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PRESENTATION

Operator

Good morning, ladies and gentlemen, and welcome to the MakeMyTrip Limited Fiscal 2020 Q2 Earnings Conference Call. (Operator Instructions) As a reminder, this conference this call is being recorded. I would now like to turn the conference over to your host, Mr. Jonathan Huang, Vice President of Investor Relations.

Jonathan Huang - *MakeMyTrip Limited - VP of IR*

Thank you, Crystal. Greetings and welcome to MakeMyTrip Limited's Fiscal 2020 Second Quarter Earnings Call. I would like to remind everyone that certain statements made on today's call are considered forward-looking statements within the meaning of the safe harbor provision of the U.S. Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance and are subject to inherent uncertainties, and actual results may differ materially. Any forward-looking information relayed on this call speaks only as of the date, and the company undertakes no obligation to update information to reflect changed circumstances. Additional information concerning these statements are contained in the Risk Factors and Forward-looking Statements section of the company's annual report on form 20-F filed with the SEC on July 23, 2019. Copies of these filings are available from the SEC or from the company's Investor Relations department.

Today we're joined by Deep Kalra, MakeMyTrip's Founder, Chairman and Group CEO; Rajesh Magow, Cofounder and CEO India; and Mohit Kabra, MakeMyTrip's Group CFO.

Now let me turn the call over to Deep to begin today's discussion.

Deep Kalra - *MakeMyTrip Limited - Founder, Group Chairman & Group CEO*

Thanks, Jonathan, and welcome, everyone, to our second quarter earnings call for fiscal 2020. I'd like to begin by sharing a quick summary of the operating environment in India. During our last call, we pointed out the impact that the slowing economy and cyclical disruptions in the travel industry had on our results. We also believe that the operating pressures from Q1 would continue into the seasonally slow second fiscal quarter. While near-term growth challenges persist, we remain optimistic of our long-term growth opportunities. It's definitely worth noting that despite a slowdown, India's GDP remains among the highest in the world, and growth is expected to reaccelerate in 2020 per recent IMF forecast.

India's fast economic growth combined with the large and growing young online population gives us confidence in our long-term growth prospects as the headroom to shift the travel market online remains very large scale. More encouragingly, our government has also demonstrated willingness



to support travel and tourism as a means to drive economic growth. Recent cuts to the GST, goods and services tax, on hotels, which took effect on October 1, was a welcome move and should have positive impact on growth in times to come.

In addition, the unexpected corporate tax cut was intended to improve business sentiment, which should help revise overall economic growth as investments from the corporate sector pick up once tax benefits begin to reflect on balance sheet.

At the same time, the government's Incredible India 2.0 marketing campaign should help drive greater awareness for travel and tourism in India. On the airline supply front, we anticipate that the lost seat capacity due to Jet Airways grounding has largely been restored for the domestic market and is likely to be restored on international routes by the end of this calendar year.

Recently, the leading domestic carrier reiterated its commitment to rapidly increase seat capacity given the long-term pent-up demand for air travel in the country. Their confidence has also led to an order announcement of 300 new A320 last week. Furthermore, the BGCA Director General of Civil Aviation anticipates passenger growth rates to rebound in the second half improving from the low single digits growth seen during the first half of this fiscal year. The good news is despite a lower growth in the domestic air market, our performance in the first half of the year continued to outpace the market significantly, resulting in continued share gain, even in a more mature segment of the online travel market.

So while the operating environment remains less than ideal today, we believe that clearer skies are ahead of us in the mid-to long term. In the meantime, we continue to stay focused on executing on all fronts of our business to improve customers' experience and delivering greater value to our supply side partners and gain greater market share across all our travel segments.

Today, we have a life-to-date transacted base of over 44 million customers, an increase of over 25% year-on-year. Furthermore, our quarterly repeat rate has reached 68% on our life-to-date customer base when combining all 3 brands.

