

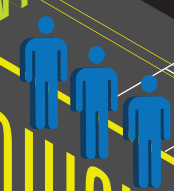


EXTERNAL INVESTMENTS

INTERNAL BUSINESSES

INNOVATION

www.infoedge.in



ACQUISITIONS

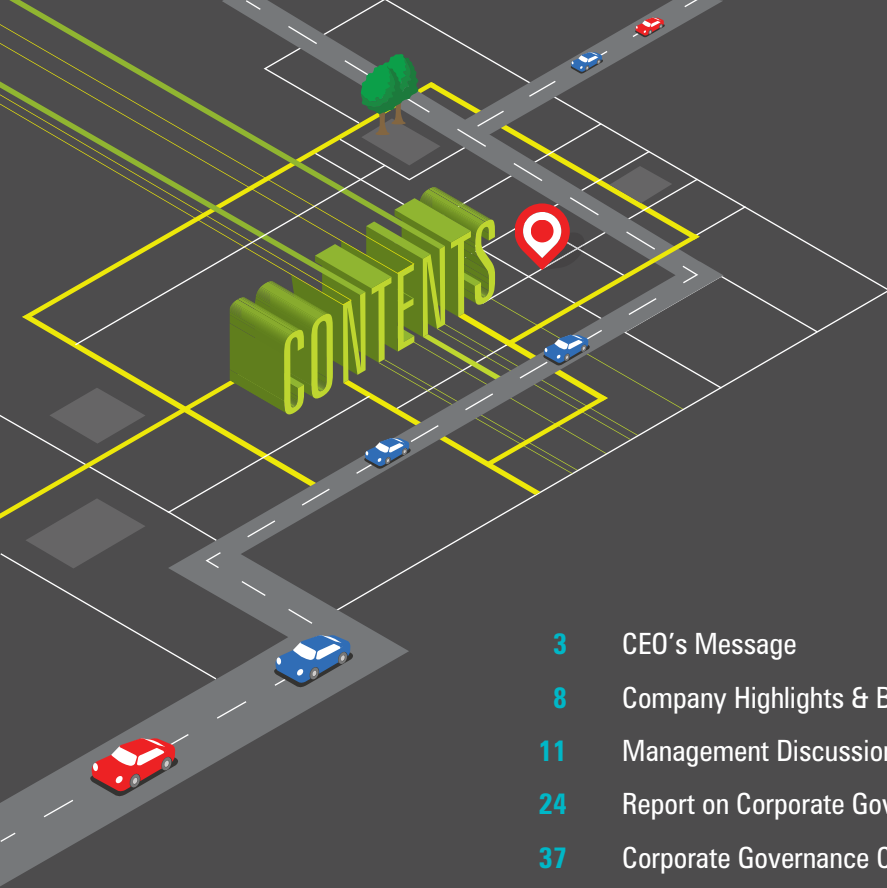
INVESTING IN GROWTH

NEW PLATFORMS



INFOEDGE
ANNUAL REPORT 2012-2013





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BOARD OF DIRECTORS

Mr. Kapil Kapoor	Chairman
Mr. Arun Duggal	Independent Director
Mr. Saurabh Srivastava	Independent Director
Ms. Bala Deshpande	Independent Director
Mr. Ashish Gupta	Independent Director
Mr. Naresh Gupta	Independent Director
Mr. Sanjeev Bikhchandani	Founder & Executive Vice-Chairman
Mr. Hitesh Oberoi	Managing Director & Chief Executive Officer
Mr. Ambarish Raghuvanshi	Director & Chief Financial Officer

COMPANY SECRETARY

Mr. Amit Gupta (Resigned w.e.f. May 31, 2013)

AUDITORS

Price Waterhouse & Co., Bangalore, Chartered Accountants

BANKERS

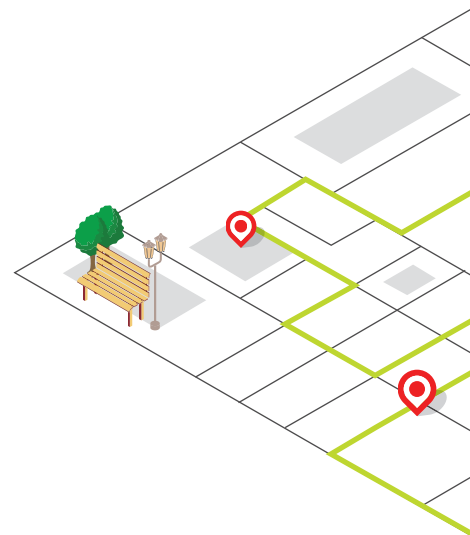
ICICI Bank Limited ■ HDFC Bank Limited ■ State Bank of India ■ Punjab National Bank
HSBC Bank ■ Bank of Baroda ■ Oriental Bank of Commerce ■ Bank of India
State Bank of Hyderabad

REGISTERED OFFICE

GF-12A, 94, Meghdoot Building,
Nehru Place, New Delhi-110 019 India

CORPORATE OFFICE

B-8, Sector-132, Noida – 201 301
Uttar Pradesh, India



ACQUISITIONS

MAKESENSE

TOOSTEP

INNOVATION

SOCIAL MEDIA MARKETING
COMMUNITY

MLP

WEBSERVICES

MACHINE LEARNING

DISCUSSIONS

REVIEWS

SEM

SEO

NEW PLATFORMS

MOBILE MARKETING

2G

WINDOWS 8

ANDROID

APPS

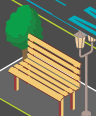
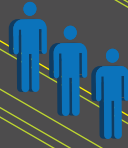
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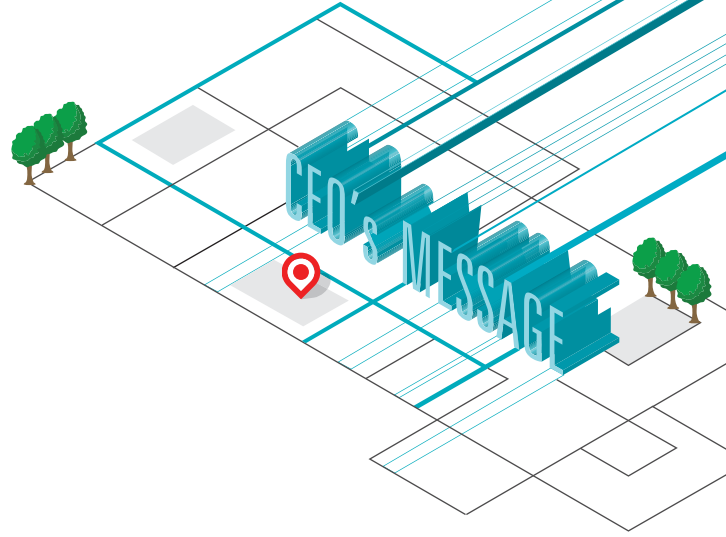
TABLETS

VIDEO

IOS

3G





Dear Shareholder,

Perspective is an important factor in determining the path of an organisation. The management of different businesses often have their own unique way of interpreting challenges and opportunities in a prevailing economic environment. This is reflected in their strategic decisions. Let us look at the state of the Indian economy. On the one hand, it is a fact that economic activity has slowed down and the 5% real GDP growth recorded in FY2013 is the lowest in the last decade.

This has had an adverse impact on business sentiments and the recruitment industry, which is Info Edge's dominant business. On the other hand, it is important to appreciate that even with lower growth India is poised to become a US\$ 1.5 trillion economy in the next five years.

"INDIA CURRENTLY HAS ABOUT 120 MILLION INTERNET USERS, WHICH IS THE THIRD LARGEST INTERNET POPULATION IN THE WORLD"

Given the fact that India is one of the youngest nations of the

world with a median age of 26, much of this growth will be driven by the younger population of the country. 65% of India's population is below 35 years of age and there will be 70 million new entrants to the workforce in the next 5 years. The potential for internet businesses like ours to be an intrinsic part of this economic growth is immense. Estimates suggest that the economic contribution from internet in India can be potentially doubled from 1.6% of GDP as on today to 2.8%-3.3% by 2015. In fact, the internet related economy is expected to be bigger than education and as big as the healthcare sector in terms of current GDP share. At current levels of internet related expenditure, about 6 million direct and indirect jobs will be created in the next 5 years. With greater penetration, as the direct impact of the internet on India's GDP has the potential to double by 2015, an additional 16 million jobs could be created.

The steady progress in internet usage in India continues unabated. India currently has about 120 million internet users, which is the third largest internet population in the world. Today, the country is witnessing one of the largest incremental growths of internet users in the world and by 2015 India is expected to have 330 million to 370 million internet users. Apart from demographic and economic considerations, this growth is being fuelled by lower costs of internet access and more importantly the growing influence of mobile devices. Estimates suggest that 55% of the aggregate user base in 2015 is expected to access internet from a mobile or tablet device.

Clearly, as one of the leading internet based businesses in India, Info Edge has the potential to play a significant role in this long term growth of the internet economy in India. So, there are certainly considerable reasons for optimism.

Having said so, FY2013 was indeed a difficult year for the Company and growth was moderate. As a standalone entity, net sales increased by 16% to ₹4,372.6 million in FY2013. EBITDA margins, without accounting for other income, reduced from 37.7% in FY2012 to 33.7% in FY2013. Consequently, profit growth was lower – EBITDA grew by 6.7% and PBT before exceptional items increased by 5.9%.

Moving on to the performance of the different business verticals, For FY2013, the recruitment business grew its top line by 11% and the EBITDA margin was at 49% against 51% for FY2012. The Naukri database grew to over 33 million CVs, while average CV modifications were at 116,000 per day. In FY2013, in Naukri we serviced 48,000 customers – up from 46,500 customers in FY2012.

“FOR THE COMPANY AS A WHOLE, EVEN AT THE LOWER PROFIT GROWTH LEVELS, CASH FLOWS REMAINED ROBUST. IN TERMS OF NUMBERS, NET CASH FROM OPERATING ACTIVITIES WAS ₹1,002.94 MILLION DURING FY 2013”

In the 99acres business, top line grew by 48% to ₹514 million in FY2013. In 99acres, we made a small profit in Q4 FY2013 but for the FY2013 as a whole,

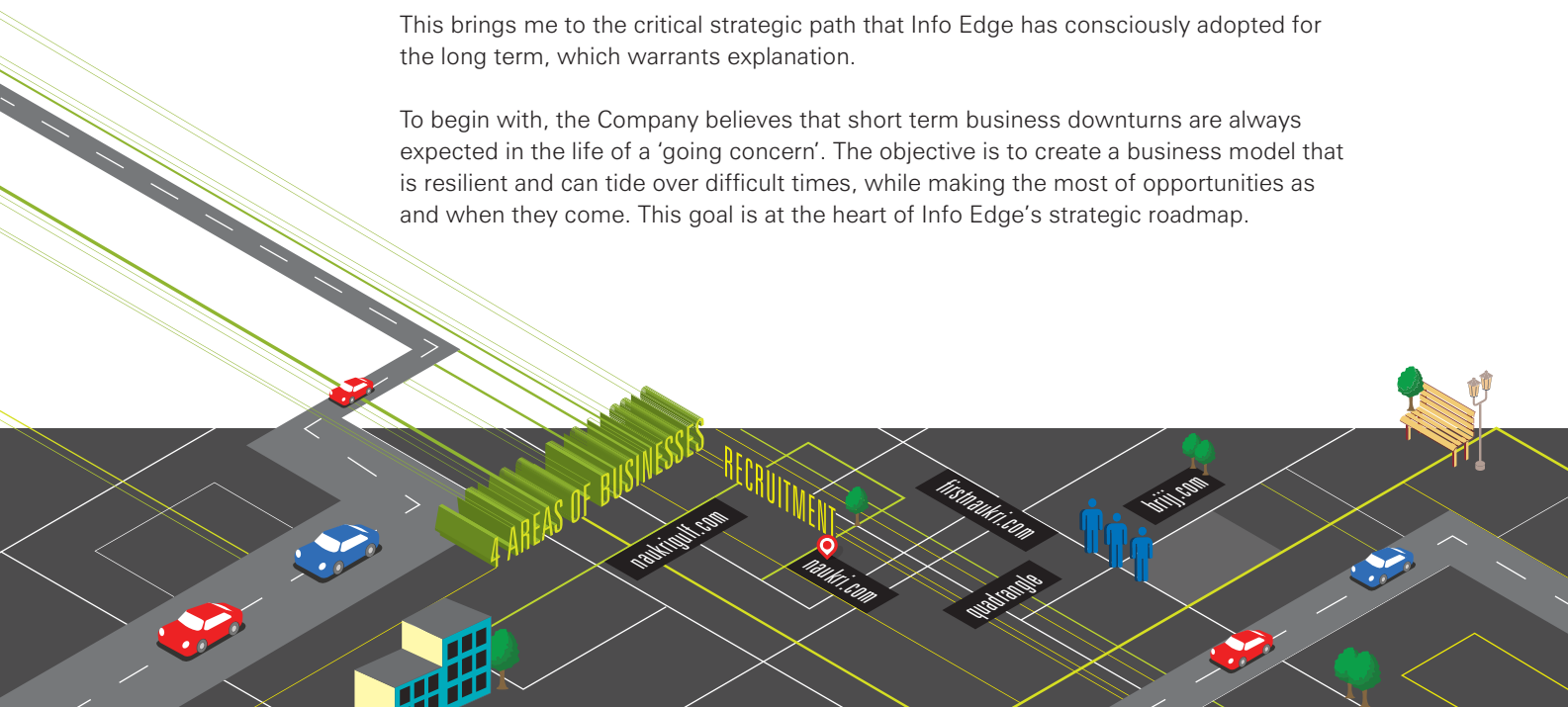
it recorded losses of ₹7.6 million. Paid listings at the end of Q4 FY2013 were at 0.43 million, which is a gain over the 0.32 million paid listings recorded at the end of Q4 FY2012. In the Jeevansathi business, net sales grew 27% in FY2013, while there was an EBITDA loss of ₹75.1 million.

In Shiksha – net sales grew by 30% in FY2013. The growth in net sales was a lot lower than collection growth because of the changes in sales mix - we had more deferred products being sold this year compared to last year. However, because the base is small, such changes result in large changes in percentage terms that are not truly reflective of the developments in business. Clearly, with Shiksha, growth has been in the right direction.

For the Company as a whole, even at the lower profit growth levels, cash flows remained robust. In terms of numbers, net cash from operating activities was ₹1,002.94 million during FY2013. So we continued to be a good cash accretion Company in a difficult business environment.

This brings me to the critical strategic path that Info Edge has consciously adopted for the long term, which warrants explanation.

To begin with, the Company believes that short term business downturns are always expected in the life of a ‘going concern’. The objective is to create a business model that is resilient and can tide over difficult times, while making the most of opportunities as and when they come. This goal is at the heart of Info Edge’s strategic roadmap.



As discussed above, the Company has generated fairly healthy cash returns even in a year when the environment was difficult and profit margins suffered. This has been possible because of the leadership position developed by Info Edge for its brands with focus on execution and the ability to make the most of the 'early bird' advantage of innovation. Execution remains a critical part of business coupled with an ethos of managing costs.

ON THIS FRONT, WE HAVE A TWIN APPROACH.

FIRST, THERE ARE SEVERAL AREAS WHERE THE COMPANY NEEDS TO INVEST IN THE EXISTING BRANDS. These investments are not only for growth but also a hedge against market risks. The internet space is highly competitive and constant innovations and up-gradations are necessary to maintain market share and compete. To do so, continuous investments are required in people, product development, brand building and innovations.

It is important to appreciate that the internet business is highly people oriented and it is imperative to have the best quality of human resources to service the business. Info Edge is investing heavily in its workforce. Much of the expenditure is to create a sales support structure to back the businesses. During the course of the year the total headcount has increased from 2,150 people to 2,464 people.

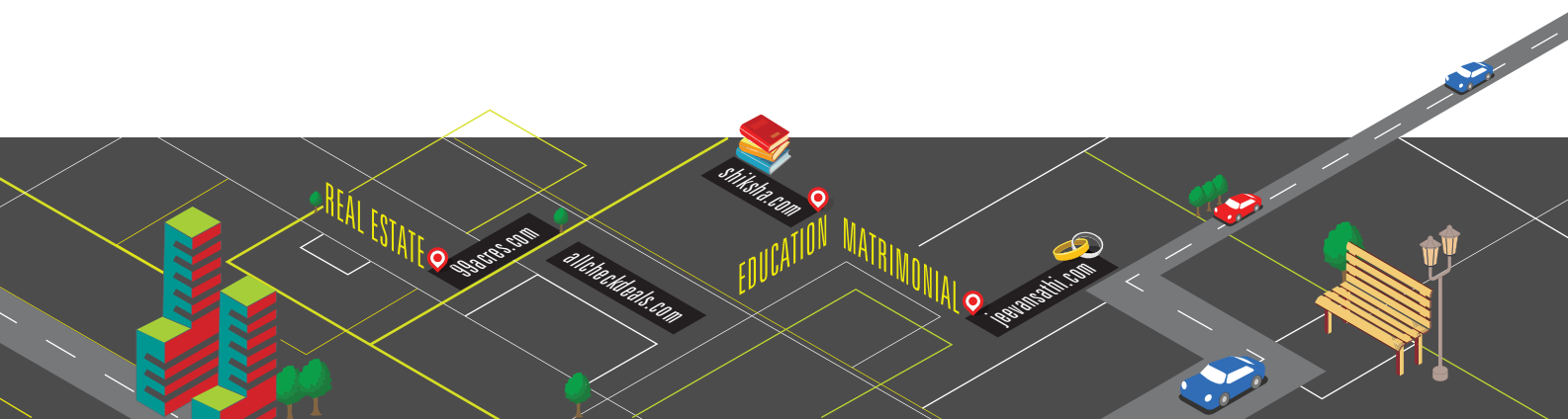
"INNOVATION IN TERMS OF SOPHISTICATED ANALYTICS IS BEING REGULARLY USED TO CREATE MORE FOCUSED IMPROVEMENTS IN TERMS OF EXPERIENCE AND TRANSACTIONS FOR TARGET CUSTOMERS"

Across brands there are continuous efforts at product up-gradation to provide the best experience to customers. Many of these are a result of customer feedback and the

need to react to competition. Two investments made during the year –Toostep and Makesense – have been done to complement the product quality of the recruitment business. Toostep is helping refine resume management application while Makesense is helping refine semantic search engine. Both these are innovation tools to take on competition in this space where we are market leaders.

Innovation in terms of sophisticated analytics is being regularly used to create more focused improvements in terms of experience and transactions for target customers. Brand building exercises are also critical to maintain recall in an industry which continuously witnesses new entrants.

Such investments are essential to remain ahead of competition and maintain leadership position in a very competitive business space. Given the nature of our investments – human capital, brand building, product development, some of these



involve capital outlays, in accounting terms much of it gets reflected as higher operating cost outflows. Consequently, such expenditure adversely affects operating profit margins while essentially they are investments for the longer term.

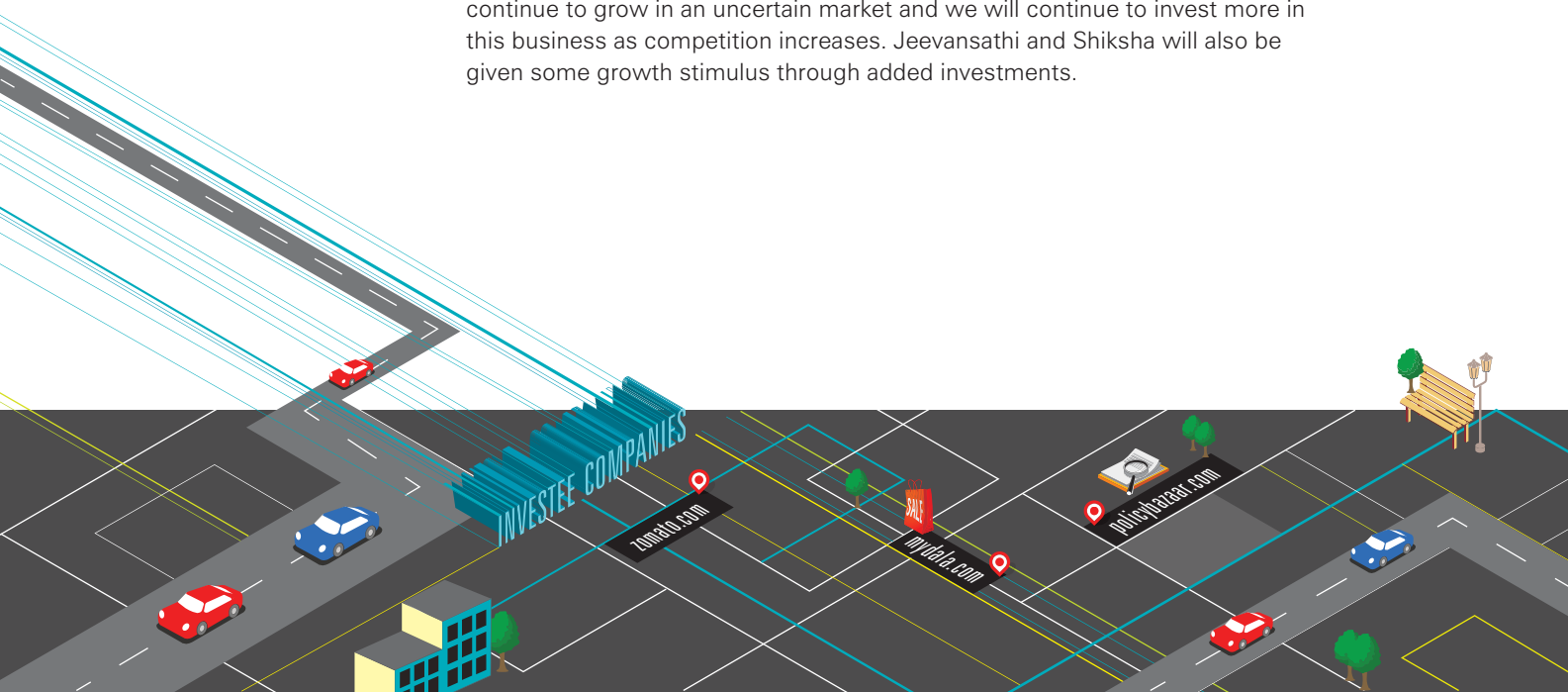
SECOND, THE COMPANY INVESTS IN NEW BUSINESSES WHICH ARE AT THE EARLY STAGE OR INCUBATION STAGE OF DEVELOPMENT. These investments have potential for very high returns in terms of valuations while there are relatively higher risks of failures as well. The investments are carefully calibrated to strike a balance between risk and returns. In FY2013, the Company had written off investment in *99labels.com* as the e-commerce space is highly capital intensive, the Company consciously decided not to continue investing in it. The Company is open to taking such risks given that the benefits derived from even one success story could completely outweigh the losses on others. In a sense it is imperative to make these investments in an innovation driven dynamic industry like ours to keep attracting people with new ideas and stay ahead of the competition curve.

“IT IS IMPERATIVE TO MAKE THESE INVESTMENTS IN AN INNOVATION DRIVEN DYNAMIC INDUSTRY LIKE OURS TO KEEP ATTRACTING PEOPLE WITH NEW IDEAS AND STAY AHEAD OF THE COMPETITION CURVE”

Our investee companies continue to witness growth. Total operating revenue from these companies increased by 80% from ₹598.1 million in FY2012 to ₹1,077.8

million in FY2013. In Q4 FY2013, Info Edge invested ₹300 million in Meritnation and moved to majority. The Company also moved to majority stake by investing ₹678.6 million in Zomato. An additional 25 million was invested in PolicyBazaar. Additional funding may be required by investee companies and we will evaluate this from time-to-time. We also continue to evaluate other investment opportunities in the Indian internet market.

Going forward, the job market may continue to be tight in the near term. This may continue to be the case till the economy starts looking up again. Our competitive position in Naukri continues to be strong and when growth comes back we will benefit. In the meanwhile, we will continue to invest more in the business, especially in product development and enhancing customer experience. 99acres continue to grow in an uncertain market and we will continue to invest more in this business as competition increases. Jeevansathi and Shiksha will also be given some growth stimulus through added investments.



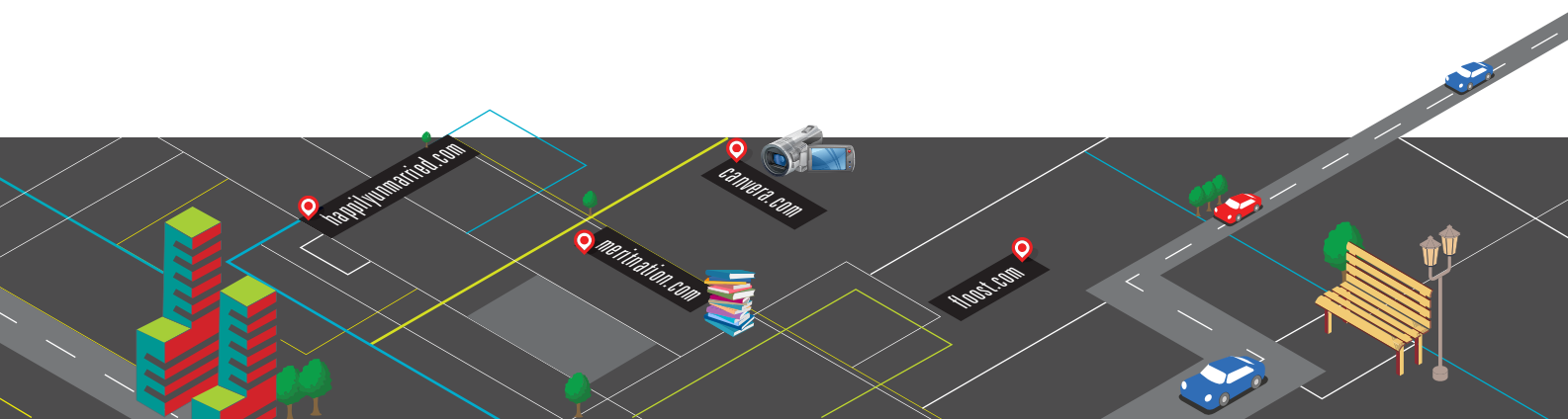
"OUR BUSINESS IS WELL POSITIONED FOR BIG-TICKET GROWTH. WITH THE DEDICATION OF OUR EMPLOYEES AND YOUR ENCOURAGEMENT, INFO EDGE IS CONFIDENT OF DELIVERING SUSTAINED VALUE"

In a sense, we will be a contrarian company that continues to invest in its businesses even as the environment reflects of difficult times. Our past experience and knowledge

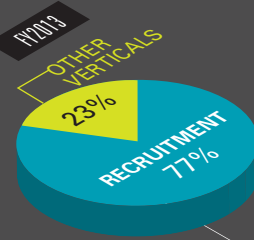
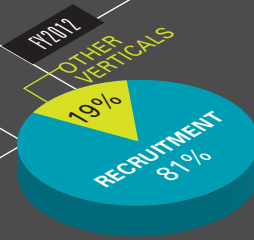
in the internet space gives us the confidence to do so. We also believe that the investment strategy is a key risk management tool against competition. We will have to continue to focus on excellence in innovation and execution. And, I am confident of my team and its ability to deliver on these fronts in the coming years.

Finally, I would like to take this opportunity to thank you for your continued support. Our business is well positioned for big-ticket growth. With the dedication of our employees and your encouragement, Info Edge is confident of delivering sustained value.

Regards
Hitesh Oberoi



HIGHLIGHTS



FIVE YEAR PERFORMANCE: STAND ALONE

₹ MILLION

	FY2009	FY2010	FY2011	FY2012	FY2013	CAGR
NET SALES	2,452	2,322	2,936	3,756	4,349	15.4%
TOTAL INCOME	2,738	2,642	3,219	4,165	4,838	15.3%
OPERATING EBITDA	652	666	981	1,423	1,474	22.6%
OPERATING EBITDA MARGIN	26.6%	28.7%	33.4%	37.9%	33.9%	
EBITDA	939	986	1,260	1,818	1,939	19.9%
EBITDA MARGIN	34.3%	37.3%	39.14%	43.6%	40.1%	
PBT	867	887	1,240	1,737	1,551	15.6%
PAT	597	569	840	1,226	1,022*	14.4%
EPS	21.87	20.86	15.38	22.46	18.72	
CASH & EQUIVALENTS (FD IN BANKS, INVESTMENT IN DEBT MF & FMP)	3,205	3,746	4,546	4,818	4,252	7.3%
NET WORTH	3,267	3,820	4,630	5,744	6,654	19.5%
HEAD COUNT	1,675	1,452	1,768	2,150	2,464	10.1%

* After exceptional item

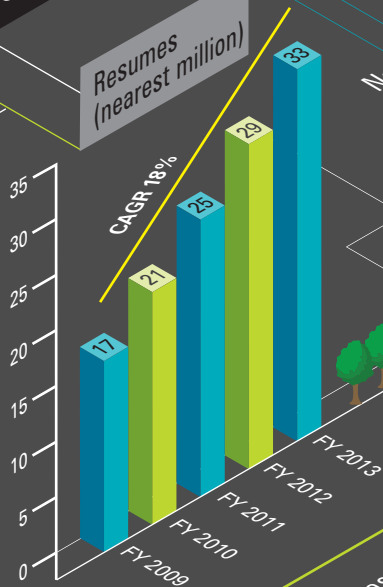
FIVE YEAR PERFORMANCE: BUSINESS VERTICALS

₹ MILLION

	FY2009	FY2010	FY2011	FY2012	FY2013	CAGR
NET SALES						
RECRUITMENT	2,117	1,954	2,425	3,042	3,368	12.3%
MATRIMONIAL	170	199	221	254	323	14%
REAL ESTATE	139	133	228	347	516	38.8%
VERTICAL PROFITS						
RECRUITMENT	922	803	1,098	1,550	1,658	17%
MATRIMONIAL	(47)	(1)	(41)	(49)	(75)	NA
REAL ESTATE	(95)	(38)	4	1	(8)	NA

maukri.com

Resumes (nearest million)



Maukri.com continues to witness improvements in customer base and portal usage

No. of unique customers



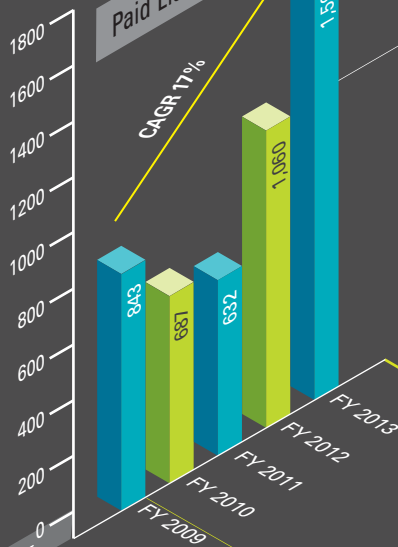
99acres.com

Strong revival in growth of listings



Increased focus on developing paid traffic

Paid Listings ('000)



Translates into growing paid transactions

Paid Transactions



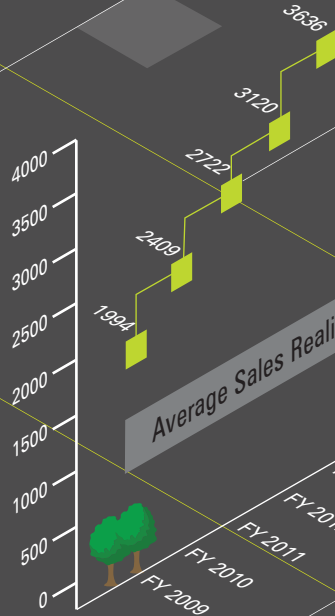
jeevansathi.com

Steady traction in jeevansathi.com

Profiles ever loaded (million)



Average Sales Realisation (₹)



INTERNAL BUSINESSES

NAUKRI.COM

Core Business

NAUKRIGULF.COM
QUADRANGLE

FIRSTNAUKRI.COM

99ACRES.COM



BRIJJI.COM

ALICEIDEALS.COM

SHIKSHA.COM



JEEVANSATHI.COM

Other Businesses

CANVERA.COM



POLICYBAZAR.COM

FLOODST.COM

HAPPILYUNMARRIED.COM



MERITNATION.COM

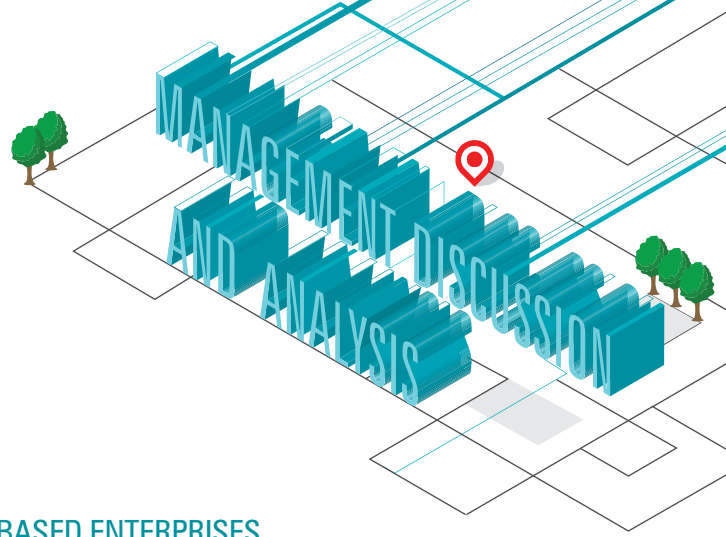


Investee Companies

ZOMATO.COM

EXTERNAL INVESTMENTS





OVERVIEW

INFO EDGE IS ONE OF INDIA'S PREMIER INTERNET BASED ENTERPRISES.

It focuses on creating world class online platforms for communities to interact and transact. Each of these communities addresses a specific need much of which is being addressed in the offline space. The different platforms are positioned under different brands. The business models being developed for the brands are based on the central strategic theme of being an 'online classifieds' Company. Essentially, today, Info Edge is a portfolio of brands - each with distinct opportunities and challenges in terms of markets and operations. It is also important to appreciate that the different brands are at varying stages of their developmental life cycle and have very different growth objectives and investment plans. The details of the Company's portfolio of brands are given in [BOX 1](#).

BOX 1 INFO EDGE'S BUSINESS PORTFOLIO

CORE BUSINESS

The online recruitment business — [naukri.com](#). The recruitment portfolio is supported by the offline executive search business, Quadrangle, and its associated portal, [www.quadranglesearch.com](#). There is also the web portal, [www.naukrigulf.com](#) that caters to the Middle-East job markets; and the fresher hiring site, [www.firstnaukri.com](#).

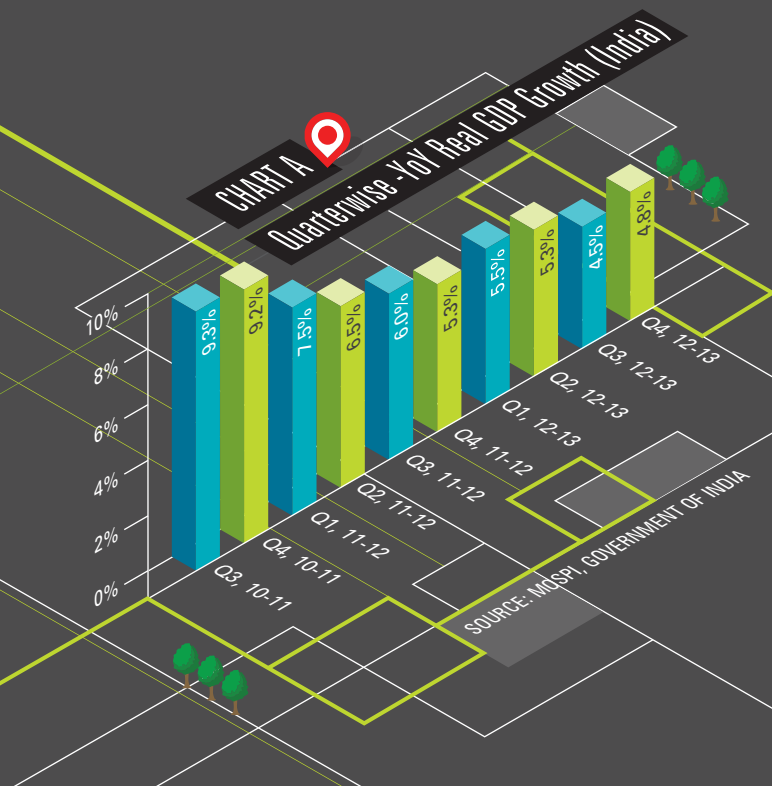
OTHER BUSINESSES

- The online real estate classifieds business, which operates through the portal [www.99acres.com](#). It is supported by the brokerage business, [www.allcheckdeals.com](#), now operated through a wholly owned subsidiary.
- The online matrimonial classifieds business, which operates through the portal [www.jeevansathi.com](#).
- The online educational classifieds business, which operates through the portal [www.shiksha.com](#); and the networking site, [www.brijj.com](#).

INVESTEE COMPANIES

The Company has a stake in the following:

- Zomato Media Pvt. Ltd., which operates [www.zomato.com](#), a website that provides information on restaurants menus and reviews of food and dining options.
- Applect Learning Systems Pvt. Ltd., which operates the kindergarten to Class 12 (K-12) assessment based learning portal, [www.meritnation.com](#).
- Etechaces Consulting and Marketing Pvt. Ltd., which operates in the financial product (like online insurance and loan) comparison domain, [www.policybazaar.com](#).
- Kinobeo Software Pvt. Ltd., which operates a site that provides discount offers and deals, [www.mydala.com](#).
- Nogle Technologies Pvt. Ltd., which operates [www.floost.com](#), a web-based sharing platform.
- New investments in the year include [www.canvera.com](#), a digital photograph storage and printing business and [www.happilyunmarried.com](#), a creative fun products business.



