



## IPO DETAILS

Issue Date 08<sup>th</sup> Mar-10<sup>th</sup> Mar 2021

Price Band Rs 186-187 per Share

Bid Lot 80 & in multiple thereof

Face Value Rs 2/Share

Listing BSE, NSE

Issue Size Rs 510 Cr

Offer For sale Rs 510 Cr

Pre Issue Eq Shares 108645000 Eq Shares

Post Issue Eq Shares 108645000 Eq Shares

BRLM JM Financial Limited,  
Axis Capital Limited

Registrar KFin Technologies  
Private Limited

EaseMyTrip is ranked second amongst Key OTAs in India, based on booking volumes for 9M-FY21 and third among the Key Online Travel Agencies in India in terms of gross booking revenues in Fiscal 2020. Company offer a comprehensive range of travel-related products and services for end-to-end travel solutions including airline tickets, hotels and holiday packages, rail tickets, bus tickets and taxis as well as ancillary valueadded services such as travel insurance, visa processing and tickets for activities and attractions.

### What we like:

**Only profitable among the Key Indian OTAs :** Company was the only profitable online travel agency among the Key Online Travel Agencies in India in Fiscals 2018, 2019 and 2020, in terms of net profit margin.

**Highest CAGR in terms of gross booking revenue and operating revenues among the Key Indian OTAs:** Company's Gross Booking Revenues increased by 51.04% from ₹ 19,450.63 million in Fiscal 2018 to ₹ 29,377.75 million in Fiscal 2019, and by 43.13% from ₹ 29,377.75 million in Fiscal 2019 to ₹ 42,047.30 million in Fiscal 2020. Company's market share in the total Indian online travel agency industry in terms of gross booking revenues and gross booking revenues for airline ticketing segment was approximately 4.6%, and 5.5% to 6.5%, respectively, in Fiscal 2020

**Strong repeat transaction rate:** Company have been providing customers with the option of no-convenience fee, such that customers are not required to pay any service fee in instances where there are no alternate discount or promotion coupon being availed. Between April 1, 2017 and December 31, 2020, company had a repeat transaction rate of 85.95% in the B2C channel. Company's Registered Customers in the B2C channel increased at a CAGR of 28.24% from 5.87 million customers as of March 31, 2018 to 9.66 million customers as of March 31, 2020, and further increased to 10.32 million customers as of December 31, 2020.

**Outperformed Industry growth:** Company has sustain high growth in air travel as Indian OTA industry has grown at a CAGR of 20%-22% FY15 to FY20E, while company has outperformed industry by recording growth of 37.31% in gross Booking Revenue from Airline Tickets in the B2C channel in FY20 .

### Valuation

Company is bringing the issue at p/e multiple of approx 59x at higher end of price band of Rs 186-187/share on FY20 PAT basis.

We like the strong fundamentals of company as it being the only profitable OTA with highest CAGR growth because of lean & cost efficient operations .Also the fact that company have been able to manage growth through internal accruals since inception depicts the strong management by promoters . Company's Q3FY21 booking volumes represent 70% of booking volumes of Q3FY20 demonstrating robust recovery. Also with the ongoing vaccination drive we believe that in coming months the airline industry will be back to normalcy & volume will surge which largely benefits the company.

Hence , looking after all, we recommend investor to subscribe the issue for short & long term .



**Key players in the domestic OTA market (2020)**

Players	Year of commencement of business	Company headquarters	Number of Customers as of Mar 31 2019 (million)	Number of Customers as of Mar 31 2020 (million)	Number of Agents as of Mar 31 2020 (nos)	Employee Count as of March 31, 2020 (nos.)
Cleartrip Private Ltd	2005	Mumbai, Maharashtra	N.A	N.A	N.A	N.A
Easy Trip Planners Ltd	2008	New Delhi	8.1	9.65	55981	480
MakeMyTrip Limited	2000	Gurugram, Haryana	39.0	46.0	Approx 3200	3960
Yatra Online ,Inc	2005	Gurugram, Haryana	9.7	11.1	Approx 26000	2000

**Operational performance for Fiscal 2020**

Players	Gross Revenues (Rs Bn)	Booking (Rs)	Gross Bookings on -year growth for fiscal 2020 (%)	Gross Bookings CAGR for fiscal 2018 to fiscal 2020 (%)	Operating Revenue (Rs bn)	Operating Revenue on - year growth for fiscal 2020 (%)
Cleartrip Private Ltd	N.A		N.A	NA	NA	NA
Easy Trip Planners Ltd	42.0		43%	47%	1.4	40%
MakeMyTrip Limited	452		18%	27%	38	11%
Yatra Online ,Inc	85		(23)%	(4)%	7	(23)%