In order to higher repeat rates through existing customers, we continue to tweak and make our loyalty programs more relevant and rewarding. Today, we have nearly 1.1 million MakeMyTrip Black enrollees and over 124,000 enrollees in the paid MakeMyTrip Double Black membership program. As for our gold watch program, we now have over 2.2 million contributors, helping us make our content and platform even more relevant and useful for other shoppers on Goibibo. We believe our loyalty programs are giving us the desired results, and we continue to invest in these programs to drive greater engagement and wallet share.

Now I'd like to share our progress in the new activities and experiences business. I'm happy to share that we have created sharper segmentation of these offerings into 3 distinct categories and increased selection to more than 12,000 bookable offerings. In September, we launched a new product called MakeMyDay, targeting couples getaways, group get togethers and family looking for a quick escape with kids on any given day. It's early days, but this new offering is beginning to deliver new user acquisition for us while also providing existing customers a comprehensive holiday booking experience.

Lastly, I'd like to share an update on our corporate travel strategy, which continues to gain traction. In Q2, we've expanded our base by adding 125 key accounts and 800 new small, medium enterprises to myBiz. Our myBiz program now has over 3,000 SMEs actively booking travel products and is helping us gain greater wallet share of the corporate travel segment. In Q2, we also introduced new booking flows within myBiz to show cheapest fare options, corporate rates for premium hotels and added a savings mixed analysis report to users, further enhancing the value for program users.

As for Quest2Travel, we also won key accounts during the quarter, including Tata Sky, a well-recognized satellite TV provider and CMS, India's largest cash management and payments provider. We remain excited about the long-term growth opportunities corporate travel has to offer our company and will continue to innovate to delight our corporate users just like we do for our B2C or retail customers.

With that, I'd like to turn the call over to Rajesh.



Rajesh Magow - *MakeMyTrip Limited - Co-Founder, CEO of India & Director*

Thanks, Deep, and greetings, everyone. I would like to begin by reminding everyone of our vision for fiscal 2020 and beyond, which is to become the travel super arc for Indian travelers when researching and planning, shopping and booking travel within or outside of India. The foundation of our super arc vision is to provide comprehensive set of travel offerings, allow greater flexibility in booking different combination of products, generate personalized selection and offer, enable affordability in payment options and ensure quality customer service. In recent quarters, we have made significant progress on this front by adding new products and services, including airport transfers; inter-city cabs; activities and experiences, both at source and destination cities; online visa booking for some key destinations; affordable payment options, like EMI or Book Now and Pay Later, et cetera.

Furthermore, we have also made significant progress in expanding our customer support channels from call centers to self-service channel and chatbots on all our brands to ensure we make ourselves available to provide timely customer support and resolution at any stage of customers' journey post booking. We believe that these focused investments will help further strengthen our brands in consumers' minds, leading to growth in our business.

Now I would like to share some quick highlights from our Q2 and first half financial results, which Mohit will share in greater details later. For Q2 of fiscal year 2020, MakeMyTrip group achieved gross bookings of nearly \$1.5 billion, representing a constant currency growth of over 20%. This represents nearly \$3.2 billion in gross bookings and constant currency growth of over 22% for the first half of fiscal 2020. Our Q2 adjusted revenue grew by nearly 14% on a constant currency basis to \$181.1 million. For the first 6 months of this fiscal year, adjusted revenue reached \$379.6 million with a constant currency growth of over 17% year-on-year. During the quarter, we also achieved a company quarterly record of nearly 7.4 million room nights in the stand-alone online hotels business even as our focus, as communicated earlier, has been to drive greater promotional spend efficiencies. From a supply standpoint, we further expanded choice and selection for customers to over 66,500 accommodation properties bookable within India, which include 16,500 alternative accommodation properties. Additionally, nearly 3 quarters of these hotels received active bookings from our platform, which underscores the value added to the hotel partners who participate and distribute through our platform.

