our competitors are doing. If our competitors are intensifying during that particular quarter and are given more discounts then we are also bound to given slightly more discounts. It is a function of competition. The money, which we earned from the airlines or the hotels or to the operations comes to us and then we decide what kind of discount we will want to give and it is usually a function of how markets are behaving. So for this particular quarter, I believe the discounts were slightly on the higher side, but that is a function of the market and we have to play by that.

Jayesh Shah: So this number can actually vary quarter on quarter?

Prashant Pitti: That is correct however in the long run we believe this number to substantially decrease because of the consolidation, which is happening in the market and since Ease My Trip is a publically listed company and I believe that our competition is also seeing that there is a way to do business profitably and I believe that because of the consolidation and because of the Ease My Trip, I believe that rationalization of not giving too much of discount will come in our competitions mind as well and overall this number will decrease going forward.

Jayesh Shah: Right and so if I look again last year out of a total revenue of Rs. 140 Crores you had Rs. 134 Crores worth of discounts which has come down to something like Rs. 106 Crores of revenue and Rs. 60 Crores of discounts so what is really sustainable in your sense and I also wanted an idea as if I look at overall cost except discounts is the last quarter a sustainable run rate or that can also change.

Prashant Pitti: So the way I look at it is the revenue from operation plus discounts plus UAT should be our adjusted revenue. So when you see discount as a function I would recommend you to look at discount divided by adjusted revenue not revenue from operations because as per the accounting policies, we remove the discount and then only we show revenue from operations just like everybody else. I hope that clarifies.

Jayesh Shah: Right and on the overall other costs if I look at your other costs ex discount is this the quarterly run rate that one can expect and are these generally fixed cost?

Prashant Pitti: So I will give you this answer in a different way. Our company's gross booking revenue decreased by 50% for the entire year right. So did our entire expenses. This is how agile this company is. It is a very difficult thing for companies to decrease their big discounts like employees or admin expenses right, but our company is an extremely agile company and to be honest this COVID-19 had impacted a lot **to the** travel company. Therefore, unfortunately many of them had to even shut shop, but our company's foundations and fundamentals are so strong that we can reduce our expenses in the lines of gross booking revenue and earning more revenues by getting better margin and hence being more profitable than ever.

Jayesh Shah: Okay thank you very much.

Moderator: Thank you. The next question is from the line of Vimal Gohil from Union Asset Management Company Limited. Please go ahead.

Vimal Gohil: Thank you for the opportunity. Sir my question is related to one of the previous participants question regarding the take rate and the take rate you explained that they have increased partially because of the fact that you have given higher amount of advances to the airlines and others this quarter? Now I just want to understand on what basis do you decide how much of advances do you have to give this quarter or next quarter so are there any parameters? If yes if you could just explain what those quantitative or qualitative parameters are and again I would like to again ask whether the take rate are sort of sustainable going forward because that is the most important parameter of your business?

Prashant Pitti: Absolutely. Firstly the take rates were not changed only during the Q4. Our take rate has been substantially high for the entire FY2021. If you please look at it you will find the same strategy going throughout the pandemic time. To let you know the quantitative and the qualitative analysis would be somewhat of a trade secret on the call of on what basis do we decide, but the calls, which have taken come out very fruitful to the company and we would like to continue doing that. One of the basic principles on which we take this call is basically to ensure that the operations, the supplier is running is very smooth and will not get disrupted in the next five or six days because that is the amount of advance, which we had given to them.

Vimal Gohil: Right so at least the advance that you are giving to the airlines will continue for a longer period of time is it, higher working capital?

Prashant Pitti: But it is also a matter of whether the other party also wishes to take or not right. It is not only for us to decide, but we believe that this process might continue for a long duration.

Vimal Gohil: Does that mean better take rate then?

Prashant Pitti: As I said that it also depends on whether the other person is interested in continuing the deal which we did during the COVID time, but if that is the case then yes that take rates will continue.