Fundamentally, Info Edge's business is about creating and developing domain specific communities and information exchanges on the worldwide web. While there are several factors that affect the individual brands at a micro-level, the prospects of the business from a broader perspective are governed by the following factors:

- Developments in the underlying market or industry where the brand operates
- The penetration of the online medium in the given market
- Effective competitive positioning of the brand in the given market

Developments in the underlying market or industry where the brand operates: This factor is dependent on the economic and business environment and the socio-demographic developments in the Country.

In terms of the economic environment, FY2013 has been a difficult year. Advance estimates from the Central Statistical Organisation (CSO) and Government of India (GoI) suggest that real GDP growth reduced further from 6.2% in FY2012 to 5% in FY2013. This is the worst annual growth rate recorded in the last decade. Manufacturing growth has reduced from 2.7% in FY2012 to 1.9% in FY2013 while Services growth reduced from 8.2% in FY2012 to 6.6% in FY2013.

What is even more worrisome is the fact that over the last 10 quarters the situation has got progressively worse (see **CHART A**). These levels of growth are far below the 8%-9% annual growth rates envisaged originally in our long term planning programmes.

Clearly, these developments had an adverse impact on both the recruitment and property portals. While the other portals including matrimonial and education are relatively insulated from the economic environment, there is an indirect effect brought about by a general sense of negative sentiment pervading the market, which affects any expenditure decision.

The penetration of the online medium in the given market: Although India was ranked third during 2012 in the number of active internet users next only to China and US, yet the overall Internet penetration in the country was only around 11%. India on last count had around 120 million active internet users, up from 81 million users in 2010. The interesting point is that out of the top ten countries in terms of active number of users, India is at the bottom in regard to levels of penetration achieved. This means that there is still good potential for further growth.

INFO EDGE'S BRANDS ARE LEADERS OR EARLY MOVERS THAT ARE IN THE PROCESS OF CREATING A MARKET FOR THE UNDERLYING DOMAIN SPACE

In fact, India had taken more than a decade to cross the 100 million mark Internet connections with just about 1.4 million users in 1998. But, since the country achieved the 100 million mark in 2010, the growth has been relatively faster.

The Internet connectivity has of late been fuelled by the ever growing popularity of smart phones in the Country. There were about 18 to 20 million smart phones in 2012 and the figure is estimated to grow to 30 million by 2016. India has already set in motion the process to launch 4G in the Country. A report by Internet and Mobile Association of India (IAMAI) and IMRB suggests that India is expected to have close to 165 million mobile Internet users by March 2015, up from 87.1 million in December 2012 as more people are accessing the web through mobile devices and dongles. The number of mobile Internet users increased to 87.1 million by December 2012 from 78.7 million users in October 2012, who accessed Internet through dongles and tablet PCs.

Thus, the underlying growing trend in internet penetration augers well for Info Edge's portfolio of business as with greater internet usage there is increase in probability of transformation of offline communities to online ones. However, it is also important to appreciate that there is also a change in medium within the online space from computer access to mobile access. This has a lasting impact on the kind of products to be developed in this space.

While internet penetration is critical for greater share of online activities in a market, the experience provided and the benefits of online interaction that a product creates is also a very important factor governing the transformation of several economic activities from the offline to the online space. In many domains, Info Edge's brands are leaders or early movers that are in the process of creating a market for the underlying domain space. In these businesses, the quality of the product developed is very critical not only for the success of Info Edge but for the development and emergence of the underlying online community.

Effective competitive positioning of the brand

in the given market: This is largely internal to the Company. In many ways the internet business space is solely about execution. There are business spaces where three to four major players operate and relative success is defined by the varying customer connect and solutions provided by the players. Here, it is critical to generate greater traffic share for one's own brands and the leaders often dominate and define the progress of the entire industry.

In each of the core businesses – recruitment, real estate, matrimonial and education – Info Edge is amongst the top 3 in the industry and focused to attain or maintain its leadership position.

In this milieu, Info Edge has a focussed strategy that is centred on effective execution. Its business objectives are long term and it strives to position itself to effectively deal with short term cyclical market downturns while pursuing aggressive growth under better market conditions. In a sense, it is drawing up strategic plans that have single-minded focus on increasing transformation of offline communities to online ones and gaining market share from competitors in already established domains.

Consequently, the Company continues to invest in its businesses in terms of brand building, product

development, customer experience, analytics and service. A large part of these investments is in human capital. The objective is to create leadership position in each of the domains where it operates irrespective of short term market conditions. As a result of this strategic imperative, the Company is conscious of the need to constantly grow its top-line at a certain level to offset the increase in fixed expenditure brought about by the investments. On the other hand, a lot of effort is put in controlling and curbing regular operational expenses.

IT IS IMPORTANT TO APPRECIATE THAT THE ONLINE BUSINESS SPACE IS VERY DYNAMIC AND COMPANIES THAT STAY ONE STEP AHEAD OF COMPETITION ARE THE ONES WHO PROVIDE LONG TERM VALUE

In addition to this kind of internal investments, recognising the need to constantly diversify, Info Edge over the last few years started investing in early stage or start-up ventures to incubate them for exponential future growth.

Thus, FY2013 and the next few years at Info Edge will be about the effectiveness of these two kinds of investments and the Company's continuous stress on quality execution. While, at one end, this investment driven strategy is about pushing for future growth, at another end it is also a protection mechanism against competition. It is important to appreciate that the online business space is very dynamic and companies that stay one step ahead of competition are the ones who provide long term value. So, even though these investments at times might bring down margins and affect profitability for a given year, they are an essential element of long term sustainability and value creation. Info Edge has a well calibrated plan for these investments that is supported by its strong execution skills.

FINANCIAL REVIEW

The revenues sources for the stand-alone business are detailed below:

■ **RECRUITMENT SOLUTIONS** through its career web site - *naukri.com*, *naukrigulf.com* and *firstnaukri.com*. Revenue is generated in the form of subscription fees, which is recognised pro-rata over the subscription or advertising agreement, usually ranging between one to twelve months.

■ **THE MATRIMONIAL WEBSITE, *jeevansathi.com*, and REAL ESTATE WEBSITE, *99acres.com*.** Revenue is received in the form of subscription fees, which is recognised over the period of subscription, usually ranging between one to twelve months.

■ **THE PLACEMENT SEARCH DIVISION, *Quadrangle*.** Revenue is received in the form of fees, for placements at various levels in a client's organisation. Revenue is recognised on the successful completion of the search and selection activity.

For these businesses, the unaccrued amounts are not recognised as revenue till all the obligations are fulfilled. In the interregnum, these are reflected as deferred sales revenue in the balance sheet.

■ **Allcheckdeals (Wholly owned Subsidiary) Real estate broking division.** The Commission income on property bookings placed with builders or developers is accrued once the related services have been rendered by the Company/ payments have been made by the buyer to the builder.

■ **Naukri Fast Forward or Resume sales service.** The revenue is earned in the form of fees, and recognised on completion of the related service.

In all the sources of revenue the amount is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonably certainty of the collection.

On consolidation, while the PAT of the associates gets added in proportion to shareholding, the ones of the subsidiaries are fully accounted for as per accounting standards.

TABLE 1 gives the abridged profit and loss statement for Info Edge for FY2013.

The exceptional items in FY2013 includes provision for diminution in the carrying value of investment of ₹185.05 million in Ninety Nine Labels Private Limited (represented by investments in equity shares of ₹53.55 million and preference shares of ₹131.50 million), ₹0.60 million representing diminution in the carrying value of investment and ₹1.80 million representing waiving off of advance given to Info Edge (India) Mauritius Limited, which has initiated voluntary winding up proceedings. In FY2013. There is also the loss on sale of debentures (inclusive of accrued interest) worth ₹105.42 million

ABRIDGED PROFIT AND LOSS STATEMENT

(₹ Million)

	STANDALONE		CONSOLIDATED	
	FY2013	FY2012	FY2013	FY2012
1. Net Sales	4,349.00	3,756.38	4,699.52	3,903.04
2A. Other Operating Income	23.58	14.46	23.69	15.80
2B. Other Income	464.94	394.57	475.27	394.72
3. Total Income (1+2A+2B)	4,837.52	4,165.41	5,198.48	4,313.56
Expenditure:				
a) Network and other charges	139.40	93.17	163.96	104.66
b) Employees Cost	1,672.17	1,369.96	1,983.32	1,482.24
c) Advertising and Promotion Cost	576.50	515.97	750.34	563.21
d) Depreciation/Amortization	94.46	76.61	117.80	83.21
e) Other Expenditure	510.27	368.75	642.47	607.26
4. Total Expenditure	2,992.80	2,424.46	3,657.89	2,840.58
5. EBITDA(3-4+4d)	1,939.18	1,817.56	1,658.39	1,556.19
6. Interest	0.95	0.67	0.95	0.67
7. Profit from Ordinary Activities before tax and exceptional items (3-4-6)	1,843.77	1,740.28	1,539.64	1,472.31
8. Exceptional Item	292.87	3.53	236.92	8.33
9. Net Profit from Ordinary Activities before tax (7-8)	1,550.90	1,736.75	1,302.72	1,463.98
10. Tax Expense	528.44	510.52	528.51	528.76
11. Net Profit from Ordinary Activities after tax (9-10)	1,022.46	1,226.23	774.21	935.22
12. Extraordinary item	-	-	-	-
13. Net Profit after Tax (11+12)	1,022.46	1,226.23	774.21	935.22
14. Share in loss of Associate Companies	-	-	(15.12)	(30.04)
15. Share of Minority Interest in the losses of Subsidiaries	-	-	152.52	13.68
16. Reversal of Subsidiary into Associate	-	-	-	114.43
17. Reversal of Associate into Subsidiary	-	-	4.33	-
18. Net profit for the year (13+14+15+16+17)	1,022.46	1,226.23	915.94	1,033.29

held in Ninety Nine Labels Private Limited. The exceptional item for FY2012 also represents provision for diminution in the carrying value of investments of ₹3.53 million in Info Edge (India) Mauritius Limited.

BOX 2 lists the performance highlights of Info Edge, the stand-alone entity. With the growth oriented investments, Info Edge has increased its fixed costs. For example, employee costs increased by 22.1% and its ratio to net sales increased from 36.5% in FY2012 to 38.5% in FY2013. This is a conscious strategic investment in human capital, which is imperative for better competitive positioning in the longer run. However, in the shorter term like in FY2013, this higher fixed expense was not absorbed by revenue growth. Consequently, EBITDA margin as a ratio to net sales without accounting for other income reduced from 37.7% in FY2012 to 33.7% in FY2013. PAT was further affected by the one-time provision/ write-off of investments in *99labels.com*, which is reflected in exceptional items.

The authorised share capital of the Company has increased from ₹600 million at the end of FY2012 to ₹1,200 million at the end of FY2013. During FY2013, Info Edge had issued 54,590,512 equity shares of ₹10 each, fully paid up, as bonus shares in the ratio of 1:1 out of securities premium account. This has affected the EPS, which is strictly not comparable with last year as the denominator has doubled.

INFO EDGE'S BUSINESS HAS ALWAYS BEEN ABOUT STRONG LEVELS OF CASH GENERATION THROUGH HIGH PROFIT MARGINS

Given the cash reserves generated in the last few years and the cushion of healthy overall margins, Info Edge has decided to invest a portion of it in new businesses. These are typically high risk high return investments in new ventures which are in the early development or incubation phase. **BOX 3** lists the performance of the consolidated entity. The difference between the two is on account of the developments in the investee companies. The investee companies will have gestation lags before the investments turn into returns. In the interim phase they will generate losses and the consolidated results of the Company will have higher revenues but lower profits than the standalone entity.



BOX 2 PERFORMANCE HIGHLIGHTS (STANDALONE)

- **NET SALES INCREASED BY 16%** from ₹3756 million in FY2012 to ₹4,349 million in FY2013.
- **TOTAL INCOME INCREASED BY 16.1%** to ₹4838 million in FY2013.
- **EARNINGS BEFORE DEPRECIATION, INTEREST, TAX AND AMORTISATION (EBITDA) increased by 6.1%** from ₹1818 million in FY2012 to ₹1,939 million in FY2013.
- **PROFIT BEFORE TAX (PBT) and exceptional items increased by 5.9%** to ₹1,844 million in FY2013.
- **PROFIT AFTER TAX (PAT) reduced by 16.6%** to ₹1,022 million in FY2013.
- **BASIC (AND DILUTED) EARNINGS per share (EPS) was ₹9.36** in FY2013

BOX 3 PERFORMANCE HIGHLIGHTS (CONSOLIDATED)

- **NET SALES INCREASED BY 20.4%** from ₹3,903 million in FY2012 to ₹4,700 million in FY2013.
- **TOTAL INCOME INCREASED BY 20.5%** to ₹5,198 million in FY2013.
- **EARNINGS BEFORE DEPRECIATION, INTEREST, TAX AND AMORTISATION (EBITDA) increased by 6.6%** from ₹1,556 million in FY2012 to ₹1,658 million in FY2013.
- **PROFIT BEFORE TAX (PBT) and exceptional items increased by 4.6%** to ₹1,539.64 million in FY2013.
- **NET PROFIT AFTER TAX (PAT, after minority interest and share of associates) decreased by 11.36%** to ₹915.94 million in FY2013.
- **BASIC (AND DILUTED EARNINGS) per share (EPS), was ₹8.39** in FY2013.

Info Edge's business has always been about strong levels of cash generation through high profit margins, negative working capital and limited need for capacity expansion requirements. While there has been some reduction in profit margins the level of profitability still remains healthy. This, coupled with strong management of working capital has translated into net cash from operating activities worth ₹1,002.94 million during FY2013.

As discussed earlier, while some of the cash has been consciously put into investments for sustaining and growing the existing businesses, some of it has been strategically invested into subsidiaries and associate companies. These investments have revenue and a capital implication. On the revenue front, these have translated into high costs per unit of sales for the entire set of cost heads. On the capital side, these are reflected in:

- An increase in fixed assets by 60.8% from ₹625.55 million in FY2012 to ₹1005.79 million in FY2013
- An increase of 2.9% from ₹2871.71 million in FY2012 to ₹2953.88 million in FY2013 in non-current investments. This increase is after accounting for the provision/ write off of investments primarily in Ninety Nine labels and other companies worth ₹291.07 million in FY2013.

The investments in the subsidiaries, associate companies and acquisitions include:

- Infusion of a further round of capital into *zomato.com* around ₹678.6 million and *meritnation.com* worth ₹300 million. There was also an investment of about ₹25 million in *policybazar.com*
- Investments in *canvera.com* and

happilyunmarried.com, which are new lines of business

- Investments in *makesense.com* and *toostep.com*, which are supporting the existing recruitment business. Toostep efficiently manages backend activities like resume management, while Makesense is semantic developing search engine, which helps improve the *naukri.com* offering.

The subsidiary companies have recorded good revenue growth but are still loss making as they are in the early stage of development. The details of the investee companies are given in **TABLE 2**.

BRANDS: KEY DEVELOPMENTS

Recruitment solutions continue to be the dominant business with 77% of total stand-alone revenues of Info Edge. However, the other verticals comprising *99acres.com*, *jeevansathi.com*, *shiksha.com* and *brijj.com* are witnessing higher growth. In fact revenues from the 'other verticals' increased by 37.5% from ₹714 million in FY2012 to ₹982 million in FY2013. With this growth its share in total stand-alone revenues increased from 19% in FY2012 to 22.6% in FY2013.

**APART FROM THE SALES FORCE,
THE COMPANY IS INVESTING IN PRODUCT
DEVELOPMENT, BRAND BUILDING AND
ANALYTICS TO SUPPORT ALL THE BRANDS**

In the last couple of years Info Edge has significantly increased its sales/customer infrastructure on the ground. Today, there are around 2,079 sales and client facing staffs

TABLE 2

FINANCIAL PERFORMANCE OF INVESTEE COMPANIES

INVESTEE COMPANY	WEBSITE	TOTAL AMOUNT INVESTED	APPROX. DILUTED AND CONVERTED SHAREHOLDINGS%
Partly owned subsidiary			
Zomato Media Pvt. Ltd.	www.zomato.com	860	58%
Applect Learning Systrms Pvt. Ltd.	www.meritnation.com	618	54%
Associate			
Etachaces Marketing and Consulting Pvt Ltd.	www.policybazaar.com	325	32%
Kinobeo Software Pvt Ltd.	www.mydala.com	270	47%
Canvera Digital Technologies Pvt Ltd.	www.canvera.com	354	23%
Happily Unmarried Marketing Pvt Ltd	www.happilyunmarried.com	51	25%
Nogle Technologies Pvt Ltd.	www.floost.com	26	31%
TOTAL		2,504	

that comprises 78% of the Company's entire workforce. The coverage is nationwide through 57 company branches in 36 cities across India. The large sales force supports all the brands with physical last mile connect.

Apart from the sales force, the Company is investing in product development, brand building and analytics to support all the brands. Product development activities primarily include efforts to improve the customer experience for different brands. There are also several activities being undertaken to create solutions in the mobile applications space for each of the Company's offerings. Brand building exercises are selective and according to the growth strategy of each brand. This includes promotional positioning on internet, print, radio and television. Analytics is now being extensively used to understand customer behaviour on the net across all brands to provide insights for better strategy development. It is also a key input in the product development process.

The progress in each of the brands is given below:

RECRUITMENTS

The recruitment services business comprises the following portals:

NAUKRI.COM: This is the Company's flagship brand and India's largest online jobsite.

QUADRANGLE.COM: This is primarily an off-line headhunting business that derives revenues from successfully positioning a person with a company.

NAUKRIGULF.COM: This is a jobsite that focuses on the middle-eastern market.



TOTAL NO. OF NEW JOBS POSTED IN JULY 2008 WAS SCALED TO 1000. INDEX FOR SUBSEQUENT MONTHS IS RELATIVE TO JUL 08.

FIRSTNAUKRI.COM: Launched in January 2009, this site focuses on fresher hiring.

BRIJ.COM: This is a professional networking site.

By its very nature, recruitment solution is sensitive to developments in the external economy. The economic slowdown and negative sentiments particularly in the second half of FY2013 adversely affected the job market in India and naukri.com was not insulated from these developments. However on a positive note, the Naukri Jobspeak Index, a measure of online recruitment activity, has shown signs of improvement towards the end of FY2013 (see **CHART B**)

ON A POSITIVE NOTE, THE NAUKRI JOBSPEAK INDEX, A MEASURE OF ONLINE RECRUITMENT ACTIVITY, HAS SHOWN SIGNS OF IMPROVEMENT TOWARDS THE END OF FY2013

It is important to note that the Naukri Jobspeak Index reflects new jobs floated on the internet space. There is a probability that the space itself and Naukri.com has gained share as a medium for interaction in the recruitment space, whereas the physical market has actually slowed down. If so, this trend may auger well for naukri in the future, even in a marginally muted job market.

(₹ Million)				
OPERATIVE REVENUE			OPERATING EBITDA	OPERATING EBITDA
FY 10-11	FY 11-12	FY 12-13	FY 11-12	FY 12-13
3.3	20.4	113.8	(72.2)	(100.3)
14.0	40.7	98.2	(54.4)	(214.3)
262.3	537.0	865.9	(296.5)	(456.0)
279.6	598.1	1077.9	(423.1)	(770.6)

OPERATIONS REVIEW

BOX 4 gives the financial highlights of the recruitment vertical.

Naukri.com is the major revenue generator in this business vertical. It has two major sources of revenue: (i) job listings and employer branding or visibility advertisements, and (ii) resume database access. The supporting revenue sources include job seeker services, Google Ad sense, mobile revenues, and the value added service of resume short listing and screening.

The key usage parameters suggest continued growth:

- Number of resumes in naukri.com's database increased by 13.8% — from around 29 million at the end of FY2012 to around 33 million at the end of FY2013.
- Average number of resumes modified daily increased by 27.5% — from 91,000 at the end of FY2012 to 116,000 at the end of FY2013.
- Number of unique customers grew by 4.3% — from 46,000 at the end of FY2012 to 48,000 at the end of FY2013.

Naukri.com continues to gain traffic share in the market and slowly moving well away from competition. This is a relatively well penetrated market and much of growth is going to be from change over from the print media and the ability of naukri.com to take away share from its competitors with better experience. Much of the

BOX 4 RECRUITMENT VERTICAL — PERFORMANCE HIGHLIGHTS

- **NET SALES FROM RECRUITMENT INCREASED by 10.7%** — from ₹3,042 million in FY2012 to ₹3367 million in FY2013.
- **OPERATING EBITDA GREW by 7%** — from ₹1550 million in FY2012 to ₹1659 million in FY2013.

product development being carried out at *naukri.com* focuses on improving customer experience with the use of technology.

INFO EDGE CONTINUES TO GROW NAUKRI.COM BY INVESTING IN THE BRAND, HIRING AND RETAINING QUALITY TALENT, PROVIDING SUPERIOR SALES AND SERVICE EXECUTION AND CONTINUOUS INNOVATION ON PRODUCT AND TECHNOLOGY

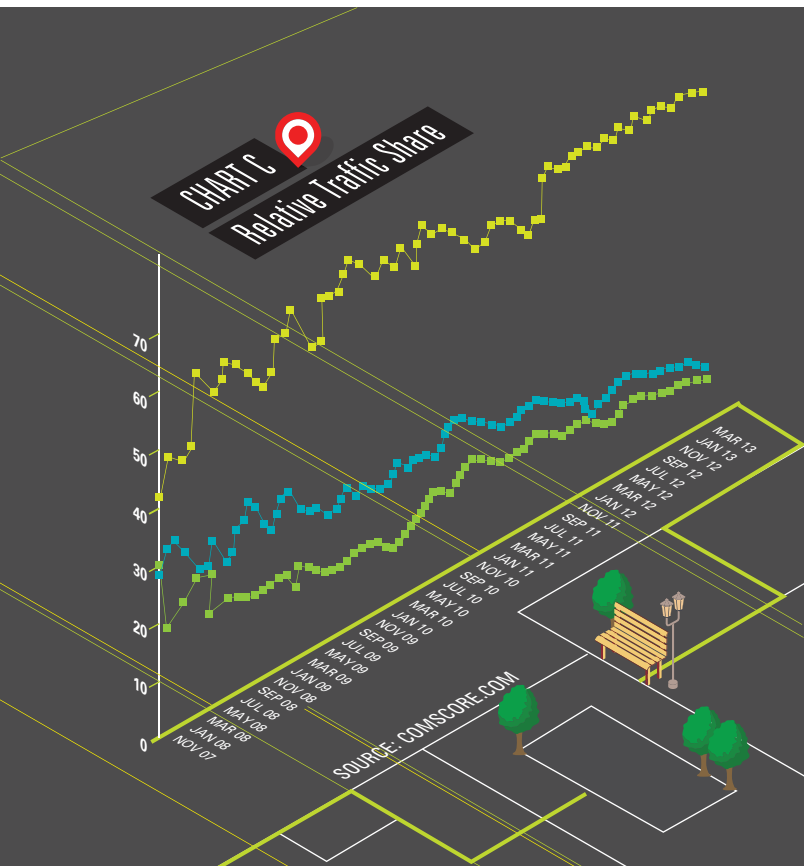
CHART C shows that naukri.com has gained significantly in terms of traffic share. In terms of traffic flow, data from comscore.com suggests that naukri.com has maintained over 60% traffic share for 8 quarters in a row and in a steady manner the gap is increasing against the nearest competitor.

Info Edge continues to grow *naukri.com* by investing in the brand, hiring and retaining quality talent, providing superior sales and service execution and continuous innovation on product and technology. The Company has invested in two companies – Toostep and Makesense to provide support to the *naukri.com* offerings with backend management and efficient search engines.

NAUKRI.COM is supported primarily by four offerings that complete the Company's full service suite in the recruitment space: *Quadrangle*, *FirstNaukri.com* and *NaukriGulf.com*

QUADRANGLE, offers off-line placement services to middle and senior management, with revenues based on a success fee model. It complements the online recruitment business.

FIRSTNAUKRI.COM was launched in Q4, FY2010. The site targets at hiring fresh students from



**BOX 5**

99ACRES.COM — PERFORMANCE HIGHLIGHTS

- **NET SALES FROM 99ACRES.COM INCREASED** by 48.1% to ₹ 514.03 million FY2013.
- **OPERATING EBITDA** was marginally in the red, at ₹8 million in FY2013.

campuses. With the labour market in India picking up over the steady state, fresh student hires are expected to grow. The Company is working on the premise that some of this will be through the online space. There has been considerable work in developing the site. In FY2013, its third year of commercial operations, there were modifications made to the business model based on initial responses. The new model should effectively deliver and service this new hiring segment and support the core business.

NAUKRIGULF.COM did well in FY2013, with some improved activity in the gulf and the strong positioning of the brands amongst the Indian diaspora in the region. However, the site increasingly targets other nationalities, including locals on to the site.

REAL ESTATE

Within the real estate space, Info Edge has two portals. These are (i) *99acres.com*, the property based online classifieds business, and (ii) *allcheckdeals.com*: the property broking business with a success based revenue model.

While the two portals are parts of the real estate vertical, *allcheckdeals.com* was hived off as a separate subsidiary during Q3, FY2010 —to create specific business focus. Thus, the financials of the two businesses are now separate.

AT 99ACRES.COM, THERE ARE SIGNIFICANT EFFORTS AT PRODUCT DEVELOPMENT WITH A FOCUS ON IMPROVING USER EXPERIENCE

Given the economic condition, the real estate sector was under stress across most cities. There was major reduction in real estate transactions. However, *99acres.com* delivered very strong results even in this adverse environment. In fact,

the slowdown may have worked to *99acres.com*'s advantage. With the slowdown it became more important for brokers to focus on efficiencies, cut costs and provide better access and experience to clients. This promoted the need for greater online usage amongst the broker community and the transformation of brokers as serious online operators has been driving the business. Developers, too, have realised the need for multiple channels of advertising to sell their product and are increasingly using the online property portals as a medium for advertising. At *99acres.com*, there are significant efforts at product development with a focus on improving user experience.

OPERATIONS REVIEW

Catering primarily to real estate developers, builders and brokers, the source of revenue for *99acres.com* is from property listings, builders' and brokers' branding and visibility through micro-sites, home page links and banners. **BOX 5** gives the financial performance highlights of *99acres.com*

The usage parameters highlight major traction in revenue generating traffic.

- Number of listings in *99acres.com*'s database increased by 49% — from around 1.27 million at the end of FY2012 to some 1.9 million at the end of FY2013.
- Number of paid listings grew by 51% — from 1.06 million at the end of FY2012 to 1.6 million at the end of FY2013.
- Number of paid transactions (Invoices issued to customers) rose by 47% — from 33,200 at the end of FY2012 to 48,800 at the end of FY2013

In terms of traffic share there continues to be stiff competition with the nearest competitor. The leadership position keeps oscillating between the two major players. There are also certain localised players who have a special presence in their respective zones.

allcheckdeals.com is the Company's direct online property broking business. It has a commission based revenue model that is determined on the value of transaction. The focus is on the residential markets of larger cities and their suburbs where it can service a growing middle class who want ease of transactions in property deals. The business has extended its coverage to 12 cities in India.

The business, closed about 1,520 sales transactions in FY2013. The operating environment

was difficult. There were also business issues like the lingering land related disputes in Noida and Greater Noida.

After slowing down considerably in FY2012, *allcheckdeals.com* witnessed a growth of 32% in revenues worth ₹141.77 million during FY2013.

MATRIMONIAL

While the online matrimonial business is not affected by macroeconomic vagaries and the business environment, demographic factors and social behavioural patterns play a major role in activities in this sector. The market is highly fragmented and understanding social nuances is the key to success. The large opportunity in this space in India is still restricted largely to arranged marriages with parental consent.

Given the market challenges, Info Edge has focused on actively promoting *jeevansathi.com* among north Indian communities and establishing strong leadership position in this market segment. While focusing on gaining market share, there is stress on maximising the flow of paid customers to its social network.

The website has a revenue model, which is free to list, search and express interest, but pay to get contact information. There were some innovations introduced in FY2013 by making a large part free for a given time. The highlights of the portal's performance are given in **BOX 6**.

For Jeevansathi, Info Edge has invested significantly in analytics driven enhanced customer experience. It continuously analyses online data to understand customer behaviour and adopts its product and commercial model accordingly. Using a judicious mix of increased brand building and improved targeting of customer, the Company has managed to create some differentiation for the product and grow revenues.

The online business is being supplemented by 14 offline centres called 'Jeevansathi Match Points'. These provide hand-holding services to customers who are not internet savvy, helping them to utilise the online services offered by *jeevansathi.com*. The offline sites have walk in sales for matching services. There continues to be major innovative efforts with the use of sophisticated analytics tools to provide more relevant service to customers.

EDUCATION

The education sector is also independent of prevailing economic and business conditions. The online education classifieds space is still at a very early stage of development. The total spend on online classifieds by education is estimated to be around ₹700 million, while total advertisement spend is estimated at ₹25 billion. There is considerable opportunity is transforming existing users of other mediums to use the internet for the education sector. The demand for education and eduinfo services is increasing in India due to increase in enrolment in secondary education in India and the growing participation for the private sector is increasing publicity and spending on classifieds.

BOX 6 MATRIMONIAL — PERFORMANCE HIGHLIGHTS

- **NET SALES FROM MATRIMONIAL BUSINESS increased by 26.8% to ₹322.24 million in FY2013.**
- **OPERATING EBITDA SHOWED A LOSS of ₹75.16 million in FY2013.**
- **PROFILE LISTINGS INCREASED from 5 million at the end of FY2012 to 5.6 million at the end of FY2013 – an increase of 12%**
- **AVERAGE AMOUNT REALISED per customer increased from ₹3,120 in FY2012 to ₹3,636 in FY2013.**

SHIKSHA.COM HAS OVER 110,000 AGGREGATED LISTINGS. THE BUSINESS IS SUPPORTED BY OFFICES ACROSS 12 CITIES IN INDIA

Launched in May 2008, *shiksha.com* is primarily a portal for information exchange. Revenues are generated from advertisements placed by colleges, institutes and universities. There may be scope for additional revenues from successful leads. Broadly, there are three categories of clients:

- Indian education players (universities and institutes).
- Test preparation and coaching institutes.
- Overseas universities and colleges targeting Indian students.

By the end of FY2013, *shiksha.com* has over 110,000 aggregated listings. The business is supported by offices across 12 cities in India.



INVESTMENT STATUS IN INVESTEE COMPANIES

INVESTEE COMPANY	WEBSITE	TOTAL AMOUNT INVESTED	APPROX. DILUTED AND CONVERTED SHAREHOLDINGS%	% OF THE TOTAL AMOUNT INVESTED
Active				
Zomato Media Pvt. Ltd.	www.zomato.com	860	58%	30%
Applect Learning Systrms Pvt. Ltd.	www.meritnation.com	618	54%	22%
Etachaces Marketing and Consulting Pvt Ltd.	www.policybazaar.com	325	32%	11%
Kinobeo Software Pvt Ltd.	www.mydala.com	270	47%	10%
Canvera Digital Technologies Pvt Ltd.	www.canvera.com	354	23%	13%
Happily Unmarried Marketing Pvt Ltd	www.happilyunmarried.com	51	25%	2%
Nogle Technologies Pvt Ltd.	www.floost.com	26	31%	1%
Sub Total		2,504		88%
Written off/ provisioned for/ exited				
Studyplaces, Inc.	www.studyplaces.com	45	14%	2%
Ninety Nine Labels Pvt Ltd.	www.99labels.com	285	47%	10%
Sub Total		330		12%
TOTAL		2,834		100%

Finally, *brijj.com*, the professional networking site is a nascent portal where efforts are being made to develop a suitable business model. Today, efforts are focused on redesigning the business proposition and the product is being repositioned based on skill based groups with appropriate content.

It has a wide coverage across 12 cities including Delhi, Mumbai, Bangalore, Pune and Hyderabad. It has also been launched in UAE, Sri Lanka, UK, Qatar, Philippines and South Africa. The website also has a well-designed mobile application. The product has been well received in the market; and one will have to wait for a few years before it can be scaled up considerably.

INVESTEE COMPANIES

In addition to promoting businesses internally, Info Edge recognises that ideation and the spirit of enterprise are key elements for success in developing online businesses. Thus, the Company has made investments in early stage start-up ventures. The objectives are: (i) to support the growth of these entrepreneurial driven activities, (ii) gain from enhanced value creation, where this occurs, and (iii) bring such enterprises into the Info Edge fold if such opportunities arise in future. Most of these companies are in the incubation/ early stage phase.

TABLE 3 lists the investment status on each of these businesses.

Details of such strategic investments are listed below.

■ The Company has invested ₹860 million for 58% stake in *zomato.com*. The website has started gaining significant acceptance in the market place. It provides menus of restaurants, as well as reviews and ratings. Revenues are generated from advertisements of restaurants and lead sales.

THE COMPANY HAS INVESTED ₹860 MILLION FOR 58% STAKE IN ZOMATO.COM. THE WEBSITE HAS STARTED GAINING SIGNIFICANT ACCEPTANCE IN THE MARKET PLACE

- Info Edge has invested ₹618 million in different tranches for around 54% stake in Applect Learning Systems Private Limited. Applect has launched a site called *meritnation.com*, which is delivering kindergarten to Class 12 (K-12) study material. The site is managed by an experienced team that specialises in content development and assessment modules in the education space, and has a strong commitment to delivery. It provides:
 - Online educational assessment for school students.
 - Free solutions mainly for mathematics and science for standard 6 to 12 of popular national curriculum like CBSE and ICSE. It has added some state board curriculums as well.
 - Paid product for online assessment and teaching solutions.
 - Test preparation material for competitive examinations like Engineering and Medical.

■ The Company has invested ₹325 million in Etechaces Private Limited for around 32% stake. Intel Capital and Inventus are the co-investors. The investee company operates an online insurance aggregator website, policybazaar.com, which helps customers understand their insurance needs and select insurance schemes that best suit their requirements. Other financial products like home loans, car loans and personal loans are also being added for inter-se comparison of financial products prior to purchase. The business has been partially affected due to regulatory issues. Even so, the business is growing; and it is also laying emphasis on distance marketing and advertising.

■ Info Edge has invested ₹270 million in mydala.com for a 47% stake. This is a website offering discount offers and deals with a focus on the mobile application space. Revenues are generated from merchant commissions and fees from telecom operators.

■ The Company also has investments of ₹26 million in Nogle Technologies for a 31% stake. This has a unique content sharing technology. A website has been launched called floost.com

■ In FY2013, Info Edge added to its investments by picking up 25% stake for ₹51 million in Happilyunmarried.com. This business generates revenues from design and sale of fun quirky creative products and has a large addressable market. There is an e-commerce potential which will be exploited with the investment.

■ In FY2013, Info Edge also picked up a stake in *canvera.com* by investing ₹354 million for a 23% stake. The website is operational since 2008 and offers solutions to professional photographers. Revenues are generated from sale of printed photo books.

OUTLOOK

Given global developments and issues within India, one expects the economic slowdown to continue for at least another year. This may have an impact on both the recruitments and the real estate business.

However, one expects this slowdown to be partially, or even fully, offset by transformation of several offline functions to online ones.

From a demographic perspective, the country's age profile is supportive of Info Edge's business.

India is one of the youngest countries with a median age of 26 years, and around 65% of its population is below 35 years of age. The population between 15-35 years, which is Info Edge's target market, is growing at a rapid rate of 37.9%. In some sense the conversion into online will be the driving factor for Info Edge's growth in the next phase along with the demographic tilt towards younger generations.

INFO EDGE PLANS TO CONTINUE ITS GROWTH ORIENTED INVESTMENTS IN DIFFERENT PRODUCTS

This is being supported by rapid spread in internet penetration in the country. Moreover, India's internet consumer profile mix is changing to broadband and heavier usage as also mobile based access. Broadband users engage in multiple internet activities on a daily basis providing greater scope for online services.

This long term perspective has driven Info Edge to continuously invest in its products and strive to attain market leadership in each segment. If there is some de-growth in revenue in the short term, one might witness a slight reduction in margins — as Info Edge plans to continue its growth oriented investments in different products.

RISKS

The Company has a well structured and robust risk management mechanism, which includes a comprehensive register that lists the identified risks, its impact and the mitigation strategy.

Broadly, there are some overriding risks that are listed below:

OPERATIONAL RISKS

■ **DATA SECURITY:** Technical failure and breakdowns in servers could lead to interruptions of our websites and could result in corruption of all data and/or security breaches. The Company has initiated a pilot project to establish a secondary site in India as a precautionary measure.

■ **OBSCOLESCENCE:** Being a technology driven company, it always faces the risk of an innovation or product development that can make one or more of Info Edge's propositions redundant. The Company remains alert with technology developments to overcome this risk. A case in

point is the investments being made on mobile based applications, which is a breakthrough technology in this business.

STRATEGIC RISKS

■ **COMPETITION RISK:** All the portals face competition directly on the online space and the offline. Info Edge continuously tracks competition in every one of its businesses and stays prepared for the challenges.

■ **DEPENDENCY RISK:** The Company relies heavily on the recruitment business for its profits and cash flows. Info Edge has been consciously diversifying into other businesses to de-risk itself from this dependency. Already, the other businesses have started contributing around 22.6% of its total revenues up from 19%.

■ **INVESTMENT RISK:** The Company has made around ₹2834 million investments into start-ups. There is a probability that this entire investment might not generate returns, and absorb more cash in the incubation/ early phase. These are calculated risks, which is part of the Company's growth strategy.

THE COMPANY HAS BEEN PROTECTING ITS TRADE MARKS TO THE EXTENT IT MAKES COMMERCIAL SENSE

FINANCIAL RISKS

■ **TAX ISSUES:** The Company has a few income tax and service tax cases against it which, if lost, may impact future cash flows. However, none of these are material in amount.

■ **ERP:** In order to promote efficiencies, the Company has promoted ERP across its activities. Any errors in billing or financial reports in the ERP system could affect the Company's billing and statutory reporting.