Our investments in alternative accommodations continued in Q2 as we focused on driving greater awareness of this fast-growing segment. Encouragingly, we are seeing strong interest from users, and we will continue to invest to drive greater adoption via a differentiated product experience for bookers and hosts.

As for outbound travel, we now offer over 10,000 international properties directly contracted on our platform. This is, as reported earlier, over and above the third-party supply that we have.

In Q2, we also integrated more properties via our expanded relationship with Ctrip to offer even more choice to our outbound travelers. Most importantly, we are seeing strong room nights and bookings growth despite weak outbound demand and a seasonably slow travel quarter.

Now I would like to share highlights from our product enhancements that are helping deliver a best-in-class customer experience. In our hotels and alternative accommodations business, we continue to enrich our content and optimize its presentation to users. We have integrated a new location architecture to help map global hotel locations, more precisely, which will help guests reach their hotels faster. As for brand Goibibo, we introduced a new visual theme to further enhance the online shopping experience. We've also made improvements to unify our hotel supply architecture to simplify connections from multiple sources in order to provide the best data to our shoppers.

Furthermore, we continue to enhance our platform by welcoming content shared by users. Our improved reviewed collection form is helping gather data from 1/3 of bookers and has resulted in 15,000 ratings, 7,000 images and 1,000 videos collected on daily basis. We are very excited by the traction seen so far and certainly believe these efforts will help drive greater differentiation of our brands and achieve higher retention on our platforms. Additionally, we have made the experience for suppliers even better with ongoing improvements to our hotel extranet system. Via this system, hotel guests and hosts can now connect directly to solve any concern during a guest stay in real time. Our system has also improved capabilities to analyze a property's performance relative to nearby competitors and enable suppliers to adjust pricing and inventory allocation more optimally. We believe empowering hotel suppliers with friendly tools and data analysis will help them to maximize their business potential, both in terms of filling out more rooms and driving better yields when working with our platform.

Now I would also like to discuss on the other pillar of our super arc vision, which is to provide greater affordability to our customers, given India's relatively low credit to income ratio. We have built credit approval models, leveraging our huge base of life-to-date customer data and launch an equal monthly installment option, or EMI, with select banks to help customers purchase large-value transactions. Today, I'm pleased to share we have participation from all major banks across India, helping to facilitate travel purchases on our platform and even more excited to share that we are registering more than \$50 million in bookings a month from this program. In addition, we launched Trip Money, which is our own credit offering by partnering with NBFCs or non-bank financial companies to provide instant digital travel loans within 5 minutes of application. This new program has launched across 60 nationwide locations and is popular for travelers making their first international trip and with families taking a domestic holiday.

Now allow me to share some highlights from our flights business, which continues to outpace overall market growth. During Q2, as part of our sharper customer segmentation exercise, we introduced fares to cater to the needs of the students. This segment often requires additional services, like excess baggage, but at a more affordable price point. Our bookers today also have the option of booking a cab transfer to and from the airport all within the same transaction. Furthermore, we then sync their booked flight information with cab schedules in order to manage any delays, which enhances users' experience. Leveraging the power of machine learning, we've been successful in dynamically pricing outbound air tickets and have been able to reduce promotional spend with little impact to our conversion rates.

Lastly, we have integrated the international air ticketing supply offered by Ctrip to make more content and fares available to our outbound travelers, which should make our products even more appealing to new online users.

Now I would like to share some updates on our wholesale customer expense journey, particularly on chatbots, which has been a constant area of focus for us. In Q2, our chatbot usage volumes have seen a quarter-on-quarter increase of 15% on brand Goibibo. Furthermore, comprehension rates in identifying customer queries on the chatbot, including complicated travel queries, have reached 89% for MakeMyTrip and about 95% on Goibibo.

