

## US software firm Ebix offers to acquire Yatra for \$336 million



**Bengaluru:** US software firm Ebix Inc. said on Monday it has offered to buy Indian travel services company Yatra Online Inc. for \$336 million in a cash-and-stock deal to add to its portfolio of Indian travel firms. The offer price of \$7 per share represents a premium of 84% to Yatra's Friday close.

The firm led by Robin Raina said it intends to merge Yatra Online in its Indian EbixCash subsidiary set up. It expects the deal to add between 25 to 30 cents for the shareholders of the merged firm. Ebix said it might reduce its offer if it does not receive a positive response from Yatra's board.

**REUTERS**



## US software firm Ebix offers to buy Yatra for \$336 million



US-BASED SOFTWARE firm Ebix on Monday said it has offered to acquire Yatra Online, the parent company of online travel firm Yatra.com, for \$336 million (over ₹2,345 crore), reports PTI. The company has sent a letter to the Yatra Online board outlining the offer to acquire 100% of the outstanding stock of Yatra Online for \$7 per share on a debt-free basis. Ebix also said that it reserves the right to reduce its offer at its discretion if it does not receive a positive engagement response from the Yatra Online Board in a timely manner. Yatra could not be immediately reached for comment. **PAGE 7**

## Ebix offers to acquire Yatra's 100% outstanding stock for \$336 million

PRESS TRUST OF INDIA  
New Delhi, March 11

US-BASED SOFTWARE firm Ebix on Monday said it had offered to acquire Yatra Online, the parent company of online travel firm Yatra.com, for \$336 million (over ₹2,345 crore).

The company has sent a letter to the Board of Yatra Online, outlining offer to acquire 100% of the outstanding stock of Yatra Online for \$7 per share on a debt-free basis, Ebix Inc said in a statement.

Gurugram-based Yatra.com is a major player in the online travel sector and provides services, including domestic and international air ticketing, hotel bookings, homestays, holiday packages, bus ticketing, rail ticketing, activities and ancillary services.

Ebix intends to merge Yatra Online in the company's Indian EbixCash subsidiary set up, it added.

"The Ebix offer, based on approximately 48 million Yatra Online diluted shares outstanding, represents a 84% premium to Yatra Online's closing share price of \$3.80 as on March 8, 2019," the statement said. The offer contemplates the assumption of all Yatra Online receivables, cash and restricted cash worth at least \$25 million at the time of closing and other assets, with all liabilities being paid for by Yatra Online concurrent to the closing of the transaction, it added.

The company will pay for Yatra Online at its discretion either in cash or by issuing freely tradeable Ebix stock, the statement said.



Gurugram-based Yatra.com is a major player in the online travel sector

"In case Ebix decides to pay for the acquisition in Ebix stock, then the Ebix stock will carry a minimum collar value of \$59 per Ebix share, calculated by dividing the total acquisition price payable to Yatra shareholders by the 10-day average price of the Ebix stock, preceding the closing date," it added.

Ebix also said it reserves the right to reduce its offer at its discretion if it does not receive a positive engagement response from the Yatra Online Board in a timely manner or if any subsequent steps are taken by the company that could have an adverse impact on its future value, the statement said.

Ebix also said it reserved the right to withdraw this offer, if the Yatra Board of

Directors declines to allow Ebix to proceed with due diligence by 5 pm EST on March 18, 2019, it added.

Highlighting the rationale for the transaction Ebix said it believes that Yatra Online can generate revenues upwards of \$150 million per year with over 30% operating margins on a post-closing basis, within six months of the acquisition by Ebix, the statement said.

Ebix said it expected that the combination of the two companies can generate between 25 to 30 cents accretion for the shareholders of the combined Ebix company, it added.

Comments from Yatra could not be obtained at the time of filing the story.

## THE ECONOMIC TIMES

# Ebix makes \$336 mn bid for Yatra.com

ANEESH PHADNIS  
Mumbai, 11 March

US-based software firm Ebix has made an offer to acquire Yatra.com for \$336 million in order to expand its presence in the fast growing Indian travel market.

Ebix, which in recent months made a slew of acquisitions in the leisure and corporate travel segment, submitted its bid to the board of Nasdaq-listed Yatra Online outlining its offer.