MANPOWER AND REGULATORY RISKS

■ **ATTRITION:** Being a knowledge driven business, any significant increase in people attrition may affect the course of the business. The Company is focusing on making workflows as process-driven as possible.

■ **CONTENT LIABILITY:** Most of the portals rely on information being posted by users. Fraudulent

postings/profiles on the website, spamming by some of the users may damage the Company's reputation and make it vulnerable to claims e.g. defamation and invasion of privacy. Filters are in place to contain the quantity and quality of uploads and downloads.

■ **IPR PROTECTION:** The Company has been protecting its trade marks to the extent it makes commercial sense. However, adoption of generic marks to identify our services/products is something that exposes these to the possibility of widespread accidental/unintentional infringement/ passing off by others, which can increase the possibility of engaging in many litigations.

INTERNAL CONTROLS AND THEIR

ADEQUACY



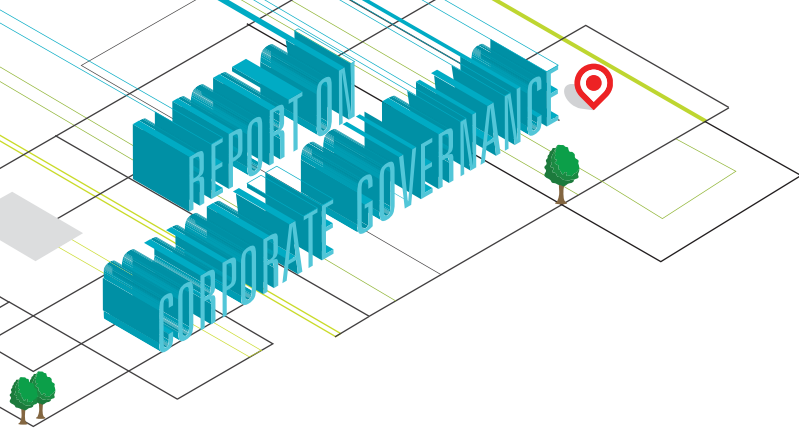
Info Edge has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and those transactions are authorised, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal audits, review by management and the Audit Committee, and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets.

CAUTIONARY STATEMENT



Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the Indian online sector, advertising spends, new disruptive technologies or business models, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.



**COMPANY'S
PHILOSOPHY
ON CORPORATE
GOVERNANCE**

Info Edge's philosophy on Corporate Governance envisages accomplishment of a high level of transparency, integrity, honesty and accountability in conduct of business and lays due prominence towards regulatory compliance. The Company's governance structure is designed to provide a framework for the successful implementation of this business ethos. The Company is committed to generate sustainable shareholder value and endeavours to fulfil the interests of its stakeholders – shareholders, employees, customers, partners, suppliers and society at large.

At Info Edge Corporate Governance is considered as a benchmark for efficient working of Board of Directors, Management reviews, strong control procedures and a guiding culture for employees. The Company has always strived to adopt best global practices in Corporate Governance and remains abreast with the continuous developments in Corporate Governance systems across the world. The entire framework is governed by a strong Board of Directors and executed by a committed management and employees.

This chapter, along with the chapter on additional shareholders information is not only the Company's disclosure on compliance with the mandatory requirements on Corporate Governance stipulated in the Listing Agreement with the Securities and Exchange Board of India (SEBI) under clause 49, but also reflects the true spirit in which these practices are followed at Info Edge.

**BOARD OF
DIRECTORS**

SELECTION OF THE BOARD The Board is responsible for selecting members to fill Board vacancies and nominating candidates for election by the Shareholders at the Annual General Meeting. The Board has constituted a Nominations Committee with a scope to select, recommend, appoint and evaluate performance of Executive Directors and Non-Executive including Independent Directors.

In FY 2012-13, there was no change in the Board of Directors of the Company.

COMPOSITION OF THE BOARD As on March 31, 2013 the Company's Board comprises of 9 Directors, of which three are Whole-time Directors, five are Independent Directors and one is a Non-executive Director. The Chairman of the Board is a Non-executive, Non-promoter Director.

Even though the Clause 49 states that if the Chairman is a Non-executive, Non-promoter Director, one-third of the Board should be independent, Info Edge believes in the value of an Independent Board and therefore more than 50 % of its Board members are Independent Directors. In addition, there is segregation between the position of the CEO and the Chairman.

**TABLE 1
COMPOSITION OF BOARD OF DIRECTORS**

Name of Director	Position	Age
Kapil Kapoor	Non-Executive Chairman	47
Arun Duggal	Non-Executive, Independent Director	66
Sanjeev Bikhchandani	Executive Vice-Chairman	49
Hitesh Oberoi	Managing Director & Chief Executive Officer	40
Ambarish Raghuvanshi	Whole Time Director & Chief Financial Officer	51
Saurabh Srivastava	Non-Executive, Independent Director	67
Naresh Gupta	Non-Executive, Independent Director	46
Bala Deshpande	Non-Executive, Independent Director	46
Ashish Gupta	Non-Executive, Independent Director	46

As mandated by Clause 49, the Independent Directors on the Company's Board:

- Apart from receiving sitting fee, commission and stock options, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding company, its subsidiaries and associates which may affect independence of the Director.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.

- Have not been an executive of the Company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or executives during the preceding three years of the:
 - Statutory audit firm or the Internal audit firm that is associated with the company;
 - Legal firm(s) and Consulting firm(s) that have a material association with the company.
- Are not material suppliers, service providers or customers or lessors or lessees of the company, which may affect independence of the Director.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.
- Are not less than 21 years of age.

As mandated by the Clause 49, none of the Directors of the Company are members of more than ten Board level committee's nor are they Chairman of more than five Board level committee's in other companies in which they are directors.

Policy to regulate external commitments of Whole-time Directors A specific policy is in place to regulate the external commitments of Whole-time Directors with respect to acceptance of Board or Advisory positions in external organizations and any strategic external investment made by them in their personal capacity, which would require their time involvement or result in conflict of interest.

The Whole-time Directors require prior approval of the Board before accepting any external Board/advisory position as well as to make strategic investment beyond a specified limit. The policy defines the maximum time the Whole-time Directors can devote to external engagements, maximum limit for strategic investments etc. The policy also prohibits the Whole-time Directors to accept board/ advisory positions in any external organization where they have made personal investments.

BOARD MEETINGS

1. Information Supplied to the Board The Board has complete access to all information of the Company. All the information stipulated under Clause 49 is regularly provided to the Board as a part of Agenda papers well in advance of the Board meetings or are tabled with the permission of the Chair in the course of the Board meeting. There is a structured manner in which agenda items are created and materials are distributed for Board meetings.

The information placed before the Board includes:

1. Annual Budgets & Operating plans;
2. Capital Budgets and any update;
3. Approval of Strategic investments in start-ups/ external companies;
4. Quarterly results of Company and review of internal businesses;
5. Quarterly update on progress & performance of Subsidiaries & Associate Companies;
6. Minutes of all Board Committee's;
7. Appointment & remuneration of Whole-time Directors;
8. Material Legal & Corporate developments, if any;
9. Compliance confirmation by CEO & CFO and all Business Heads therein;
10. Approval of significant Board Policies;
11. Major regulatory changes impacting the Company, its Businesses, Board members, Officers etc.;
12. Proposal for approval of ESOP Grants as per approval matrix;
13. Presentation by statutory Auditor on financials & processes of the Company;
14. Directors Report, Management Discussion & Analysis and Corporate Governance Report;
15. All matters to be approved by the Members in General Meeting or through Postal Ballot.

2. Selection of Agenda Items for Board Meetings: The Company Secretary prepares the Agenda of the Board meetings on the basis of suggestions from Board of Directors. Each Board member is free to suggest the inclusion of item(s) to the agenda. The Board believes that certain continuing oversight responsibilities should have priority on the agenda, taking into account the overall focus of preserving and increasing stakeholders' value. This includes review of Company strategy and performance, budget, strategic investments, ethical business practices and legal compliance, accounting and financial controls, financial structure, preservation of assets, and Board effectiveness.

3. Board Materials Distributed in Advance: Information and data that is important to the Board's understanding of matters on the Agenda is distributed in writing or electronically to the Board prior to the Board meetings in order to permit adequate review. The Board acknowledges that sensitive subject matters may be discussed at the Board meeting without written materials being distributed in advance or at the meeting.

The Board also periodically reviews internal control and compliance with laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances. In addition to the above, pursuant to the revised Clause 49, the minutes of the Board meetings of Company's unlisted subsidiary company(s) are also placed before the Board for information.

4. Scheduling of Board Meeting: A minimum of four Board meetings are held every year. These are

scheduled in advance for the entire year. Additional Board meetings are convened, whenever required, by giving appropriate Notice. For any business exigencies or urgent matters, a proposal is circulated to all Board members requesting them to pass Resolutions by circulation.

5. Recording of Minutes of proceedings at Board Meeting: The Company Secretary records the minutes of the proceedings of each Board Meeting. Draft minutes are circulated to all Board Members for their comments. The finalized minutes of proceedings of a meeting are entered in the Minutes book within 30 days from the conclusion of that meeting.

6. Number of Board Meetings held and Attendance during the year 2012-13: The Board of Directors met 4 times during the year on May 3, 2012, July 25, 2012, October 19, 2012 and January 21, 2013. The maximum gap between any two meetings was less than 4 months. The details of Director's attendance for Board meetings and Annual General Meeting held during the year 2012-13 and their Chairmanship/ Membership of Board Committees of other companies are given in Table No. 2 below:

TABLE 2

ATTENDANCE DETAILS OF BOARD MEETING & MEMBERSHIP/ CHAIRMANSHIP OF OTHER BOARD COMMITTEES AS ON MARCH 31, 2013

Name of Director	Position	No. of meetings held in 2012-13	No. of meetings attended in 2012-13	Whether attended last AGM	No. of outside Directorships of public companies	No. of Committee Memberships*	No. of Chairmanships of Committees*
Kapil Kapoor	Non- Executive Chairman	4	3	No	2	-	-
Arun Duggal	Non-Executive, Independent Director	4	3	Yes	6	2	1
Sanjeev Bikhchandani	Executive Vice-Chairman	4	4	Yes	-	-	-
Hitesh Oberoi	Managing Director & Chief Executive Officer	4	4	Yes	-	-	-
Ambarish Raghuvanshi	Whole- time Director & Chief Financial Officer	4	4	Yes	-	-	-
Saurabh Srivastava	Non- Executive, Independent Director	4	3	No	3	-	-
Naresh Gupta	Non-Executive, Independent Director	4	4	Yes	-	-	-
Bala Deshpande	Non-Executive, Independent Director	4	3	Yes	4	-	-
Ashish Gupta	Non-Executive, Independent Director	4	3	Yes	-	-	-

In accordance with Clause 49 of the Listing Agreement, Chairmanship/ Committee Membership of Audit Committee & Investor Grievance Committee of other Public Limited Companies has been considered.

7. Action taken on follow-up items: All follow-up items are recorded separately and action taken is reported in subsequent meetings. An Action taken Report is placed at subsequent meetings for all action points raised in the meetings.

Code of Conduct The Board has laid down a Code of Ethics (Conduct) for all Board members and Senior Management of the company. The Code is displayed on the website of the Company - www.infoedge.in. All Board members and Senior Management personnel affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

Risk Management The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors. Making the exercise broad based and inclusive, periodical feedback is taken from Business and Functional heads about their risk perception with respect to their business area and the Company in general. The Audit Committee periodically evaluates and discusses the Risk assessment and mitigation mechanism thereon in their meetings.

COMMITTEES OF THE BOARD During the year, the Company had four Board Committees –Audit Committee,

Compensation Committee, Investors Grievance Committee and Nominations Committee. Each Committee has assigned scope of responsibilities, duties, and authorities, which is reviewed by the Board from time to time in order to determine the appropriateness of the purpose for which the Committee was formed and further to keep abreast with the changing business environment. Committee composition conforms to applicable laws and regulations. Minutes of all the Committee meetings are placed for information in the subsequent Board meeting.

All decisions pertaining to the constitution of committees and fixing of terms of service for committee members is taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A) AUDIT COMMITTEE

As on March 31, 2013, the Audit Committee comprises 4 members all of whom are Independent Directors. The members are Mr. Arun Duggal, Mr. Saurabh Srivastava, Dr. Naresh Gupta, and Mr. Ashish Gupta. During 2012-13, four Audit Committee meetings were held on May 3, 2012, July 25, 2012, October 19, 2012 and January 21, 2013. The time gap between any two meetings was less than four months. The details of the Audit Committee are given in Table No. 3 are as under:

TABLE 3
ATTENDANCE DETAILS OF AUDIT COMMITTEE FOR FY 2012-13

Name of the Member	Position	Status	Audit Committee Meetings	Meetings Attended
Arun Duggal	Chairman of the Committee	Independent Director	4	2
Saurabh Srivastava	Member	Independent Director	4	3
Naresh Gupta	Member	Independent Director	4	4
Ashish Gupta	Member	Independent Director	4	3

The Director responsible for the finance function, the representative of the statutory auditors and internal auditors are regularly invited by the Audit Committee to its meetings. The Company Secretary is the secretary to the Committee.

Mr. Arun Duggal, Chairman of the Committee has accounting and financial management expertise by virtue of him being an International banker and Advisor to a number of Corporations, major Financial Institutions and Private Equity firms. All other members of the Committee also have accounting and financial management knowledge. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on July 25, 2012 to answer shareholder queries.

The functions and scope of the Audit Committee includes review of Company's financial reporting, internal controls, related party transactions, utilization of IPO proceeds, insider trading, disclosure in financial statements, management discussion and analysis, risk mitigation mechanism, appointment of statutory auditor and internal auditor and all other aspects as specified by Clause 49 of the Listing Agreement.

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee;
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

Company's Audit Committee carries out all the functions stipulated under Clause 49 of the listing agreement.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the internal auditor and statutory auditor;
- Whenever applicable, the uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital etc.), as part of the quarterly declaration of financial results.

In addition, the Audit Committee of the Company also reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies.

The Audit Committee is also apprised on information with regard to related party transactions by being presented:

- A statement in summary form of transactions with related parties in the ordinary course of business;

- Details of material individual transactions with related parties which are not in the normal course of business;
- Details of material individual transactions with related parties or others, which are not on an arm's length basis along with management's justification for the same.

During 2012-13, some of the key areas reviewed by the Audit Committee were:

- Review back-up certification system for CEO and CFO certificate in terms of Clause 41 & 49 of the Listing Agreement;
- Review every quarter all material related party transactions;
- Review & revise financial investment and the governing policy to suit the changing business environment;
- Review recommendations made by Internal Auditors on internal controls and system;
- Recommendations scope and appointment of Internal and Statutory Auditors.

B) COMPENSATION COMMITTEE

As of March 31, 2013, the Compensation Committee comprises of Mr. Kapil Kapoor, Mr. Saurabh Srivastava and Ms. Bala Deshpande. While the Chairman is a Non-Executive Director, the other two are Independent Directors. The Compensation Committee held three meetings during 2012-13 on May 3, 2012, October 19, 2012 and January 21, 2013 apart from approving various proposals through circulation. Details of Compensation Committee are given as under in Table No. 4:

TABLE 4

ATTENDANCE DETAILS OF COMPANY'S COMPENSATION COMMITTEE FOR FY 2012-13

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr. Kapil Kapoor	Chairman of the Committee	Non-Executive Chairman of the Board	3	3
Mr. Saurabh Srivastava	Member	Independent	3	3
Ms. Bala Deshpande	Member	Independent	3	2

The Compensation Committee of the company approves the compensation terms of Directors and its responsibilities include the following:

1. Approve variation in terms of remuneration of Whole-time Directors within the overall limits approved by the Members;
2. Administer Employee Stock Option Schemes including but not limited to grant of stock option, determining vesting schedule, exercise price, etc.; and
3. Any other matter as may be referred by the Board.

Remuneration policy

The remuneration paid to the Non-Executive Directors of the Company is decided by the Board of Directors on the recommendations of the Compensation Committee. The remuneration policy is in consonance with the existing industry practice. As per the shareholders' approval obtained at the Extra-ordinary General Meeting of the Company held on July 21, 2011, the Commission is paid at the rate not exceeding 1% of the net profits per annum of the Company, calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956.

A. Non-executive Directors

The Non-Executive Director is paid sitting fees for attending the meetings of the Board and Committee's thereof within the ceilings prescribed by the Central Government.

B. Independent Directors

Independent Directors are paid sitting fees for attending the meetings of the Board and Committees thereof along with Commission as percentage of net profits within the ceilings prescribed by the Central Government and Companies Act, 1956. The Company has also granted stock options to the Directors, the details of which are given below in Table No. 5.

TABLE 5

DETAILS OF STOCK OPTIONS GRANTED TO DIRECTORS

S. No.	Name	Status	No. of Options Granted	No. Options Vested	No. of Options Exercised	No. of Options in force
1	Mr. Arun Duggal	Independent Director	80,000	64,000	-	80,000
2	Mr. Ashish Gupta	Independent Director	80,000	64,000	-	80,000
3	Mr. Saurabh Srivastava	Independent Director	80,000	64,000	-	80,000
4	Mr. Naresh Gupta	Independent Director	80,000	64,000	-	80,000
5	Ms. Bala Deshpande	Independent Director	40,000	24,000	-	40,000

REMUNERATION PAID TO DIRECTORS

For FY 2012-13, the Board has adopted a method where Commission payable to Independent Directors shall also take into account their level of participation in Board, Committee and other meetings. The details of Remuneration/ Commission paid to all Directors for financial year 2012-13 is given in Table No. 6 as follows:

TABLE 6

DETAILS OF REMUNERATION PAID TO DIRECTORS FOR FY 2012-13

(AMOUNT IN ₹ THOUSAND)

Name of the Director	Salary	Reimbursements	Bonus & Leave Encashment	Sitting Fees	Commission	Total
Mr. Kapil Kapoor	-	-	-	60.00	-	60.00
Mr. Sanjeev Bikhchandani	9,514.88	553.89	6,002.48	-	-	1,6071.25
Mr. Hitesh Oberoi	9,609.36	438.05	5,787.34	-	-	1,5834.75
Mr. Ambarish Raghuvanshi	8,482.50	276.39	3,054.16	-	-	1,1813.05
Mr. Arun Duggal	-	-	-	100.00	657.50	757.50
Mr. Ashish Gupta	-	-	-	120.00	707.50	827.50
Mr. Saurabh Srivastava	-	-	-	120.00	637.50	757.50
Ms. Bala Deshpande	-	-	-	60.00	707.50	767.50
Mr. Naresh Gupta	-	-	-	160.00	795.00	955.00
Total	27,606.74	1,268.33	14,843.98	620.00	3,505.00	47,844.05

During 2012-13, the Company did not advance any loans to any of its Directors except travel or business advance in order to discharge their official duties in normal course of business.

There is no provision of any severance fee payable to any director on cessation of their employment and Directorship with the Company.

C) INVESTOR GRIEVANCE COMMITTEE

The Shareholders/ Investor Grievance Committee comprises of Mr. Kapil Kapoor, Mr. Ambarish Raghuvanshi and Ms. Bala Deshpande. The Committee met three times during financial year 2012-13 on May 3, 2012, October 19, 2012 and January 21, 2013. Table no. 7 gives the details of meetings of the Committee.

TABLE 7

ATTENDANCE DETAILS OF INVESTOR GRIEVANCE COMMITTEE FOR FY 2012-13

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr. Kapil Kapoor	Chairman of the Committee	Non-Executive	3	3
Mr. Ambarish Raghuvanshi	Member	Whole-time	3	3
Ms. Bala Deshpande	Member	Independent	3	2

Mr. Amit Gupta, Company Secretary is the Compliance Officer of the Company. (Resigned w.e.f. May 31, 2013)

The Committee supervises the systems of redressal of investor grievances and ensures cordial Investor relations. The scope and functions of the Committee also include approval of transfer and transmission of shares within stipulated time period. Minutes of its meetings and resolutions passed by the Committee through circulation are placed at the Board Meetings for information.

Details of queries and grievances received and attended by the company during the year 2012-13 are given below In Table no. 8.

TABLE 8

STATUS OF COMPLAINTS RECEIVED AND ATTENDED TO DURING 2012-13

Pending as on as April 1, 2012	Received during the year	Answered during the year	Pending as on as March 31, 2013
Nil	11	11	Nil

The Company received requests for revalidations of expired Dividend Warrants from some Investors and these were replied along with demand drafts drawn at respective locations.

D) NOMINATIONS COMMITTEE

The Board has a Nominations Committee to select, recommend, re-appointment and evaluate performance of Executive and Non-Executive Directors including Independent directors. The Committee comprises of Non-Executive Chairman and all Independent directors. The Committee would consider proposals for searching,

evaluating, and recommending appropriate Independent Directors and Non-Executive Directors, based on an objective and transparent set of guidelines which would, inter alia, include the criteria for determining qualifications, positive attributes, Independence of a director and availability of time with him or her to devote to the job. The Nomination Committee also evaluates and recommends the appointment of Executive Directors.

Subsidiary Companies Clause 49 defines a “material non-listed Indian subsidiary” as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Company does not have a ‘material non-listed Indian subsidiary’.

Shares and convertible instruments held by the Non-executive Directors

Details of the shares and convertible instruments held by the Non-Executive Directors as on March 31, 2013 is given under in Table No.9:

TABLE 9
DETAILS OF SHARES HELD BY NON-EXECUTIVE DIRECTORS

S. No.	Name	No. of Shares	Percentage to total Paid-up Capital
1	Mr. Kapil Kapoor	3,806,318	3.49%
2	Ms. Bala Deshpande	104,320	0.09%
3	Mr. Arun Duggal	80,000	0.07%

MANAGEMENT **Management Discussion and Analysis** The Management Discussion and Analysis is given separately and forms part of this Annual Report.

Disclosures on related party transactions Details of materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. are present under Note no. 31 to Annual Accounts of the Annual Report.

Disclosure of accounting treatment in preparation of financial statements The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Act.

Details of non-compliance by the Company The Company has complied with all the requirements of Regulatory Authorities. No penalties/ strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Code for prevention of insider-trading practices In compliance with the SEBI regulation on prevention of Insider Trading, the Company has instituted a comprehensive Code of Conduct for its management and staff. The Code lays down guidelines and procedures to be followed by employees of the Company who have been designated as Insiders and disclosures to be made by them, while dealing with shares of Company, and cautioning them of the consequences of violations.

CEO/ CFO certification The CEO and CFO certification of the financial statements for the year is enclosed at the end of the Report. The Company has adopted a back-up certification system by Business & Functional Heads for compliance with respect to their concerned areas in order to imbibe a compliance & ethical culture in the organization.

SHAREHOLDERS **Reappointment/Appointment of Directors** As per the requirements of Section 256 of the Companies Act, 1956, two-third of the Board shall consist of retiring directors out of which one third shall retire at every Annual General Meeting. Accordingly, Mr. Arun Duggal and Mr. Ashish Gupta shall retire and being eligible shall seek re-appointment in the ensuing Annual General Meeting of the Company.

Means of Communication with Shareholders The Quarterly and Half-yearly/ Annual financial results are forthwith communicated to the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors. Public notices and financial results are published in leading newspapers, namely, Financial Express/ Business Standard in English and Jansatta in Hindi, etc., along with the official news releases.

The financial results and public notices are also put up on Company’s website www.infoedge.in

For investors, the Company has created a separate e-mail ID investors@naukri.com

Table no. 10 gives details of the publications of the financial results in the year under review.

TABLE 10

PUBLICATIONS OF FINANCIAL RESULTS DURING 2012-13

Quarter/Annual	Date of Board Meeting to approve the result	Date of Publication	English News Paper	Hindi Newspaper
Q1 FY 2012-13	July 25, 2012	July 26, 2012	Business Standard	Business Standard
Q2 FY 2012-13	October 19, 2012	October 20, 2012	The Financial Express	Jansatta
Q3 FY 2012-13	January 21, 2013	January 22, 2013	Mint	Rashtriya Sahara
Q4 & Annual FY 2012-13	May 3, 2013	May 4, 2013	The Financial Express	Jansatta

The quarterly, half yearly and annual financial statements are promptly and prominently displayed on the company's website i.e. www.infoedge.in.

General Body Meetings Table No.11 gives the details of the last three Annual General Meetings of the Company.

TABLE 11

DETAILS OF LAST 3 ANNUAL GENERAL MEETINGS

Meeting	Date	Time	Venue	No. of Special Resolutions Passed
15 th AGM	July 23, 2010	4.30 PM	FICICI Auditorium, New Delhi – 110001	1
16 th AGM	July 21, 2011	4.30 PM	Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi – 110003	1
17 th AGM	July 25, 2012	4.30 PM	Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi – 110003	NONE

Table No. 12 gives details of Special Resolutions which were taken up in the last three AGMs of the Company, and were passed with requisite majority.

TABLE 12

DETAILS OF SPECIAL RESOLUTIONS PASSED IN LAST 3 ANNUAL GENERAL MEETINGS

S. No.	Financial Year to which AGM pertains	Date of Annual General Meeting	Issue	Type of resolution
1	2009-10	July 23, 2010	Amendment of Articles of Association	Special Resolution
2	2010-11	July 21, 2011	Approval of commission up to 1% to the Independent Directors for a period of 5 years	Special Resolution
3	2011-12	July 25, 2012	None	N/A

Postal Ballot

During the year, two Ordinary Resolutions contained in the Postal Ballot Notice dated May 8, 2012 were passed by the Shareholders of the Company through Postal Ballot. The results of the Postal Ballot were declared on June 14, 2012.

The Board appointed Mr. Ambarish Raghuvanshi, Whole-time Director and Chief Financial Officer and Mr. Amit Gupta, Company Secretary, as persons responsible for the entire Postal Ballot Process. The Board appointed Mr. N.C. Khanna, Company Secretary in Practise, as Scrutinizer to conduct Postal Ballot Process. Table No. 13 provides details of voting pattern:

TABLE 13

DETAILS OF VOTING PATTERN

S. No.	Issue	Type of resolution	Net valid Postal Ballot	Postal ballot form with assent for the Resolution (No. of Shares)	Postal ballot form with dissent for the Resolution (No. of Shares)	% of Total valid votes cast in favour of the resolution	Remarks
1	To increase Authorised Share Capital from ₹40 crores to ₹60 crores	Ordinary Resolution	247	245	2	99.99%	Passed with overwhelming majority
2	Capitalisation of reserves for allotting bonus shares in the ratio of 1:1. One equity share for every share held of face value of ₹10 each	Ordinary Resolution	241	239	2	99.99%	Passed with overwhelming majority

The Members had, therefore, approved the resolutions with requisite and overwhelming majority.

COMPLIANCE**Mandatory requirements**

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49.

Adoption of Non-Mandatory Requirements

The Company is complying with all the mandatory requirements of Clause 49 of the Listing Agreement. In addition the Company has also adopted the Non-mandatory requirements of the constitution of Remuneration Committee (in our case named as Compensation Committee) and adoption of Whistle blower mechanism as referred in Clause 49 of the Listing Agreement.

Whistle Blower Policy

The Company has a Whistle Blower policy to provide opportunity to associates to represent, in good faith, to the Audit Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prevent managerial personnel from taking any adverse vindictive personnel action against those associates. During the year there was no case reported under the policy.

Compliance Report

Table No. 14 contains the Compliance Report for financial year 2012-13

TABLE 14

COMPLIANCE REPORT

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	491	Yes	
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors' compensation and disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	
II. Audit Committee	49 (II)	Yes	
(A) Qualified and Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 IID(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	Yes	
IV. Disclosures	49 (IV)	Yes	
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	
(E) Remuneration of Directors	49 (IV E)	Yes	
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

ADDITIONAL SHAREHOLDER INFORMATION**Annual General Meeting**

Date: July 18, 2013

Time: 4.30 PM

Venue: Sri Sathya Sai International Centre, Bhasham Pitamah Marg, Lodhi Road, New Delhi – 110 003

Financial Calendar

Financial year: April 1, 2012 to March 31, 2013

For the year ended March 31, 2013, results were announced for:

- First quarter- July 25, 2012
- Half yearly- October 19, 2012
- Third quarter- January 21 , 2013
- Fourth quarter and annual- May 3, 2013

For the year ending March 31, 2014, results will be announced by:

- First quarter- on or before August 16, 2013
- Half yearly- on or before November 15 , 2013

- Third quarter- on or before February 15 , 2014
- Fourth quarter and annual- May 30, 2014

Book Closure

The dates of book closure are from July 17, 2013 to July 18, 2013 inclusive of both days.

Dividend Payment

Dividend @ ₹1 per equity share will be paid on or after July 22, 2013 subject to approval by the shareholders at the ensuing Annual General Meeting.

Listing

At present, the equity shares of the company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2013-14 to BSE and NSE has been paid.

TABLE 1

COMPANY'S STOCK EXCHANGE CODES

Name of the Stock Exchange	Stock Code
The National Stock Exchange of India	Naukri
The Stock Exchange, Mumbai	532777

ISIN CODE OF THE COMPANY

INFO EDGE (INDIA) LIMITED - INE663F01024

Stock Market Data

Monthly High and Low and the performance of our share price vis-à-vis BSE Sensex and NSE Nifty is given in Table 2 and Chart A and B respectively.

TABLE 2

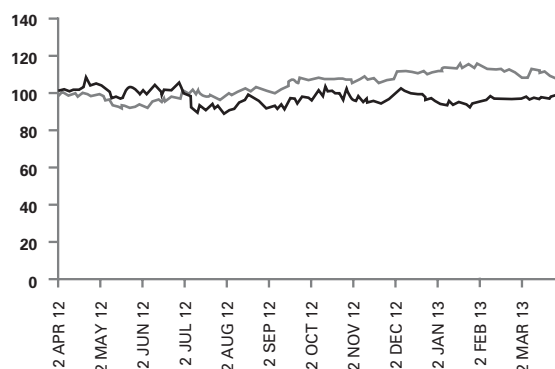
HIGHS, LOWS AND VOLUMES OF COMPANY'S SHARES FOR FY 2012-13 AT BSE AND NSE

BSE				NSE			
	High	Low	Volumes		High	Low	Volumes
Apr-12	800.00	714.00	53,100	Apr-12	839.85	714.10	192,777
May-12	793.90	690.00	1,078,400	May-12	794.30	687.15	560,908
Jun-12	766.30	709.50	168,000	Jun-12	765.45	353.00	444,038
Jul-12	368.20	277.60	201,000	Jul-12	368.00	307.50	566,206
Aug-12	365.00	319.00	34,200	Aug-12	369.00	315.45	716,039
Sep-12	359.00	323.00	46,700	Sep-12	359.85	306.35	279,941
Oct-12	380.00	334.00	1,229,300	Oct-12	381.10	337.70	1,471,076
Nov-12	369.65	331.05	37,600	Nov-12	367.85	331.50	207,493
Dec-12	372.00	339.10	55,700	Dec-12	389.95	347.00	366,706
Jan-13	353.30	328.00	59,300	Jan-13	353.00	327.00	1,353,059
Feb-13	360.00	336.05	577,800	Feb-13	357.00	343.55	932,802
Mar-13	360.00	345.00	15,200	Mar-13	360.00	324.65	371,645

CHART A

INFO EDGE'S SHARE PERFORMANCE VERSUS BSE SENSEX

— INFO EDGE BSE
— SENSEX

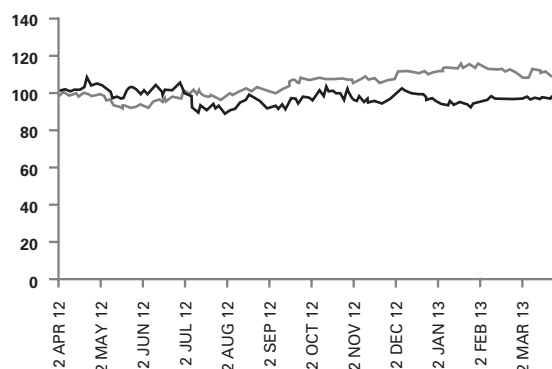


Note: Share price of Info Edge and NSE Nifty have been indexed to 100 on April 1, 2010.

CHART B

INFO EDGE'S SHARE PERFORMANCE VERSUS NSE NIFTY

— INFO EDGE NSE
— NIFTY



Distribution of Shareholding

Table 3-6 lists the distribution of the shareholding of the equity shares of the company by size and by ownership class as on March 31, 2013.

TABLE 3

SHAREHOLDING PATTERN BY SIZE

NUMBER OF SHARES	NO.OF SHAREHOLDERS	% OF SHAREHOLDERS	Amount in ₹	% OF SHARES
UPTO 2500	10,214	97.96	1,141,437	1.04
2501- 5000	57	0.55	205,167	0.19
5001-10000	37	0.35	273,600	0.25
10001-20000	23	0.22	327,179	0.30
20001-30000	16	0.15	393,937	0.36
30001-40000	6	0.06	203,926	0.19
40001-50000	4	0.04	194,552	0.18
50001-100000	14	0.13	1,027,245	0.94
100001 and above	56	0.54	105,413,981	96.55
Total	10,427	100.000	109,181,024	100.00

TABLE 4

SHAREHOLDING PATTERN BY OWNERSHIP AS ON MARCH 31, 2013

	As at March 31, 2013			As at March 31, 2012		
	No. of Shareholders	No. of Shares	% of Shareholding	No. of Shareholders	No. of Shares	% of Shareholding
A. PROMOTERS HOLDING						
Indian Promoters	8*	57,003,455	52.21	5	29,235,396	53.55
B. NON-PROMOTERS HOLDING						
a) Foreign Institutional Investors (FIIs)	68	25,639,296	23.48	64	14,081,888	25.80
b) Mutual Funds & UTI	24	14,197,825	13.01	15	5,509,187	10.09
c) Private Corporate Bodies	249	1,729,452	1.58	201	67,630	0.12
d) Indian Public-Individuals	9502	5,009,272	4.59	8400	2,716,957	4.98
e) Others- Directors/ NRIs/OCBs/FCs/etc.	576	5,601,724	5.13	519	2,979,454	5.46
Grand Total	10,427	109,181,024	100	9204	54,590,512	100

TABLE 5

STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PROMOTER & PROMOTER GROUP" AS ON MARCH 31, 2013

Sr. No.	Name of the shareholder	Number of shares	% of Total Shareholding
1	Sanjeev Bikhchandani*	37,370,812	34.23
2	Sanjeev Bikhchandani & Hitesh Oberoi holding on behalf of Endeavour Holding Trust	8,734,880	8.00
3	Hitesh Oberoi*	7,400,118	6.78
4	Ambarish Raghuvanshi*	2,003,613	1.83
5	Surabhi Motihar Bikhchandani	1,494,032	1.37
TOTAL		57,003,455	52.21

* Sanjeev Bikhchandani, Hitesh Oberoi and Ambarish Raghuvanshi held shares under two folios each as on March 31, 2013.

None of the Promoter holding in the Company is pledged or encumbered as on March 31, 2013.

TABLE 6

STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PUBLIC" AND HOLDING MORE THAN 1% OF THE TOTAL NUMBER OF SHARES" AS ON MARCH 31, 2013

Sr. No.	Name of the shareholder	Number of shares held	% of total shareholding
1	CITIGROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED	1,294,038	1.19
2	T. ROWE PRICE INTERNATIONAL DISCOVERY FUND	1,339,436	1.23
3	DSP BLACKROCK SMALL AND MID CAP FUND	1,841,968	1.69
4	FID FUNDS (MAURITIUS) LIMITED	1,888,828	1.73
5	SBI MUTUAL FUND-SBI RESURGENT SCHEME	2,364,500	2.17
6	Anil Lall	3,133,475	2.87
7	SMALLCAP WORLD FUND, INC	3,160,000	2.89
8	EQUINOX PARTNERS LP	3,283,107	3.00
9	MATTHEWS INDIA FUND	3,324,978	3.05
10	KAPIL KAPOOR	3,806,318	3.49
11	RELIANCE CAPITAL TRUSTEE CO. LTD. - A/C RELIANCE TAX SAVER (ELSS) FUND	4,297,321	3.94
12	HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND	5,334,632	4.89
	Total	35,068,601	32.11

De-materilisation of Shares As on March 31, 2013, over 99% shares of the company were held in de-materialised form.

Outstanding GDRs/ADRs/Warrants The Company has not issued GDRs/ ADRs/ Warrants as of March 31, 2013.

Details of Public Funding Obtained in the last three years The Company did not raise any funds from public in last three years. The Company made the initial public offering in 2006.

Registrar and Transfer Agent The Company has appointed LINK INTIME INDIA PRIVATE LIMITED as its Registrar and Share Transfer Agent, to whom all shareholders communications regarding change of address, transfer of shares, change of mandate etc. should be addressed. The address of the Registrar and Share Transfer Agent is as under: -

Name and Address of R and T Agent or address of the share dept, as the case may be	LINK INTIME INDIA PRIVATE LIMITED, 44, COMMUNITY CENTRE, 2ND FLOOR NARAINA INDUSTRIAL AREA, PHASE-I NEW DELHI 110028
Tel no.	011-41410592- 94
Fax no.	011-41410591
E-mail id	delhi@linkintime.co.in
Website	www.linkintime.co.in

Share Transfer System The shares of the Company are compulsorily traded in dematerialized form. Shares received in physical form are transferred within a period of 30 days from the date of lodgement subject to documents being valid and complete in all respects.

Company's Office Addresses The address of Registered and Corporate Office of the Company are as under:

Registered Office Info Edge (India) Limited, GF-12A, 94, Meghdoot, Nehru Place, New Delhi- 110019 Tel No.: - 011-26463894 E-Mail ID: - investors@naukri.com	Corporate Office Info Edge (India) Limited, B-8, Sector-132, Noida-201301. Tel No's: - 0120- 4841100 Fax No: - 0120-3082095 E-Mail ID: - investors@naukri.com
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Plant Locations The Company has 57 offices as on March 31, 2013 spread in 36 cities across India apart from offices in Dubai, Bahrain, Riyadh and Abu Dhabi. The addresses of these offices are available on our corporate website.