These improvements were driven by our use of cutting-edge, natural language processing models. On brand Goibibo, we are able to automate more than 90% of our customer queries. On brand MakeMyTrip, we have witnessed a 25% uptick in quarter-on-quarter customer satisfaction scores. At the same time, MakeMyTrip's customers can now send us their queries via voice message in addition to text format. Lastly, our Goibibo chatbot, Gia, has been deeply integrated with our hotel extranet system to allow travelers to directly interact with the property owner before and during their stay.

As we continue to scale our business, we are now well placed to seamlessly automate customer queries and further improve customer satisfaction.

Now I like to share some of the accomplishments within our bus ticketing business, led by the redBus brand. In the quarter, redBus continued to achieve robust growth driven by the continued shift from off-line to online bookings as well as new supply additions from nontraditional bus markets in Southern and Western India. In addition, 8 operated bus companies continue to help drive growth with new customer acquisitions and bookings, as they seek to rapidly digitize their inventory management solution. While work on the supply side has seen growth, we have continue to make the experience better for users. During Q2, we harmonized the experience across all our channels to enable faster time-to-market of new features and make the app perform better for users.

Similarly, the adoption of our bus supplier facing up continues to accelerate driven by improvements that leverage machine learning. We have taken the insights from customer reviews and ratings in order to further help bus operator improve their quality of service.

Lastly, we introduced an event transportation booking option for organizers to secure group ticketing and provide a network of on-demand bus boarding points to further expand our addressable customer reach.

Now let me hand it over to Mohit, who will share more details of the quarter.



Mohit Kabra - *MakeMyTrip Limited - Group CFO*

Thanks, Rajesh. And hello, everyone. We are pleased to report that during the seasonally slower travel quarter of Q2, the adjusted revenue stood at over \$181 million with nearly 14% year-on-year constant currency growth. Under the overall slower growth environment as called out by Deep and Rajesh, we have, however, managed to meaningfully reduce adjusted operating losses, which came in at \$19.4 million, including the \$2.4 million one-time accelerated compensation charge due to a change in one of our acquisition agreements.

Without this one-time cost, we estimated adjusted operating loss at \$17 million, a significantly lower than the previous quarter's loss of \$29 million as well as significantly lower than the \$25.4 million loss reported in the same quarter last year.

This improvement came from increased efficiency in our marketing and promotional expense, which as a percentage of gross bookings came down to 9 percentage points compared to 10.8 percentage during the same quarter last year as well as down from the 9.5% reported in the previous quarter.

Let me now share some highlights of the quarter by business segment beginning with the air ticketing business, where the industry continue to face growth challenges given the ongoing capacity constraints and a foster demand environment. Therefore dealing with a quarter apart from targeting a better than the industry growth in ticketing volumes, we focused on driving higher revenue growth in the air ticketing business. In the reported quarter, our air ticketing segment grew by 11.6%. Helping drive this growth rate was the continued share gains in our domestic air-ticketing business. Our ticketing growth of over 7% in the domestic air ticketing business far outpaced the market's growth, which was less than 3% during the quarter. Further, our international air ticketing segment grew by over 36% as we continued to focus on driving online penetration in this largely off-line market segment.

As a result of the continued share gains in the domestic air ticketing business and the much higher growth in the higher value outbound air ticketing segment so we were able to register 17.2% year-on-year constant currency growth in air ticketing adjusted revenue, which was higher than the air ticketing growth of 11.6%.

Hotel room night growth, which came at 12% for the hotels and packages business and 12.3% excluding the packages business, reflects the current slowdown in the domestic travel market in a seasonally slow travel quarter and our ongoing efforts to reduce promotional expense in the budget hotel segment.

The room night growth within our premium set of domestic hotels despite the slowdown in the travel market stood closer to the 20% level that we have been reporting earlier. We also anticipate that once pruning promotional expense to get to positive net uneconomics within the segment is achieved, this segment will also start contributing towards the acceleration of overall room night growth. Separately, in international hotels, the room night growth was very encouraging at about 60%, and we continue to target faster growth in the outbound market across air ticketing, hotels and packages. Our bus ticketing business continued to grow strongly during the quarter driven by the continued off-line to online momentum within this travel segment. Bus ticket unit grew by over 33% with nearly 17.7 million bus tickets traveled during this seasonally slow travel quarter.