Ebix offered to pay \$7 per share to acquire 100 per cent of outstanding stock of Yatra Online and the offer price constituted 84 per cent premium to its closing price of \$3.80 as on March 8. Ebix intends to merge

Yatra Online into its Indian EbixCash subsidiary, it said.

Yatra.com was founded by Dhruv Shringi, Manish Amin and Sabina Chopra in 2006 and counted Reliance Capital and Norwest Venture Partners as its early investors. It listed on Nasdaq following a reverse merger with Terrapin in 2016. But low margins and high marketing spends in the highly competitive travel space in India led to losses and cash flow issues. Recently, Yatra.com acquired a Chennai-based corporate travel services firm PL Worldways to boost presence in the segment and also decided to outsource non-core activities. But profits have eluded the firm (it made ₹13.7 crore profit in December-end quarter 2018)



and sources say the management has been on the lookout for investors for the past few months. Yatra.com did not immediately react to the offer.

Ebix's offer is subject to due diligence and customary regulatory and other closing conditions, it said. The offer contemplates the assumption of all Yatra Online receivables, cash and

restricted cash worth at least \$25 million at the time of closing and other assets, with all liabilities being paid for by Yatra Online concurrent to the closing of the transaction.

Ebix said it would pay for Yatra Online either in cash or by issuing freely-tradeable Ebix stock. Ebix also said it may reduce the offer if it does not receive positive response from Yatra's board and also reserves the right to withdraw the offer if it is not allowed to proceed with due diligence by March 18.

In recent months, Ebix has been on a buying spree in the travel and foreign exchange space within India. In January, it acquired 80 per cent stake in travel technology player Zillious

Solutions and earlier bought 75 per cent stake in Weizmann Forex. Last year, it bought Mercury Travels, a firm co-owned by Oberoi group executive chairman PRS Oberoi and travel industry veteran Ashwini Kakkar.

Ebix Chairman, President and Chief Executive Officer Robin Raina said, "We believe that Yatra Online's products and services are complementary to EbixCash's travel portfolio of Via and Mercury; and a combination of the two would lend itself to significant synergies and the creation of the India's largest and most profitable travel services company. We see substantial synergies, economies of scale and expanded growth potential for the combined business."



# US firm Ebix offers to buy Yatra Online for \$336 million

**New Delhi:** US-based software firm Ebix Inc said on Monday it has offered to acquire Yatra Online Inc, the parent company of online travel firm Yatra.com, for \$336 million (over Rs 2,345 crore).

The company has sent a letter to the Board of Yatra Online, Inc outlining offer to acquire 100% of the outstanding stock of Yatra Online for \$7 per share on a debt-free basis, Ebix Inc said.

Gurugram-based Yatra.com is a major player in the online travel sector and provides services including domestic and international air ticketing, hotel bookings, homestays, holiday packages, bus ticketing, rail ticketing, activities and ancillary services. Ebix intends to merge Yatra Online in the company's Indian EbixCash subsidiary set up, it added.

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## MONEY TRIP

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■ Ebix's offer represents a 84% premium to Yatra Online's closing share price as of March 8



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## US firm Ebix offers...

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THE TIMES OF INDIA

## Ebix was Eyeing Yatra for 2 Years: CEO

Biswarup Goopu  
@timesgroup.com

**New Delhi:** Ebix chief executive Robin Raina said that the Atlanta-headquartered company's bid on Monday, to acquire Nasdaq-listed domestic online travel major Yatra Online, was "generous" one, with the potential deal likely to provide a "great outcome" to shareholders of both companies.

Raina, CEO of Ebix, which has a

market capitalisation of \$1.56 billion as of Monday, said the software and services company had been looking at Yatra over the past one-and-a-half to two years.

"Anybody who is in travel will have to look at Yatra. Yatra is one of the formidable players. They have a good brand equity, are the number one corporate

player in the market. We have followed it very closely," Raina said. Yatra Online, Inc, confirmed that it received the proposal from

### CHECKING IN

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ROBIN RAINA CEO, Ebix

Ebix and said its Board of Directors will review it.

Ebix's offer to acquire Yatra for \$336 million in a cash-and-stock deal is the latest acquisition bid by the US firm, which has been on a buyout spree over the last 18 months, spending over \$500 million, across segments, ranging from travel to payment solutions.

Raina said the decision to acquire Yatra was driven by Ebix's bid to emerge as the leader in the country's fast-expanding travel sector.