Address for Correspondence

Info Edge (India) Limited,
B-8, Sector-132, Noida-201301
Tel No's: - 0120- 4841100
Fax No: - 0120-3082095
E-Mail ID: - investors@naukri.com

CEO's DECLARATION TO COMPLIANCE OF CODE OF ETHICS

This is to confirm that the Company has adopted a Code of Ethics for its Board Members and Senior Management and the same is available on our corporate website www.infoedge.in.

I confirm that the Company has in respect of financial year ended March 31, 2013, received from Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Ethics as applicable to them.

Place: Noida

Date: June 10, 2013

Hitesh Oberoi
Chief Executive Officer

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Hitesh Oberoi, Chief Executive Officer, Ambarish Raghuvanshi, Chief Financial Officer and Sanjeev Bikhchandani, Whole-time Director of Info Edge (India) Limited, to the best of our knowledge and belief, certify that -

a. We have reviewed financial statements for the year ended on March 31, 2013 and that to the best of our knowledge and belief :

- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee -

- i. Significant changes in internal control over financial reporting during the year;
- ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 1, 2013

Place: Noida

Hitesh Oberoi
Managing Director
& Chief Executive Officer

Ambarish Raghuvanshi
Whole-time Director
& Chief Financial Officer

Sanjeev Bikhchandani
Whole-time Director

AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Info Edge India Limited

We have examined the compliance of conditions of Corporate Governance by Info Edge (India) Limited, for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

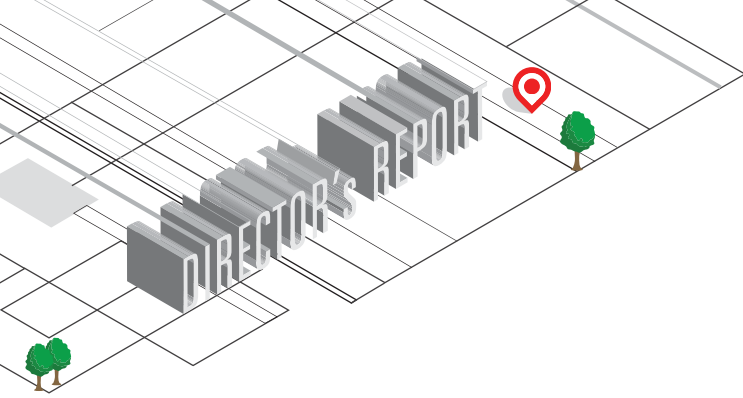
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Gurgaon
Date: June 21, 2013

For Price Waterhouse & Co., Bangalore
Firm Registration No. 007567S
Chartered Accountants

Amitesh Dutta
Partner
Membership No. 58507



Dear Shareholders,

Your Directors have pleasure in presenting the Seventh Annual Report together with the Audited Accounts for the year ended March 31, 2013.

(₹ Million)

Particulars	Standalone		Consolidated	
	FY2013	FY2012	FY2013	FY2012
1. Net Sales	4,349.00	3,756.38	4,699.52	3,903.04
2. Other Operating Income	23.58	14.46	23.69	15.80
2A. Other Income	464.94	394.57	475.27	394.72
3. Total Income (1+2+2A)	4,837.52	4,165.41	5,198.48	4,313.56
4. Expenditure:				
a) Network and other charges	139.40	93.17	163.96	104.66
b) Employees Cost	1,672.17	1,369.96	1,983.32	1,482.24
c) Advertising and Promotion Cost	576.50	515.97	750.34	563.21
d) Depreciation/Amortization	94.46	76.61	117.80	83.21
e) Other Expenditure	510.27	368.75	642.47	607.26
Total Expenditure	2,992.80	2,424.46	3,657.89	2,840.58
5. EBITDA(3-4+4d)	1,939.18	1,817.56	1,658.39	1,556.19
6. Interest	0.95	0.67	0.95	0.67
7. Profit from Ordinary Activities before tax and exceptional items (3-4-6)	1,843.77	1,740.28	1,539.64	1,472.31
8. Exceptional Item	292.87	3.53	236.92	8.33
9. Net Profit from Ordinary Activities before tax (7-8)	1,550.90	1,736.75	1,302.72	1,463.98
10. Tax Expense	528.44	510.52	528.51	528.76
11. Net Profit from Ordinary Activities after tax (9-10)	1,022.46	1,226.23	774.21	935.22
12. Extraordinary item	-	-	-	-
13. Net Profit after Tax (11+12)	1,022.46	1,226.23	774.21	935.22
14. Share in loss of Associate Companies	-	-	(15.12)	(30.04)
15. Share of Minority Interest in the losses of Subsidiaries	-	-	152.52	13.68
16. Reversal of Subsidiary into Associate	-	-	-	114.43
17. Reversal of Associate into Subsidiary	-	-	4.33	-
18. Net profit for the year (13+14+15+16+17)	1,022.46	1,226.23	915.94	1,033.29

FINANCIAL REVIEW

Net sales increased by 15.78% from ₹3,756 million in FY2012 to ₹4,349 million in FY2013. Total income increased by 16.14% to ₹4,837 million in FY2013.

The total cost went up by 23.44% in FY2013 over FY2012 mainly owing to increased employee cost and advertisement expenses to build brands. A large proportion of the increased costs can be attributed to investment in our businesses.

Net profit before exceptional items and taxes increased by 5.95% from ₹1,740 million in FY2012 to ₹1,844 million in FY2013. Net profit after taxes has decreased by 16.62% from ₹1,226 million in FY2012 to ₹1,022 million in FY2013

owing to a large exceptional item of ₹289.34 million in FY2013.

DIVIDEND

Your Directors are pleased to recommend dividend at the rate ₹1.00/- per share for the FY2013, subject to the approval of the shareholders. The proposed dividend together with corporate dividend tax would mean an outflow of ₹126.89 million.

TRANSFER TO RESERVES

Since the Board decided to recommend payment of dividend @₹1.00/- per share (10%) for the financial year ended March 31, 2013, there is no requirement to transfer any amount to reserve under Companies (Transfer of Profit to Reserves Rules), 1975.

LISTING OF SHARES

The Company's shares are listed on Bombay Stock Exchange Ltd. (BSE) & National Stock Exchange of India Ltd. (NSE) with effect from November 21, 2006, post its initial public offering (IPO).

OPERATIONS REVIEW

While the other businesses are gaining traction, your Company's primary revenue generator is still the online recruitment classifieds and related services through naukri.com, naukri.gulf.com and quadrangle business divisions. Net sales from recruitment solutions increased by 10.7% from ₹3,042 million in FY2012 to ₹3,367 million in FY2013. Operating EBITDA from recruitment solutions increased by 7% from ₹1550 million in FY2012 to ₹1659 million in FY2013.

We also provide property, matrimonial, and education based classifieds and related services through our portal 99acres.com, jeevansathi.com, and shiksha.com respectively. With revenues from these other verticals increasing by 37.5%, their combined contribution to the company's net sales was 22.6% in FY2013. 99acres.com grew by 48.1% and Shiksha.com grew by 29.6%. The Company would continue to invest more to scale up these businesses in FY2014.

Detailed analysis of the performance of the Company and its businesses has been presented in the section on Management Discussion and Analysis of this Annual Report.

FUTURE OUTLOOK

The economic slowdown in India and relatively subdued business sentiment is expected to prevail in FY2014. This may have an impact on both the recruitments and the real estate business.

While Info Edge's business might witness some slowdown, much of it will be offset by the growing transformation of physical transactions into online ones. In addition, the online infrastructure is continuing to grow in India. Internet penetration and broadband usage continued to show strong secular growth trends and even today they are on the lower side in terms of penetration when compared to similar developing countries in Asia. Therefore, the potential for growth of internet enabled businesses is immense.

At Info Edge, we believe in this potential and are going to invest in all our business primarily on people, product development, marketing and brand building. The aim is to be domain leaders driving the internet led economic growth of the country. For FY2014, we remain cautiously optimistic. The recruitment business is expected to maintain its growth momentum although a pickup in activity will have to wait for growth in GDP, business confidence and in investment spending. The real estate business has shown all signs in FY2013 of being close to the point of inflection for rapid growth. The matrimonial

business is expected to strengthen its market position in its niche segments in north India, while the education business is developing impressively. For your Company, FY2014 will be about gaining from growth in the overall internet market and further consolidating its position by focusing on gaining market share. The investee companies are still developing their business models and will gain some visibility on future prospects in the next 2 to 3 years.

SUBSIDIARY COMPANIES

During FY2013, Info Edge had following subsidiary companies –

- Naukri Internet Services Private Limited and Jeevansathi Internet Services Private Limited, which own internet domain names and related trademarks;
- Allcheckdeals India Private Limited which provides brokerage services in the real estate sector in India;
- Info Edge (India) Mauritius Limited primarily to make overseas investments of the Company;
- Appect Learning Systems Private Limited which is engaged in business of kindergarten to class12 (K-12) assignment and tuitions through its online portal Meritnation.com;
- Zomato Media Pvt. Ltd., added as a subsidiary during the year operates an online food guide portal zomato.com
- During the year, the company acquired MakeSense Technologies Pvt. Ltd., owner of a proprietary software for semantic search which will augment search capabilities for both recruiters & job seekers, principally on naukri.com.

INVESTEE COMPANIES

During the year, the company had the following continuing external strategic investments -

- Etechaces Marketing & Consulting Pvt. Ltd., is engaged in aggregation and comparison of financial products including online insurance & loans through its online portal policybazaar.com had a fresh round of funding by us & Intel Capital in addition to Inventus, pursuant to its capital raising exercise in last two years, it is an associate company now.
- Canvera Digital Technologies Pvt. Ltd., a digital photograph storage and printing business through its website canvera.com.
- Happily Unmarried Pvt. Ltd which is into designing & selling creative fun products through its website happilyunmarried.com.
- Kinobeo Software Pvt. Ltd., which is in business of providing online discount offers and group deals through its web portal mydala.com.
- Nogle Technologies Pvt. Ltd., which is a web based sharing platform through its Website floost.com.

The companies are treated as "Associate Companies" in our Consolidated Financial Statements as per the Account Standards issued by Institute of Chartered Accountants of India and notified by Ministry of Corporate Affairs. During the FY2013, your Company invested about ₹1,465 million into the external businesses/ companies.

PARTICULARS OF EMPLOYEES

The particulars of employees required under Section 217 (2A) of the Companies Act, 1956 and the rules there under, are required to be annexed to this Report as Annexure. However, pursuant to the provisions of Section 219(1)(b) (iv) of the Companies Act, 1956, the Annual Report and Accounts are being sent to all the shareholders of the Company without the above information. Any shareholder interested in obtaining such particulars may write to the Company.

EMPLOYEES STOCK OPTION PLAN (ESOP)

Our ESOP schemes help us share wealth with our employees and have retention oriented compensation program.

ESOP-2003 The Company made this initial plan when it was a private limited unlisted company and therefore SEBI ESOP Guidelines were not applicable to this scheme. The scheme was used to grant ESOPs till listing i.e. November 2006 and thereafter, no fresh grants have been made under the scheme. Options granted prior to November 2006 continue to vest and exercised till their validity under this scheme.

ESOP-2007 (modified in June 2009) This is a SEBI compliant ESOP scheme being used to grant stock based compensation to our Associates since 2007. This was approved by passing a special resolution in the Extraordinary General Meeting (EGM) held on March 26, 2007 which was further amended in June 2009 through approval of shareholders by Postal Ballot by introducing Stock Appreciation Rights (SARs)/ Restricted Stock Units (RSUs) and flexible pricing of ESOP/SAR Grants. The scheme is currently used by the Company to make fresh ESOP/SAR grants.

Disclosures as required by clause 12 of the SEBI Employees Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 are annexed to this report.

A certificate from M/s Price Waterhouse & Co., Bangalore, Statutory Auditors, with regards to the implementation of the Company's Employee Stock Option Scheme in line with SEBI Employees Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 would be placed in the ensuing Annual General Meeting.

CORPORATE GOVERNANCE

Separate detailed chapters on Corporate Governance, Additional Shareholder Information and Management Discussion and Analysis are attached herewith and forms a part of this annual report.

PUBLIC DEPOSITS AND LIQUIDITY

We continue to be almost debt-free, and believe we maintain sufficient cash to meet our strategic objectives. During FY2013, your Company has not accepted any deposits or raised any fresh equity from the public.

Energy Conservation, Technology Adoption and Foreign Exchange Flows

Since the Company is a service sector company and does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998 are not applicable. However, on a proactive basis, we are disclosing the details of energy conservation and technology absorption as part of annexure A to the directors' report. The particulars regarding foreign exchange earnings and expenditure are furnished below-

(₹ Million)

Particulars	FY2013	FY2012
Foreign Exchange Earnings		
Sales	434.55	347.03
Total Inflow	434.55	347.03
Server Charges	102.18	62.42
Advertising, Promotion & Marketing Expenses	13.87	19.63
Travel Expenses	0.36	0.75
Foreign Branch Expenses	46.43	39.61
Others	7.24	5.95
Total Outflow	170.08	128.36
Net Foreign Exchange Inflow	264.47	218.67

DIRECTORS

There has been no change in the directors of your Company.

As per the requirements of Section 256 of the Companies two-thirds of the Board shall consist of retiring directors out of which one third shall retire at every annual general meeting. Accordingly, Mr. Arun Duggal and Mr. Ashish Gupta shall retire and being eligible offer themselves for re-appointment in the ensuing Annual General Meeting.

INTERNAL CONTROL SYSTEMS

The Company has in place adequate systems of Internal Control to ensure compliance with policies and procedures. The Company has appointed an external professional firm as Internal Auditor. The Audits of all the units of the Company are regularly carried out to review the internal control systems & processes. The Internal Audit Reports along with implementation and recommendations contained therein are constantly reviewed by the Audit Committee of the Board.

AUDITORS

M/s. Price Waterhouse & Co., Bangalore, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- they have selected such accounting policies and applied

them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the year;

- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- they have prepared the annual accounts on a going concern basis.

NOTES TO ACCOUNTS

There was no qualification in the Auditors Report and both the Auditors Report & notes on accounts are self-explanatory.

ACKNOWLEDGMENTS

We thank our clients, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our consistent growth has been made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

Date- June 18, 2013
Place- Hongkong

Kapil Kapoor
Chairman

ANNEXURE –I

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT

Particulars pursuant to Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988

1. Conservation of energy

While our operations are not energy-intensive, we continue to take steps to reduce energy consumption. Some of the significant measures undertaken during the year are listed below:

- i) Regular monitoring of temperature inside the buildings and controlling the air-conditioning System.
- ii) Rationalization of usage of electrical equipments - air-conditioning system, office illumination, beverage dispensers, desktops.
- iii) Power factor rationalization.
- iv) Usage of energy efficient illumination fixtures.
- v) Signage timings rationalization.
- vi) Planned Preventive Maintenance (PPM) schedule put in place for electro-mechanical equipments.

2. Research and Development (R&D)

We operate in the internet/ information technology industry where developments happen on a continuous basis. We regularly evaluate these developments & factor their suitability to us. Accordingly, research and development of new services, designs, frameworks, processes and methodologies continue to be of importance to us. This allows us to enhance quality, productivity and customer satisfaction through continuous improvements/innovation.

a. R&D initiative

Our Technical Team works to optimize the existing software applications and to be able to optimally use the existing hardware on a continuous basis.

b. Specific areas for R&D at the company & the benefits derived there from

Our search engine team has worked on bringing about significant improvements to the job and resume searches offered on the website by exploring newer and better ways to search.

c. Future plan of action

We constantly keep working on finding / evaluating new technologies, processes, frameworks and methodologies to enable us in improving the quality of our offerings and user satisfaction.

d. Expenditure on R&D for the year ended March 31, 2013

Our Research and Development activities are not capital intensive and we do not specifically provide for the same in our books.

ANNEXURE –II

Information regarding the Employee Stock Option Schemes

Particulars	Number
Options/Stock Appreciation Rights outstanding at beginning of year (April 1, 2012)	1,863,326
Add:	
Options/Stock Appreciation Rights granted	343,500
Bonus Options Granted	1,820,494
Sub-total-1	4,027,320
Less:	
Options/Stock Appreciation Rights exercised	531,825
Options/Stock Appreciation Rights forfeited	108,400
Sub-total-2	640,225
Options/Stock Appreciation Rights outstanding at the end of year (sub-total 1-2)	3,387,095
Option/Stock Appreciation Rights exercisable at the end of year (March 31, 2013)	2,197,360

Exercise price

During the year 2012-13, fresh ESOP/SARs Grants were made under ESOP 2007 at the following prices:

No. of SARs Granted	Exercise Price (₹)
20,500	10.00
7,000	384.00
14,000	369.50
62,000	351.00
174,000	370.00
6,000	346.00
60,000	360.00

Details of option granted to Senior Management/Directors during the year:

(i)	Grant to Directors	NIL	
(ii)	Any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	Name	No of SAR Granted
		Anand Ramachandran	30,000
		Vivek Arya	30,000
		Manav Gupta	24,000
		Ravi Pratap	24,000
(iii)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil	

Other Details-

1	Earnings Per share (EPS)	₹9.36	
2	Method of calculation of employee compensation cost	The Company has calculated the employee compensation cost using the intrinsic value of stock options.	
3	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options)	Rs 61.29 Million	
4	The impact of this difference on profits and on EPS of the Company	Profit for the year would be lower by Rs 61.29 Million (Previous year 82.67 Million) and the EPS would be Rs 8.80 (Previous year 10.48).	
5 a	Weighted-average exercise prices of options whose exercise price –	ESOP 2007	ESOP 2007 SAR
	i) either equals market price; or	-	-
	ii) exceeds market price ; or	-	364.94
	iii) is less than the market price of the stock	10	-
5 b	Weighted fair values of options whose exercise price –	ESOP 2007	ESOP 2007 SAR
	i) either equals market price; or	-	-
	ii) exceeds market price ; or	-	130.90
	iii) is less than the market price of the stock	322.25	-

6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information: (i) risk-free interest rate; (ii) expected life (in years); (iii) expected volatility (iv) expected dividend yield (v) the price of the underlying share in the market at the time of option grant.	ESOP 2007	ESOP 2007 SAR
		322.25	130.90
		0.10%	0.10%
		8.06	8.06
		4.00	3.68
		32.15%	32.15%
7	Impact on the profits and EPS if the Company had followed the accounting policies specified in Clause 13 of the SEBI ESOP Guidelines	N.A.	

INDEPENDENT AUDITORS' REPORT

To the Members of Info Edge (India) Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Info Edge (India) Limited (the "Company"), which comprise the Balance Sheet as at March 31 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse & Co. , Bangalore
Firm Registration Number:007567S
Chartered Accountants

ANNEXURE TO THE AUDITORS' REPORT

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii) (b),(c) and (d) / (f) and (g) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty as at March 31, 2013 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disallowances on ESOP expenses	3,557,310	FY 2009-10	CIT(Appeals)

- x. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company

INFO EDGE (INDIA) LIMITED

- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Noida
May 3, 2013

Amitesh Dutta
Partner
Membership Number 58507

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note	As at March 31, 2013 (₹'Mn)	As at March 31, 2012 (₹'Mn)
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUNDS			
(a) Share Capital	3	1,091.81	545.91
(b) Reserves and Surplus	4	5,562.54	5,198.21
(2) NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	4.82	2.79
(3) Current Liabilities			
(a) Trade payables	6	357.31	270.41
(b) Other current liabilities	7	1,249.16	1,225.99
(c) Short-term provisions	8	240.55	231.18
Total		8,506.19	7,474.49
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets	9		
(i) Tangible assets		857.62	518.81
(ii) Intangible assets		50.01	12.31
(iii) Capital work-in-progress		98.16	94.43
(b) Non-Current Investments	10	2,953.88	2,871.71
(c) Deferred tax assets (net)	11	44.85	41.74
(d) Long term loans and advances	12	158.60	127.04
(e) Other non-current assets	13	1,047.21	666.98
(2) CURRENT ASSETS			
(a) Current investments	14	1,293.07	942.20
(b) Trade receivables	15	44.58	35.92
(c) Cash and bank balances	16	1,783.31	2,043.14
(d) Short-term loans and advances	12	102.76	62.12
(e) Other current assets	13	72.14	58.09
Total		8,506.19	7,474.49

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of these financial statements

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Managing Director

Ambarish Raghuvanshi
Director & CFO

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note	Year ended	Year ended
		March 31, 2013	March 31, 2012
		(₹'Mn)	(₹'Mn)
I. Revenue from operations	17	4,372.58	3,770.84
II. Other Income	18	464.94	394.57
III. Total Revenue (I + II)		4,837.52	4,165.41
IV. Expenses			
Employee Benefits Expense	19	1,672.17	1,369.96
Finance Costs	20	24.80	20.12
Depreciation and Amortisation	21	94.46	76.61
Advertising and Promotion cost	22	576.50	515.97
Administration and Other expenses	23	486.42	349.30
Network, Internet and Other direct charges	24	139.40	93.17
Total Expenses		2,993.75	2,425.13
V. Profit before Exceptional item and Tax (III-IV)		1,843.77	1,740.28
VI. Exceptional Item	40	292.87	3.53
VII. Profit before Tax (V-VI)		1,550.90	1,736.75
VIII. Tax Expense			
(1) Current Tax		531.55	511.59
(2) Deferred Tax	11	(3.11)	(1.07)
IX. Profit for the year from continuing operations (VII-VIII)		1,022.46	1,226.23
X. Profit for the year (IX)		1,022.46	1,226.23
XI. Earnings per equity share: Nominal Value of Share ₹10/- (Previous Year ₹10/-)			
(1) Basic	30	9.36	11.23
(2) Diluted		9.36	11.23

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of these financial statements

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Managing Director

Ambarish Raghuvanshi
Director & CFO

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

S.No.	Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
		Amount (₹'Mn)	Amount (₹'Mn)
A.	Cash flow from operating activities:		
	Net Profit before Exceptional item and Tax	1,843.77	1,740.28
	Adjustments for:		
	Depreciation	94.46	76.61
	Interest Expense	0.95	0.67
	Interest Income	(245.24)	(192.52)
	Dividend Income from Mutual Funds	(87.28)	(120.65)
	(Profit)/Loss on Fixed Assets sold (net)	(0.14)	(0.82)
	(Profit)/Loss on sale of Investments (net)	(116.05)	(68.06)
	Interest Income on Debentures	(5.09)	(1.17)
	Provision for Bad & Doubtful Debts	3.47	0.45
	Liability no longer required written back	(23.58)	(14.46)
	Provision for Gratuity & Leave Encashment	1.32	(1.99)
	TDS on revenue receipts	(227.93)	(214.38)
	Employee Stock Option Scheme Compensation Expense	14.68	14.98
	Operating profit before working capital changes	1,253.34	1,218.94
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	(12.18)	2.48
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	(82.08)	21.76
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	133.49	360.54
	Cash generated from operating activities	1,292.57	1,603.72
	- Taxes (Paid) / Received (Net of TDS)	(289.63)	(344.78)
	Net cash from operating activities	1,002.94	1,258.94
B.	Cash flow from Investing activities:		
	Purchase of fixed assets	(471.80)	(75.50)
	Proceeds from Sale of fixed assets	3.60	2.25
	Proceeds from Sale of Investments	6,811.89	5,952.43
	Purchase of Investments	(5,871.16)	(5,700.33)
	Purchase of Fixed Deposits	(284.87)	(440.85)
	Interest Received	244.80	143.88
	Dividend Received	87.28	120.65
	Amount paid on acquisition of shares/debentures of other enterprises (Subsidiaries and associates)	(1,543.33)	(1,029.30)
	Net cash used in investing activities	(1,023.59)	(1,026.77)
C.	Cash flow from financing activities:		
	Repayment of long term borrowings (Net)	2.86	(0.14)
	Interest Paid	(0.91)	(0.67)
	Dividend Paid	(109.16)	(40.94)
	Dividend Tax Paid	(17.71)	(6.80)
	Net cash used in financing activities	(124.92)	(48.55)
	Net Increase/(Decrease) in Cash & Cash Equivalents	(145.57)	183.62
	Opening Balance of Cash and cash equivalents (April 01, 2012/April 01, 2011)	287.50	103.88
	Closing Balance of Cash and cash equivalents	141.93	287.50
	Cash and cash equivalents comprise		
	Cash in hand	2.60	3.41
	Balance with Scheduled Banks		
	-in current accounts (Refer note 2 and 3 below)	139.33	258.34
	-in Fixed deposits with original maturity of less than 3 months	-	25.75
	Total Cash and Cash equivalents	141.93	287.50
	-in Fixed deposits with original maturity exceeding than 3 months	2,659.31	2,374.44
	Total	2,801.24	2,661.94

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Balance with scheduled bank in current account includes ₹0.12 Million (previous year ₹0.12 Million) in respect of unpaid application money due for refund, which is not available for use by the company.
- Balance with scheduled bank in current account includes ₹0.09 Million (previous year ₹0.07 Million) in respect of unclaimed dividend, which is not available for use by the company.
- Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

Amitesh Dutta
Partner
Membership Number 58507

Place : Noida
Date : May 03, 2013

For and on behalf of the Board of Directors

Hitesh Oberoi
Managing Director

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

Ambarish Raghuvanshi
Director & CFO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. General Information

Info Edge (India) Ltd (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India.

The Company was converted to a public limited company and its name was changed to Info Edge (India) Limited with effect from April 27, 2006.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

2.2 Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

Intangible assets are stated at their cost of acquisition.

Profit/Loss on disposal of fixed assets is recognized in the Statement of Profit and Loss.

2.3 Depreciation

Tangible Assets

Fixed Assets are depreciated under Straight Line Method over the estimated useful lives of the assets, which are as follows:

Assets	Estimated life (Years)
Building	20
Computers	3
Office Equipment	3
Vehicles	4
Plant and Machinery	5
Furniture & Fixtures	7

Intangible Assets

Fixed Assets are depreciated under Straight Line Method over the estimated useful lives of the assets, which are as follows:

Assets	Estimated life (Years)
Other Software Licenses	3
Enterprise Resource Planning Software	5

Cost of Operating and Marketing rights acquired is amortised over a period of 5 years.

Leasehold Land and Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the related assets.

Assets costing less than or equal to ₹5,000 were fully depreciated in the year of acquisition upto March 31,2012. With effect from April 01, 2012 such assets are depreciated @ 100% pro-rata from date of acquisition. The impact of this change in Accounting policy results in increase of profit by ₹9.58 million during the year.

The effective rates of depreciation based on the estimated useful lives are above the minimum rates as prescribed by Schedule XIV of the Act.

2.4 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rate prevailing on the date of the transaction. Gain/Loss arising on fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.5 Revenue Recognition

The Company earns revenue significantly from the following sources viz.

- a) Recruitment solutions through its career web site, Naukri.com:-
Revenue is received in the form of fees, which is recognized prorata over the subscription / advertising agreement, usually ranging between one to twelve months.
- b) Matrimonial web site, Jeevansathi.com and Real Estate website, 99acres.com:-
Revenue is received in the form of subscription fees, which is recognized over the period of subscription, usually ranging between one to twelve months.
- c) Placement search division, Quadrangle:-
Revenue is received in the form of fees, for placements at various levels in a client's organization. Revenue is booked on the successful completion of the search and selection activity.
- d) Real Estate broking division:-
Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the company.
- e) Resume Sales Service:-
The revenue from Resume Sale Services is earned in the form of fees and is recognized on completion of the related service.

In respect of a) and b) above, the unaccrued amounts are not recognized as revenue till all obligations are fulfilled and are reflected in the Balance sheet as Income received in advance (Deferred Sales Revenue.)

All the above sources of revenue are shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognized on reasonable certainty of collection.

2.6 Investments

Long-term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

2.7 Employee Benefits

The company has Defined Contribution plan for the post-employment benefits namely Provident Fund which is recognized by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year. The Company's contribution to state plans namely Employee State Insurance Fund is charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment, compensated absence and gratuity for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. The Gratuity Fund is recognized by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

Termination benefits are recognized as an expense immediately.

Gains and losses arising out of actuarial valuations are recognized immediately in the Profit and Loss Account as income or expense.

2.8 Leased Assets

- a) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.
- b) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Profit and Loss Account on a straight line basis over the lease term.

2.9 Taxes on Income

Tax expense comprises of current tax and deferred tax. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred tax assets are recognized and carried forward only to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

2.10 Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.11 Employee Stock Option Based Compensation

Stock options granted to the employees and to the non-executive Directors who accepted the grant under the Company's Stock Option Plan are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme) Guidelines, 1999 as amended from time to time and the guidance note on Employee Share Based Payments issued by ICAI. The Company

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

follows the intrinsic value method and accordingly, the excess, if any, of the market price of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognized as employee compensation cost and amortised on a graded vesting basis over the vesting period.

2.12 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.13 Dividend income

Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

2.14 Interest Income

Interest income is recognized on the time basis determined by the amount outstanding including the tax credits and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

2.15 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. Share Capital**(Amount ₹Mn)**

Particulars	As at March 31, 2013	As at March 31, 2012
AUTHORIZED CAPITAL		
120.00 Million Equity Shares of ₹10/- each (Previous year – 60.00 Million Equity Shares of ₹10/- each)	1,200.00	600.00
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
109.18 Million Equity Shares of ₹10/- each fully paid up	1,091.81	545.91
(Previous year – 54.59 Million Equity Shares of ₹10/- each fully paid up)		
Total	1,091.81	545.91

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2013 No. of Shares	As at March 31, 2013 (₹Mn)	As at March 31, 2012 No. of Shares	As at March 31, 2012 (₹Mn)
Equity Shares				
At the beginning of the period	54,590,512	545.91	54,590,512	545.91
Add: Issued during the period	54,590,512	545.90	-	-
Outstanding at the end of the period	109,181,024	1091.81	54,590,512	545.91

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:-

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2011	For the year ended March 31, 2010	For the year ended March 31, 2009
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	54,590,512	-	27,295,256	-	-
Total	54,590,512	-	27,295,256	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

d. Details of shareholders holding more than 5% shares in the company

Particulars	For the year ended March 31, 2013		For the year ended March 31, 2012	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹10 each fully paid				
- Sanjeev Bikhchandani	37,370,812	34.23	19,235,406	35.24
- Sanjeev Bikhchandani & Hitesh Oberoi holding on behalf of Endeavour holding Trust	8,734,880	8.01	4,367,440	8.00
- Hitesh Oberoi	7,400,118	6.78	3,798,782	6.96
Total	53,505,810	49.02	27,401,628	50.20

4. RESERVES AND SURPLUS

Particulars	As at March 31, 2013		As at March 31, 2012	
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
Securities Premium Account				
Opening Balance	1,310.07		1,310.07	
Less: Utilisation for issue of bonus shares	545.91	764.16	-	1,310.07
General Reserve				
Opening Balance	145.57		48.54	
Add: Transfer from Statement of Profit and Loss under Companies (Transfer of Profit to Reserves Rules), 1975	-		91.97	
Add: Transfer from Profit and Loss Account (Stock Options Outstanding Account)	1.56	147.13	5.06	145.57
Stock Options Outstanding Account				
Opening Balance	40.52		30.62	
Add: Transfer during the year	14.68		14.98	
Less: Adjusted against advance given to Info Edge Employees Stock Option Trust	0.01		0.02	
Less: Transfer to Profit & Loss Account	1.56	53.63	5.06	40.52
Profit & Loss Account				
Opening Balance	3,702.05		2,694.68	
Add: Net Profit after tax transferred from statement of Profit and Loss	1,022.46		1,226.23	
Transfer from Stock Option Outstanding Account	1.56		5.06	
Less: Appropriations				
Proposed Dividend	109.18		109.18	
Dividend Tax	17.71		17.71	
Transfer to General Reserve under Companies (Transfer of Profit to Reserves Rules), 1975	-		91.97	
Transfer to General Reserve (Employee Stock Options Outstanding Account)	1.56	4,597.62	5.06	3,702.05
Total		5,562.54		5,198.21

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

5. LONG TERM BORROWINGS

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
SECURED LOANS				
Term Loans from banks	4.82	2.79	4.65	3.81
Current Maturities transferred to Current Liabilities	-	-	(4.65)	(3.81)
	4.82	2.79	-	-

- a. Term Loans from banks are secured by hypothecation of Vehicles taken on lease.
- b. Term loans carry interest rates ranging from 6% to 11%. The loan is repayable along with interest within 2 to 3 years from the date of loan.