Vimal Gohil: Fare enough Sir and Sir just to sort of dive back on margins and you said that your employee cost is something which will probably the savings that you have made will stay does that mean that going forward you will see this usual inflationary level of increase in your employee cost whereas you will be able to sort of take out more and more efficiencies going forward so in terms of modeling should we model the normal inflation level growth in employee cost or how should we sort of see it?

Prashant Pitti: It is a very good question and thank you for asking. This is the beauty of internet company. We are working 100% on internet. The only way for you is to use as much is use our website or our application right. Now this is the beauty of internet company. We keep attaining more and more operational efficiencies and by getting more and more economies of scale. This is why internet companies are so valued even if they are loss making. Now if not on the other hand is a different story. We are already profitable. We were always profitable, but that does not take away for the fact that we are the fastest growing OTA, which is 100% internet and e-commerce company. So yes as we keep getting more and more economies of scale our admin cost and our employee cost need not go up in the same fashion. Of course it may go up slightly let us say, 10% to 15% year-on-year basis, but it should not go up significantly higher because of the fact that the entire business is run by technology.

Vimal Gohil: Fair enough. Thank you very much for clarification and all the very best.

Moderator: Thank you. The next question is from the line of Shyam Sunder Shriram from Sundaram Mutual Fund. Please go ahead.

Shyam Sunder Shriram: Good evening. Thanks for taking question and wonderful performance in the quarter Sir. Sir my first question is if you see our Q4 performance essentially we have done much better than the underlying domestic passenger industry so clearly we would have had some market share gains as well? If you can talk about our market share gains year-on-year and where are we in terms of market share at the end of this FY2021, not the full year Q4 could be a better representative because it was a normalized quarter and also Sir if you can also talk about our take rate 6.3% between the commission and the other revenues, if you can give some sense of how that was? Along with that the discounts in Q4 like people were asking on that has been going up? We also saw Flipkart buying Clear Trip so the competitor intensity increasing and therefore was putting more pressure in terms of the discounts?

Prashant Pitti: You actually asked three questions in one question. No problem. I will go each one of them one by one. I wrote it down. The first one is related to market share. Actually, the company's market share has always consistently growing and that is why without having any funding we were able to raise the stakes right. We have six deeply funded competitors whom we kept surpassing while remaining profitable and while they were in losses over the period of the last 13 years. To give you an idea about the market share the easiest way for me to tell you that we have gained market share is let me compare myself with the industry leader. In FY 2019 industry leaders was 5.6 times bigger than Ease My Trip in selling, air segment. In FY2020 that 5.6 changed to 4.2, which means they were 4.2 times bigger than Ease My Trip and in FY2021 that number changed to 2.7. In the last financial year, the industry leader was 2.7 times bigger than us in term of selling air segment. Now this is how you can probably imagine at what speed we are heading towards gaining market share. This is the simplest comparison, which is coming from the financials and I am assuming that this particular trend will continue because we are gaining not via our marketing efforts, but by the goodwill the company has gained over the last 13 years by giving the customers an option to not to pay convenience fees. I believe that might have answered your market share question, but take the related question I think I have already answered twice. So I may skip that. The last question, which you asked is related to the Clear Trip deal which has happened recently and the discounts. So I believe that this was discussed the company name you mentioned has been in existence for the last 16 to 17 years. We have tremendous amount of respect for them for the amount of work they have done and we have learnt a lot from them, however, I believe as entrepreneurs it is our primary job. Why do we do business? According to us there are only two reasons. Reason number one is to serve our customers very well and reason number two to do it profitably so that we can do it over a long period of time. We can serve our customers over a long period of time. Now I believe that the VC money and the PE money is a great money to solve the teething problems. But as an entrepreneur I would be doing a lousy job if I was still dependent on the VC money or the PE money even after 15 years of my existence. That means I have not paid much attention on my unit economics and I believe this is the right time for the industry to wake up and smell the coffee that profitability matters and I believe that going forward the intensity of competition probably will diminish because there must be a lot of pressure on our competition as well to become profitable and what are means by which anybody can become profitable in this industry to cut down on the discounts, to cut down on the marketing and to increase their convenience fees and I believe that our company is well poised to gain market share with each of these steps anybody else who would be looking to become profitable one day.