The business also generated over \$16.6 million in adjusted revenue, a growth of over 38% year-on-year in constant currency terms.

Lastly, adjusted revenue from other sources in Q2 reached over \$11.4 million, majority of which was driven by facilitation fees for travel insurance and ancillary revenue from our travel alliances and affiliate partnerships. With this, I'd like to thank you for joining this call and open up the call for Q&A. Operator, please?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Your first question comes from the line of Arya Sen from Jefferies.



Arya Sen - Jefferies LLC, Research Division - Equity Analyst

Deep, Rajesh and Mohit, firstly, specifically, on the air ticketing part despite the relatively tepid domestic air traffic growth, your gross booking is growing at almost 20% plus in constant currency terms. So couple of things. How much of this is coming from the international air ticketing? And when, cyclically, domestic air traffic goes back to, say, 10%, 12% kind of growth, what would this number sort of go up to?

Mohit Kabra - MakeMyTrip Limited - Group CFO

Yes, I'll take that. So as I called out the growth in the domestic segment, it was more like 7% plus. However, from a gross booking point of view, the growth was almost like twice of that closer to about 14% because the ASPs have been stronger, but the overall growth kind of inched up to about 22% on the gross booking side and the rest of it was aided by international.

Arya Sen - Jefferies LLC, Research Division - Equity Analyst

Understood. And what's driving the growth in the ASP? Is it the ticket size? Is it more to do with -- is it the increase in the ticket fares? Or is it mix? I mean, how much would be mix? And how much would be increase in ticket fare?

Deep Kalra - MakeMyTrip Limited - Founder, Group Chairman & Group CEO

So it is -- I think, if you really look at it, considering that capacity has been constrained, any period where capacity is kind of not growing significantly within the air ticketing marketing, you typically see some amount of price strengthening, and so this is quite typical of that. Anything which is like 5%, 7% or single-digit increase in fares at a time when capacity is not growing, or growing like in the low single digits, it's kind of fairly routine.

Arya Sen - Jefferies LLC, Research Division - Equity Analyst

Right. And how much would be your market share? So 7% minus 3%, 4% your market share gain. Is it on a volume basis?

Mohit Kabra - MakeMyTrip Limited - Group CFO

Yes, in terms of growth on the market, yes. Over all share stands at close to about 26%.

Arya Sen - Jefferies LLC, Research Division - Equity Analyst

Right. Secondly, on the bus ticketing opportunity, I mean, can you give us some sense about the opportunity size that you see there from, say, 3 to 5 years perspective? And is it profitable today? Or what does it take to, what sort of profitability can that business generate? What's the sort of thinking there?

Rajesh Magow - MakeMyTrip Limited - Co-Founder, CEO of India & Director

Sure, Arya, this is Rajesh here. Let me take this. We'll give you a sense of the growth trajectory in that business and just from an opportunity standpoint, and as you know, we haven't really been doing a segmented reporting on profitability. So I guess, I'll just kind of stay away from that. But just to give you a sense of this headroom on business, we believe, that there is still lot of headroom. There's a lot of privatization of the generally in the bus sector that is happening from an operator standpoint, so they keep adding more capacity on the private side. We also, actually in addition to that be an opportunity on the state transport undertaking, or corporations, where there's a lot of headroom in terms of just potential shift from off-line to online. So the supply has started coming online from state to state, and a lot of the booking has started happening online. So we're

seeing a lot of the encouraging trends in terms of growth coming in from that sector, while even the private sector continues to keep growing as well. So we believe that this kind of growth trajectory is likely to continue in the bus market in the coming 3 to 4, 5 years.

Arya Sen - Jefferies LLC, Research Division - Equity Analyst

Right. Thirdly, anything you can share on Ctrip's involvement, and particularly on the cost side? If they are able to help in some way?

