

yatra



IPO NOTE

YATRA ONLINE LIMITED

Rating:
AVOID



ISSUE OFFER

Issue Opens on	SEP 15, 2023
Issue Close on	SEP 20, 2023
Total IPO size (cr)	775.00
Fresh issue (cr)	602.00
Offer For Sale (cr)	173.00
Price Band (INR)	135-142
Market Lot	105
Face Value (INR)	1
Retail Allocation	10%
Listing On	NSE, BSE

ISSUE BREAK-UP (%)

QIB Portion	75%
NIB Portion	15%
Retail Portion	10%

SHAREHOLDING (No. of Shares)

Pre Issue	Post Issue
114,521,827	156,916,193

INDICATIVE TIMETABLE

Finalisation of Basis of Allotment	25-09-2023
Refunds/Unblocking ASBA Fund	26-09-2023
Credit of equity shares to DP A/c	27-09-2023
Trading commences	29-09-2023

Yatra Online Limited is India's largest corporate travel services provider in terms of the number of corporate clients and the third largest online travel company in India among key OTA players in terms of gross booking revenue and operating revenue, for Fiscal Year 2023. Its business is based on a common technology platform that serves its customers through multiple mobile applications as well as its website www.yatra.com.

OBJECTS OF THE ISSUE

- Repayment or prepayment of borrowings availed by the company from banks and financial institutions.
- General corporate purposes.

OUTLOOK & VALUATION

Yatra Online Limited is the largest corporate travel service provider and a well-known online travel company. It has a proven track record and a targeted marketing strategy. Its business is mainly focused on B2B channels, where it serves a large customer base. With IPO funding, the company is also planning for some acquisitions for further growth.

But the travel industry is highly competitive, and such companies have to rely on various third parties as well. Additionally, YOL is heavily dependent on the airline ticketing business. The company has been at a loss for the last few years, but it became profitable in FY23.

The P/E valuation is 205.7x (however it is not the right parameter to judge such companies), while its revenue multiple is 5.6x which is low. But After considering other risk factors, we will avoid this IPO.



KEY MANAGERIAL PERSONNEL

01

Dhruv Shringi

Whole-time Director and Chief Executive Officer of the Company. He is a chartered accountant and has completed his course from the Institute of Chartered Accountants of India. He was previously associated with Fords Motor Company, Arthur Anderson & Co., Ebookers.Com Plc as well as with the Internet and Mobile Association of India as its vice-chairman.

04

Manish Amin

Chief Information and Technology Officer of the Company. He joined Yatra limited on January 1, 2006. Prior to joining this Company, he was associated with ebookers.com and Flightbookers Limited.

02

Darpan Batra

Company Secretary and Compliance Officer of the Company. He holds a bachelor's degree in law from the University of Delhi. He is also an associate member of the Institute of the Company Secretaries of India. He joined the Company on November 9, 2011. Prior to joining this Company, he was associated with Punj Lloyd Limited.

03

Rohan Mittal

Chief Financial Officer of the Company. He was appointed as the Chief Financial Officer of the Company, with effect from September 23, 2022. He was previously associated with Rivigo Services Private Limited and Gati Limited as their Chief Financial Officer, as well as with All-cargo Logistics Limited and PricewaterhouseCoopers Private Limited.



COMPANY PROFILE

- Yatra Online Limited is a leading corporate travel service provider in India with 813 large corporate customers and over 49,800 registered SME customers and the third largest consumer online travel company (OTC) in the country in terms of gross booking revenue for Fiscal 2023.
- Leisure and business travelers use its mobile applications, its website, www.yatra.com, and its other offerings and services to explore, research, compare prices, and book a wide range of travel-related services.
- These services include domestic and international air ticketing on nearly all Indian and international airlines, as well as bus 338 ticketing, rail ticketing, cab bookings, and ancillary services within India. It also provides access through its platform to hotels, homestays, and other accommodations.
- Its go-to-market strategy spans the entire value chain of travel and hospitality covering B2C and B2B.
- To ensure that its service is a “one-stop shop” for travelers, it also provide its customers with access to holiday packages and other activities such as visa facilitation, tours, sightseeing, shows, and events.

COMPETITIVE STRENGTHS

- Trusted brand with a proven track record and targeted marketing strategy.
- Large and Loyal Customer Base.
- Its Synergistic Multi-Channel Go to Market approach for Business and Leisure Travelers.
- B2B Channel.
- Integrated Technology Platform.
- Comprehensive Selection of Service and Product Offerings.
- Experienced management team with an established track record.

KEY STRATEGIES

- Growth in the customer base using cost-effective technology solutions.
- Grow “Share Of Wallet” With Existing Customers.
- Further, Strengthens its focus on Corporate business.
- Invest in Technology “One-Stop Shop” For All Travel Needs.
- Fuel Growth Through Innovative Acquisition Strategies.

KEY CONCERNS

- It is dependent on its airline ticketing business, which generates a significant percentage of its revenues and is derived from a small number of airline suppliers in India.
- Its results may fluctuate for a variety of reasons, including the seasonality in the leisure travel industry.
- The Company relies on third-party systems and service providers, and any disruption or adverse change in its business may have a material adverse effect on its business.
- The Indian travel industry is highly competitive
- The Company had restated losses in the past in FY21 and FY22.
- The Company has been experiencing negative cash flow for the last three years.



COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2023)

Name of the Company	EPS (Basic)	NAV	P/E	Revenue Multiple	Total Income (Mn)	RoNW (%)
Yatra Online Limited	0.69	15.04	-	5.6	3,974.65	4.50
Peer Group						
Easy Trip Planners Limited	0.77	2.13	56.53	16.2	4,641.98	36.21

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (RS. IN MILLIONS)	FY 2023	FY 2022	FY 2021
Equity Share Capital	114.52	111.89	110.90
Net Worth	1,695.23	1,009.28	1,234.86
Total Borrowings	239.96	4.20	3.15
Revenue from Operations	3,801.60	1,980.66	1,254.50
EBITDA	669.69	321.48	(50.62)
Profit Before Tax	121.78	(292.71)	(1,122.33)
Net Profit for the year	76.32	(307.86)	(1,188.63)



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