Shyam Sunder Shriram: Sure Sir that was helpful Sir. Sir the other question was on the sales return back? We had around Rs.31 Crores for this year? You had explained in the past how we do the revenue recognition so that if I see along with the balance sheet other financial liabilities of Rs.107.6 Crores so it is right to assume this amount on the balance sheet will get recognized over two years? Is there any change in terms of the revenue reorganization policies that you want to effect, any thoughts on that and I have one more question on the balance sheet side Sir? Thank you.

Prashant Pitti: There is no change in the policy. You are absolutely correct. The Rs.107 Crores amount which you are seeing as a liability will come in the future in the company as revenue over the next two years.

Shyam Sunder Shriram: Understood Sir. Sir one question on the balance sheet? On the asset side we have seen the receivables come down quite sharply? They are around Rs.58 Crores to Rs.29 Crores? Now what is to be read from this and secondly the contract liabilities on the other hand are Rs.58 Crores compared to Rs.60 Crores last year while the gross booking revenue has actually declined by 50%? How to read these two items if you can help us understand?

Prashant Pitti: The trade receivable decreasing is only a good thing right for a company like us and basically that has happened because this amount was usually the amount, which copulates over. Our business mix is 87% of our business is B2C, 10% is B2B, which is travel agent and 3% is corporate business. Now unfortunately in the last year there was very little corporate travel and because of which the trade receivable decreased as what you are saying. I hope that makes sense.

Shyam Sunder Shriram: Yes Sir that make sense and on the contract liability Sir, which is at Rs.58 Crores compared to Rs.60 Crores that has not really come down in line with the GBR so what is to be read into that Sir?

Prashant Pitti: The contract liability is the advance which we have from the GDS, which is global distribution system. These are the advance amount, which we will keep booking as our commission as and when we keep using then to make it and unfortunately last year there was not that many GDS booking because international travel did not happen so much and that is why you did not see too much of that number reduce.

Shyam Sunder Shriram: But they did not want their money back so it is still lying there as liability?

Prashant Pitti: This money is basically an advance given to us, which we will keep occurring as revenue as and when we keeping using them to make booking.

Shyam Sunder Shriram: Understood. Thank you very much Sir. I will fall back in the queue. All the very best.

Moderator: Thank you. The next question is from the line of Manish Poddar from Nippon India AIF. Please go ahead.

Manish Poddar: Just a clarification. So let us say this staff cost, which you had for about roughly Rs.21 Crores for the full year? Can you probably help me understand let us say the two promoters what would be the remuneration for the full year because you have taken a revised remuneration proposal so I just wanted to understand what was the number for FY2021?

Prashant Pitti: So for FY2021 the numbers remains the same as what it was however we have revised our remuneration from April onwards.

Manish Poddar: So that is roughly Rs.7 Crores was the take of 2021, Rs.4 Crores 8 lakh and Rs.3 Crores?

Prashant Pitti: For the current year, we have reduced it to Rs.2 Crores.

Manish Poddar: Okay just wanted to understand let us say this Rs.14 Crores to Rs.15 Crores of staff cost let us say the two key people in the company how do you actually probably retain staff or attract new talent? You have added some people on the tech front also so given a lot of peers are offering let us say very lucrative pays let us say ESOP and the start up world so how does really the company attract and retain talent?

Prashant Pitti: What you are asking is related to the culture of the company of how we are able to attract talent without paying as much as our competitors can right.

Manish Poddar: Right?