**Gross booking revenue per employee in Fiscal 2020**

Players	Gross Booking revenue (Rs Bn)	Employee count (nos)	Gross booking revenue per employee
Easy Trip Planners Ltd	42.0	480	87.6
Cleartrip Private Ltd	N.A	N.A	N.A
MakeMyTrip Limited	452	3960	11403
Yatra Online ,Inc	85	2000	42.65

**Platform user experience metrics for Fiscal 2020**

Players	Look-to-book ratio	Repeat transactions (%)	Bounce Rate(%)	Total traffic( million visits)	Direct traffic (%)	Mobile Traffic (%)	Customer acquisition cost (Rs/customer)
Cleartrip Private Ltd	NA	NA	NA	NA	NA	NA	NA
Easy Trip Planners Ltd	5.3%	85.7%	37%	83.4%	42.6%	81%	174
MakeMyTrip Limited	N.A	N.A	N.A	N.A	N.A	81%	N.A
Yatra Online ,Inc	N.A	88%	N.A	212	96%	83%	N.A

(Source:RHP)



INVESTMENT RATIONALE

*Consistent track record of financial and operational performance with lean and cost efficient operations*

Company have historically financed working capital requirements and the expansion of its business and operations primarily through funds generated from its operations, equity infusion from Promoters and debt financing. the consistent growth in its business is attributable to company’s technology driven operations and low operational costs resulting in comparatively higher operating margins. Company have developed a streamlined, efficient and lean organization structure relative to the size of its business operations. As of March 31, 2020, company had 480 full-time employees company had the lowest number of employees among the Key Online Travel Agencies in India as of such period.

**Robust Recovery in bookings**

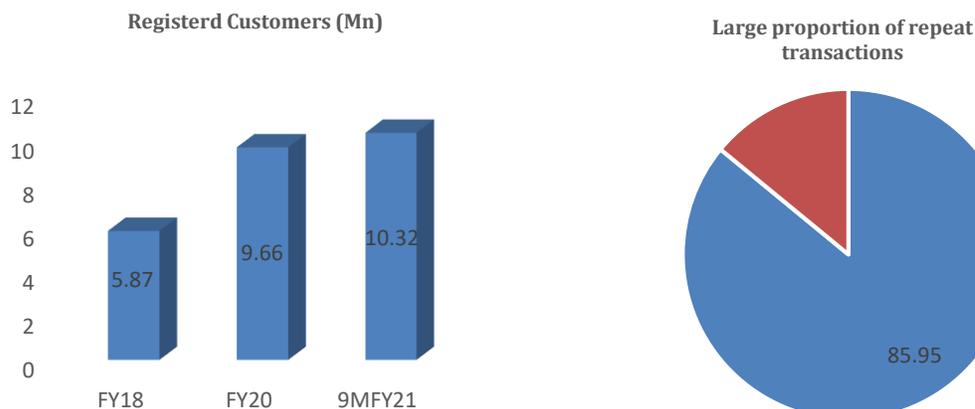
Company has shown robust recovery from July’20 lows as shown in table below:

Month	Domestic/International	2019	2020	Recovery %
Trips (In Mn)				
<b>July</b>	Domestic	0.76	0.16	20.59
	International	0.06	0.00	3.54
<b>August</b>	Domestic	0.69	0.24	35.17
	International	0.05	0.00	7.94
<b>September</b>	Domestic	0.68	0.36	53.21
	International	0.06	0.01	22.38
<b>October</b>	Domestic	0.77	0.55	71.37
	International	0.06	0.02	39.86
<b>November</b>	Domestic	0.81	0.48	59.37
	International	0.06	0.02	29.83
<b>December</b>	Domestic	0.72	0.54	75.91
	International	0.06	0.02	34.35

(1) Recovery percentage is defined as the number of Trips booked in the relevant period in 2020 compared to the number of Trips booked in corresponding relevant period in 2019.