Rajesh Magow - MakeMyTrip Limited - Co-Founder, CEO of India & Director

Yes, sure. No. Actually the product, this have been called out in the script itself. As we speak, we've been actually working with Ctrip to leverage their international inventory build, both on the flight side as well as on the hotel side. And that is one of the most important identified areas of synergies. And as we integrate (inaudible) on flight side, we have actually made lot of progress, and we're already seeing some quality traction from that side. And hotels is work in progress. So as we kind of complete that integration, we will get the benefit clearly reflecting on the business on that side.

So that's kind of an important identified area. And I guess, linked to that also going forward, in terms of acquisition of the (inaudible) in the supply base, again, in international markets for different different cities, we do see some potential synergies coming in combining sources from a sourcing standpoint as well. So these are the potential synergy areas that we see right now.

Arya Sen - Jefferies LLC, Research Division - Equity Analyst

And then last question, is there any impact of the tax cuts for you given that you're loss making, I guess, not in the near term, right?

Deep Kalra - MakeMyTrip Limited - Founder, Group Chairman & Group CEO

Yes, not really I guess you answered the question yourself. Yes.

Operator

Your next question comes from the line of Sachin Salgaonkar from Bank of America.

Sachin Shrikant Salgaonkar - BofA Merrill Lynch, Research Division - Director

I have 3 questions. Number one, when I look at your hotels and packages growth at 4.3% y-o-y constant currency, could you consider this as more or less bottomed out? Would love to get some commentary in terms of how you guys are looking in terms of curtailing couponing and discounting at the low end and then how should we see a recovery in the second half?

Mohit Kabra - MakeMyTrip Limited - Group CFO

Yes, Sachin, maybe I'll take that. We had called out from the a little bit of a slowdown point of view. So multiple factors going into this, and I'll take them probably one after the other. So if you look at it from a slowdown point of view, we had called out that probably Q2 might be the toughest quarter and before, that potentially some recoveries will start setting in from Q3, which is seasonally a better travel quarter. We'll come to know more of it as we get into December because that is the peak month in terms of seasonality.

So from that point of view, yes. If you also look at it, what we have doing at least over the last year or so in line with the directional line that we have been calling out. As we've been reducing our marketing and promotional expense, we've also been kind of going a little down on the overall



take rates, and therefore, you could see that overall take rates have kind of seen a small correction compared on a year-over-year basis. So if we look at it, last year, same quarter, the margins in the H&P business were like close to 24.4%, and they are down to about 22.7% currently. So we've been trying to kind of also reduce the overall performance-linked incentive from the hotelier considering that the overall deployment to customers has also been going down. But as you see, this, going forward, like I've been saying, hopefully, over the next couple of quarters, we should largely see the entire course correction on the budget hotels in terms of promotional expense going down also getting completed. And therefore, yes, hopefully in the next few quarters, you should probably see this overall growth inching up again. And this could possibly be among the lowest in terms of growth that we have posted in terms of revenue growth. So directionally, what you have called out absolutely stands to ground for these reasons.

Sachin Shrikant Salgaonkar - BofA Merrill Lynch, Research Division - Director

Okay, and so will you still expect more recovery in the second half?

Mohit Kabra - MakeMyTrip Limited - Group CFO

We do expect second half to come in better. I mean, I think as I said, once we get into December, we'll have a fairer idea of how better because this -- the third quarter typically is very lopsided with December. But hopeful that second half is going to look or pan out much better than the first half.

Sachin Shrikant Salgaonkar - BofA Merrill Lynch, Research Division - Director

Okay. Got it. My second question is with regards to this Competition Commission of India inquiry. Any high-level thoughts on how we should look at it?