Prashant Pitti: I will share more detailed answer to this. We had to innovate in this direction as well because we knew our competition can offer much more salaries than we can. Now the way we function is actually very different than our competitors. We usually higher fresher's for our operation team, for our call centers, by the way all of our call centers, operations, ticketing, canceling, and accounting is all inhouse unlike our competitors, but the way we do it is we usually higher fresher's and the promise which we give to them is that we are going to train them on everything for the next three to four months. We train them on how to pick calls, how to chat, how to email, how to make a booking, how to cancel a book, how to reschedule, how to act like a support staff and how to use GDS system. So we train them very well and they know that they are coming to Ease My Trip for a hot sell. They are coming in to learn as much as possible. Ease My trip could also be considered as travel university by the fresher. They come in. They give in all their heart and energy to learn and then to perform in the company and this is how the company has continuously grown and retained the customers by giving them much more on their plate rather than just departmentalizing them in one particular domain.

Moderator: Thank you. The next question is from the line of Hardik Jain from White Stone Financial Advisors. Please go ahead.

Hardik Jain: Most of my questions are answered. Just wanted to understand in terms of gateway cost, the direct cost involved for us is the payment gateway cost and the credit card cost is that all right or is there any other cost that you would like to mention?

Prashant Pitti: There is a lot of disturbance. I could not even hear your question, but I am assuming what you have asked is that what are our payment gateway charges. Is that your question?

Hardik Jain: So I just wanted to understand what are the direct costs that are...

Prashant Pitti: The direct cost is absolutely right. The direct costs are related to payment gateway charges. If you put Rs.100 in Ease My Trip I will have to pay payment gateway charges some amount to get your Rs.100. Now that amount fortunately that percentage fortunately is going down year by year because of the UPI payment. The UPI payments are extremely cheap or almost free and that is why every time if somebody uses UPI payment the payment gateway charges are almost negligible and because of which the component of payment gateway charges the direct cost of payment gateway charges is only going south for the company.

Hardik Jain: Sir this is the first call that I am attending if you can just explain what is the claims return back because I could not understand that?

Prashant Pitti: Well it is actually a long conversation. I can just give you a very quick small summary around it and then we can take it offline. Basically every time there is no show where the customer misses the flight or in the cases where the airlines gives us the money to refund to you, but the amount was not greater than Rs.300 because of our own cancellation service charges are Rs.300 per passenger. So airlines give me Rs.200 to return to you, but my own cancellation services charges are Rs.300. I retain that amount as a liability on my book for two years and at the end of two years, I call it as UAC, which claims return back and at the end of two years, I book it as revenue. It is just that the money is coming to us two years later that is why for the auditing purposes for the statutory purposes we have to put it in the other income however we consider that money as our own revenue from operations.

Hardik Jain: For the two years this will become the balance sheet as other financial liability?

Prashant Pitti: That is correct. For the two years, it will sit in the balance sheet as other financial year liability. The reason why it is plus so much on our book is that we have taken a customer centric approach to give him two year time period to claim this money. While our competitors usually keep three months to six months. Now if we were also to keep for three to six months, three months or six months then this money will go back within the same financial year and hence it will become part of revenue from operation, but we take a customer centric approach by giving the customers an option and we keep this money for two years for customers to come and claim dispute if there is any.

Hardik Jain: Thank you.

Moderator: Thank you. The next question is from the line of Keshav Lahoti from Antique Stock Broking. Please go ahead.

Keshav Lahoti: Thank you for the opportunity. Sir, I just want to understand the commission of EPO during the quarter as a percentage of GBR, so how should we see this going forward?

Prashant Pitti: I think as I mentioned earlier this is basically I believe which happens between us and our suppliers which are airlines, hotels and tour operators and the bus operators usually we give them advance, however, in these times and these period, these testing times and these testing period, our company has taken a conscious call of giving their money slightly more in advance to get better commission and also based another reason why our percentage has gone high that is as I mentioned earlier we have automated the services like you can pay for your baggages, you can change your seat, all this has been automated during the COVID time and for all these auxiliary services, the airlines are more than happy to provide much, much better commission to companies like ours and that is also another reason why our take rate might have improved.