(Source: RHP)

**Strong growth in registered customers & large proportion of repeat customers**

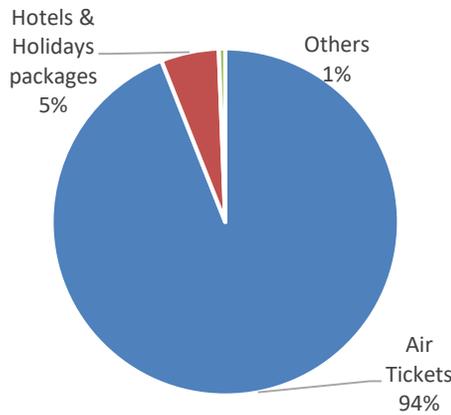




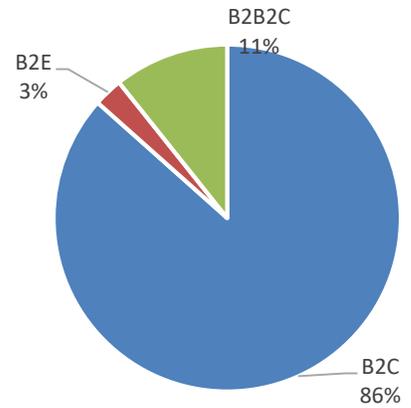
ABOUT COMPANY

Company offer a comprehensive range of travel-related products and services for end-to-end travel solutions, including airline tickets, hotels and holiday packages, rail tickets, bus tickets and taxis as well as ancillary value added services such as travel insurance, visa processing and tickets for activities and attractions. As of December 31, 2020, company provided customers with access to more than 400 international and domestic airlines, more than 1,096,400 hotels in India and international jurisdictions, almost all the railway stations in India as well as bus tickets and taxi rentals for major cities in India. In addition, as of March 31, 2020, company had 55,981 travel agents registered with us across almost all major cities in India and company had the largest network of travel agents among Key Online Travel Agencies as of such period .

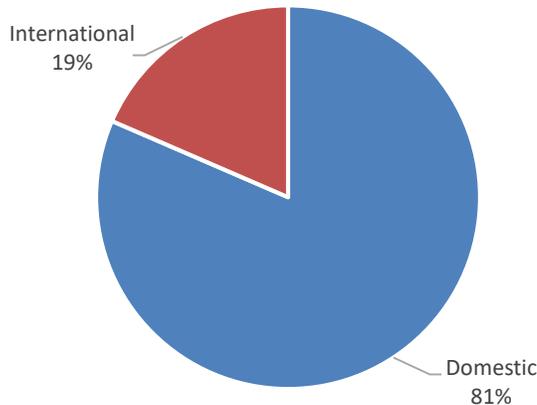
Rev from contracts with customers in FY20



Gross Booking Volumes Split for Airline Tickets (FY20)



Gross Booking Revenue Split for Airline Tickets (FY20)





**Risk Factors:**

In air ticketing segment, company primarily generate revenue through commissions and incentive payments, including performance linked bonus, from GDS service providers, credit card companies as well as certain airlines. In case if company’s travel suppliers may reduce or eliminate the commissions, incentive payments, including performance linked bonus, or other compensation they pay to company or default on or dispute their payment obligations towards company. Any reduction in commissions or fees by company’s travel suppliers may further reduce company’s Gross Booking Volumes adversely affecting company’s business operations and results of operations.

**Objects of Issue:**

To achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the sale of Equity Shares by the promoter selling shareholders aggregating up to ₹ 5,100 million.

**Financial Statement**

(Rs Cr)

Particulars	FY18	FY19	FY20	9MFY21
Total Income	100.11	101.11	140.95	49.25
Total Exp	101.26	106.30	128.40	37.93
EBIDTA	-1.15	-5.19	12.55	11.33
Other Income	13.47	50.00	38.74	32.32
Depreciation	0.24	0.46	0.71	0.49
EBIT	12.07	44.35	50.58	43.16
Interest	1.51	3.17	3.10	1.32
PBT	10.56	41.18	47.48	41.84
E/O Items	0.00	0.00	0.00	0.00
PBT	10.56	41.18	47.48	41.84
Sh Of Profit in				
Asso	0.00	0.00	0.00	0.00
PBT	10.56	41.18	47.48	41.84
Tax	3.91	11.84	12.87	10.73
PAT	6.65	29.34	34.61	31.11
Eq Cap	7.24	21.79	21.73	21.73
Net Worth	43.96	68.00	102.72	134.12
Eq Shares	3.62	10.90	10.86	10.86
EPS	1.84	2.69	3.19	2.86
Book Value	12.14	6.24	9.45	12.35
ROE	0.14	35.29	33.70	23.19
EBIDTA Margin %	-1.15	-5.14	8.90	22.99
PAT Margin %	0.06	23.73	24.56	63.16

Source:RHP

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