Leased Assets included in vehicles where the company is a lessee under finance leases are:

Finance Lease Liabilities- minimum lease payments:	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)
Not later than 1 year	5.41	4.30
Later than 1 year and not later than 5 years	5.14	3.01
Total minimum lease payments	10.55	7.31
Less: Future finance charges on finance leases	1.08	0.71
Present value of finance lease liabilities	9.47	6.60
Representing lease liabilities:		
- Current	4.65	3.81
- Non Current	4.82	2.79
	9.47	6.60
The present value of finance lease liabilities may be analyzed as follows:		
Not later than 1 year	4.65	3.81
Later than 1 year and not later than 5 years	4.82	2.79
Total	9.47	6.60

6. TRADE PAYABLES

Particulars	Long Term		Short Term	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
Trade Payables				
- total outstanding dues of micro, small and medium enterprises	-	-	-	-
- total outstanding dues of creditors other than micro, small and medium enterprises	-	-	357.31	270.41
Total	-	-	357.31	270.41

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

7. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Current Maturities of Term Loans transferred from Long Term Borrowings	4.65	3.81
Interest accrued but not due on loans	0.07	0.04
Income received in advance (Deferred Sales Revenue)	1,212.19	1,189.03
Unpaid Dividend*	0.09	0.07
Unpaid Application Money received by the company for allotment of securities and due for refund*	0.12	0.12
Others		
-Service Tax Payable	(0.64)	8.87
-TDS Payable	26.86	19.58
-Others	5.82	4.47
Total	1,249.16	1,225.99

* Will be credited to Investor Education and Protection Fund as and when due

8. PROVISIONS

Particulars	Long Term		Short Term	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
Provision for Employee Benefits				
Provision for Compensated Absence	-	-	19.50	20.00
Provision for Gratuity	-	-	16.98	15.16
Other Provisions				
Accrued Bonus	-	-	69.82	69.13
Provision for Tax	-	-	2,477.88	-
Less: Advance Tax	-	-	(2,470.52)	-
Proposed Dividend	-	-	109.18	109.18
Dividend Tax	-	-	17.71	17.71
Total	-	-	240.55	231.18

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

9. FIXED ASSETS

(₹Mn)

PARTICULARS	GROSS BLOCK(AT COST)				DEPRECIATION/AMORTISATION			NET BLOCK		
	As at April 01, 2012	Additions during the year	Deletions/ Write off during the year	As at March 31, 2013	Up to April 01, 2012	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
Own Assets										
Tangible Assets										
Leasehold Land	346.95	-	-	346.95	15.74	5.14	-	20.88	326.07	331.21
Building	91.19	-	-	91.19	6.43	4.56	-	10.99	80.20	84.76
Leasehold Improvements	67.19	226.78	0.81	293.16	60.38	7.18	0.81	66.75	226.41	6.81
Computers	198.00	61.98	18.70	241.28	134.54	44.55	16.71	162.38	78.90	63.46
Plant and Machinery	34.10	25.50	0.16	59.44	31.40	2.19	0.16	33.43	26.01	2.70
Furniture and Fixtures	34.88	62.04	0.07	96.85	25.98	6.86	0.04	32.80	64.05	8.90
Office Equipment	57.61	40.66	0.70	97.57	47.61	9.18	0.69	56.10	41.47	10.00
Vehicles	0.73	-	-	0.73	0.73	-	-	0.73	-	-
Assets taken on Finance Lease										
Vehicles	20.75	10.37	5.94	25.18	9.78	5.41	4.52	10.67	14.51	10.97
Total	851.40	427.33	26.38	1,252.35	332.59	85.07	22.93	394.73	857.62	518.81
Intangible Assets										
Own Assets (Acquired)										
Goodwill	0.26	-	-	0.26	0.26	-	-	0.26	-	-
Operating and Marketing Rights	27.56	-	-	27.56	27.56	-	-	27.56	-	-
Enterprise Resource Planning Software	21.30	4.65	-	25.95	9.85	5.04	-	14.89	11.06	11.45
Other Software Licenses	4.92	42.44	-	47.36	4.06	4.35	-	8.41	38.95	0.86
Total	54.04	47.09	-	101.13	41.73	9.39	-	51.12	50.01	12.31
Total	905.44	474.42	26.38	1,353.48	374.32	94.46	22.93	445.85	907.63	531.12
Previous Year	856.40	70.43	21.39	905.44	317.66	76.61	19.95	374.32	531.12	

10. NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2012 (₹Mn)
Others (Unquoted) (valued at cost unless otherwise stated)				
Investments in Equity Instruments of Subsidiary Companies				
9,800 (Previous year – 9,800) shares of Jeevansathi Internet Services Pvt. Ltd. of ₹10/- each fully paid up. (two hundred shares are held by the nominees of the company)	0.10		0.10	
9,998 (Previous year – 9,998) shares of Naukri Internet Services Pvt. Ltd. of ₹10/- each fully paid up. (two shares are held by the nominees of the company)	0.10		0.10	
7,009,999 (Previous year – 7,009,999) shares of Allcheckdeals India Pvt. Ltd. of ₹10/- each fully paid up. (One share is held by Naukri Internet Services Pvt Ltd)	70.10		70.10	
4,99,999 (Previous year- NIL) shares of Makesense Technologies Pvt. Ltd. of ₹10 each fully paid up. (and share premium of ₹154.82/- per share (Previous Year- NIL)	82.41		-	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2012 (₹Mn)
1,63,827 (Previous year – NIL) shares of Zomato Media Pvt Ltd (formerly DC Foodiebay Online Services Private Limited) of ₹1/- each fully paid up. (and share premium of ₹5252.08/- per share.	860.60		-	
19,300 (Previous year – 13,210) shares of Applect Learning Systems Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹32,015.88/- (Previous year- ₹8254.47)per share computed on average basis)	618.10		168.10	
1,112,001(Previous year – 1,112,001) shares of Info Edge (India) Mauritius Limited of USD 1/- each fully paid up Less: Provision for diminution in value of investment (Refer Note No. 40)	45.60 (45.60)	1631.41	45.60 (45.00)	239.00
Investment in Equity Instruments of Associate Companies				
11,950 (Previous year - 11,950) shares of eTechAces Marketing and Consulting Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹16,726.40/- per share (Previous Year- ₹16726.40/-)).	200.00		200.00	
258 (Previous year - 258) shares of Nogle Technologies Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹40/- (Previous Year- ₹40/-)per share).	0.01		0.01	
Nil (Previous year – 58,480) shares of Zomato Media Pvt Ltd (formerly DC Foodiebay Online Services Private Limited) of ₹1/- each fully paid up. (and share premium of Nil per share. (Previous year- ₹802.69))	-		47.00	
476,666 (Previous year - 476,666) shares of Ninety Nine Labels Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹102.38/- (Previous Year- ₹102.38/-)per share computed on average basis.) Less: Provision for diminution in value of investment (Refer Note No. 40)	53.57 (53.55)		53.57 -	
100 (Previous year - NIL) shares of Happily Unmarried Marketing Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹12,709.12/- (Previous Year-NIL) per share.)	1.27		-	
3,553 (Previous year - NIL) shares of Canvera Digital Technologies Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹1,167/- (Previous Year- NIL) per share.)	4.15	205.45	-	300.58
Investment in Unsecured 0.1% Optionally Convertible Cumulative Redeemable Preference Shares of Subsidiary Company				
NIL (Previous year – 15,000) shares of Applect Learning Systems Pvt. Ltd. of ₹10,000/- each fully paid up. (and share premium of NIL (Previous Year ₹9 999 /-) per share)			-	150.00
Investments in Preference Shares of Associate Companies				
5,345 (Previous year - 4,571) 0.1% cummulative convertible preference shares of eTechAces Marketing and Consulting Pvt. Ltd. of ₹100/- each fully paid up. (and share premium of ₹21,781.31/- (Previous Year- ₹21,781.31/-)per share computed on average basis.)	124.99		100.02	
498,400 (Previous year - 498,400) 0.1% cummulative convertible preference shares of Ninety Nine Labels Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹253.91/- per share). Less: Provision for diminution in value of investment (Refer Note No. 40)	131.53 (131.50)		131.53 -	
NIL (Previous year - 44,584) 0.1% cummulative convertible preference shares of Zomato Media Pvt Ltd (formerly DC Foodiebay Online Services Pvt. Ltd.) of ₹1/- each fully paid up. (and share premium of ₹Nil (Previous year ₹3026.99)).	-		135.00	
4,647 (Previous year - 4,201) cummulative convertible preference shares of Nogle Technologies Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹4,724.24/- (Previous Year- ₹4750.77/-)per share computed on average basis)	22.00		20.00	
107,801 (Previous year - 107,801) 0.1% cummulative convertible preference shares of Kinobeo Software Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹2,494.61/- (Previous Year-₹2,494.61/-per share computed on average basis)	270.00		270.00	
299,658 (Previous year – NIL) 0.1% cummulative convertible preference shares of Canvera Digital Technologies Pvt. Ltd. of ₹1/- each fully paid up. (and share premium of ₹1,167 /- (Previous Year- NIL) per share)	350.00		-	
3,928 (Previous year – NIL) 0.1% cummulative convertible preference shares of Happily Unmarried Marketing Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹12,719.12 /- (Previous Year- NIL) per share)	50.00	817.02	-	656.55

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2012 (₹Mn)
Investment in Unsecured Optionally Fully Convertible Debentures of Associate Company				
NIL (Previous year - 50) debentures of Ninety Nine Labels Pvt. Ltd. of ₹10 Lakh each fully paid up.		-		50.00
Investments in Mutual Funds				
NIL (Previous year 5,000,000) Units of ₹10/- each in ICICI Prudential FMP Series 54-1 year Plan A Cumulative	-		50.00	
Nil (Previous year 4,000,000) Units of ₹10/- each in DSP Blackrock FMP-Series 37-13M- Growth	-		40.00	
Nil (Previous year 5,898,767) Units of ₹10/- each in DSP BlackRock FMP-Series 43-12M-Growth	-		58.99	
Nil (Previous year 5,503,000) Units of ₹10/- each in Axis Fixed Term Plan - Series 22 (374 days)-Growth Plan	-		55.03	
Nil (Previous year 5,000,000) Units of ₹10/- each in HDFC 5978 FMP 399D March 2012 (1)-Growth-Series-XXI	-		50.00	
Nil (Previous year 5,503,750) Units of ₹10/- each in 5964/ HDFC FMP 400D March 2012 (1) - Growth - Series XXI	-		55.04	
Nil (Previous year 5,514,990) Units of ₹10/- each in Kotak FMP Series 80-Growth	-		55.15	
NIL (Previous year 4,631,731) Units of ₹10.80 /- each in ICICI Prudential Interval Fund Annual Interval Plan-I Institutional Cumulative Growth	-		50.00	
5,000,000 (Previous year NIL) Units of ₹10/- each in ICICI Prudential FMP Series 67-371 Days Plan C Direct Plan	50.00		-	
NIL (Previous year 5,000,000) Units of ₹10/- each in DSP Blackrock Fixed Term Plan 12M Series 6- Growth	-		50.00	
NIL (Previous year 5,493,950) Units of ₹10/- each in DSP Blackrock FMP 12M Series 32-Growth	-		54.94	
NIL (Previous year 5,000,000) Units of ₹10/- each in DSP Blackrock FMP Series 10 12M-Growth	-		50.00	
NIL (Previous year 5,000,000) Units of ₹10/- each in 5795 HDFC FMP 370D March 2011 (2) - Growth - Series XVI	-		50.00	
NIL (Previous year 5,000,000) Units of ₹10/- each in HDFC FMP 13M Sep 11(1)-Growth-Series-XVIII	-		50.00	
5,000,000 (Previous year Nil) Units of ₹10 /- each HDFC FMP 400D March 2013 (1) Series 23-Direct-Growth	50.00		-	
5,000,000 (Previous year Nil) Units of ₹10 /- each HDFC FMP 384D March 2013(1) Series 23-Direct-Growth	50.00		-	
NIL (Previous year 5,000,000) Units of ₹10/- each in IDFC FMP - yearly Series 45 Growth	-		50.00	
NIL (Previous year 5,491,200) Units of ₹10/- each in IDFC Fixed Maturity Plan-yearly Series 48 Growth	-		54.91	
NIL (Previous year 5,506,300) Units of ₹10/- each in IDFC FMP yearly Series-51-Growth	-		55.06	
Nil (Previous year 5,503,400) Units of ₹10/- each in IDFC Fixed Maturity yearly Series 63 Growth	-		55.03	
NIL (Previous year 5,000,000) Units of ₹10/- each in Kotak FMP Series 44-Growth	-		50.00	
NIL (Previous year 4,468,913) Units of ₹10/- each in Kotak FMP Series 75-Growth	-		44.69	
NIL (Previous year 5,510,066) Units of ₹10/- each in Kotak FMP Series 78-Growth	-		55.10	
10,000,000 (Previous year NIL) Units of ₹10/- each in Kotak FMP Series 100-Growth	100.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in Kotak FMP Series 102-Growth	50.00		-	
NIL (Previous year 5,509,983) Units of ₹10/- each in Kotak FMP Series 83-Growth	-		55.10	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2012 (₹Mn)
NIL (Previous year 5,150,000) Units of ₹10/- each in L&T FMP Series 6-Plan-C Growth	-	-	51.50	-
NIL (Previous year 5,000,000) Units of ₹10/- each in L&T FMP Series 6 - Plan E-Growth	-	-	50.00	-
NIL (Previous year 5,000,000) Units of ₹10/- each in Axis Fixed Term Plan - Series 16 (370 Days)-Growth	-	-	50.00	-
NIL (Previous year 2,000,000) Units of ₹10/- each in Axis Fixed Term Plan - Series 17 (12 Months)-Growth Plan	-	-	20.00	-
NIL (Previous year 6,000,000) Units of ₹10/- each in Birla Sun Life Fixed Term Plan Series DX Growth	-	-	60.00	-
NIL (Previous year 5,000,000) Units of ₹10/- each in Birla Sun Life Fixed Term Plan Series EE Growth	-	-	50.00	-
NIL (Previous year 5,502,950) Units of ₹10/- each in Birla Sun Life Fixed Term Plan Series EQ Growth	-	-	55.04	-
NIL (Previous year 5,000,000) Units of ₹10/- each in SBI Debt Fund Series-367 Days-6-Growth	-	300.00	50.00	1,475.58
TOTAL		2,953.88		2,871.71

11. DEFERRED TAX ASSET/(LIABILITY)

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Deferred Tax Asset / (Liability)		
Opening Balance	41.74	40.67
Adjustment for the current year	3.11	1.07
Closing Balance	44.85	41.74

Significant components of deferred tax assets/ (liabilities) are shown in the following table:

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Deferred Tax Asset / (Liability)		
Provision for Leave Encashment	6.33	6.49
Provision for Doubtful Debts	1.60	1.62
Depreciation	15.60	20.60
Others	21.32	13.03
Net Deferred Tax Asset/ (Liability)	44.85	41.74

12. LOANS & ADVANCES

Particulars	Long Term		Short Term	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
(Unsecured, considered good)				
Capital Advances	58.55	64.87	-	-
Security Deposits	76.86	46.63	13.00	12.20
Advance to Subsidiary Company	-	-	28.59	4.29
Amount to Associate Company towards Shares	-	-	4.00	-
Others				
- Advance recoverable in cash or in kind or for value to be received*	23.19	15.54	32.39	40.17
- Advance Recoverable From ESOP Trust	-	-	(0.02)	(0.03)
- Balance with Service Tax Authorities	-	-	23.80	2.82

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Long Term		Short Term	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
- Advance Tax	-	-	-	1948.15
Less: Provision for Tax	-	-	-	(1,946.48)
- Advance Tax - Fringe Benefits	-	-	29.69	29.69
Less: Provision for Tax - Fringe Benefits	-	-	(28.69)	(28.69)
Total	158.60	127.04	102.76	62.12

* Includes Nil (Previous year ₹(0.05) Million) outstanding with directors

13. OTHER NON CURRENT/ CURRENT ASSETS

Particulars (Unsecured Considered Good)	Non-Current		Current	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Non Current portion of Fixed Deposits transferred from Cash & Bank Balances	1,017.93	618.80	-	-
Interest Accrued on Fixed Deposits	29.28	48.18	72.14	57.73
Interest Accrued on Debentures	-	-	-	0.36
Total	1,047.21	666.98	72.14	58.09

14. CURRENT INVESTMENTS

Investment in Mutual Funds (Unquoted) (Valued at lower of cost and fair value, unless stated otherwise)				
Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2012 (₹Mn)
3,000,000 (Previous year NIL) Units of ₹10/- each in 1978 ICICI Prudential FMP Series 65-367 Days Plan B Cumulative	30.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in ICICI Prudential FMP Series 65-366 Days Plan I Direct Plan Commulative	50.00		-	
7,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP-Series 90-12M- Growth	70.00		-	
4,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP-Series 37-13M- Growth	40.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in DSP BlackRock FMP-Series 68-12M-Institutional Plan-Growth Option	50.00		-	
5,898,767 (Previous year NIL) Units of ₹10/- each in DSP BlackRock FMP-Series 43-12M-Growth	58.99		-	
3,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP Series 47-12M-Growth	30.00		-	
2,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP Series 81-12M-Growth	20.00		-	
5,503,000 (Previous year NIL) Units of ₹10/- each in Axis Fixed Term Plan - Series 22 (374 days)-Growth Plan	55.03		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in 6082/HDFC FMP 371D August (1)-Growth-Series 22	50.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in HDFC 5978 FMP 399D March 2012 (1)-Growth-Series-XXI	50.00		-	
5,503,750 (Previous year NIL) Units of ₹10/- each in 5964/ HDFC FMP 400D March 2012 (1) - Growth - Series XXI	55.04		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in IDFC Fixed Maturity Plan 366 Days Series 73-Dividend	50.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in IDFC Fixed Maturity Plan 366 Days Series 78-Dividend	50.00		-	
5,514,990 (Previous year NIL) Units of ₹10/- each in Kotak FMP Series 80-Growth	55.15		-	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Investment in Mutual Funds (Unquoted) (Valued at lower of cost and fair value, unless stated otherwise)				
Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2012 (₹Mn)
5,000,000 (Previous year NIL) Units of ₹10/- each in B1070G Birla Sun Life Fixed Term Plan Series FO Growth	50.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in B1089G Birla Sun Life Fixed Term Plan Series FV Growth (367 Days)	50.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in SBI Debt Fund Series-366 Day-12-Growth	50.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in L302G SBI Debt Fund Series-366 Day-8-Growth	50.00	914.21	-	-
NIL (Previous Year 10,837,343) Units of ₹10/- each in HDFC Cash Management Fund-Treasury Advantage Plan - Wholesale Daily Dividend	-		108.72	
723,783 (Previous Year 1,897,278) Units of ₹105.74/- each in ICICI Prudential Flexible Income Plan Premium - Daily Dividend	76.53		200.61	
3,909,467 (Previous Year NIL) Units of ₹10.08/- each in HDFC Cash Management Fund -Treasury Advantage Plan - Wholesale Daily Dividend	39.41		-	
6,08,798 (Previous Year 4,414) Units of ₹100.09/- each in Birla Sun Life Saving Fund -Instl-Daily Dividend Reinvestment	60.94		0.44	
NIL (Previous Year 153,976) Units of ₹10/- each in SBI SHF Ultra Short Term Fund IP Daily Dividend	-		154.07	
NIL (Previous Year 3,775,183) Units of ₹10.01/- each in Templeton India Ultra Short Bond Fund Institutional Plan Daily Dividend	-		37.79	
13,679,356 (Previous Year 27,079,374) Units of ₹10.02/- each in Templeton India Ultra Short Bond Fund Super Institutional Plan Daily Dividend	137.03		271.11	
3,620,713 (Previous Year 2,688,154) Units of ₹10.05/- each in Kotak Flexi Debt Scheme Institutional - Daily Dividend	36.38		27.01	
NIL (Previous Year 1,483,809) Units of ₹10/- each in Fidelity Ultra Short Term Debt Fund Super Instl - Daily Dividend	-		14.85	
NIL (Previous Year 29,469) Units of ₹10/- each in IDFC Cash Fund-Investment Plan B-Daily Dividend	-		31.20	
NIL (Previous Year 9,638,342) Units of ₹10/- each in IDFC Money Manager Fund - TP - Super Inst Plan C - Daily Div	-		96.40	
98,906 (Previous Year NIL) Units of ₹10.01/- each in IDFC Ultra Short Term Fund Daily Dividend	0.99		-	
27,572 (Previous Year NIL) Units of ₹1,000.32/- each in DSP Blackrock Liquidity Fund-Institutional Plan - Daily Dividend	27.58	378.86	-	942.20
TOTAL		1,293.07		942.20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

15. TRADE RECEIVABLES

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Outstanding for a period exceeding six months from the date they are due for payment				
- Doubtful	-	-	3.58	4.18
Less: Provision for doubtful receivables	-	-	(3.58)	(4.18)
Total (A)	-	-	-	-
Other Receivables				
- Unsecured, considered good	-	-	44.58	35.92
- Doubtful	-	-	1.40	0.82
Less: Provision for doubtful receivables	-	-	(1.40)	(0.82)
Total (B)			44.58	35.92
Total (A) + (B)	-	-	44.58	35.92

16. CASH & BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Cash & Cash Equivalents				
Cash In Hand	-	-	2.60	3.41
Balances with Banks:				
-in Current Accounts	-	-	139.12	258.15
-in Fixed Deposit Accounts with original maturity of less than 3 months	-	-	-	25.75
-in Fixed Deposit Accounts with original maturity for more than 12 months	1,017.93	618.80	-	-
Non Current portion transferred to non current assets	(1,017.93)	(618.80)	-	-
Other Bank Balances				
Balances in Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months*	-	-	1,641.38	1,755.64
Unpaid Application Money received by the company for allotment of securities and due for refund **	-	-	0.12	0.12
Unpaid Dividend **			0.09	0.07
Total	-	-	1,783.31	2,043.14

* includes ₹55.00 Million (Previous year ₹50.28 Million) as margin money with bank

** (Not available for use by the company)

17. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Sale of Services	4,349.00	3,756.38
Other Operating Revenues	23.58	14.46
Total	4,372.58	3,770.84

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

18. OTHER INCOME

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Interest Received/Receivable on Long Term Fixed Deposits with Banks	61.33	70.37
Interest Received/Receivable on Short Term Fixed Deposits with Banks	183.91	122.15
Interest on Debentures	5.09	1.17
Dividend Income from Mutual Funds	87.28	120.65
Profit on sale of Investment (net)	116.05	68.06
Profit on sale of Fixed Assets (net)	0.14	0.82
Miscellaneous Income	11.14	11.35
Total	464.94	394.57

19. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Salaries, Wages and Bonus	1,303.04	1,041.54
Contributions to Provident and other funds	43.43	37.73
Sales Incentives and Commissions	191.75	170.86
Staff Welfare and Benefits	83.30	68.88
Employee Stock Option Scheme Compensation	14.68	14.98
Other Employee Expenses	35.97	35.97
Total	1,672.17	1,369.96

20. FINANCE COSTS

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Interest on fixed loans	0.95	0.67
Others	23.85	19.45
Total	24.80	20.12

21. DEPRECIATION AND AMORTIZATION

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Depreciation of Tangible Assets	85.07	70.44
Amortisation of Intangible Assets	9.39	6.17
Total	94.46	76.61

22. ADVERTISING AND PROMOTION COST

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Advertisement Expenses	560.13	503.92
Promotion & Marketing Expenses	16.37	12.05
Total	576.50	515.97

23. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Electricity and Water	42.37	28.76
Rent	171.84	107.59
Repairs and Maintenance (Building)	16.10	13.31
Repairs and Maintenance (Machinery)	19.38	18.06

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Legal and Professional Charges	32.16	28.12
Rates & Taxes	0.06	0.07
Insurance	2.73	1.97
Communication expenses	48.05	43.72
Travel & Conveyance	52.31	43.23
Provision for Doubtful Debts	3.47	0.45
Net Loss on Foreign Currency Transactions	1.97	1.25
Miscellaneous expenses	95.98	62.77
Total	486.42	349.30

24. NETWORK, INTERNET AND OTHER DIRECT CHARGES

Particulars	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
Internet and Server Charges	130.89	85.29
Others	8.51	7.88
Total	139.40	93.17

25. CAPITAL COMMITMENTS

As on March 31, 2013 there is a capital advance of ₹58.55 Million (Previous Year ₹64.87 Million) outstanding against capital account contracts. This primarily includes the following:

(i) ₹58.28 Million (Previous year ₹60.94 Million) relating to the project for construction of office building on leasehold land in respect of which extension for construction based on sanctioned plan have been taken from the relevant authorities. The management is alternatively exploring possibilities of sale of the land/ project on a lump sum basis.

(ii) ₹0.27 Million towards office equipment (Previous Year ₹3.93 Million towards ERP software)

26. Operating Leases where the company is a lessee:

The company has entered into lease transactions mainly for leasing of office premises for periods between 1 to 11 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹172.09 Million (included in Note 23 – Administration and Other Expenses ₹171.84 Million and in Note-19 Employee Benefits Expense ₹0.25 Million [(Previous Year ₹108.38 Million) (included in Note 23 – Administration and Other Expenses ₹107.59 Million and in Note 19 – Employee Benefits Expense ₹0.79 Million)].

27. Expenditure in Foreign Currency

Amount in ₹Mn

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Server Charges	102.18	62.42
Advertising, Promotion & Marketing Expenses	13.87	19.63
Travel Expenses	0.36	0.75
Foreign Branch Expenses	46.43	39.61
Others	7.24	5.95
Total	170.08	128.36

28. Earnings in Foreign Exchange

Amount in ₹Mn

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Export of Services	434.55	347.03
Total	434.55	347.03

In view of the innumerable transactions, export of services has been disclosed in proportion to the overall deferral of Income trend.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

29. Auditor's Remuneration

Amount in ₹Mn

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
As Auditors	2.76	2.30
As Tax Auditors	0.24	0.20
Certification	0.24	-
Out of Pocket Expenses & Service Tax	0.32	0.56
Total	3.56	3.06

30. Basic and Diluted Earnings per share (EPS):

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit attributable to Equity Shareholders (₹Mn)	1,022.46	1,226.23
Weighted average number of Equity Shares outstanding during the year (Nos.)	109,181,024	54,590,512
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	9.36	11.23

The authorised share capital of the company has increased from ₹600 Million to ₹1,200 Million during the year ended March 31, 2013. Further, during the year ended March 31, 2013 the company had issued 54,590,512 equity shares of ₹10/- each, fully paid up, as bonus shares in the ratio of 1:1 out of securities premium account. Accordingly, the EPS has been adjusted for the previous year, as per the requirements of Accounting Standard 20 on Earnings Per Share.

31. (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2013:

Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)
 Naukri Internet Services Private Limited (NISPL)
 Info Edge (India) Mauritius Limited (IEIML)
 Allcheckdeals India Pvt. Ltd. (ACDIPL)
 Applect Learning Systems Pvt. Ltd. (ALSPL)
 Makesense Technologies Pvt. Ltd.(MTPL)
 Zomato Media Pvt. Ltd. (Formerly DC Foodiebay Online Services Private Limited (ZMPL))

Associates

Nogle Technologies Private Limited (NTPL)
 eTechAces Marketing & Consulting Pvt. Ltd. (EMCPL)
 Ninty Nine Labels Private Limited (99LABELS)
 Kinobeo Software Private Limited (Mydala)
 Happily Unmarried Marketing Pvt. Ltd.(HUMPL)
 Canvera Digital Technologies Private Limited (CDTPL)

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani
 Surabhi Bikhchandani (Spouse of Sanjeev Bikhchandani)
 Sushil Bikhchandani (Brother of Sanjeev Bikhchandani)
 Hitesh Oberoi
 Divya Batra (Sister of Hitesh Oberoi)
 Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

Minik Enterprises (Proprietorship concern of Sushil Bikhchandani)
 Oyster Learning (Proprietorship concern of Rimy Oberoi)

Independent Directors- Non Executive

Arun Duggal
 Ashish Gupta
 Bala Deshpande
 Naresh Gupta
 Saurabh Srivastava

Non-Executive Directors

Kapil Kapoor

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

B) Details of transactions with related party for the year ended March 31, 2013 in the ordinary course of business:

Amount (₹Mn)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors-Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Paid: JISPL ₹ 0.10 NISPL ₹ 0.10	0.20	-	-	-	-	-	0.20
2	Remuneration Paid: Sanjeev Bikhchandani ₹ 16.07 Hitesh Oberoi ₹ 15.84 Ambarish Raghuvanshi ₹ 11.81 Surabhi Bikhchandani ₹ 1.25	-	-	44.97	-	-	-	44.97
3	Advances Given for business purposes (net): Sanjeev Bikhchandani ₹ 0.03 Hitesh Oberoi ₹ 0.02 NISPL ₹ 0.03 JISPL ₹ 0.03 MTPL ₹ 2.43 ACDIPL ₹ 14.07	16.57	-	0.04	-	-	-	16.61
4	Receipt of services: Minik Enterprises ₹ 1.36 Divya Batra ₹ 0.52 ACDIPL ₹ 2.97	2.97	-	0.52	-	-	1.36	4.85
5	Dividend Paid: Sanjeev Bikhchandani ₹ 38.47 Hitesh Oberoi ₹ 7.60 Ambarish Raghuvanshi ₹ 2.07 Surabhi Bikhchandani ₹ 1.49 Arun Duggal ₹ 0.08 Bala Deshpande ₹ 0.10 Kapil Kapoor ₹ 3.81	-	-	49.64	0.18	3.81	-	53.63
6	Services Rendered: ACDIPL ₹ 12.23 ALSPL ₹ 0.15 EMCPL ₹ 0.29 ZMPL ₹ 0.00 NTPL ₹ 0.00 Mydala ₹ 0.10	12.38	0.40	-	-	-	-	12.78
7	Investment in Equity shares: ALSPL ₹ 300.00 CDTPL ₹ 4.15 ZMPL ₹ 550.00 HUMPL ₹ 1.27 MTPL ₹ 82.41	932.41	5.42	-	-	-	-	937.83
8	Investment in Preference Shares: EMCPL ₹ 24.97 HUMPL ₹ 50.00 ZMPL ₹ 128.60 NTPL ₹ 2.00 CDTPL ₹ 350.00	478.60	76.97	-	-	-	-	555.57
9	Investment in Debentures: 99LABELS ₹ 50.00	-	50.00	-	-	-	-	50.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
10	Sitting Fees paid: Arun Duggal ₹ 0.10 Ashish Gupta ₹ 0.12 Bala Deshpande ₹ 0.06 Kapil Kapoor ₹ 0.06 Naresh Gupta ₹ 0.16 Saurabh Srivastava ₹ 0.12	-	-	-	0.56	0.06	-	0.62
11	Commission paid: Arun Duggal ₹ 0.78 Ashish Gupta ₹ 0.69 Bala Deshpande ₹ 0.64 Naresh Gupta ₹ 0.64 Saurabh Srivastava ₹ 0.78	-	-	-	3.51	-	-	3.51
12	Loss on Sale of Debenture: 99LABELS ₹ 105.42		105.42					105.42
13	Advance towards Shares: NTPL ₹ 4.00		4.00					4.00
14	Conversion of Preference Shares into Equity Shares ZMPL ₹ 263.60 ALSPL ₹ 150.00	413.60	-	-	-	-	-	413.60
15	Interest on Debentures:- 99LABELS ₹ 5.08	-	5.08	-	-	-	-	5.08
16	Interest on Preference Shares receivable: EMCPL ₹Less Than 1,000 ALSPL ₹Less Than 1,000 ZMPL ₹Less Than 1,000 NTPL ₹Less Than 1,000 MYDALA ₹Less Than 1,000 99LABELS ₹Less Than 1,000	-	0.01	-	-	-	-	0.01

1. Amounts paid to / on behalf of Info Edge Employee Stock Option Trust during the year are as below:

- (a) Dividend paid ₹0.99 Million
(b) Advances paid (net) ₹NIL

2. Amount due from Info Edge Employee Stock Option Trust as on March 31, 2013 is ₹0.02 Million

C) Amount due to/from related parties as at March 31, 2013

Amount (₹Mn)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances					
1	Outstanding Advances/Receivables	31.02	4.01	-	-	35.03
	Maximum amount outstanding during the year	32.92	4.01	-	-	36.93

31 (2) (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)
 Naukri Internet Services Private Limited (NISPL)
 Info Edge (India) Mauritius Limited (IEIML)
 Allcheckdeals India Pvt. Ltd. (ACDIPL)
 Applect Learning Systems Pvt. Ltd. (ALSPL)

Associates

DC Foodiebay Online Services Private Limited (DCFOSPL)
 Nogle Technologies Private Limited (NTPL)
 eTechAces Marketing & Consulting Pvt. Ltd. (EMCPL)
 Ninty Nine Labels Private Limited (99LABELS)
 Kinobeo Software Private Limited (Mydala)

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani
 Surabhi Bikhchandani (Spouse of Sanjeev Bikhchandani)
 Sushil Bikhchandani (Brother of Sanjeev Bikhchandani)
 Hitesh Oberoi
 Rimy Oberoi (Spouse of Hitesh Oberoi)
 Divya Batra (Sister of Hitesh Oberoi)
 Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

Minik Enterprises (Proprietorship concern of Sushil Bikhchandani)
 Oyster Learning (Proprietorship concern of Rimy Oberoi)

Independent Directors- Non Executive

Arun Duggal
 Ashish Gupta
 Bala Deshpande
 Naresh Gupta
 Saurabh Srivastava

Non-Executive Directors

Kapil Kapoor

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹Mn)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Paid: JISPL ₹ 0.10 NISPL ₹ 0.10	0.20	-	-	-	-	-	0.20
2	Remuneration Paid: Sanjeev Bikhchandani ₹ 16.68 Hitesh Oberoi ₹ 15.76 Ambarish Raghuvanshi ₹ 11.78 Surabhi Bikhchandani ₹ 1.41	-	-	45.63	-	-	-	45.63
3	Advances Given for business purposes (net): Sanjeev Bikhchandani ₹ 0.08 Hitesh Oberoi ₹ 0.01 NISPL ₹ 0.03 JISPL ₹ 0.03 IEIML ₹ 0.96 ACDIPL ₹ 11.37	12.39	-	0.09	-	-	-	12.48

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
4	Receipt of services: Minik Enterprises ₹ 0.92 Divya Batra ₹ 0.48	-	-	0.48	-	-	0.92	1.40
5	Dividend Paid: Sanjeev Bikhchandani ₹ 14.43 Hitesh Oberoi ₹ 2.92 Ambarish Raghuvanshi ₹ 0.95 Surabhi Bikhchandani ₹ 0.56 Arun Duggal ₹ 0.03 Bala Deshpande ₹ 0.04 Kapil Kapoor ₹ 1.43	-	-	18.86	0.07	1.43	-	20.36
6	Services Rendered: ACDIPL ₹ 10.54 ALSPL ₹ 0.14 EMCPL ₹ 0.16 DCFOSPL ₹ 0.01 99Labels ₹ 0.03 Mydala ₹ 0.21	10.68	0.41	-	-	-	-	11.09
7	Reimbursements Paid: 99LABELS ₹ 0.06	-	0.06	-	-	-	-	0.06
8	Investment in Equity shares: EMCPL ₹ 5.51 ALSPL ₹ 50.00 DCFOSPL ₹ 29.00 ACDIPL ₹ 40.00 NTPL ₹ 0.01 99LABELS ₹ 53.57	90.00	88.09	-	-	-	-	178.09
9	Investment in Preference Shares: EMCPL ₹ 100.02 ALSPL ₹ 150.00 DCFOSPL ₹ 135.00 NTPL ₹ 15.00 MYDALA ₹ 270.00 99LABELS ₹ 131.53	150.00	651.55	-	-	-	-	801.55
10	Investment in Debentures: 99LABELS ₹ 50.00	-	50.00	-	-	-	-	50.00
11	Sitting Fees paid: Arun Duggal ₹ 0.20 Ashish Gupta ₹ 0.16 Bala Deshpande ₹ 0.08 Kapil Kapoor ₹ 0.10 Naresh Gupta ₹ 0.10 Saurabh Srivastava ₹ 0.20	-	-	-	0.74	0.10	-	0.84
12	Commission paid: Arun Duggal ₹ 0.78 Ashish Gupta ₹ 0.69 Bala Deshpande ₹ 0.69 Naresh Gupta ₹ 0.69 Saurabh Srivastava ₹ 0.69	-	-	-	3.54	-	-	3.54
13	Conversion of Debentures into Equity Shares ALSPL ₹ 53.10	53.10	-	-	-	-	-	53.10
14	Interest on Debentures Receivable:- 99LABELS ₹ 0.35	-	0.35	-	-	-	-	0.35

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
15	Interest on Preference Shares receivable: EMCPL ₹Less Than 1,000 ALSPL ₹Less Than 1,000 DCFOSPL ₹Less Than 1,000 NTPL ₹Less Than 1,000 MYDALA ₹Less Than 1,000 99LABELS ₹Less Than 1,000	-	0.01	-	-	-	-	0.01

1. Amounts paid to/on behalf of Info Edge Employee Stock Option Trust during the year are as below:

- (a) Dividend paid ₹0.50 Million
(b) Advances paid (net) ₹(13.43) Million

2. Amount due from Info Edge Employee Stock Option Trust as on March 31, 2012 is ₹0.03 Million

C) Amount due to/from related parties as at March 31, 2012

Amount (₹Mn)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances					
1	Outstanding Advances/Receivables	4.29	0.36	-	-	4.65
	Maximum amount outstanding during the year	50.05	0.36	-	-	50.41
	Credit balances					
1	Outstanding Payable	-	-	0.05	-	0.05

32. Employee Stock Option Scheme

The company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31st 2013 have a vesting period of maximum of 3 years from the date of grant.

- Number of options granted, exercised and forfeited during the year:-

Particulars	2012-13		2011-12	
	Number	Weighted Average Price (₹)	Number	Weighted Average Price (₹)
Options/SAR outstanding at beginning of year	1,863,326	416.96	1,801,721	345.36
Add:				
Options/SAR granted *	343,500	343.18	377,600	702.86
Bonus issued during the year	1,820,494	210.37	-	-
Less:				
Options/SAR exercised	531,825	178.32	231,097	304.05
Options/SAR forfeited	108,400	283.25	84,898	476.53
Options/SAR outstanding at the end of year	3,387,095	416.96	1,863,326	416.96
Option/SAR exercisable at the end of year	2,197,360	196.98	1,086,411	351.07

* During the year the company granted 343,500 (Previous Year 377,600) Stock Appreciation Rights (SAR) with a maximum exercise period of five years (Previous Year Five Years).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

The options outstanding at the end of year had exercise prices in the range of ₹2.50/- to ₹384/- (Previous Year ₹5/- to ₹366/-) and a weighted average remaining contractual life of 3.61 years (Previous Year 4.64 years).

Exercise Amount Range (₹)	Options outstanding as at March 31, 2013	Options outstanding as at March 31, 2012
2.50 - 300	2,110,195	451,396
301 - 600	1,276,900	904,030
601 - 750	-	507,900
Grand Total	3,387,095	1,863,326

In accordance with the above mentioned ESOP Scheme, ₹14.68 Million (Previous Year ₹14.98 Million) has been charged to the Statement of Profit and Loss in relation to the options vested during the year ended March 31, 2013 as Employee Stock Option Scheme Compensation.

2. (A) - In respect of options vested during the year, had the fair value method been used, the profit for the year would be lower by ₹61.29 Million (Previous year 82.67 Million) and the EPS would be ₹8.80 (Previous year 10.48).

(B) - The fair value of each option is estimated on the date of grant using the Black Scholes model with the below listed assumptions:

Employee Stock Option Scheme 2007	2012-13		2011-12	
	ESOP 2007	ESOP 2007 SAR	ESOP 2007	ESOP 2007 SAR
Weighted average fair value of the options at the grant dates	322.25	130.90	-	291.01
Dividend Yield (%)	0.10%	0.10%	-	0.10%
Risk free rate	8.06%	8.06%	-	8.23%
Expected life (years)	4.00	3.68	-	3.62
Expected volatility	32.15%	32.15%	-	42.15%
Weighted average share price	331.00	364.51	-	702.85

33. The Company has received legal notices of claims/lawsuits filed against it relating to infringement of Intellectual Property Rights (IPR) in relation to the business activities carried on by it. In the opinion of the management, no material liability is likely to arise on account of such claims/law suits.

34. The company is primarily in the business of internet based service delivery operating in four service verticals through web portals in respective vertical namely Naukri.com for recruitment related services, Jeevansathi.com for matrimony related services, 99acres.com for real estate related services and Shiksha.com for education related services. The other activities comprise of placement search services and real estate broking services. The segment revenues, results and assets of the other activities do not constitute reportable segment under Accounting Standard 17 on Segment Reporting and accordingly no disclosure is required.

35. The Company had raised ₹1,704 Million through Initial Public Offer of Shares (IPO) in the month of November, 2006 by issuance of 5,323,851 equity shares of ₹10/- each at a premium of ₹310/- per share. The full amount of ₹1,704 Million has been utilised upto the year ended March 31, 2012 .

36. As at March 31, 2013 the company had ₹0.12 Million (Previous Year ₹0.12 Million) outstanding with ICICI bank towards unpaid application money received by the company for allotment of securities and due for refund and ₹0.07 Million (Previous Year ₹0.07 million) outstanding with Kotak Mahindra Bank & ₹0.02 Million (Previous year NIL) outstanding with Yes Bank as unclaimed dividend. These amounts are not available for use by the company and will be credited to Investor Education & Protection Fund as and when due.