Keshav Lahoti: What should be the ideal take rate in a normal situations for a company like you?

Prashant Pitti: Our company has always been profitable in a very healthy way even before these high take rate. So to be honest we are not super worried that whether these take rates will continue or adjust or not, right now what we have to worry about is and the thing which keeps us awake at night, is to ensure that we keep hitting more and more market share, we keep progress in that direction and we do it profitably, this company has a very basic idea, to we do in a unit profitable way and we will continue to do in the same fashion as what we have done in the last 13 years. So this is what is keeping us awake at night and we are working towards this. We are not super bullish on making sure that these take rates continue in the future, because these which happen during the circumstances which arises.

Keshav Lahoti: One last question from my side. Seeing the financial in your hotel revenue growth into negative, can you explain that part?

Prashant Pitti: The commission which we get from the hotel is between 10% and 15% but for a rare incidence the company decided to get likely no discount to test out that how much can be pushed during the COVID period to sell our hotel and that is why you see the revenue for one particular part come out as negative which is where we give slightly more discounts than what we anticipated and I think we had corrected in the Q4.

Keshav Lahoti: Thank you that is it from my side.

Moderator: Thank you. The next question is from the line of Vikrant Malhotra from IIFL Wealth. Please go ahead.

Vikrant Malhotra: Congratulations on an excellent set of numbers. My question primarily was more generic in terms of how the industry is progressing. I just wanted to have your views, since you are very rightly said that post lockdown volumes in this business are going to go extremely high, they are going to be a lot of revenge booking coming in, do you think the competition can very well follow your strategy of not charging convenience fee and gain market share over EMT or do you think they will continue to give cash for market share because since you are the only very reputed listed name in this business, the other one will continue to remain unlisted and they game normally remains towards valuation, so I just wanted to have your view on how you think the once volume kick in the progress would be?

Prashant Pitti: Vikrant, thanks for this question. Basically to answer the question whether our competition will also follow our footstep, the answer is that they could if they want to, but what we have not seen is that this has not happened in the last 13 years of our existing, the 13 years of our existence and there is a reason why our competition might have trouble following our strategy. We are profitable even without charging convenience fees while our competition is in losses even after charging convenience fees, this is the irony of the situation. Now in order for them to let go this huge amount of convenience fee, they will have to restructure completely from bottom to top and change their operational efficiencies, attain the operational efficiencies that whatever company was build upon. Then there might be a possibility, they will be able to do it, but we have seen no signs of any such happening in the last 13 years, so rest is all speculation and I may not be able to comment on it.

Vikrant Malhotra: Thanks.

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

Manik Taneja: Thank you for the opportunity and congratulations on great execution. I just wanted to get your sense on a couple of things. Number one thing is that our take rates are right now are higher than peers despite during probably one of our peer is the largest player on the airline side so what is since we driving that, is it basically higher share of deposit, which you could help us for understand that and the second question was with regards to more of a book keeping question, so I just wanted to understand how is the GBR moved on a sequential basis for you between Q3 FY2021 and Q2 FY2021 and the reason why ask you this is because in a situation wherein business is recovering after the first hit of COVID one to understand the way rebound is happening. Thank you.

Prashant Pitti: First question, to be honest I will have a very difficult answer to answering why we are on the higher side compared to our competition, it is basically founders ourselves. We founders we had directly involved in the business, we are speaking with the airlines, we are talking to them on a daily basis, we are generating ideas with them on a daily basis to see what is the best we can get back, also there might be other reason, if you study the financials very properly for our competition, we will find that the margins they take is only from the standalone flight not from the holidays since they do sell a lot of holiday packages, the margins for the flight which they earned in holidays, go to the holiday department not in the flight department. While the normal is all the flights that is why there could be some skewing in the percentage which our competition might be projecting; however, I am unable to comment further on this. We are doing what best we can do for the company as what we have done in the past. What was your second question I missed it?