Mohit Kabra - MakeMyTrip Limited - Group CFO

So look at it -- we'll, obviously, kind of keep cooperating with CCI or any of the regulators in terms of any inquiries that they kind of want to make. Overall also, if you see in the e-commerce industry, the government and the regulators have been evaluating or trying to get a better understanding of how the e-commerce has been developing in the country. In fact, CCI on its own had initiated a market study as well almost about like 4 months back. So I think there is a clearly, a concerted effort to kind of get more and more understanding of how the e-commerce market is evolving, and how do we kind of look at it going forward. As part of that, if there is more data or there is more info sharing that is required, I think we'll kind of (inaudible) to keep doing that. Otherwise, we haven't really seen anything which is kind of -- which kind of is there in the order which calls out anything to be specifically provided. If you look at it from a market segmentation point of view, they've kind of called out a potential market segment that we kind of need to start evaluating at -- beyond the total market. And there also they've kind of only said this kind of appears to be large market size and not necessarily a clear assessment that they have already made. And similarly, they've also said that (inaudible) there has to be evaluation if there are any abusers in terms of the significant share that the players have. So I think we kind of (inaudible) to keep cooperating, don't really see any concern out there, and we should kind of be able to get through the inquiry in due course of time.

Sachin Shrikant Salgaonkar - BofA Merrill Lynch, Research Division - Director

Okay. Got it. And the last question is I do see a reasonable amount of cash and cash equivalents of close to around \$250 million. But any thoughts of potential liquidity raising in future, 12 months?

Mohit Kabra - MakeMyTrip Limited - Group CFO

Deep, do you want to take that?

Deep Kalra - *MakeMyTrip Limited - Founder, Group Chairman & Group CEO*

Also Sachin, on the previous point, just want to point out from a time line point of view, we should expect anywhere upwards of 18 months, so 18 to 24 months is normally what this process takes. So that is what we have been informed by people working with -- dealing with CCI, et cetera, as well as our council. So just wanted to kind of set the expectation there. It is a long process.

Yes. In terms of fund raise, I think given the trajectory and how we are going in terms of operating losses, for organic needs, we are quite comfortable. I don't think we foresee a raise requirement at all, but if there is an M&A requirement, which is significant M&A, then definitely we would look at various ways to raise. But organic needs, we are comfortable.

Sachin Shrikant Salgaonkar - *BofA Merrill Lynch, Research Division - Director*

Got it and sorry, just one follow-up. Given that inquiry may continue for 18 to 21 months, any thoughts of making any contingent liability provision? Or you don't feel a need of doing that?

Deep Kalra - *MakeMyTrip Limited - Founder, Group Chairman & Group CEO*

No, we don't.

Mohit Kabra - *MakeMyTrip Limited - Group CFO*

Not at all.

Rajesh Magow - *MakeMyTrip Limited - Co-Founder, CEO of India & Director*

Not really. Sachin, we've assessed the situation. I know it's a prima facie thing internal to just find out more, and it's not really a case made out. And we continue to believe, at least, from our point of view that we are completely compliant on every aspect. So no real need for making any provision of any sort actually.

Operator

(Operator Instructions) Your next question comes from the line of Vijit Jain from Citi.

Vijit Jain - *Citigroup Inc, Research Division - Research Analyst*

Deep, Rajesh, Mohit. My question is on the corporate travel strategy. Could you just give a couple of numbers around what the overall share of corporate in your business is? And what kind of growth you're seeing in there? Maybe I know it's a very small base likely so maybe something on the -- on a q-o-q or y-o-y basis will help.

Deep Kalra - *MakeMyTrip Limited - Founder, Group Chairman & Group CEO*

Sure. As you rightly pointed out, and we've been talking about it in the past few quarters that it's the new business that we ventured into, and we weren't really focusing out in the past. I can tell you the number of accounts that we've been increasing. I think that probably would be best for a bit right now, and then the business follows from there. So we today have about around 3,000 corporates that are active on small and medium enterprises side, and we've been acquiring handsomely on Quest2Travel for the large corporates as well as some of them we called out in the script.