37. The aggregate managerial remuneration under section 198 of the Companies Act, 1956 to the Directors including Managing Director is:

Amount (₹Mn)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Whole Time Directors (including Managing Director)		
Salary	28.04	27.10
Reimbursements	1.27	1.22
Bonus	14.41	15.90
Total Remuneration (A)	43.72	44.22
Non Whole Time Directors:		
Commission paid	3.51	3.54
Sitting Fee paid	0.62	0.84
Total Remuneration (B)	4.13	4.38
Total Managerial Remuneration Paid/Payable (A+B)	47.85	48.60

The above amounts exclude company's contribution / provision for gratuity and leave encashment for the year, which is determined annually on actuarial basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Statement showing computation of Net Profit in accordance with section 349 of the Companies Act, 1956 for computing the Director's remuneration:

Particulars	Amount (₹Mn)	
	Year ended March 31, 2013	Year ended March 31, 2012
Net Profit before tax	1,550.90	1,736.75
Add: Depreciation as per accounts	94.46	76.61
Add: Wholetime Director's Remuneration	43.72	44.22
Add: Sitting Fee paid to Directors	0.62	0.84
Add: Commission to Non Whole time Directors	3.51	3.54
Add: Provision for Bad Debts	3.47	0.45
Less: Depreciation as per Section 350 of the Companies Act, 1956	94.46	76.61
Less: Profit on sale of fixed assets (net)	0.14	0.82
Less: Profit on sale of Investment (net)	116.05	1.19
Net Profit for the year under section 349	1,486.03	1,783.80
Maximum amount payable to Non whole time Directors (restricted to 1%)	14.86	17.84
Maximum amount payable to Whole time Directors (Restricted to 10%)	148.60	178.38
Maximum Amount payable to Directors	163.46	196.22

38. Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

a) Provident Fund

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2013 Amount (₹Mn)	Year ended March 31, 2012 Amount (₹Mn)
Employers' Contribution to Provident Fund *	23.72	19.69

*Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 19)

B. State Plans

a) Employer's Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2013 Amount (₹Mn)	Year ended March 31, 2012 Amount (₹Mn)
Employers' Contribution to Employee State Insurance *	3.75	3.66

*Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 19)

C. Defined Benefit Plans

a) Contribution to Gratuity Funds – Life Insurance Corporation of India, Group Gratuity Scheme

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment/Compensated Absences	
	FY 2012-13	FY 2011-12
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in Compensation levels	15% in first year, 10% in next 5 years, & 7% thereafter	15% in first 2 years, 10% in next 5 years, & 7% thereafter

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Employee's Gratuity Fund	
	FY 2012-13	FY 2011-12
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in Compensation levels	15% in first year, 10% in next 5 years, & 7% thereafter	15% in first 2 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	7.50%	7.50%
Expected Average future working lifetime of employees (years)	11.32	11.86

Amount (₹Mn)

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund FY 2012-13	Employee's Gratuity Fund FY 2011-12
Present Value of Obligation at the beginning of the year	77.05	62.88
Interest Cost	7.31	6.07
Past Service Cost	Nil	Nil
Current Service Cost	15.86	13.86
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Benefits paid	(7.05)	(5.62)
Actuarial (gain)/ loss on obligations	(1.87)	(0.14)
Present Value of Obligation at the end of the year	91.31	77.05

Amount (₹Mn)

(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund FY 2012-13	Employee's Gratuity Fund FY 2011-12
Fair Value of Plan Assets at the beginning of the year	61.89	44.96
Expected Return on Plan Assets	4.88	3.18
Actuarial Gains and (Losses)	0.55	2.31
Contributions	14.06	17.06
Benefits Paid	(7.05)	(5.62)
Fair Value of Plan Assets at the end of the year	74.33	61.89

Amount (₹Mn)

(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund FY 2012-13	Employee's Gratuity Fund FY 2011-12
Present Value of funded Obligation at the beginning of the year	(91.31)	(77.05)
Fair Value of Plan Assets as at the end of the period	74.33	61.89
Funded Status		
Present Value of unfunded Obligation at the end of the year	Nil	Nil
Unrecognized Actuarial (gains) / losses	Nil	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet*	(16.98)	(15.16)
*included in Provision for Employee Benefits Expense (Refer Note 8)		

Amount (₹Mn)

(D) Expense recognized in the Profit and Loss Account	Employee's Gratuity Fund FY 2012-13	Employee's Gratuity Fund FY 2011-12
Current Service Cost	15.86	13.86
Past Service Cost	Nil	Nil
Interest Cost	7.31	6.08
Expected Return on Plan Assets	(4.88)	(3.18)
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Net actuarial (gain)/ loss recognized in the period	(2.42)	(2.45)
Total Expenses recognized in the Profit & Loss Account #	15.87	14.31
#Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 19)		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

In respect of leave encashment/compensated absence the present value of obligation as at March 31, 2013 is ₹19.50* Million (Previous Year 20* Million). The expense recognized in the Statement of Profit and Loss is ₹14.83** Million (Previous Year ₹14** Million)

*included in Provision for Employee Benefits Expense (Refer Note 8)

**Included in Staff Welfare and Benefits under Employee Benefits Expense (Refer Note 19)

(E) Amounts recognised in current year and previous four years	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
Gratuity					
Defined Benefit Obligation	(91.31)	(77.05)	(62.88)	(44.96)	(39.06)
Plan Asset	74.33	61.89	44.96	38.40	22.27
Surplus / Deficit	(16.98)	(15.16)	(17.92)	(6.57)	(16.80)
Experience adjustments in plan liabilities	Nil	Nil	Nil	Nil	Nil
Experience adjustments in plan assets	Nil	Nil	Nil	Nil	Nil

(F) Expected Contribution to the fund in the next year	Year ended March 31, 2013	Year ended March 31, 2012
	Amount (₹Mn)	Amount (₹Mn)
Gratuity	16.98	15.16

39. Details of Bank Balances:

A. Bank Balances with scheduled Banks:

-In Current Accounts

Balance with Banks in India	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)
ICICI Bank Ltd	122.55	244.04
HSBC Bank	0.11	0.12
Bank of India	0.02	0.68
HDFC Bank Ltd	7.76	0.24
Punjab National Bank	0.74	0.02
Oriental Bank of Commerce	0.02	0.19
Bank of Baroda	0.03	0.03
State Bank of Hyderabad	0.02	0.38
HDFC Bank (erstwhile Bank of Punjab Ltd.)	0.03	0.03
Canara Bank	0.02	0.02
State Bank of India	0.11	0.03
Total (A)	131.41	245.78

B. Bank Balances with other banks:

-In Current Accounts

Particulars	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)
The Saudi Hollandi Bank	1.45	1.76
HSBC Bank	6.19	10.57
Emirates Bank	0.07	0.04
Total (B)	7.71	12.37
Total Balances with Banks in Current Accounts (A+B)	139.12	258.15

(Refer Balances with Banks in Current Accounts (Current) under Note No 16 on Cash and Bank Balances)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

-In Fixed deposit accounts

Fixed Deposit in India	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)
Bank of India	104.52	159.84
ICICI Bank Ltd	355.94	259.91
State Bank of Hyderabad	544.87	638.96
HDFC Bank Ltd	659.51	432.50
Oriental Bank of Commerce	241.60	183.10
HSBC Bank	6.42	4.88
Bank of Baroda	746.45	293.00
Punjab National Bank	-	428.00
Total	2,659.31	2,400.19

The above comprises of :-

Particulars	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)
- Fixed Deposit Accounts with original maturity of less than 3 months	-	25.75
- Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months	1,641.38	1,755.64
- Fixed Deposit Accounts with original maturity for more than 12 months	1,017.93	618.80
Total	2,659.31	2,400.19

(Refer Note No 16 on Cash and Bank Balances)

40. The exceptional item in the year ended March 31, 2013 represents provision for diminution in the carrying value of investment of ₹185.05 Million in Ninety Nine Labels Private Limited (represented by Investments in equity shares of ₹53.55 Millions and Preference shares of ₹131.50 Millions), ₹0.60 Millions representing diminution in the carrying value of investment and ₹1.80 Million representing waiving off advance given to Info Edge (India) Mauritius Limited (a company which has initiated voluntary winding up proceedings during the year) and also loss on sale of debentures (inclusive of accrued interest) ₹105.42 Millions held in Ninety Nine Labels Private Limited. The exceptional item in the year ended March 31, 2012 represents provision for diminution in the carrying value of investment of ₹3.53 million in Info Edge (India) Mauritius Limited.
41. The company has made long term strategic investments in certain subsidiaries/associate companies, which are in their initial stage of operation and would generate growth and returns over a period of time. These subsidiaries/associates have incurred significant expenses for building the brand and market share which have added to the losses of these entities, thereby resulting in erosion of their net worth as at March 31, 2013. Based on the potential of the business model of these entities to generate profits, coupled with recent third party valuations, management is of the opinion that considering the nature of the industry and the stage of operations of these entities the diminution in carrying value of the investments as compared to their current net worth, is considered to be temporary in nature and therefore no provision is required at this stage (other than the investments referred in Note 40 above).

42. Disclosures as per Clause 32 of the Listing Agreement

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Advance to Subsidiary- Naukri Internet Services Pvt Ltd		
Balance as the year end	-	-
Maximum amount outstanding at any time during the year	0.05	0.03
Advance to Subsidiary- Jeevansathi Internet Services Pvt Ltd		
Balance as the year end	-	-
Maximum amount outstanding at any time during the year	0.05	0.29
Advance to Subsidiary- Allcheckdeals India Pvt Ltd		
Balance as the year end	28.59	2.29
Maximum amount outstanding at any time during the year	28.59	47.93

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Advance to Subsidiary- Makesense Technologies Pvt. Ltd.		
Balance as the year end	2.43	-
Maximum amount outstanding at any time during the year	2.43	-
Advance to Subsidiary- Info Edge (India) Mauritius Ltd		
Balance as the year end	-	1.80
Maximum amount outstanding at any time during the year	1.80	1.80

43. Contingent Liability - Claims against the company not acknowledged as debt -Service tax matters ₹Nil (Previous Year ₹4.68 million).

44. Previous year figures have been regrouped/rearranged to confirm to the current year classification.

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

For and on behalf of the Board of Directors

Hitesh Oberoi
Managing Director

Ambarish Raghuvanshi
Director & CFO

Amitesh Dutta
Partner
Membership Number 58507

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

INFO EDGE (INDIA) LIMITED

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Info Edge (India) Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Info Edge (India) Limited ("the Company") and its subsidiaries and associate companies; hereinafter referred to as the "Group" (refer Note 1 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements notified under Section 211(3C) of the Companies Act, 1956.
7. Based on our audit and on consideration of reports of other auditor(s) on separate financial statements and on the other financial information of the component(s) of the Group as referred to in paragraph 8 below, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group, as at March 31, 2013;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter(s)

8. We did not audit the financial statements of (i) four subsidiaries included in the consolidated financial statements, which constitute total assets of ₹587.21 Mn and net assets of ₹566.54(Mn) as at March 31, 2013, total revenue of ₹113.96, net loss of ₹102.42 Mn and net cash flows amounting to (₹38.48 Mn) for the year then ended; and (ii) three associate companies which constitute net loss of ₹124.10 Mn for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
9. We did not audit the financial statements of one subsidiary which constitute total assets of ₹0.23 Mn and net assets of (₹0.13 Mn) as at March 31, 2013, total revenue of ₹Nil, net loss of ₹16.97 Mn and net cash flows amounting to (₹0.40 Mn) for the year then ended; and (ii) two associate companies included in the consolidated financial statements, which constitute net losses of ₹264.24 Mn for the period from April 1, 2012 to March 31, 2013. The unaudited financial information has been provided to us by the management, and our opinion on the consolidated financial statements to the extent they relate to these subsidiary and associate companies is based solely on such unaudited financial information furnished to us.

For Price Waterhouse & Co., Bangalore
Firm Registration Number: 007567S
Chartered Accountants

Place: Noida
Date: May 3, 2013

Amitesh Dutta
Partner
Membership Number 58507

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No	As at	As at
		March 31, 2013	March 31, 2012
		(₹Mn)	(₹Mn)
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUNDS			
(a) Share Capital	3	1,091.81	545.91
(b) Reserves and Surplus	4	4,992.77	4,726.45
(2) MINORITY INTEREST		104.80	(25.09)
(3) NON-CURRENT LIABILITIES			
(a) Long Term Borrowings	5	4.82	2.79
(b) Long Term Provisions	6	3.98	0.90
(4) CURRENT LIABILITIES			
(1) Trade Payables	7	556.74	381.98
(2) Other Current Liabilities	8	1,262.07	1,235.97
(3) Short Term Provisions	6	237.86	234.42
		8,254.85	7,103.34
GOODWILL ON CONSOLIDATION		556.81	0.25
II. ASSETS			
(1) NON-CURRENT ASSETS			
<i>(a) Fixed assets</i>			
(i) Tangible assets	9	906.01	532.59
(ii) Intangible assets	9	59.44	14.62
(iii) Capital work-in-progress		98.12	94.43
(b) Non-current investments	10	1,270.64	2,209.91
(c) Deferred tax assets (net)	11	44.84	41.73
(d) Long term loans and advances	12	185.01	128.23
(e) Other non-current assets	13	1,211.95	688.51
(2) CURRENT ASSETS			
(a) Current investments	14	1,343.07	942.20
(c) Trade receivables	15	95.21	80.96
(d) Cash and bank balances	16	2,286.35	2,216.34
(e) Short-term loans and advances	12	124.25	90.49
(f) Other current assets	13	73.15	63.08
		8,254.85	7,103.34

Significant Accounting Policies

2

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

Amitesh Dutta
Partner
Membership Number 58507

Place : Noida
Date : May 03, 2013

The notes are an integral part of these financial statements.

For and on behalf of the Board of Directors

Hitesh Oberoi
Managing Director

Ambarish Raghuvanshi
Director & CFO

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note No	Year ended March 31, 2013 (₹Mn)	Year ended March 31, 2012 (₹Mn)
I. Revenue from Operations	17	4,723.21	3,918.84
II. Other Income	18	475.27	394.72
III. Total Revenue (I + II)		5,198.48	4,313.56
IV. Expenses			
Employee Benefits Expense	19	1,983.32	1,482.24
Finance Costs	20	27.85	21.84
Depreciation and Amortisation	21	117.80	83.21
Advertising and Promotion cost	22	750.34	563.21
Administration and Other expenses	23	615.57	586.09
Network, Internet and Other direct charges	24	163.96	104.66
Total Expenses		3,658.84	2,841.25
V. Profit before exceptional items and tax (III - IV)		1,539.64	1,472.31
VI. Exceptional Item - Net	38	236.92	8.33
VII. Profit before tax (V - VI)		1,302.72	1,463.98
VIII. Tax expense:			
(1) Current Tax		531.62	511.65
(2) Deferred Tax	11	(3.11)	17.11
IX. Profit for the year from continuing operations (VII-VIII)		774.21	935.21
X. Share in loss of Associate Companies (Refer Note 2.1 on Note 2)		(15.12)	(30.04)
XI. Share/(Reversal) of Minority Interest in loss of Subsidiaries (net)		152.52	(60.32)
XII. Excess of Minority Interest in the losses of Subsidiaries absorbed		-	74.00
XIII. Reversal on account of conversion of Associate into Subsidiary		4.33	114.43
XIV. NET PROFIT FOR THE YEAR		915.94	1,033.29
Earnings Per Share - Basic and Diluted [Nominal Value of share ₹10/- (Previous year ₹10/-)]	29	8.39	9.46

Significant Accounting Policies

2

This is the Statement of Consolidated Profit and Loss referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

For and on behalf of the Board of Directors

Hitesh Oberoi
Managing Director

Ambarish Raghuvanshi
Director & CFO

Amitesh Dutta
Partner
Membership Number 58507

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

S.No.	Particulars	For the year ended March 31, 2013 Amount (₹Mn.)	For the year ended March 31, 2012 Amount (₹Mn.)
A.	Cash flow from operating activities:		
	Net Profit before Exceptional item and Tax	1,539.64	1,472.31
	Adjustments for:		
	Depreciation and Amortisation	117.80	83.21
	Interest Expense	0.95	0.67
	Interest Income	(263.20)	(203.50)
	Dividend Income from Mutual Funds	(87.35)	(120.65)
	(Profit)/Loss on Fixed Assets sold (net)	(0.24)	(0.82)
	(Profit)/Loss on sale of Investments (net)	(116.05)	(68.06)
	Interest Income on Debentures	(5.09)	(0.39)
	Provision for Bad & Doubtful Debts	14.37	15.19
	Liability no longer required written back	(23.69)	(15.80)
	Provision for Gratuity & Leave Encashment	4.22	(2.27)
	TDS on revenue receipts	(253.24)	(230.16)
	Employee Stock Option Scheme Compensation Expense	23.99	15.02
	Operating profit before working capital changes	952.11	944.75
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	(28.62)	52.70
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	(77.70)	6.38
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	225.97	343.06
	Cash generated from operating activities	1,071.76	1,346.89
	- Taxes (Paid) / Received (Net of TDS)	(291.08)	(338.74)
	Net cash from operating activities	780.68	1,008.15
B.	Cash flow from Investing activities:		
	Purchase of fixed assets	(533.36)	(88.71)
	Proceeds from Sale of fixed assets	3.93	11.65
	Sale of Investments (Net)	898.01	252.10
	Purchase of Fixed Deposits (Net)	(449.28)	(552.87)
	Interest Received	276.17	149.74
	Dividend Received	87.35	120.65
	Share in loss of Associate Companies	(15.12)	(30.04)
	Share of Minority Interest in loss of Subsidiary Company	152.52	60.32
	Amount paid on acquisition of shares/debentures of other enterprises (Subsidiaries and associates)	(997.68)	(655.91)
	Net cash used in investing activities	(577.46)	(733.07)
C.	Cash flow from financing activities:		
	Repayment of long term borrowings (Net)	2.86	(0.14)
	Interest Paid	(0.92)	(0.67)
	Dividend Paid	(109.18)	(40.94)
	Dividend Tax Paid	(17.71)	(6.80)
	Net cash used in financing activities	(124.95)	(48.55)
	Net Increase/(Decrease) in Cash & Cash Equivalents	78.27	226.53
	Opening Balance of Cash and cash equivalents	352.65	126.12
	Add : Cash and Cash equivalents acquired from Subsidiaries	83.86	-
	Closing Balance of Cash and cash equivalents	514.78	352.65
	Cash and cash equivalents comprise		
	Cash in hand	2.96	3.48
	Balance with Scheduled Banks		
	-in current accounts (Refer note 2 and 3 below)	202.63	296.67
	-in Fixed deposits with original maturity of less than 3 months	309.19	52.50
	Total Cash and Cash equivalents	514.78	352.65
	Other Fixed deposits with original maturity exceeding than 3 months	2,952.40	2,503.13
	Total Cash and Bank Balance	3,467.18	2,855.78

Notes :

- The above Consolidated Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Balance with scheduled bank in current account includes ₹0.12 Million (previous year ₹0.12 Million) in respect of unpaid application money due for refund, which is not available for use by the company.
- Balance with scheduled bank in current account includes ₹0.09 Million (previous year ₹0.07 Million) in respect of unclaimed dividend, which is not available for use by the company.
- Figures in brackets indicate cash outflow.

This is the Consolidated Cash Flow Statement referred to in our report of even date For and on behalf of the Board of Directors

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

Hitesh Oberoi
Managing Director

Ambarish Raghuvanshi
Director & CFO

Amitesh Dutta
Partner
Membership Number 58507

Amit Gupta
Company Secretary

Place : Noida
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. BACKGROUND

Info Edge (India) Limited (the Company) was incorporated under the laws of India on May 1, 1995 and has seven subsidiaries and six associate companies (The Group) as at March 31, 2013. The subsidiaries are Jeevansathi Internet Services Private Limited, Naukri Internet Services Private Limited, Info (Edge) India Mauritius Ltd, Allcheckdeals India Pvt. Ltd , Applect Learning Systems Pvt. Ltd, Zomato Media Pvt. Ltd. (formerly known as DC Foodiebay Online Services Private Limited) and Makesense Technologies Pvt. Ltd. The associate companies are Etechaces Marketing & Consulting Pvt. Ltd, Nogle Technologies Private Limited, Kinobeo Software private Limited, Ninety Nine Labels Private Limited, Happily Unmarried Marketing Pvt. Ltd. and Canvera Digital Technologies Pvt. Ltd.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements of the Group have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified u/s 211(3C) of the Companies Act, 1956 to the extent applicable.

The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions in full as per Accounting Standard 21 on Consolidated Financial Statements.

Investment in associates (entity over which the company exercises significant influence, which is neither a subsidiary nor a joint venture) are accounted for using the equity method as per Accounting Standard 23 on Accounting for Investments in Associates in Consolidated Financial Statements. The consolidated financial statements include the share of profit/loss of associate companies, which are accounted under the 'Equity method' as per which the share of profit/loss of the associate company has been adjusted to the carrying amount of investment. Further, for the purpose of consolidation, the proportionate share of profit / loss of associate companies to the extent of investment in equity shares has been considered.

Reserves shown in the consolidated balance sheet represent the Group's share in the respective reserves of the Group companies.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

2.2 Goodwill

a) On Consolidation

Goodwill represents the difference between the cost of acquisition and the company's share in the net worth of a subsidiary at each stage of making the investment in the subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events, if any, between the date of such financial statements and the date of the respective acquisition.

b) On acquisition of investment in associate

Goodwill arising on acquisition is amortised to expense on a straight line basis over a period of estimated benefit but not exceeding five years.

2.3 Fixed Assets

Tangible Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

Intangible assets are stated at their cost of acquisition.

Profit/Loss on disposal of fixed assets is recognized in the Statement of Profit and Loss.

2.4 Depreciation

TANGIBLE ASSETS

Tangible Assets are depreciated under Straight Line Method over the estimated useful lives of the assets, which are as follows:

Assets	Estimated life (Years)
Building	20
Computers	3
Other Software Licenses	3
Enterprise Resource Planning Software	5
Office Equipment	3
Vehicles	4
Plant and Machinery	5
Furniture & Fixtures	7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Leasehold Land and Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the related assets.

Assets costing less than or equal to ₹5,000 were fully depreciated in the year of acquisition upto March 31,2012. With effect from April 01, 2012 such assets are depreciated @ 100% pro-rata from date of acquisition. The impact of this change in Accounting policy results in increase of profit by ₹9.59 million during the year.

INTANGIBLE ASSETS

Intangible Assets are depreciated under Straight Line Method over the estimated useful lives of the assets, which are as follows:

Assets	Estimated life (Years)
Other Software Licenses	3
Enterprise Resource Planning Software	5
Operating and Marketing Rights	5

The effective rates of depreciation based on the estimated useful lives are above the minimum rates as prescribed by Schedule XIV of the Act.

2.5 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rate prevailing on the date of the transaction. Gain/Loss arising on fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit and Loss.

Translation of foreign operations

Foreign operations are classified as 'non-integral' operations. Exchange differences arising on a monetary item that, in substance, forms part of an enterprise's net investment in a non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment, at which time they are recognised as income or as expenses.

2.6 Revenue Recognition

The Group earns revenue significantly from the following sources viz.

- a) Recruitment solutions through its career web site, Naukri.com:-
Revenue is received in the form of fees, which is recognized pro-rata over the subscription / advertising agreement, usually ranging between one to twelve months.
- b) Matrimonial web site, Jeevansathi.com and Real Estate website, 99acres.com:-
Revenue is received in the form of subscription fees, which is recognized over the period of subscription, usually ranging between one to twelve months.
- c) Placement search division, Quadrangle:-
Revenue is received in the form of fees, for placements at various levels in a client's organization. Revenue is booked on the successful completion of the search and selection activity.
- d) Online Coaching Services :-
Revenue from the online coaching is received in the form of subscription fee which is recognized over the period that coaching is imparted.
- e) Real Estate Broking :-
Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the company.
- f) Resume Sales Service:-
The revenue from Resume Sale Services is earned in the form of fees and is recognized on completion of the related service.
- g) Online Food Service :-
The revenue from operating and internet portal providing all sorts of information about restaurants and caterers for display of advertisement are recognized on display of advertisement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

In respect of a), b), d) and g) above, the unaccrued amounts are not recognized as revenue till all obligations are fulfilled and are reflected in the Balance sheet as Income Received in Advance (Deferred Sales Revenue).

All the above sources of revenue are shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognized on reasonable certainty of collection.

2.7 Investments

Long-term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

2.8 Employee Benefits

The company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognized by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year. The Company's contribution to state plans namely Employee State Insurance Fund is charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment, compensated absence and gratuity for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. The Gratuity Fund is recognized by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

Termination benefits are recognized as an expense immediately.

Gains and losses arising out of actuarial valuations are recognized immediately in the Statement of Profit and Loss as income or expense.

2.9 Leased Assets

- i) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.
- ii) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Statement of Profit and Loss on a straight line basis over the lease term.

2.10 Taxes on Income

Tax expense comprises of current tax and deferred tax. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred tax assets are recognized and carried forward only to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

2.11 Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.12 Employee Stock Option Based Compensation

Stock options granted to the employees and to the non-executive Directors who accepted the grant under the Company's Stock Option Plan are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme) Guidelines, 1999 as amended from time to time and the guidance note on Employee Share Based Payments issued by ICAI. The Company follows the intrinsic value method and accordingly, the excess, if any, of the market price of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognized as employee compensation cost and amortised on graded vesting basis over the vesting period.

2.13 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.14 Dividend income

Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.15 Interest Income

Interest income is recognized on the time basis determined by the amount outstanding including the tax credits and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

2.16 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars		As at March 31, 2013 (₹Mn)		As at March 31, 2012 (₹Mn)
Authorized Capital 120 Million Equity Shares of ₹10/- each (Previous year - 60 Million Equity Shares of ₹10/- each)		1,200.00		600.00
Issued, Subscribed and Paid-Up Capital 109.18 Million Equity Shares of ₹10/- each fully paid up (Previous year - 54.59 Million Equity Shares of ₹10/- each fully paid up) [Of the above, 54.59 Million Equity Shares of ₹10/- each (Previous year 49.00 Million Equity Shares of ₹10 each) were allotted as fully paid up by way of bonus shares out of Securities Premium, General Reserve and Statement of Profit and Loss]		1,091.81		545.91
		1,091.81		545.91

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at	As at	As at	As at
	March 31, 2013 No of Shares	March 31, 2013 (₹Mn)	March 31, 2012 No of Shares	March 31, 2012 (₹Mn)
Equity Shares				
At the beginning of the period	54,590,512	545.91	54,590,512	545.91
Add: Issued during the period	54,590,512	545.90	-	-
Outstanding at the end of the period	109,181,024	1,091.81	54,590,512	545.91

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:-

Particulars	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10	FY 2008-09
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	54,590,512	-	27,295,256	-	-
	54,590,512	-	27,295,256	-	-

d. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2012-13		FY 2011-12	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹10 each fully paid				
- Sanjeev Bikhchandani	37,370,812	34.23	19,235,406	35.24
- Sanjeev Bikhchandani & Hitesh Oberoi holding on behalf of Endeavour holding Trust	8,734,880	8.01	4,367,440	8.00
- Hitesh Oberoi	7,400,118	6.78	3,798,782	6.96
	53,505,810	49.02	27,401,628	50.20

4. RESERVES AND SURPLUS

Particulars		As at		As at
		March 31, 2013		March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
Securities Premium Account				
Opening Balance	1,310.07		1,310.07	
Less: Utilisation for issue of bonus shares	545.91	764.16	0.00	1,310.07
General Reserve				
Opening Balance	145.56		48.54	
Add : Addition from Subsidiaries acquired	-		-	
Add: Transfer from Statement of Profit and Loss under Companies (Transfer of Profit to Reserves Rules), 1975	-		91.97	
Add: Transfer from Statement of Profit and Loss (Stock Options Outstanding Account)	1.56	147.12	5.06	145.56
Stock Options Outstanding Account				
Opening Balance	40.63		31.00	
Add: Transfer during the year	23.99		15.02	
Less: Adjusted against advance given to Info Edge Employees Stock Option Trust	0.01		0.02	
Less: Written back during the year	-		0.31	
Less: Transfer to Statement of Profit and Loss	1.56	63.05	5.06	40.63
Foreign Currency Translation Reserve		4.02		4.82
Statement of Profit and Loss				
Opening Balance	3,225.37		2,410.94	
Add: Net Profit after tax transferred from statement of Profit and Loss	915.94		1,033.29	
Transfer from Stock Option Outstanding Account	1.56		5.06	
Less: Appropriations				
Proposed Dividend	109.18		109.18	
Dividend Tax	17.71		17.71	
Transfer to General Reserve under Companies (Transfer of Profit to Reserves Rules), 1975	0.00		91.97	
Transfer to General Reserve (Employee Stock Options Outstanding Account)	1.56	4,014.42	5.06	3,225.37
		4,992.77		4,726.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

5. LONG TERM BORROWINGS

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
SECURED LOANS				
Term Loans from banks	4.82	2.79	4.65	3.81
Current Maturities transferred to Current Liabilities	-	-	(4.65)	(3.81)
	4.82	2.79	-	-

a. Term Loans from banks are secured by hypothecation of Vehicles taken on lease.

b. Term loans carry interest rates ranging from 6% to 11%. The loans are repayable along with interest within 2 to 3 years from the date of loan.

Leased Assets included in vehicles where the company is a lessee under finance leases are:

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Not later than 1 year	5.41	4.30
Later than 1 year and not later than 5 years	5.14	3.01
Total minimum lease payments	10.55	7.31
Less: Future finance charges on finance leases	1.08	0.71
Present value of finance lease liabilities	9.47	6.60
Representing lease liabilities:		
- Current	4.65	3.81
- Non Current	4.82	2.79
	9.47	6.60
The present value of finance lease liabilities may be analyzed as follows:		
Not later than 1 year	4.65	3.81
Later than 1 year and not later than 5 years	4.82	2.79
	9.47	6.60

6. PROVISIONS

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Provision for Employee Benefits				
Provision for Gratuity	3.61	0.81	17.23	15.54
Provision for Compensated Absence	0.37	0.09	20.45	20.99
Other Provisions				
Accrued Bonus	-	-	73.29	71.00
Proposed Dividend	-	-	109.18	109.18
Dividend Tax	-	-	17.71	17.71
	3.98	0.90	237.86	234.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

7. TRADE PAYABLES

Particulars	Long-Term		Short-Term	
	As at	As at	As at	As at
	March 31, 2013 (₹Mn)	March 31, 2012 (₹Mn)	March 31, 2013 (₹Mn)	March 31, 2012 (₹Mn)
Trade Payables				
- total outstanding dues of micro, small and medium enterprises	-	-	-	-
- total outstanding dues of creditors other than micro, small and medium enterprises	-	-	556.74	381.98
	-	-	556.74	381.98

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2013

8. OTHER CURRENT LIABILITIES

Particulars		As at March 31, 2013 (₹Mn)		As at March 31, 2012 (₹Mn)
Current Maturities of Term Loans transferred from Long Term Borrowings		4.65		3.81
Interest accrued but not due on loans		0.07		0.04
Income received in advance (Deferred Sales Revenue)		1,217.59		1,189.03
Unpaid Dividend*		0.09		0.07
Unpaid Application Money received by the company for allotment of securities and due for refund *		0.12		0.12
Others				
- Service Tax Payable	13.07		13.07	
- TDS Payable	24.85		24.85	
- Others	1.63	39.55	4.98	42.90
* Will be credited to Investor Education and Protection Fund as and when due				
Total		1,262.07		1,235.97

This portion is intentionally left blank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

9. FIXED ASSETS

(Amount ₹Mn)

Description	GROSS BLOCK (AT COST)				DEPRECIATION/AMORTIZATION				NET BLOCK	
	As at April 1, 2012*	Additions during the period	Deletions/Write off during the period	As at March 31, 2013	Up to April 1, 2012**	Depreciation/Amortisation for the period	Accumulated Depreciation on Deletions	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets										
Own Assets										
Leasehold Land	346.95	-	-	346.95	15.74	5.14	-	20.88	326.07	331.21
Building	91.19	-	-	91.19	6.43	4.56	-	10.99	80.20	84.76
Leasehold Improvements	72.39	239.12	0.81	310.70	62.70	8.47	0.81	70.36	240.34	9.69
Computers	220.97	83.42	19.38	285.01	144.45	57.25	17.18	184.52	100.49	71.82
Plant and Machinery	36.41	30.11	0.16	66.36	32.12	3.46	0.16	35.42	30.94	3.45
Furniture and Fixtures	37.68	64.66	0.07	102.27	27.91	9.00	0.04	36.87	65.40	8.98
Office Equipment	62.94	47.39	0.74	109.59	50.37	12.39	0.69	62.07	47.52	11.72
Vehicles	0.89	0.41	-	1.30	0.73	0.03	-	0.76	0.54	-
Assets taken on Finance Lease										
Vehicles	20.75	10.37	5.94	25.18	9.78	5.41	4.52	10.67	14.51	10.96
Total	890.17	475.48	27.10	1,338.55	350.23	105.72	23.40	432.54	906.01	532.59
Intangible Assets										
Own Assets (Acquired)										
Goodwill	0.26	-	-	0.26	0.26	-	-	0.26	-	-
Operating and Marketing Rights	27.56	-	-	27.56	27.56	-	-	27.56	-	-
Enterprise Resource Planning Software	21.30	4.65	-	25.95	9.84	5.04	-	14.88	11.07	11.45
Other Software Licenses	12.00	49.54	-	61.54	6.14	7.04	-	13.18	48.37	3.17
Total	61.12	54.19	-	115.31	43.80	12.08	-	55.88	59.44	14.62
Total	951.29	529.67	27.10	1,453.86	394.03	117.80	23.40	488.41	965.45	547.21
Previous year	889.86	83.65	37.50	936.02	332.26	83.21	26.67	388.80	547.21	

* The Gross Block as on April 1, 2012 includes ₹2.21 Million and ₹13.05 Million relating to Fixed Assets of Makesense Technologies Pvt. Ltd and Zomato Media Pvt. Ltd. respectively which has become subsidiaries during the year.

** The Accumulated Depreciation as on April 1, 2012 includes ₹NIL and ₹5.24 Million relating to Fixed Assets of Makesense Technologies Pvt. Ltd and Zomato Media Pvt. Ltd. respectively which has become subsidiaries during the year.