Manik Taneja: My second question was with regards to if you could give us some sense on how is Q4 listed a GBR of about Rs.907 Crores, how look that compared with the Q3 FY2021 performance because it helps us give some...

Prashant Pitti: What the Q3, so the Q3 I believe that number was around, I do not remember that number on top of my head, but I think it was somewhere around Rs.800 Crores.

Manik Taneja: From that standpoint if I look at the sequential rebound that we have seen it could essentially be lower than what some of our competition has if that number is about Rs.800 Crores in terms of sequential rebound?

Prashant Pitti: You are saying that we did a lesser of rebound compared to our competition.

Manik Taneja: I am saying if I am just comparing Q3 versus Q4?

Prashant Pitti: Honestly speaking I do not have the numbers of whatever competition is there, but I think as I said that my number that is the best guess to me, it could be 750, it could be 700, so unfortunately I will not be able to say we are actually rebounding in the same fashion or not.

Manik Taneja: Thank you and all the best for the future.

Moderator: Thank you. The next question is from the line of Ashwin Mehta from Ambit Capital. Please go ahead.

Ashwin Mehta: Thanks for the opportunity. Just one question, when we talk to your competitors what they says is almost half of their commissions are coming through the convenience fee. In your case, you do not charge convenience fee and still the commissions work out to say 10% in this quarter, so from that perspective if you can just throw some light in terms of...?

Prashant Pitti: I keep forgetting the second question, so it is better that I answer this question and then you ask the next question. It is a very valid question and the answer to that is we do charge convenience fees if you are using discount coupon, so in our entire percentage there is the convenience fee percentage as well. If you try Ease My Trip, go to easemytrip.com, if you do not use any discount coupon you will sail through by a default coupon which is no convenience fees and you will go ahead by without the convenience fees, but if you are using a discount coupon then you will have to take convenience fees and I will also share the rational of why we have done that. Earlier I am talking about back in year 2014, 2015, whenever competition used to advertise flat Rs.1000 off, right, at that time it was an exactly Rs.1000 off, if two passengers are flying then they are taking back Rs.600 in the format of convenience fees and in the way, the discount is only for Rs.400. Now for us we could only say flat Rs.700 in response since we are now charging convenience fees in the first place to have an apple to apple comparison and at that time we felt that customer felt that the offers on Ease My Trip are not as lucrative, because they only see the door busters, they only keep Rs.1000 off, Rs.700 off, but because of that we realigned our strategy that whenever somebody using the discount coupon it has to be an apple to apple comparison and if somebody using discount coupon on Ease My Trip they must also pay convenience fees just they are using discount coupon on our competition website so that is why there is definitely small percentage of portion which is coming from the convenience fees and the other thing which I mentioned in the last question which was you have to see how they are actually calculating their margin that will give you some insight which I think I explained a little bit earlier so that is also another reason why their numbers might be slightly on the lower side from what the overall margins they actually generate.

Ashwin Mehta: Second question in terms of the deposit that we keep with the airlines or the suppliers, what is the quantum of that, where does it show in your financials?

Prashant Pitti: It shows in our financials in other current assets which is at Rs.81 Crores right now which was Rs.29 Crores earlier.

Ashwin Mehta: Okay and just last question in our DRHP we had indicated that we had close to around 56000 agents, what would that number be for us right now?