And given that there was really no way, we've been growing very handsomely like 50%, 60% and beyond year-on-year, but that doesn't really mean anything because the base is really low. But we're quite happy and encouraged with the growth. Our vision here is that in the next 3 to 4 years, we are going to actually take lion's share of this market. We are quite confident with both the products that we have in the market now. And that's what we kind of focused on. So I guess that's it on corporate business for now. As it becomes more important and material in terms of sharing the exact numbers of real business kind of coming from there, whether it's flight or hotel, we will definitely go out and share.

Vijit Jain - Citigroup Inc, Research Division - Research Analyst

Sure and my second question is about this -- you -- Rajesh, I think spoke about the new credit approval models that you've launched. And I think the number was \$50 million of business you are doing through this EMI option with select banks per month. So that I think roughly translates around 10% of our your business, right, \$1.5 billion in gross bookings, and you're doing \$150 million odd a quarter. So is that number inclusive of all the EMI options that would've been available a couple of years back as well? Or is this something very specific that you've newly launched? Just wanted to get more color and clarity on what that is.

Deep Kalra - MakeMyTrip Limited - Founder, Group Chairman & Group CEO

You're right, you're right. No, I think it's a combination of the 2. We have definitely grown on -- in the back of now. See, we used to operate earlier, but that used to be a very, actually it used to be more a bank product more than our own database-backed contribution, if you will. See, what we have developed in the last few quarters, how ever raised that and a lot of work that has gone into it in terms of just building models and tech platform to make sure that we end up giving instant loan booking with the NBFC partner. And that's picking up now. And Trip Money is actually a product of that, and Trip Money is going to be our product offering to the customer, which will be a combination of, like I said, instant credit, leveraging largely our own data point, of course, the bureau data and the rest of it, to make sure that the models are robust enough. But a lot of that -- a lot of the input is actually going from our own data, whether it is customer data or searches, et cetera. And on the other side, on the lending side, there is partnership from many partners now. So we do believe that this is going to be a very important area, and probably -- potentially a catalyst for this category growth as well. So we're kind of excited about that.

Mohit Kabra - MakeMyTrip Limited - Group CFO

Just to add, the number is actually as a percentage of total booking. So there is a natural skew because all the EMIs tend to happen on the larger-value products. They happen a lot with international bookings and holidays. So in terms of transaction, that percentage is going to be much smaller, but in terms of total booking, you're absolutely right, on a run-rate basis, this is getting very close to 10%, which is actually very good. But probably, transaction number will be much smaller than that.

Vijit Jain - Citigroup Inc, Research Division - Research Analyst

Got it. And my final question is just on the other revenue side. I think you mentioned something about it's a mix of ancillary revenues and facilitation fees, et cetera. So just wanted to get a sense of, I guess, facilitation fees will be more stable component within other revenues, and it's the ancillary services and all the other activities and stuff that you've launched, which is driving the kind of growth we're seeing there. Is that ...

Deep Kalra - MakeMyTrip Limited - Founder, Group Chairman & Group CEO

(inaudible) in the last. Yes. Can you just repeat the last question?

Vijit Jain - Citigroup Inc, Research Division - Research Analyst

Yes, yes, so I just wanted to get a sense of what is driving other revenues. I understand the facilitation fees part, but not so much the other things that you mentioned.

Deep Kalra - MakeMyTrip Limited - Founder, Group Chairman & Group CEO

Yes, so, predominantly, Vijit, it is actually facilitation fee, only travel insurance and both for domestic market as well as international market. The other ancillary products are largely on the air side, which just kind of gets recorded here, but it (inaudible) essentially attached to the air booking, like the paid fees booking or the baggage or any of the other ancillaries that now airlines have started offering, which is likely to grow. But right now, large part of this is travel insurance.

Operator

Ladies and gentlemen, this concludes today's conference. Thank you for your participation, and have a wonderful day. You may all disconnect.

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