10. NON CURRENT INVESTMENTS

Particulars	(₹Mn)	As at March 31, 2013 (₹Mn)	(₹Mn)	As at March 31, 2012 (₹Mn)
Non Trade (Unquoted)				
Investments in Equity Shares of Associate Companies				
11,950 (Previous year - 11,950) shares of eTechAces Marketing and Consulting Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹16,726.40/- per share (Previous Year-Rs16726.40/-)).*		-	-	-
100 (Previous year - NIL) shares of Happily Unmarried Marketing Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹12,709.12/- (Previous Year-NIL) per share.)*		0.94	-	-
3,553 (Previous year - NIL) shares of Canvera Digital Technologies Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹1,167/- (Previous Year-NIL) per share.)		2.61	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at		As at	
	(₹Mn)	March 31, 2013 (₹Mn)	(₹Mn)	March 31, 2012 (₹Mn)
NIL (Previous year – 58,480) shares of Zomato Media Pvt Ltd (formerly DC Foodiebay Online Services Private Limited) of ₹1/- each fully paid up. (and share premium of ₹NIL per share. (Previous year-₹802.69))*	-		12.73	
258 (Previous year - 258) shares of Nogle Technologies Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹40/- (Previous Year- ₹40/-)per share). *	-		-	
NIL (Previous year - 476,666) shares of Ninety Nine Labels Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹NIL (Previous Year-₹102.38/-)per share computed on average basis.)*	-		15.06	
		3.55		27.79
*[Refer Note 26 (A)]				
Investments in Preference Shares of Associate Companies				
5,345 (Previous year - 4,571) 0.1% cummulative convertible preference shares of eTechAces Marketing and Consulting Pvt. Ltd. of ₹100/- each fully paid up. (and share premium of ₹21,781.31/- (Previous Year- ₹21,781.31/-)per share computed on average basis.)	124.99		100.02	
498,400 (Previous year - 498,400) 0.1% cummulative convertible preference shares shares of Ninety Nine Labels Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹253.91/- per share). Less: Provision for diminution in value of investment [Refer Note 38]	131.53 (131.50)		131.53	
299,658 (Previous year – NIL) 0.1% cummulative convertible preference shares of Canvera Digital Technologies Pvt. Ltd. of ₹1/- each fully paid up. (and share premium of ₹1,167 /- (Previous Year- NIL) per share)	350.00		-	
3,928 (Previous year – NIL) 0.1% cummulative convertible preference shares of Happily Unmarried Marketing Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹12,719.12 /- (Previous Year- NIL) per share)	50.00		-	
NIL (Previous year - 44,584) shares of Zomato Media Pvt Ltd (formerly DC Foodiebay Online Services Pvt. Ltd.) of ₹1/- each fully paid up.	-		135.00	
4,647 (Previous year - 4,201) cummulative convertible preference shares of Nogle Technologies Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹4,724.24/- (Previous Year- ₹4750.77/-)per share computed on average basis)	22.00		20.00	
107,801 (Previous year - 107,801) 0.1% cummulative convertible preference shares of Kinobeo Software Pvt. Ltd. of ₹10/- each fully paid up. (and share premium of ₹2,494.61/- (Previous Year-₹2,494.61/-)per share computed on average basis)	270.00	817.02	270.00	656.55
Investments in Equity Shares of Others				
3,865,484 (Previous period - 3,865,484) shares of Study Places Inc. of ₹1,461.04/- each fully paid up.	49.81		49.81	
Less: Provision for diminution in value of investment [Refer Note 26 (B)]	49.81	-	49.81	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at		As at	
	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
Investments in Debentures of Associate Company				
NIL (Previous year - 50) debentures of Ninety Nine Labels Pvt. Ltd. of ₹10 Lakh each fully paid up.		-		50.00
Investments in Mutual Funds				
NIL (Previous year 5,000,000) Units of ₹10/- each in ICICI Prudential FMP Series 54-1 year Plan A Cumulative	-		50.00	
7,492,451 units (Previous Year: Nil) of ₹10.0125 each fully paid up of IDFC Ultra Short Term Fund	75.02		-	
7,444,856 units (Previous Year: Nil) of ₹10.0809 each fully paid up of HDFC Mutual Fund	75.05		-	
NIL (Previous Year 4,000,000) Units of ₹10/- each in DSP Blackrock FMP-Series 37-13M- Growth	-		40.00	
NIL (Previous Year 5,898,767) Units of ₹10/- each in DSP BlackRock FMP-Series 43-12M-Growth	-		58.99	
NIL (Previous Year 5,503,000) Units of ₹10/- each in Axis Fixed Term Plan - Series 22 (374 days)-Growth Plan	-		55.03	
NIL (Previous Year 5,000,000) Units of ₹10/- each in HDFC 5978 FMP 399D March 2012 (1)-Growth-Series-XXI	-		50.00	
NIL (Previous Year 5,503,750) Units of ₹10/- each in 5964/ HDFC FMP 400D March 2012 (1) - Growth - Series XXI	-		55.04	
NIL (Previous Year 5,514,990) Units of ₹10/- each in Kotak FMP Series 80-Growth	-		55.15	
NIL (Previous year 4,631,731) Units of ₹10.80 /- each in ICICI Prudential Interval Fund Annual Interval Plan-I Institutional Cumulative Growth	-		50.00	
5,000,000 (Previous year NIL) Units of ₹10/- each in ICICI Prudential FMP Series 67-371 Days Plan C Direct Plan	50.00		-	
NIL (Previous year 5,000,000) Units of ₹10/- each in DSP Blackrock Fixed Term Plan 12M Series 6- Growth	-		50.00	
NIL (Previous year 5,493,950) Units of ₹10/- each in DSP Blackrock FMP 12M Series 32-Growth	-		54.94	
NIL (Previous year 5,000,000) Units of ₹10/- each in DSP Blackrock FMP Series 10 12M-Growth	-		50.00	
NIL (Previous year 5,000,000) Units of ₹10/- each in 5795 HDFC FMP 370D March 2011 (2) - Growth - Series XVI	-		50.00	
NIL (Previous year 5,000,000) Units of ₹10/- each in HDFC FMP 13M Sep 11(1)-Growth-Series-XVIII	-		50.00	
5,000,000 (Previous year Nil) Units of ₹10 /- each HDFC FMP 400D March 2013 (1) Series 23-Direct-Growth	50.00		-	
5,000,000 (Previous year Nil) Units of ₹10 /- each HDFC FMP 384D March 2013(1) Series 23-Direct-Growth	50.00		-	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at		As at	
	(₹Mn)	March 31, 2013 (₹Mn)	(₹Mn)	March 31, 2012 (₹Mn)
NIL (Previous year 5,000,000) Units of ₹10/- each in IDFC FMP - yearly Series 45 Growth	-		50.00	
NIL (Previous year 5,491,200) Units of ₹10/- each in IDFC Fixed Maturity Plan-yearly Series 48 Growth	-		54.91	
NIL (Previous year 5,506,300) Units of ₹10/- each in IDFC FMP yearly Series-51-Growth	-		55.06	
NIL (Previous year 5,503,400) Units of ₹10/- each in IDFC Fixed Maturity yearly Series 63 Growth	-		55.03	
NIL (Previous year 5,000,000) Units of ₹10/- each in Kotak FMP Series 44-Growth	-		50.00	
NIL (Previous year 4,468,913) Units of ₹10/- each in Kotak FMP Series 75-Growth	-		44.69	
NIL (Previous year 5,510,066) Units of ₹10/- each in Kotak FMP Series 78-Growth	-		55.10	
10,000,000 (Previous year NIL) Units of ₹10/- each in Kotak FMP Series 100-Growth	100.00		-	
5,000,000 (Previous year NIL) Units of ₹10/- each in Kotak FMP Series 102-Growth	50.00		-	
NIL (Previous year 5,509,983) Units of ₹10/- each in Kotak FMP Series 83-Growth	-		55.10	
NIL (Previous year 5,150,000) Units of ₹10/- each in L&T FMP Series 6-Plan-C Growth	-		51.50	
NIL (Previous year 5,000,000) Units of ₹10/- each in L&T FMP Series 6 - Plan E-Growth	-		50.00	
NIL (Previous year 5,000,000) Units of ₹10/- each in Axis Fixed Term Plan - Series 16 (370 Days)-Growth	-		50.00	
NIL (Previous year 2,000,000) Units of ₹10/- each in Axis Fixed Term Plan - Series 17 (12 Months)-Growth Plan	-		20.00	
NIL (Previous year 6,000,000) Units of ₹10/- each in Birla Sun Life Fixed Term Plan Series DX Growth	-		60.00	
NIL (Previous year 5,000,000) Units of ₹10/- each in Birla Sun Life Fixed Term Plan Series EE Growth	-		50.00	
NIL (Previous year 5,502,950) Units of ₹10/- each in Birla Sun Life Fixed Term Plan Series EQ Growth	-		55.03	
NIL (Previous year 5,000,000) Units of ₹10/- each in SBI Debt Fund Series-367 Days-6-Growth	-	450.07	50.00	1,475.57
		1,270.64		2,209.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

11. DEFERRED TAX ASSET/ (LIABILITY)

Particulars	As at	
	March 31, 2013 (₹Mn)	March 31, 2012 (₹Mn)
Deferred Tax Asset / (Liability)		
- Opening Balance	41.73	58.84
- Adjustment for the current year	3.11	(17.11)
	44.84	41.73

Significant components of deferred tax assets/ (liabilities) are shown in the following table:

Particulars	As at	
	March 31, 2013 (₹Mn)	March 31, 2012 (₹Mn)
Deferred Tax Asset/(Liability)		
Provision for Leave Encashment	6.33	6.49
Provision for Doubtful Debts	1.60	1.62
Depreciation	15.60	20.60
ESOP	17.28	13.02
Other	4.03	-
	44.84	41.73

12. LOANS AND ADVANCES

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
(Unsecured, considered good)				
Capital Advances	58.55	60.78	-	4.09
Security Deposits	90.64	50.98	14.82	17.71
Amount paid to Associate Company towards Shares	-	-	4.00	0.36
Others				
- Advance recoverable in cash or in kind or for value to be received *	24.19	16.26	43.07	41.81
- Balance with Service Tax Authorities	-	-	26.87	3.90
- Advance Tax	-	-	2,530.98	1,986.65
- Less: Provision for Tax	-	-	(2,496.50)	(1,965.02)
- Amount recoverable from ESOP Trust	11.63	0.21	0.01	(0.01)
- Advance Tax - Fringe Benefits	-	-	29.69	29.69
- Less: Provision for Tax - Fringe Benefits	-	-	(28.69)	(28.69)
	185.01	128.23	124.25	90.49

* Includes Nil (Previous year ₹(0.05) Million) outstanding with directors

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

13. OTHER NON CURRENT/CURRENT ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
(Unsecured Considered Good)				
Non Current Portion of Fixed Deposits transferred from Cash & Bank Balances	1,180.83	639.44	-	-
Interest Accrued on Fixed Deposits	31.12	49.07	73.15	63.08
	1,211.95	688.51	73.15	63.08

14. CURRENT INVESTMENTS

Particulars		As at March 31, 2013 (₹Mn)		As at March 31, 2012 (₹Mn)
Investment in Mutual Funds (Unquoted) (Valued at lower of cost and fair value, unless stated otherwise)				
3,000,000 (Previous year NIL) Units of ₹10/- each in 1978 ICI Prudential FMP Series 65-367 Days Plan B Cummulative		30.00		-
5000000 (Previous year NIL) Units of ₹10/- each in ICI Prudential FMP Series 65-366 Days Plan I Direct Plan Cummulative		50.00		-
7,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP-Series 90-12M- Growth		70.00		-
4,000,000 (Previous Year NIL) Units of ₹10/- each in DSP Blackrock FMP-Series 37-13M- Growth		40.00		-
5,000,000 (Previous year NIL) Units of ₹10/- each in DSP BlackRock FMP-Series 68-12M- Institutional Plan-Growth Option		50.00		-
5,898,767 (Previous Year NIL) Units of ₹10/- each in DSP BlackRock FMP-Series 43-12M-Growth		58.99		-
3,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP Series 47-12M-Growth		30.00		-
2,000,000 (Previous year NIL) Units of ₹10/- each in DSP Blackrock FMP Series 81-12M-Growth		20.00		-
723,783 (Previous Year 1,897,278) Units of ₹105.74/- each in ICI Prudential Flexible Income Plan Premium - Daily Dividend		76.53		200.61
5,503,000 (Previous Year NIL) Units of ₹10/- each in Axis Fixed Term Plan - Series 22 (374 days)-Growth Plan		55.03		-
5,000,000 (Previous year NIL) Units of ₹10/- each in 6082/ HDFC FMP 371D August (1)-Growth-Series 22		50.00		-
5,000,000 (Previous Year NIL) Units of ₹10/- each in HDFC 5978 FMP 399D March 2012 (1)-Growth-Series-XXI		50.00		-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at		As at	
	(₹Mn)	March 31, 2013 (₹Mn)	(₹Mn)	March 31, 2012 (₹Mn)
5,503,750 (Previous Year NIL) Units of ₹10/- each in 5964/ HDFC FMP 400D March 2012 (1) - Growth - Series XXI		55.04		-
5,000,000 (Previous year NIL) Units of ₹10/- each in IDFC Fixed Maturity Plan 366 Days Series 73-Dividend		50.00		-
5,000,000 (Previous year NIL) Units of ₹10/- each in IDFC Fixed Maturity Plan 366 Days Series 78-Dividend		50.00		-
5,514,990 (Previous Year NIL) Units of ₹10/- each in Kotak FMP Series 80-Growth		55.15		-
5,000,000 (Previous year NIL) Units of ₹10/- each in B1070G Birla Sun Life Fixed Term Plan Series FO Growth		50.00		-
5,000,000 (Previous year NIL) Units of ₹10/- each in B1089G Birla Sun Life Fixed Term Plan Series FV Growth (367 Days)		50.00		-
5,000,000 (Previous year NIL) Units of ₹10/- each in SBI Debt Fund Series-366 Day-12-Growth		50.00		-
5,000,000 (Previous year NIL) Units of ₹10/- each in L302G SBI Debt Fund Series-366 Day-8-Growth		50.00		-
NIL (Previous Year 10,837,343) Units of ₹10/- each in HDFC Cash Management Fund -Treasury Advantage Plan - Wholesale Daily Dividend		-		108.72
3,909,467 (Previous Year NIL) Units of ₹10.08/- each in HDFC Cash Management Fund -Treasury Advantage Plan - Wholesale Daily Dividend		39.41		-
6,08,798 (Previous Year 4,414) Units of ₹100.09/- each in Birla Sun Life Saving Fund -Instl-Daily Dividend Reinvestment		60.94		0.44
NIL (Previous Year 153,976) Units of ₹10/- each in SBI SHF Ultra Short Term Fund IP Daily Dividend		-		154.07
NIL (Previous Year 3,775,183) Units of ₹10.01/- each in Templeton India Ultra Short Bond Fund Institutional Plan Daily Dividend		-		37.79
13,679,356 (Previous Year 27,079,374) Units of ₹10.02/- each in Templeton India Ultra Short Bond Fund Super Institutional Plan Daily Dividend		137.03		271.11
98,906 (Previous Year NIL) Units of ₹10.01/- each in IDFC Ultra Short Term Fund Daily Dividend		0.99		-
27,572 (Previous Year NIL) Units of ₹1,000.32/- each in DSP Blackrock Liquidity Fund-Institutional Plan - Daily Dividend		27.58		-
3,620,713 (Previous Year 2,688,154) Units of ₹10.05/- each in Kotak Flexi Debt Scheme Institutional - Daily Dividend		36.38		27.01
5,000,000 units (Previous Year: Nil) of ₹10 each fully paid up of ICICI Prudential mutual fund		50.00		-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at		As at	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
NIL (Previous Year 1,483,809) Units of ₹10/- each in Fidelity Ultra Short Term Debt Fund Super Instl - Daily Dividend		-		14.85
NIL (Previous Year 29,469) Units of ₹10/- each in IDFC Cash Fund-Investment Plan B -Daily Dividend		-		31.20
NIL (Previous Year 9,638,342) Units of ₹10/- each in IDFC Money Manager Fund - TP - Super Inst Plan C - Daily Div		-		96.40
		1,343.07		942.20

15. TRADE RECEIVABLES

Particulars	Long-Term		Short-Term	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
(Unsecured, considered good unless otherwise stated)				
Debts outstanding for a period exceeding six months from the date they are due for payment				
- Secured Considered Good	-	-	-	-
- Unsecured Considered Good	-	-	0.30	4.07
- Doubtful	-	-	48.24	52.13
	-	-	48.54	56.20
Less: Provision for Doubtful Debts			(48.24)	(52.13)
(A)	-	-	0.30	4.07
Other Receivables				
- Secured Considered Good			-	-
- Unsecured Considered Good			94.91	76.89
- Doubtful			-	0.82
	-	-	94.91	77.71
Less: Provision for Doubtful Debts			-	(0.82)
(B)	-	-	94.91	76.89
(A) + (B)	-	-	95.21	80.96

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

16. CASH AND BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Cash and Cash Equivalents				
Cash in hand	-	-	2.96	3.48
Balances with Banks:				
-in Current Accounts	-	-	202.42	296.48
-in Fixed Deposit Accounts with original maturity of less than 3 months	-	-	309.19	52.50
-in Fixed Deposit Accounts with original maturity of more than 12 months*	1,180.83	639.44	-	-
Non Current portion transferred to non current assets	(1,180.83)	(639.44)	-	-
Other Bank Balances				
Balances in Fixed Deposit Accounts with original maturity of more than 3 months but less than 12 months*	-	-	1,771.57	1,863.69
Unpaid Application Money received by the company for allotment of securities and due for refund **	-	-	0.12	0.12
Unclaimed Dividend **	-	-	0.09	0.07
* includes ₹55.00 Million (Previous year ₹50.28 Million) as margin money with bank				
** (Not available for use by the company)				
	-	-	2,286.35	2,216.34

17. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Sale of Services	4,699.52	3,903.04
Other Operating Revenues	23.69	15.80
	4,723.21	3,918.84

18. OTHER INCOME

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Interest Received/Receivable on Fixed Deposits with Banks	263.20	203.50
Interest on Debentures	5.09	0.39
Dividend Income from Mutual Funds	87.35	120.65
Profit on sale of Investment (net)	116.05	68.06
Profit on sale of Fixed Assets (net)	0.24	0.82
Other Non Operating Income	3.34	1.30
	475.27	394.72

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

19. EMPLOYEE BENEFITS EXPENSE

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Salaries, Wages and Bonus	1,550.78	1,126.45
Contributions to Provident and other funds	53.87	42.22
Sales Incentives and Commissions	213.66	182.04
Staff Welfare and Benefits	101.10	77.37
Employee Stock Option Scheme Compensation	23.99	15.02
Other Employee Expenses	39.92	39.14
	1,983.32	1,482.24

20. FINANCE COSTS

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Interest on fixed loans	0.95	0.67
Others	26.90	21.17
	27.85	21.84

21. DEPRECIATION AND AMORTISATION

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Depreciation of Tangible Assets	105.72	76.09
Amortisation of Intangible Assets	12.08	7.12
	117.80	83.21

22. ADVERTISING AND PROMOTION COST

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Advertisement Expenses	716.23	549.98
Promotion & Marketing Expenses	34.11	13.23
	750.34	563.21

23. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2013 (₹Mn)	As at March 31, 2012 (₹Mn)
Electricity and Water	52.71	31.78
Rent	212.77	121.55
Repairs and Maintenance (Building)	18.28	14.90
Repairs and Maintenance (Machinery)	20.37	19.28
Legal and Professional Charges	43.84	30.30
Rates & Taxes	0.08	0.08
Insurance	2.77	1.99
Communication expenses	71.43	49.57
Travel & Conveyance	79.71	48.70
Provision for Doubtful Debts	14.37	15.19
Loss on sale of fixed assets (net)	-	-
Miscellaneous expenses	99.24	252.75
	615.57	586.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

24. NETWORK, INTERNET AND OTHER DIRECT CHARGES

Particulars	As at	As at
	March 31, 2013 (₹Mn)	March 31, 2012 (₹Mn)
Internet and Server Charges	150.01	92.23
Others	13.95	12.43
	163.96	104.66

25. Info Edge (India) Limited (the Company) has Seven Subsidiaries and six associate companies, as given in the following table:

Name of the Company	Percentage of Equity ownership interest as on March 31, 2013	Percentage of Preference ownership interest as on March 31, 2013	Relationship	Date of Incorporation	Country of Origin	Date of Investment
Naukri Internet Services Private Limited (NISPL)*	99.98	-	Subsidiary	December 9, 1999	India	January 30, 2002
Jeevansathi Internet Services Private Limited (JISPL)*	98	-	Subsidiary	December 9, 1999	India	September 13, 2004
Info (Edge) India Mauritius Ltd. (IEIML)*	99.99	-	Subsidiary	October 30, 2007	Mauritius	January 18, 2008
Allcheckdeals India Pvt. Ltd.* (ACDIPL)	99.47	-	Subsidiary	August 1, 2008	India	January 12, 2009
Appect Learning Systems Pvt. Ltd. (ALSPL)	54.16	-	Subsidiary	April 4, 2001	India	June 12, 2008
Makesense Technologies Pvt. Ltd.*	99.99	-	Subsidiary	September 21, 2010	India	March, 22 2013
Zomato Media Pvt Ltd. (Formerly known as DC Foodiebay Online Services Private Limited) (ZMPL) **	57.58	-	Subsidiary	January 18, 2010	India	July 31, 2010
Etechaces Marketing & Consulting Pvt. Ltd. (EMCPL)	43.80	20.54	Associate	June 04, 2008	India	April 27, 2010
Nogle Technologies Private Limited (NTPL)***	2.58	100	Associate	January 18, 2011	India	March 18, 2011
Ninety Nine Labels Private Limited (NNLPL)	24.41	100	Associate	August 20, 2009	India	May 24, 2011
Kinobeo Software private Limited (KSPL)***	-	46.67	Associate	January 05, 2007	India	March 31, 2012
Happily Unmarried Marketing Pvt. Ltd. (HUMPL)***	0.85	100	Associate	August 17, 2007	India	December 27, 2012
Canvera Digital Technolgoies Pvt. Ltd. (CDTPL)***	0.51	99.29	Associate	February 05, 2007	India	November 7, 2012

* The remaining shares are held by the nominees of the Company.

**Converted from Associate Company to Subsidiary Company during the year.

*** By virtue of power to participate in the financial and/or operating policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

26. A) Particulars of Investment in Equity Shares of Associate as on March 31, 2013:

Amount (₹Mn)

Particulars	EMCPL		ZMPL**		NTPL	
	FY 12-13	FY 11-12	FY 12-13	FY 11-12	FY 12-13	FY 11-12
Cost of Investment at the beginning of the year	-	194.49	12.73	13.31	-	-
Add: Investment made during the year	-	5.51	813.60	29.00	-	0.01
Add: (Share)/Reversal of post-acquisition (loss)/ profits (Net)	-	(14.35)	4.33	(2.60)	-	(0.01)
Less: Goodwill (written off)/written back	-	(185.65)	29.94	(26.98)	-	-
Amount adjusted for conversion of Associate into Subsidiary	-	-	(860.60)	-	-	-
Carrying Value at the end of the year	-	-	-	12.73	-	-

** Zomato Media Pvt. Ltd. was an associate as on March 31, 2012 and became a subsidiary during the year.

Amount (₹Mn)

Particulars	NNLPL		CDTPL		HUMPL	
	FY 12-13	FY 11-12	FY 12-13	FY 11-12	FY 12-13	FY 11-12
Cost of Investment at the beginning of the year	15.06	-	-	-	-	-
Add: Investment made during the year	-	53.56	4.15	-	1.27	-
Add: (Share)/Reversal of post acquisition (loss)/ profits (Net)	(15.06)	(13.07)	(0.02)	-	(0.04)	-
Less: Goodwill (written off)/written back	-	(25.43)	(1.51)	-	(0.29)	-
Carrying Value at the end of the year	-	15.06	2.61	-	0.94	-

B) Particulars of Investment in Equity Shares of Others as on March 31, 2013

(Amount (₹Mn))

Particulars	Study Places Inc., USA	
	FY 12-13	FY 11-12
Cost of Investment at the beginning of the year	49.81	49.81
Less: Provision for diminution in value of Investment	49.81	49.81
Carrying Value at the end of the year (B)	Nil	Nil

27. As on March 31, 2013 there is an advance of ₹58.55 Million (Previous Year ₹64.87 Million) outstanding against capital account contracts. This primarily includes the following:

- (i) ₹58.28 Million (Previous year ₹60.94 Million) relating to the project for construction of office building on leasehold land in respect of which extension for construction based on sanctioned plan have been taken from the relevant authorities. The management is alternatively exploring possibilities of sale of the land/ project on a lump sum basis.
- (ii) ₹0.27 Million towards office equipment (Previous Year ₹3.93 Million towards ERP software).
- (iii) ₹0.03 Million towards other assets (Previous Year Nil).

28. Operating Leases where the company is a lessee:

The Group has entered into lease transactions mainly for leasing of office premises for periods between 1 to 11 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹213.02 Million (included in Note 23 – Administration and Other Expenses ₹212.77 Million and in Note 19 – Employee Benefits Expenses ₹0.25 Million [(Previous Year ₹122.34 Million) (included in Note 23 – Administration and Other Expenses ₹121.55 Million and in Note 19 – Employee Benefits Expense ₹0.79 Million)].

29. Basic and Diluted Earnings per share (EPS):

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit attributable to Equity Shareholders (₹Mn)	915.94	1,033.29
Weighted average number of Equity Shares outstanding during the year (Nos.)	109,181,024	54,590,512
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	8.39	9.46

The authorised share capital of the company has increased from ₹600 Million to ₹1,200 Million during the year ended March 31, 2013. Further, during the year ended March 31, 2013 the company had issued 54,590,512 equity shares of ₹10/- each, fully paid up, as bonus shares in the ratio of 1:1 out of securities premium account. Accordingly, the EPS has been adjusted for the previous year, as per the requirements of Accounting Standard 20 on Earnings Per Share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

30. (1) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Group as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 (as amended) ("accounting standards") and where control exists for the year ended March 31, 2013:

Associates

Nogle Technologies Private Limited (NTPL)
 eTechAces Marketing & Consulting Pvt. Ltd. (EMCPL)
 Ninty Nine Labels Private Limited (99LABELS)
 Kinobeo Software Private Limited (Mydala)
 Happily Unmarried Life Marketing Pvt. Ltd.(HUMPL)
 Canvera Digital Technologies Private Limited(CDTPL)

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani
 Surabhi Bikhchandani (Spouse of Sanjeev Bikhchandani)
 Sushil Bikhchandani (Brother of Sanjeev Bikhchandani)
 Hitesh Oberoi
 Divya Batra (Sister of Hitesh Oberoi)
 Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

Minik Enterprises (Proprietorship concern of Sushil Bikhchandani)
 Oyster Learning (Proprietorship concern of Rimy Oberoi)

Independent Directors- Non Executive

Arun Duggal
 Ashish Gupta
 Bala Deshpande
 Naresh Gupta
 Saurabh Srivastava

Non-Executive Directors

Kapil Kapoor

- B) Details of transactions with related party for the year ended March 31, 2013 in the ordinary course of business:

Amount (₹ Mn)

Sr. No	Nature of relationship/transaction	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non- Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	Remuneration Paid: Sanjeev Bikhchandani ₹ 16.07 Hitesh Oberoi ₹ 15.84 Ambarish Raghuvanshi ₹ 11.81 Surabhi Bikhchandani ₹ 1.25	-	44.97	-	-	-	44.97
2	Advances Given for business purposes (net): Sanjeev Bikhchandani ₹ 0.03 Hitesh Oberoi ₹ 0.02	-	0.05	-	-	-	0.05
3	Receipt of services: Minik Enterprises ₹ 1.36 Divya Batra ₹ 0.52	-	0.52	-	-	1.36	1.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Sr. No	Nature of relationship/transaction	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
4	Dividend Paid: Sanjeev Bikhchandani ₹ 38.47 Hitesh Oberoi ₹ 7.60 Ambarish Raghuvanshi ₹ 2.07 Surabhi Bikhchandani ₹ 1.49 Arun Duggal ₹ 0.08 Bala Deshpande ₹ 0.10 Kapil Kapoor ₹ 3.81	-	49.64	0.18	3.81	-	53.63
5	Investment in Equity shares: CDTPL ₹ 4.15 HULMP ₹ 1.27	5.42	-	-	-	-	5.42
6	Investment in Preference Shares NTPL ₹ 2.00 EMCPL ₹ 24.97 HUMPL ₹ 50.00 CDTPL ₹ 350.00	426.97	-	-	-	-	426.97
7	Investment in Debentures 99lables ₹ 50.00	50.00	-	-	-	-	50.00
8	Sitting Fees paid: Arun Duggal ₹ 0.10 Ashish Gupta ₹ 0.12 Bala Deshpande ₹ 0.06 Kapil Kapoor ₹ 0.06 Naresh Gupta ₹ 0.16 Saurabh Srivastava ₹ 0.12	-	-	0.56	0.06	-	0.62
9	Commission paid: Arun Duggal ₹ 0.78 Ashish Gupta ₹ 0.69 Bala Deshpande ₹ 0.64 Naresh Gupta ₹ 0.64 Saurabh Srivastava ₹ 0.78	-	-	3.51	-	-	3.51
10	Services Rendered: EMCPL ₹ 0.29 Mydala ₹ 0.10	0.40	-	-	-	-	0.40
11	Advance towards Shares: NTPL ₹ 4.00	4.00	-	-	-	-	4.00
12	Interest on Debenture 99lables ₹ 5.08	5.08	-	-	-	-	5.08
13	Loss on Sale of Debenture 99lables ₹ 105.42	105.42	-	-	-	-	105.42

1. Amounts paid to / on behalf of Info Edge Employee Stock Option Trust during the year are as below:

- (a) Dividend paid ₹0.99 Million
(b) Advances paid (net) ₹NIL

2. Amount due to Info Edge Employee Stock Option Trust as on March 31, 2013 is ₹0.02 Million.

3. Amount due from Allcheckdeals Employee Stock Option Trust as on March 31, 2013 is ₹0.40 Million.

4. Amount given to Applect Employees Stock Option Plan Trust during the Year is ₹11.42 Million.

5. Amount due from Applect Employees Stock Option Plan Trust as on March 31, 2013 is ₹11.63 Million.

C) Amount due to/from related parties as at March 31, 2013

Amount (₹Mn)

Sr. No	Nature of relationship / transaction	Associate Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances/Receivables	4.01	-	-	4.01
	Maximum amount outstanding during the year	4.01	-	-	4.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

30 (2) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Group as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 (as amended) ("accounting standards") and where control exists for the year ended March 31, 2012:

Associates

Zomato Media Pvt. Ltd. (formerly DC Foodiebay Online Services Private Limited) (ZMPL)
 Nogle Technologies Private Limited (NTPL)
 Ninety Nine Labels Private Ltd (99labels)
 Kinobeo Software Private Ltd (Mydala)
 Eteahces Marketing & Consulting Private Ltd. (EMCPL)

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani
 Surabhi Bikhchandani (Spouse of Sanjeev Bikhchandani)
 Sushil Bikhchandani (Brother of Sanjeev Bikhchandani)
 Hitesh Oberoi
 Rimy Oberoi (Spouse of Hitesh Oberoi)
 Divya Batra (Sister of Hitesh Oberoi)
 Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

Minik Enterprises (Proprietorship concern of Sushil Bikhchandani)
 Oyster Learning (Proprietorship concern of Rimy Oberoi)

Independent Directors- Non Executive

Arun Duggal
 Ashish Gupta
 Bala Deshpande
 Naresh Gupta
 Saurabh Srivastava

Non-Executive Directors

Kapil Kapoor

- B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹ Mn)

Sr. No	Nature of relationship / transaction	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	Remuneration Paid: Sanjeev Bikhchandani ₹ 16.68 Hitesh Oberoi ₹ 15.76 Ambarish Raghuvanshi ₹ 11.78 Surabhi Bikhchandani ₹ 1.41	-	45.63	-	-	-	45.63
2	Advances Given for business purposes (net): Sanjeev Bikhchandani ₹ 0.08 Hitesh Oberoi ₹ 0.01	-	0.09	-	-	-	0.09
3	Receipt of services: Minik Enterprises ₹ 0.92 Divya Batra ₹ 0.48	-	0.48	-	-	0.92	1.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Sr. No	Nature of relationship / transaction	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
4	Dividend Paid: Sanjeev Bikhchandani ₹ 14.43 Hitesh Oberoi ₹ 2.92 Ambarish Raghuvanshi ₹ 0.95 Surabhi Bikhchandani ₹ 0.56 Arun Duggal ₹ 0.03 Bala Deshpande ₹ 0.04 Kapil Kapoor ₹ 1.43	-	18.86	0.07	1.43	-	20.36
5	Investment in Equity shares: ZMPL ₹ 29.00 NTPL ₹ 0.01 99labels ₹ 53.57 EMCPL ₹ 5.51	88.09	-	-	-	-	88.09
6	Investment in Preference Shares ZMPL ₹ 135.00 NTPL ₹ 15.00 99label ₹ 131.53 EMCPL ₹ 100.02 Mydala ₹ 270.00	651.55	-	-	-	-	651.55
7	Investment in Debentures 99 label ₹ 50.00	50.00	-	-	-	-	50.00
8	Sitting Fees paid: Arun Duggal ₹ 0.20 Ashish Gupta ₹ 0.16 Bala Deshpande ₹ 0.08 Kapil Kapoor ₹ 0.10 Naresh Gupta ₹ 0.10 Saurabh Srivastava ₹ 0.20	-	-	0.74	0.10	-	0.84
9	Commission paid/payable: Arun Duggal ₹ 0.78 Ashish Gupta ₹ 0.69 Bala Deshpande ₹ 0.69 Naresh Gupta ₹ 0.69 Saurabh Srivastava ₹ 0.69	-	-	3.53	-	-	3.53
10	Services Rendered: EMCPL ₹ 0.16 ZMPL ₹ 0.01 99labels ₹ 0.03 Mydala ₹ 0.21	0.41	-	-	-	-	0.41
11	Interest on Debentures Receivable: 99labels ₹ 0.35	0.35	-	-	-	-	0.35
12	Reimbursements Paid: 99labels ₹ 0.06	0.06	-	-	-	-	0.06

1. Amounts paid to / on behalf of Info Edge Employee Stock Option Trust during the year are as below:

- (c) Dividend paid ₹0.50 Million
(d) Advances paid (net) ₹(13.43) Million

2. Amount due to Info Edge Employee Stock Option Trust as on March 31, 2012 is ₹0.03 Million.

3. Amount due from Allcheckdeals Employee Stock Option Trust as on March 31, 2012 is ₹0.40 Million.

4. Amount given to Applect Employees Stock Option Plan Trust during the Year is ₹0.02 Million.

5. Amount due from Applect Employees Stock Option Plan Trust as on March 31, 2012 is ₹0.21 Million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

C) Amount due to/from related parties as at March 31, 2012

Amount (₹Mn)

Sr. No	Nature of relationship / transaction	Associate Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances/Receivables	0.36	-	-	0.36
	Maximum amount outstanding during the year	0.36	-	-	0.36
	Credit balances				
1	Outstanding Payable	-	0.05	-	0.05

31. (1) Employee Stock Option Scheme 2007

The company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31, 2013 have a vesting period of maximum of 3 years from the date of grant.

- Number of options granted, exercised and forfeited during the year:-

	2012-13		2011-12	
	Number	Weighted Average Price (₹)	Number	Weighted Average Price (₹)
Options/SAR outstanding at beginning of year	1,863,326	416.96	1,801,721	345.36
Add:				
Options/SAR granted *	343,500	343.18	377,600	702.86
Bonus Issued during the year	1,820,494	210.37	-	-
Less:				
Options/SAR exercised	531,825	163.15	231,097	304.05
Options/SAR forfeited	108,400	283.25	84,898	476.53
Options/SAR outstanding at the end of year	3,387,095	416.96	1,863,326	416.96
Options/SAR exercisable at the end of year	2,197,360	196.98	1,086,411	351.07

* During the year the company granted 343,500 (Previous Year 377,600) Stock Appreciation Rights (SAR) with a maximum exercise period of five years (Previous Year Five Years).

The options outstanding at the end of year had exercise prices in the range of ₹2.50/- to ₹384/- (Previous Year ₹5/- to ₹366/-) and a weighted average remaining contractual life of 3.61 years (Previous Year 4.64 years).

Exercise Amount Range (₹)	Options outstanding as at March 31, 2013	Options outstanding as at March 31, 2012
2.5-300	2,110,200	451,396
301-600	1,276,900	904,030
601-750	-	507,900
Grand Total	3,387,100	1,863,326

In accordance with the above mentioned ESOP Scheme, ₹14.68 Million (Previous Year ₹14.98 Million) has been charged to the Statement of Profit and Loss in relation to the options vested during the year ended March 31, 2013 as Employee Stock Option Scheme Compensation.

31 (2) ACD ESOP Plan 2009

The company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31, 2013 had a vesting period of maximum of 3 years from the date of grant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

- Number of options granted, exercised and forfeited during the year:

Particulars	2012-13		2011-12	
	Number	Weighted Average Price (₹)	Number	Weighted Average Price (₹)
Options outstanding at beginning of year	15,100	10	15,100	10
Add:				
Options granted	-	-	-	-
Less:				
Options exercised	-	-	-	-
Options forfeited	-	-	-	-
Options outstanding at the end of year	15,100	10	15,100	10
Option exercisable at the end of year	-	-	-	-

In accordance with the above mentioned ESOP Scheme, ₹Nil (Previous Year Nil) has been charged to the Statement of Profit and Loss in relation to the options vested during the year ended March 31, 2013 as Employee Stock Option Scheme Compensation.

31 (3) Applect Learning Systems Private Limited- ESOP Scheme 2009

The board vide its resolution dated 29-Dec-09 approved ESOP 2009 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the company, monitored and supervised by the compensation Committee of the Board of Directors.

The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

- Number of options granted, exercised and forfeited during the year:-

Particulars	2012-13		2011-12	
	Number	Weighted Average Price (₹)	Number	Weighted Average Price (₹)
Options outstanding at beginning of year	745	10	745	10
Add:				
Options granted	1585	10	-	-
Less:				
Options exercised	294	10	-	-
Options forfeited	66	10	-	-
Options outstanding at the end of year	1970	10	745	10

In accordance with the above mentioned ESOP Scheme, ₹9.31 Million (Previous Year ₹0.04 Million) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended March 31, 2013 as Employee Stock Option Scheme Compensation.

32. (A) In respect of options vested during the year, had the fair value method been used, the profit for the year would be lower by ₹76.32 Million (Previous year 82.67 Million) and the EPS would be ₹7.69 (Previous year 8.71).

(B) (1) The fair value of each option is estimated on the date of grant using the Black Scholes model with the below listed assumptions:

Employee Stock Option Scheme 2007	2012-13		2011-12	
	ESOP 2007	ESOP 2007 SAR	ESOP 2007	ESOP 2007 SAR
Weighted average fair value of the options at the grant dates	322.25	130.90	-	291.01
Dividend Yield (%)	0.10%	0.10%	-	0.10%
Risk free rate	8.06%	8.06%	-	8.23%
Expected life (years)	4.00	3.68	-	3.62
Expected volatility	32.15%	32.15%	-	42.15%
Weighted average share price	331.00	364.51	-	702.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(2)	Employees Stock Option Scheme 2009 (ESOP)*	2012-13	2011-12
	Weighted average fair value of the options at the grant dates	155.82	155.82
	Risk free rate	6.53%	6.53%

*For Applet Learning Systems Private Limited

33. The Company has received legal notices of claims/lawsuits filed against it relating to infringement of Intellectual Property Rights (IPR) in relation to the business activities carried on by it. In the opinion of the management, no material liability is likely to arise on account of such claims/law suits.
34. The company is primarily in the business of internet based service delivery operating in four service verticals through web portals in respective vertical namely Naukri.com for recruitment related services, Jeevansathi.com for matrimony related services, 99acres.com for real estate related services and Shiksha.com for education related services. The other activities comprise of placement search services and real estate broking services. The segment revenues, results and assets of the other activities do not constitute reportable segment under Accounting Standard 17 on Segment Reporting and accordingly no disclosure is required.
35. As at March 31, 2013 the company had ₹0.12 Million (Previous Year ₹0.12 Million) outstanding with ICICI bank towards unpaid application money received by the company for allotment of securities and due for refund and ₹0.07 Million (Previous Year ₹0.07 million) outstanding with Kotak Mahindra Bank & ₹0.02 Million (Previous year NIL) outstanding with Yes Bank as unclaimed dividend. These amounts are not available for use by the company and will be credited to Investor Education & Protection Fund as and when due.
36. The aggregate managerial remuneration under section 198 of the Companies Act, 1956 to the Directors including Managing Director is:

Particulars	Amount (₹Mn)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Whole Time Directors (including Managing Director)		
Salary	28.04	27.10
Reimbursements	1.27	1.22
Bonus	14.41	15.90
Total (A)	43.72	44.22
Non Whole Time Directors:		
Commission	3.51	3.51
Sitting Fee	0.62	0.84
Total (B)	4.13	4.35
Total Managerial Remuneration Paid/Payable (A+B)	47.85	48.60

The above amounts exclude company's contribution / provision for gratuity and leave encashment for the year, which is determined annually on actuarial basis.

37. (A) Employee Benefits for the financial year 2012-13

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

Amount (₹Mn)

a) Provident Fund

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Employers' Contribution to Provident Fund*	29.79	22.78

*Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 19)

B. State Plans

Amount (₹Mn)

a) Employers' Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Employers' Contribution to Employee State Insurance*	5.57	4.46

*Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 19)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

C. Defined Benefit Plans

- a) Contribution to Gratuity Funds – Life Insurance Corporation of India
b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	
	FY 2012-13	FY 2011-12
Discount Rate (per annum)	8% to 8.25%	8.25% to 8.50%
Rate of increase in Compensation levels	15% in first year, 10% in next 5 years, & 7% thereafter	15% in first 2 years, 10% in next 5 years, & 7% thereafter

Particulars	Employee's Gratuity Fund	
	FY 2012-13	FY 2011-12
Discount Rate (per annum)	8% to 8.25%	8.25% to 8.50%
Rate of increase in Compensation levels	15% in first year, 10% in next 5 years, & 7% thereafter	15.0% in first 2 years, 10.0% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	7.5%	7.50%
Expected Average remaining working lives of employees (years)	10.09 to 32.73	10.59 to 32.27

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund Amount (₹Mn)	Employee's Gratuity Fund Amount (₹Mn)
	FY 2012-13	FY 2011-12
Present Value of Obligation as at beginning of the year*	79.72	64.30
Interest Cost	7.59	6.24
Past Service Cost	Nil	Nil
Current Service Cost	18.73	14.75
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Benefits paid	(7.05)	(5.68)
Actuarial (gain)/ loss on obligations	(2.50)	(0.38)
Present Value of Obligation as at the end of the year	96.49	79.23

* The previous year figures does not includes the balances of Makesense Technologies Pvt. Ltd. & Zomato Media Private Limited which were acquired during the year.