Prashant Pitti: So that I will have to give our historical context. The company Ease My Trip started serving travel agents. For the first three years, we were primarily serving travel agents and that is why there were humongous amount of travel agents all across India who were using Ease My Trip. Now in the current time, that number is not very relevant because not that many travel agents are able to sell their customer's air ticket. The time has moved and so has Ease My Trip. We were primarily a B2B company when we began, but now we are primarily a B2C company, so I see that almost about 1500 active travel agents are using Ease My Trip right now; however, we want to utilize this tremendous trend which company has to sell better holiday packages. I will tell you exactly what we are doing and it is also disclosed in our DRHP. Basically in India, there are about 72000 to 75000 registered travel agents of which 56000 have used Ease My Trip at one point in a time. We have presence in every pincode of India in the format of travel agent. Now these travel agent are longing to do travel business, they no longer are able to sell hotels or flight because that is happening mostly directly to the OTA, these people can do phenomenal job in selling holiday packages, because holiday is the best, while selling flight or hotel is commodity where you need customers hand holding in guiding them what holiday will suit their requirement better. So what we are doing is we have created a system by which these travel agents can pick and chose the bolts and the nut of holiday from our system which they already are very well aware of. So for example, an XYZ travel agent in Agartalal. He wants to make the entire package himself, he just need transfer from airport to hotel in Singapore, he can just buy that much amount from Ease My Trip agent panel for the holiday and serve their customer, this is how we are using our travel agent to sell better holiday packages which is sell them as a unit, we are providing them the entire holiday packages as well or using technology they can even just pick and choose which particular part of holiday they want to choose and buy from Ease My Trip for their customer.

Ashwin Mehta: Fair enough. Thanks a lot and all the best.

Moderator: Thank you. The next question is from the line of Madhu Basu from Canara HSBC. Please go ahead.

Madhu Basu: Just on the ancillary revenues like different state or meal and all so what is the take rates we get there and second if you see the airline end industry is consolidating in favour of Indigo would you know having 55% to 60% of market share, so whether that would directionally put pressure on the yields going forward in the take rates because I think Indigo is almost achieving kind of a monopoly there? Thanks.

Prashant Pitti: To answer your first question to be honest I do not think so I can give you the exact numbers because it is not disclosed anywhere in the financial, it is slightly on the higher side, it is above 15% as a take rate of the auxiliary services, it is also actually let me take my statement back, it depends on airlines to airline, but this number is pretty good, because airlines are also more than happy that our customers have pre-booked the meal or has chosen particular seat because they are earning extra commissions, so the commissions on that actually on the higher side and question number two related to Indigo gaining market share. I would recommend you to go through the study of either Crisil or Goldman Sach which will tell you that the dependency on OTA which is online travel agency is only increasing with time and I will tell you, I will give you the rational why, earlier we used to work on laptops, but now we are on mobile all the time and on mobile to compare prices between seven different airlines is almost five times more tedious then doing it on desktop where you can open different tabs easily and that since most of the traffic is coming on mobile, customer preferred choices also to go to an OTA to search for the price since he is getting multiple option for flights, for hotels, for buses, within the flights for multiple airline and just go ahead with their booking, so worldwide the dependency on OTA and the booking is shifting more towards the OTA. Then there were also new players coming in Air Asia is coming and is grabbing market share very aggressively and India itself is a very different zone compared to west, India is a growing economy, there as per the Goldman Sach report this industry supposed to grow 15% per annum till FY2025 while in the west the industry saturated and India new airports coming so I believe the airlines see us more as a partner in their grow rather than worrying about minuscule commission which they provide us.

Madhu Basu: Thanks and all the best.

Moderator: Thank you. Ladies and gentlemen due to the time constraint this was the last question for today. I would now like to hand the conference over to Mr. Prashant Pitti for closing comments.

Prashant Pitti: Thank you so much for all the questions. It was really pleasure to answer them, most of the questions were very relevant and I really appreciate whoever has asked those question, to continue I would like to highlight that we have a huge run way for growth. There is still so much this company can do just on the air segment itself forget about all the other markets put together. We are increasing wallet share from existing customers by selling them hotel and holiday, we are adding new customers, we are gaining more market share and we are increasing our operational efficiencies by gaining more and more economies of scale. We believe we are very well positioned to capitalize on the growth opportunity and increase our profitability in the future. Thank you everyone for joining us. I hope we have been able to answer all your queries and if you have any further queries you may approach Orient Capital, who are our investor relationship partner.

Moderator: Thank you. On behalf of Easy Trip Planners Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.