(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund Amount (₹Mn)	Employee's Gratuity Fund Amount (₹Mn)
	FY 2012-13	FY 2011-12
Fair Value of Plan Assets at the beginning of the year	62.88	45.74
Expected Return on Plan Assets	4.99	3.24
Actuarial Gains and (Losses)	0.41	2.30
Contributions	14.43	17.22
Benefits Paid	(7.05)	(5.62)
Fair Value of Plan Assets at the end of the year	75.65	62.88

(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund Amount (₹Mn)	Employee's Gratuity Fund Amount (₹Mn)
	FY 2012-13	FY 2011-12
Present Value of funded Obligation *	(96.49)	(78.41)
Fair Value of Plan Assets as at the end of the period	75.65	62.88
Funded Status		
Present Value of unfunded Obligation	-	(0.82)
Unrecognized Actuarial (gains) / losses	Nil	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet**	(20.84)	(16.35)

**Included in Provision for Gratuity (Refer Note 6)

The previous year figures does not includes the balances of Makesense Technologies Pvt. Ltd. & Zomato Media Private Limited which were acquired during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(D) Expense recognized in the Statement of Profit and Loss	Employee's Gratuity Fund Amount (₹Mn)	Employee's Gratuity Fund Amount (₹Mn)
	FY 2012-13	FY 2011-12
Current Service Cost	18.73	14.75
Past Service Cost	Nil	Nil
Interest Cost	7.59	6.24
Expected Return on Plan Assets	(4.99)	(3.24)
Curtailement Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	-	0.02
Net actuarial (gain)/ loss recognized in the period	(2.90)	(2.70)
Total Expenses recognized in the Statement of Profit and Loss #	18.43	15.07
#Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 19)		

In respect of leave encashment/compensated absence the present value of obligation is ₹20.81 Million (Previous Year 21.08 Million) as at March 31, 2013 included in provision for employee benefits (Refer Note 6). The expense recognized in the Statement of Profit and Loss is ₹16.06 Million (Previous Year ₹15.44 Million) included in Staff Welfare and Benefits under Employee Benefits Expense (Refer Note 19).

38. The exceptional item in the year ended March 31, 2013 represents provision for diminution in the carrying value of investment in Preference shares of ₹131.50 Million in Ninety Nine Labels Private Limited and also loss on sale of debentures (inclusive of accrued interest) ₹105.42 Millions held in Ninety Nine Labels Private Limited. The exceptional item in the year ended March 31, 2012 represents provision for diminution in the carrying value of investment of ₹8.33 million in Study Places Inc., USA.
39. The accounts of some of the subsidiaries and the associate company considered in consolidation have been prepared on a going concern basis despite significant erosion in their net worth. The applicability of the going concern assumption is considered to be appropriate on the basis of the business activities of these companies, together with the factors likely to affect their future development and performance along with their financial position and projected cash flows. These have been reviewed by the respective Board of Directors and they have a reasonable expectation that these companies have adequate resources to continue in operational existence for the foreseeable future.
40. For the purpose of consolidation of financial statements of the company as regards the investments in
- (1) Associate companies: Unaudited Profit after tax of Ninety Nine labels Private Limited and Canvera Digital Technologies Pvt. Ltd. has been considered. It is unlikely that the audited results would be materially different from unaudited financial statements.
 - (2) Subsidiary Companies: Unaudited financial statements of Info (Edge) India Mauritius Ltd.(the company which has initiated voluntarily winding up proceedings during the year) have been considered. It is unlikely that the audited results would be materially different from unaudited results.
41. Contingent Liability - Claims against the company not acknowledged as debt :
- Service tax matters ₹Nil (Previous Year ₹4.68 million).
 - Income tax matters ₹Nil (Previous Year ₹1.22 million).
42. Previous year figures have been regrouped/rearranged to confirm to the current year classification.

For Price Waterhouse & Co., Bangalore
Firm Registration Number 007567S
Chartered Accountants

Amitesh Dutta
Partner
Membership Number 58507

Place : Noida
Date : May 03, 2013

For and on behalf of Board of Directors

Hitesh Oberoi
Managing Director

Amit Gupta
Company Secretary

Place: Noida
Date: May 03, 2013

Ambarish Raghuvanshi
Director & CFO

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present Annual Report and Audited Statement of Accounts of the Company for the financial year ended 31st March 2013.

Financial Results

Your Company has earned a profit after tax of ₹79 Thousand in financial year 2012-13 as compared to ₹89 Thousand in financial year 2011-12.

Directors

During the year, there was no change in the Directors of the Company.

Auditors

M/s Sharma Goel & Company, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of Auditors and notes on Accounts is self-explanatory. Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors placed on record the following statements:

- That in the preparation of the Annual Accounts the applicable Accounting standards had been followed along with proper explanation relating to material departures;
- That the Directors had selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- That the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors had prepared the Annual Accounts on a going concern basis.

Acknowledgement

Your Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of the Board

Place: Noida
Dated: May 2, 2013

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

AUDITOR'S REPORT

AUDITOR'S REPORT TO THE MEMBERS OF NAUKRI INTERNET SERVICES PRIVATE LIMITED.

- I. We have audited the attached Balance Sheet of Naukri Internet Services Private Limited as at March 31, 2013 and also the Profit and Loss Account and the cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The said company is exempt from the provisions of Companies (Auditor's Report) Order, 2003 as further amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956.

We report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
 - (b) In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 2, 2013

Rajesh Mittal
Partner

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No.	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100	100
(b) Reserves and Surplus	4	498	419
(2) Current Liabilities			
(a) Other current liabilities	5	208	163
(b) Trade Payables	6	83	75
TOTAL		889	757
II. ASSETS			
(1) Non-current assets			
(a) Non-current investments	7	0	0
(2) Current assets			
(a) Cash and cash equivalents	8	706	612
(b) Short-term loans and advances	9	183	145
TOTAL		889	757

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The Schedules referred to above form an integral part of these accounts

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 2, 2013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING MARCH 31, 2013

Particulars	Note No	Year Ended March 31, 2013 Amount (₹' 000)	Year Ended March 31, 2012 Amount (₹' 000)
I. Revenue from operations	10	100	100
II. Other Income	11	37	32
III. Total Revenue (I + II)		137	132
IV. Expenses:			
Administration and Other expenses	12	13	12
Total Expenses		13	12
V. Profit before tax (III - IV)		124	120
VI. Tax expense:			
(1) Current tax		45	31
(2) Tax of earlier years			
VII. Profit/(Loss) from the period from continuing operations (V-VI)		79	89
VIII. Profit/(Loss) from discontinuing operations		-	-
IX. Tax expense of discontinuing operations		-	-
X. Profit/(Loss) from Discontinuing operations (VIII - IX)		-	-
XI. Profit/(Loss) for the period (VII + X)		79	89
XII. Earning per equity share:	14		
(1) Basic		7.93	8.93
(2) Diluted		7.93	8.93

Significant Accounting Policies

2

This is the Profit and Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of these accounts

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 2, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

S.No.	Particulars	For the year ended March 31, 2013 Amount (₹' 000)	For the year ended March 31, 2012 Amount (₹' 000)
A.	Cash flow from operating activities:		
	Net profit before tax	124	120
	Adjustments for:		
	Interest received on Fixed Deposits	(37)	(32)
	Operating profit before working capital changes	87	88
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	-	-
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	0	35
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	8	9
	Cash generated from operating activities	95	132
	- Taxes (Paid) / Received (Net of TDS)	(38)	(39)
	Net cash from operating activities	57	93
B.	Cash flow from Investing activities:		
	Interest received on Fixed Deposits	37	32
	Investment in Eq share of Makesense Technologies Pvt. Ltd.	(0)	
	Net cash used in investing activities	37	32
C.	Cash flow from financing activities:		
	Net cash used in financing activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents	94	125
	Opening Balance of Cash and cash equivalents	612	487
	Closing Balance of Cash and cash equivalents	706	612
	Cash and cash equivalents comprise		
	Cash in hand	0	0
	Balance with Scheduled Banks		
	-in current accounts	269	208
	-in fixed deposits	437	404
	Total	706	612

Notes:

- 1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification
- 2 Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Dated: May 2, 2013

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. Corporate Information

Naukri Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Act.

2.2 Investments

Long-term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

2.3 Revenue Recognition

Naukri Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Pvt. Ltd. dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying a annual license fee of ₹100,000/- to Naukri Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

2.4 Taxes on Income

As a measure of prudence the Deferred Tax Assets (Net) in terms of Accounting Standard No. 22 specified in Companies (Accounting Standard) Rules, 2006 have not been recognized in the absence of their being virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realized

2.5 Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year

2.6 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.7 Interest Income

Interest income is recognized on the time basis determined by the amount outstanding including the tax credits and the rate applicable and where no significant uncertainty as to measurability or collectibility exists.

2.8 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
AUTHORISED 10,000 Equity Shares of ₹10/- each (Previous Year - 10,000 Equity Shares of ₹10/- each)	100	100
ISSUED, SUBSCRIBED & PAID-UP 10,000 Equity Shares of ₹10/- each, fully paid up (Previous Year - 10,000 Equity Shares of ₹10/- each)	100	100
	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2013		As at March 31, 2012	
	No of Shares	Amount (₹'000)	No of Shares	Amount (₹'000)
Equity Shares				
At the beginning of the period	10,000	100	10,000	100
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	100	10,000	100

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2012-13		FY 2011-12	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹10 each fully paid Info Edge (India) Ltd	9,998	99.98%	9,998	99.98%
	9,998	99.98%	9,998	99.98%

4. RESERVES AND SURPLUS

Particulars	As at	
	March 31, 2013 Amount (₹' 000)	March 31, 2012 Amount (₹' 000)
Profit & Loss Account		
Opening Balance	419	330
Add: Net Profit after tax transferred from statement of Profit and Loss	79	89
	498	419

5. OTHER CURRENT LIABILITIES

Particulars	As at	
	March 31, 2013 Amount (₹' 000)	March 31, 2012 Amount (₹' 000)
Provision for Income Tax	208	163
	208	163

6. TRADE PAYABLES

Particulars	Long Term		Short Term	
	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
Audit Fees Payable	-	-	83	75
	-	-	83	75

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

7. NON CURRENT INVESTMENTS

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
Shares in Allcheckdeals India Pvt Ltd 1 (Previous Year 1) Equity Share of ₹10/- fully paid up)	0	0
Shares in Makesense Technologies Pvt. Ltd. 1 (Previous Year 0) Equity Share of ₹10/- fully paid up)	0	-
	0	0

8. CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
Cash & Cash Equivalents		
(a) Cash in Hand	0	0
(b) Balance with Bank in Current Account	269	208
(b) Balance with Bank in Fixed Deposit	437	404
	706	612

9. SHORT TERM LOANS AND ADVANCES

Particulars	Long Term		Short Term	
	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
(Unsecured considered good)				
Recoverable from Holding Company	-	-	-	-
Advance Tax	-	-	183	145
	-	-	183	145

10. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
License Fees	100	100
	100	100

11. OTHER INCOME

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
Interest Received on fixed deposits	37	32
	37	32

12. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
Auditor's Remuneration	9	8
Professional Charges	4	4
	13	12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

13. AUDITORS REMUNERATION

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
As Auditors	8	7
Out of Pocket Expenses & Service Tax	1	1
	9	8

14. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
Profit attributable to Equity Shareholders (₹)	79	89
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	7.93	8.93

15. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

16 (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2013:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Hitesh Oberoi

Ambarish Raghuvanshi

B) Details of transactions with related party for the year ended March 31, 2013 in the ordinary course of business:

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	-	-	-	-

C) Amount due to/from related parties as at March 31, 2013

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	49	-	-	49
Credit Balances				
Outstanding Payable	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

16 (2) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Hitesh Oberoi

Ambarish Raghuvanshi

- B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	33	-	-	33

- C) Amount due to/from related parties as at March 31, 2012

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	84	-	-	84
Credit Balances				
Outstanding Payable	-	-	-	-

17. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

18. Employee Benefits

The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

19. Previous year's figures have been regrouped / recast to confirm to current year's presentation.

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Dated: May 2, 2013

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present Annual Report and Audited Statement of Accounts of the Company for the financial year ended 31st March 2013.

Financial Results

Your Company has earned a profit after tax of ₹59 Thousand in financial year 2012-13 as compared to ₹68 Thousand in financial year 2011-12.

Directors

During the year there was no change in the Directors of the Company.

Auditors

M/s Sharma Goel & Company, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act, 1956.

Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of Auditors and notes on Accounts is self explanatory. Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors placed on record the following statements:

- That in the preparation of the Annual Accounts the applicable Accounting standards had been followed along with proper explanation relating to material departures;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- That the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors had prepared the annual account on a going concern basis.

Acknowledgement

Your Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of the Board

Place: Noida
Dated: May 2, 2013

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED

AUDITOR'S REPORT

AUDITOR'S REPORT TO THE MEMBERS OF JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED.

- i. We have audited the attached Balance Sheet of Jeevansathi Internet Services Private Limited as at March 31, 2013 and also the Profit and Loss Account and the cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The said company is exempt from the provisions of Companies (Auditor's Report) Order, 2003 as further amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956.

We report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- (b) In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 02, 2013

Rajesh Mittal
Partner

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No.	As at March 31, 2013 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100	100
(b) Reserves and Surplus	4	32	(27)
(2) Current Liabilities			
(a) Other current liabilities	5	-	-
(b) Trade Payables	6	80	72
(c) Short Term Provisions	7	152	125
TOTAL		364	270
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	1	2
(2) Current assets			
(a) Cash and cash equivalents	9	207	143
(b) Short-term loans and advances	10	156	125
TOTAL		364	270

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date

The notes are an integral part of these financial statements.

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 02, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING MARCH 31, 2013

Particulars	Note No	Year Ended March 31, 2013 Amount (₹'000)	Year Ended March 31, 2012 Amount (₹'000)
I. Revenue from operations	11	100	100
II. Other Income	12	-	13
III. Total Revenue (I + II)		100	113
IV. Expenses:			
Administration and Other expenses	13	14	12
Depreciation	8	1	1
Total Expenses		15	13
V. Profit before tax (III - IV)		86	100
VI. Tax expense:			
(1) Current tax		27	32
VII. Profit/(Loss) from the period from continuing operations (V-VI)		59	68
VIII. Profit/(Loss) from discontinuing operations		-	-
IX. Tax expense of discontinuing operations		-	-
X. Profit/(Loss) from Discontinuing operations (VIII - IX)		-	-
XI. Profit/(Loss) for the period (VII + X)		59	68
XII. Earning per equity share:	14		
(1) Basic		5.85	6.80
(2) Diluted		5.85	6.80

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date

The notes are an integral part of these financial statements.

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 02, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

S.No.	Particulars	For the year ended March 31, 2013 Amount (₹'000)	For the year ended March 31, 2012 Amount (₹'000)
A.	Cash flow from operating activities:		
	Net profit before tax	86	99
	Adjustments for:		
	Depreciation	1	1
	Interest received on income tax refund	-	(12)
	Excess provision written back	-	(1)
	Operating profit before working capital changes	87	87
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	-	-
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	-	-
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	8	(270)
	Cash generated from operating activities	95	(183)
	- Taxes (Paid) / Received (Net of TDS)	(31)	207
	Net cash from operating activities	64	24
B.	Cash flow from Investing activities:		
	Interest received on Fixed Deposits	-	-
	Net cash used in investing activities	-	-
C.	Cash flow from financing activities:		
	Net cash used in financing activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents	64	24
	Opening Balance of Cash and cash equivalents	143	119
	Closing Balance of Cash and cash equivalents	207	143
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with Scheduled Banks		
	-in current accounts	207	143
	Total	207	143

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification
- Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: May 02, 2013

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. General Information

Jeevansathi Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Act.

2.2 Fixed Assets

Fixed Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

2.3 Revenue Recognition

Jeevansathi Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Ltd. dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying a annual license fee of ₹100,000/- to Jeevansathi Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

2.4 Taxes on Income

As a measure of prudence the Deferred Tax Assets (Net) in terms of Accounting Standard No. 22 specified in Companies (Accounting Standard) Rules, 2006 have not been recognized in the absence of their being virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realized.

2.5 Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.6 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.7 Depreciation

Depreciation has been provided on fixed assets on written down value method as per the rates prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

2.8 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
AUTHORISED 10,000 Equity Shares of ₹10/- each (Previous Year - 10,000 Equity Shares of ₹10/- each)	100	100
ISSUED, SUBSCRIBED & PAID-UP 10,000 Equity Shares of ₹10/- each, fully paid up (Previous Year - 10,000 Equity Shares of ₹10/- each)	100	100
	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2013 No of Shares	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 No of Shares	As at March 31, 2012 Amount (₹'000)
Equity Shares				
At the beginning of the period	10,000	100	10,000	100
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	100	10,000	100

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2012-13		FY 2011-12	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹10 each fully paid				
Info Edge (India) Ltd	9,800	98.00%	9,800	98.00%
	9,800	98.00%	9,800	98.00%

4. RESERVES AND SURPLUS

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Statement of Profit & Loss		
Opening Balance	(27)	(94)
Add: Net Profit after tax transferred from statement of Profit and Loss	59	67
	32	(27)

5. OTHER CURRENT LIABILITIES

Particulars	Long Term		Short Term	
	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Payable to Holding Company	-	-	-	-
	-	-	-	-

6. TRADE PAYABLES

Particulars	Long Term		Short Term	
	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Audit Fees Payable	-	-	80	72
	-	-	80	72

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

7. PROVISIONS

Particulars	Long Term		Short Term	
	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Provision for Income Tax	-	-	152	125
	-	-	152	125

8. FIXED ASSETS

Amount (₹' 000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2012	Additions during the year	Deletions during the year	As at March 31, 2013	Up to April 1, 2012	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets										
Computers and Software	297	-	-	297	295	1		296	1	2
Total	297	-	-	297	295	1	-	296	1	2
Previous Year	297	-	-	297	294	1	-	295	3	

9. CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Cash & Cash Equivalents		
(a) Cash in Hand	-	-
(b) Balance with Bank in Current Account	207	143
	207	143

10. SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
(Unsecured, considered good)		
Advance Tax	156	125
	156	125

11. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
License Fees	100	100
	100	100

12. OTHER INCOME

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Income Tax Refund	-	12
Excess Provision written back	-	1
	-	13

13. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
Auditor's Remuneration	9	8
Professional Charges	4	4
	13	12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

14. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2013	As at March 31, 2012
Profit attributable to Equity Shareholders (₹'000)	59	68
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	5.85	6.80

15. AUDITORS REMUNERATION

Particulars	As at March 31, 2013 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)
As Auditors	8	8
Out of Pocket Expenses & Service Tax	1	1
	9	9

16. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

17 (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2013:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Hitesh Oberoi

Ambarish Raghuvanshi

B) Details of transactions with related party for the year ended March 31, 2013 in the ordinary course of business:

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	-	-	-	-

C) Amount due to/from related parties as at March 31, 2013

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	50	-	-	50
Credit Balances				
Outstanding Payable	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

17 (2) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Hitesh Oberoi

Ambarish Raghuvanshi

- B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	27	-	-	27

- C) Amount due to/from related parties as at March 31, 2012

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	84	-	-	84
Credit Balances				
Outstanding Payable	-	-	-	-

18. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

19. Employee Benefits

The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

20. Previous year's figures have been regrouped / recast to confirm to current year's presentation.

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

Place: New Delhi
Dated: May 2, 2013

INFO EDGE (INDIA) MAURITIUS LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2013.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as an investment holding company.

BUSINESS REVIEW AND DIVIDEND

The Profit for the year ended 31 March 2013 was **USD 31,237** (31 March 2012 – Loss: USD 7,233).

The directors do not recommend the payment of dividend for the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance, and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Shareef Ramjan & Associates, have indicated their willingness to continue in office and will be automatically reappointed at the Annual Meeting.

Director

SECRETARY'S REPORT

TO BE INCLUDED IN THE FINANCIAL STATEMENTS OF

INFO EDGE (INDIA) MAURITIUS LIMITED

UNDER SECTION 166(D) OF THE MAURITIAN COMPANIES ACT 2001

We confirm that, based on records and information made available to us by the directors and shareholder of the Company, the Company has filed with the Registrar of Companies, for the year ended 31 March 2013, all such returns as are required of the Company under the Mauritian Companies Act 2001.

Abax Corporate Services Ltd

SECRETARY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

PARTICULARS	Year Ended	Year Ended
	March 31, 2013	March 31, 2012
	USD	USD
Income		
Other Income	39,999	-
	39,999.00	-
Expenses		
Licence fees	1,750	1,500
Secretarial Fees	2,600	500
Accountancy Fees	700	750
Professional Fees	3,000	-
Audit Fees	-	1,000
Directors fees	-	2,000
Domiciliation and compliance fees	-	1,000
Registration fees	512	313
Incidentals	50	50.00
Bank Charges	150	120
	8,762	7,233
Profit/(Loss) for the year	31,237	(7,233)
Fair value loss on available for sale financial assets	-	(78,483)
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE YEAR	31,237	(85,716)

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF FINANCIAL POSITION – 31 MARCH 2013

PARTICULARS	Schedule	As at March 31, 2013	As at March 31, 2012
		USD	USD
ASSETS			
Non-current assets			
Available-for-sale financial assets	1	-	-
Current assets			
Cash and cash equivalents	2	3,905	11,355
Receivables	3	375	375
Total assets		4,280	11,730
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	4	1,112,001	1,112,001
Accumulated losses		(1,114,346)	(1,145,583)
Total Equity		(2,345)	(33,582)
Current liabilities			
Amount due to ultimate holding company	5	-	39,999
Accruals	6	6,625	5,313
		6,625	45,312
Total equity and liabilities		4,280	11,730

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2013

Particulars	Stated Capital USD	Retained Earning USD	Fair value reserve* USD	Total equity USD
As at 1, April 2012	1,112,001	(45,583)	(1,100,000)	(33,582)
Profit for the year	-	31,237	-	31,237
Other Comprehensive income	-	-	-	-
Fair value loss on available for sale financial assets	-	-	-	-
As at 31 March 2013	1,112,001	(14,346)	(1,100,000)	(2,345)

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013

PARTICULARS	As at March 31, 2013	As at March 31, 2012
	USD	USD
Cash flow from operating activities		
Profit/(Loss) before taxation	31,237	(7,233)
Increase in payables	1,312	(2,387)
Increase in Current Assets	-	-
Increase in amount due to ultimate holding company	(39,999)	20,000
Net cash generated from operations	(7,450)	10,380
Net cash flow used in investing activities		
Acquisition of available-for-sale financial assets	-	-
Net cash from financing activities		
Issue of ordinary shares	-	-
Net decrease in cash and cash equivalents	(7,450)	10,380
Cash and cash equivalents at beginning of year	11,355	975
Cash and cash equivalents at end of year	3,905	11,355

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

SCHEDULES FORMING PART OF THE BALANCE SHEET - 31 MARCH 2013

Particulars	As at March 31, 2013	As at March 31, 2012
Schedule 1	USD	USD
Available-for-sale financial assets		
Investment in Study Places Inc.	1,100,000	1,100,000
Provision for Diminution	(1,100,000)	(1,100,000)
	-	-

Particulars	As at March 31, 2013	As at March 31, 2012
Schedule 2	USD	USD
Cash & Cash Equivalents		
Balance with HSBC Bank	3,905	11,355
	3,905	11,355

Particulars	As at March 31, 2013	As at March 31, 2012
Schedule 3	USD	USD
Receivables		
Prepayments	375	375
	375	375

Particulars	As at March 31, 2013	As at March 31, 2012
Schedule 4	USD	USD
Stated Capital		
Issued & fully paid up		
As at April 01, 2012	1,112,001	1,112,001
Issued during the year	-	-
As at March 31, 2013	1,112,001	1,112,001

Particulars	As at March 31, 2013	As at March 31, 2012
Schedule 5	USD	USD
Amount due to ultimate holding company		
Payable to Info Edge India Ltd.	-	39,999
	-	39,999

Particulars	As at March 31, 2013	As at March 31, 2012
Schedule 6	USD	USD
Payables		
Accountancy Fees Payable	700	750
Audit Fees Payable	-	1,000
Professional Fees Payable	3,000	-
Secretarial Fees Payable	2,600	500
Director Fees payable	-	2,000
Domiciliation & Certification Fees	-	1,000
Provision for ROC Fees	325	63
	6,625	5,313

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2013

1 GENERAL INFORMATION

Info Edge (India) Mauritius Limited (the "Company") is a limited liability company incorporated and domiciled in Mauritius. The address of its registered office is c/o Abax Corporate Services Ltd, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius. The Company holds a Category 1 Global Business Licence and its main activity is to act as an investment holding company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention as modified by the fair valuation of available-for-sale financial assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors have considered estimates and judgement as disclosed in note 3.

Changes in accounting policy and disclosures

(a) Amendments to existing standards effective during the year

The following amendments to standards are mandatory for the year beginning 1 January 2011:

Standard	Title
IAS 1	Presentation of financial statements
IAS 24	Related party disclosures
IFRS 7	Financial instruments - Disclosures

The amendment to IAS 1, 'Presentation of financial statements' is part of the 2010 Annual Improvements and clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The application of this amendment has no significant impact as the Company was already disclosing the analysis of other comprehensive income on its statement of changes in equity.

The amendment to IAS 24 clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Company is now required to disclose any transactions between its subsidiaries and its associates. Additionally, an entity that is controlled by an individual that is part of the key management personnel of another entity is now required to disclose transactions with that second entity. The application of this amendment does not have a significant impact on the Company's financial statements.

The amendments to IFRS 7, 'Financial Instruments - Disclosures' are part of the 2010 Annual Improvements and emphasises the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments. The amendments have also removed the requirement to disclose the following:

- Maximum exposure to credit risk if the carrying amount best represents the maximum exposure to credit risk;
- Fair value of collaterals; and
- Renegotiated loans that would otherwise be past due but not impaired.

The application of the above amendment simplified financial risk disclosures made by the Company.

Other amendments and interpretations to standards became mandatory for the year beginning 1 January 2011 but had no significant effect on the Company's financial statements.

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

Numerous new standards, amendments and interpretations to existing standards have been issued but are not yet effective. Below is the list of the standards and amendments to existing standards that are likely to be relevant to the Company. However, the directors are yet to assess the impact on the Company's operations.

Standard/ Interpretation	Title	Applicable for financial years beginning on/after
IAS 1	Presentation of financial statements	1 July 2012
IFRS 9	Financial instruments part 1: Classification and measurement and part 2: Financial liabilities and De-recognition of financial instruments	1 January 2015

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2013

Standard/ Interpretation	Title	Applicable for financial years beginning on/after
IAS 27	Separate financial statements	1 January 2013
IAS 28	Investments in associates and joint ventures	1 January 2013
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosure of interests in other entities	1 January 2013
IFRS 13	Fair value measurement	1 January 2013

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations is subject to interpretations and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Foreign currency translation*(a) Functional and presentation currency*

Items included in the financial statements are measured in United States dollars (USD), the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company ("the functional currency").

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Available-for-sale financial assets

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any other categories.

They are included in non-current assets unless management intends to dispose the investment within 12 months of the reporting date.

Available-for-sale investments are initially recognised at fair value plus transaction costs. They are subsequently remeasured at fair value. Gains and losses arising from changes in fair value of securities classified as available-for-sale are recognised in equity.

Fair values for unlisted equity securities are estimated using comparable recent arm's length transactions, applicable price/book value, price/earnings or price/cash flow ratios or discounted cash flow analysis refined to reflect the specific circumstances of the issuer. Fair value of quoted securities are derived from quoted bid prices. Equity securities for which fair values cannot be measured reliably are recognised at cost less impairment.

On disposal of an investment, the cumulative gain or loss that was recognised in equity plus the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Revenue recognition

Dividend is recognised when the Company's right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2013

Expense recognition

Expenses are accounted for in the statement of comprehensive income on an accrual basis.

Equity

Ordinary shares are classified as equity.

Impairment of available-for-sale investment

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss. Reversals of impairment losses in respect of equity instruments classified as available-for-sale are not recognised in profit or loss. Reversals of impairment losses on debt instruments are reversed through profit or loss, if the increase in fair value of the debt instruments can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company has become a party to the contractual provisions of the financial instruments.

Financial instruments are initially measured at fair value. Subsequent to the initial recognition, they are measured as set out below:

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade and other payables

Trade and other payables are stated at their nominal value.

Amount due to ultimate holding company

Amount due to ultimate holding company is recognised at proceeds received net of capital repayment.

Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

The rights to receive cash flows from the asset have expired;

The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass through" arrangement; or

The Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2013

amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Comparatives

Where necessary, comparatives figures have been amended to conform with changes in presentation of the current year.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Fair value of unquoted instruments

The Company holds available -for-sale financial asset that is not traded in an active market. The fair value of the investment in Study Places Inc is based on the value of its investment in Zaptive Internet Services Pvt Ltd (ZIPL's) and ZISPL's further holding in Educomp Solutions Ltd ('ESL') which is the primary asset after transfer of the ZISPL business and assets. ESL is a company listed on the National Stock Exchange.

The directors use their judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date.

4 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to the various types of risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Currency profile

The Company's financial assets and liabilities are denominated in United States dollars.

5 FINANCIAL RISK MANAGEMENT (Continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has no significant currency risk exposure as all its financial assets and liabilities are denominated in USD.

Interest rate risk

The Company has no significant exposure to interest-rate risk.

Price risk

The Company is exposed to equity securities price risk as it has classified its investment in Study Places Inc. ("SPI") as available-for-sale financial assets which are valued on the basis of the market value of SPI's investments in Educomp Solutions Ltd ("ESL").

The Company monitors the market value of ESL and management assesses the risk of potential loss to the company of holding these shares on a long-term or short-term basis. These shares are readily marketable as ESL is listed on the National Stock Exchange of India.

The fair value at 31 March 2013 would have no effect (2012-higher / lower by Nil) if the price of ESL would have increased / decreased by 5 % respectively. Accordingly, fair value reserve would have been higher / lower by an equivalent amount.

Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's main credit risk concentration is cash and cash equivalents. The Company manages credit risk by banking with reputable financial institution.

Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash reserves, through funding from its ultimate holding company. The table below summarises the maturity profile of its financial liabilities at 31 March 2012 based on contractual undiscounted payments.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2013

Particulars	2013	2013	2012	2012
	USD	USD	USD	USD
	On demand	Within 1 year	On demand	Within 1 year
Amount due to ultimate holding company	-	-	39,999	-
Other payable	-	6,625	-	5,313
At 31 March	-	6,625	39,999	5,313

Capital risk management

The Company manages its capital to ensure that it will be able to have sufficient funding to finance its investments and to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital management process is determined and managed at the ultimate holding company level.

Fair values

The carrying amounts of available-for-sale financial assets, cash at bank, amount due to ultimate holding company and payables approximate their fair values.

IFRS 7 requires disclosure of financial instruments that are measured in the statement of financial position at fair value by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's assets that are measured at fair value as at 31 March 2013:

Particulars	Level 1 USD	Level 2 USD	Level 3 USD	Total Balance USD
Available-for-sale financial asset	-	-	-	-
	-	-	-	-

The following table presents the Company's assets that are measured at fair value as at 31 March 2012:

Particulars	Level 1 USD	Level 2 USD	Level 3 USD	Total Balance USD
Available-for-sale financial asset	-	-	-	-
	-	-	-	-

The following table presents the changes in level 3 instrument for the year ended 31 March 2012:

Particulars	2013 USD	2012 USD
At beginning of year	Nil	78,483
Fair value loss	Nil	(78,483)
At end of year	-	Nil

6 AVAILABLE-FOR-SALE FINANCIAL ASSETS

Particulars	2013 USD	2012 USD
At 01 April	Nil	78,483
Fair value loss	Nil	(78,483)
At 31 March	USD -	-

Available for sale financial assets represent 14.41% stake in Study Places Inc. ("SPI"), a company incorporated in the USA, which is

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2013

engaged in the provision of services related to Education and other related areas.

In 2010, Zaptive Internet Services Pvt Ltd ("ZISPL"), subsidiary of SPI has been allotted equity shares in Educomp Solutions Ltd ("ESL") for an amount equivalent to USD 900,000 resulting from transfer of Study Places business including domain name and other assets in ZISPL. ESL is a diversified education Solutions Company listed on National Stock Exchange in India.

The fair value of the investment in SPI is based on the value of its investment in ZISPL and ZISPL's further holding in ESL which is the primary asset after transfer of the ZISPL business and assets.

7 STATED CAPITAL

Particulars	2013	2013	2012	2012
	Number	USD	Number	USD
<i>Ordinary shares of no par value</i>				
Issued and fully paid up	1,112,001	1,112,001	1,112,001	1,112,001

8 RELATED PARTY TRANSACTIONS

The nature, volume of transactions and balance involving the Company and its ultimate holding company are as follows:

Particulars	2013	2012
	USD	USD
<i>Amount due to ultimate holding company:</i>		
<i>Info Edge (India) Limited</i>		
At 01 April	39,999	19,999
Advances(written off) received during the year	(39,999)	20,000
At 31 March	USD Nil	39,999

The amount due to parent company is interest free, unsecured and has no fixed terms of repayment.

Particulars	2013	2012
	USD	USD
<i>Key Management Personnel</i>		
Directors' fees	USD Nil	2,000
	=====	-----

9 PARENT AND ULTIMATE PARENT COMPANY

The directors consider Info Edge (India) Limited, a company incorporated in India, which is listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE), as the Company's holding and ultimate holding company.

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the Annual Report and Audited Statement of Accounts of the Company for the financial year ended 31st March 2013.

Financial Results

The Company made a loss of ₹9,338 Thousand in Financial year 2012-13 as compared to loss of ₹56,572 Thousand in Financial year 2011-12.

Directors

There was no change in Directors during the year.

Auditors

M/s Price Waterhouse & Co., Chartered Accountants Statutory Auditors, being eligible, offer themselves for re-appointment.

Personnel

The Company had no employee covered under Section 217(2A) of the Companies Act 1956.

Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of Auditors and notes on Accounts is self explanatory. Pursuant to Section 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

- That in the preparation of the Annual Accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the directors had selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- That the directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the directors had prepared the Annual Account on a going concern basis.

Acknowledgement

Your Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of the Board

Place: Noida
Dated: May 3, 2013

Hitesh Oberoi
(Directors)

Ambarish Raghuvanshi
(Directors)

AUDITORS' REPORT

To the Members of Allcheckdeals India Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Allcheckdeals India Private Limited (the "Company"), which comprise the Balance Sheet as at March 31 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse & Co.
Firm Registration Number:050032S
Chartered Accountants

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph [7] of the Auditors' Report of even date to the members of Allcheckdeals India Private Limited on the financial statements as of and for the year ended March 31, 2013

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted/taken any loans, secured or unsecured, to/ from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b),(c) and (d) / (f) and (g)] of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
- (b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- x. As the Company is registered for a period less than five years, the provisions of Clause 4(x) of the Order are not applicable to the Company.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.

ALLCHECKDEALS INDIA PRIVATE LIMITED

- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

Gurgaon
May 3, 2013

Amitesh Dutta
Partner
Membership Number 58507

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No	As at March 31, 2013	As at March 31, 2012
		(₹' 000)	(₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	70,475	70,475
(b) Reserves and Surplus	4	(87,398)	(78,060)
(2) Current Liabilities			
(a) Trade payables	5	79,879	69,374
(b) Other current liabilities	6	32,814	10,999
(c) Short-term provisions	7	3,738	2,950
Total		99,508	75,738
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	3,388	3,146
(b) Long term loans and advances	9	6,469	6,234
(c) Other non-current assets	10	1,221	135
(2) Current assets			
(a) Trade receivables	11	35,206	45,043
(b) Cash and Bank balances	12	15,631	1,818
(c) Short-term loans and advances	9	37,593	19,333
(d) Other current assets	10	-	27
Total		99,508	75,738

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Director

Ambarish Raghuvanshi
Director

Place : Gurgaon
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note No	Year ended March 31, 2013	Year ended March 31, 2012
		(₹' 000)	(₹' 000)
I. Revenue from operations	13	141,771	107,450
II. Other Income	14	199	765
III. Total Revenue (I + II)		141,970	108,215
IV. Expenses:			
Employee Benefits Expense	15	70,078	63,643
Finance Costs	16	46	116
Depreciation	17	2,353	2,093
Advertising and Promotion cost	18	30,006	26,243
Administration and Other expenses	19	46,270	51,595
Network, Internet and Other direct charges	20	2,555	2,922
Total Expenses		151,308	146,612
V. Loss before tax (III - IV)		(9,338)	(38,397)
VI. Tax expense:			
Deferred tax	21	-	18,175
VII. Loss for the year from continuing operations (V-VI)		(9,338)	(56,572)
VIII. Loss for the year (VII)		(9,338)	(56,572)
IX. Earnings per equity share: Nominal Value of Share ₹10/- (Previous Year ₹10/-)	26		
(1) Basic		(1.33)	(18.43)
(2) Diluted		(1.33)	(18.43)

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Director

Ambarish Raghuvanshi
Director

Place : Gurgaon
Date : May 03, 2013

Place : Noida
Date : May 03, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

S.No.	Particulars	For the year ended March 31, 2013 (₹' 000)	For the year ended March 31, 2012 (₹' 000)
A.	Cash flow from operating activities:		
	Net loss before tax	(9,338)	(38,397)
	Adjustments for:		
	Depreciation	2,353	2,093
	Interest Income	(188)	(367)
	Other operating revenues	(111)	(1,344)
	Provision for Bad & Doubtful Debts	6,643	14,733
	Provision for Gratuity & Leave Encashment	(292)	410
	TDS on revenue receipts	(17,480)	(14,687)
	Operating loss before working capital changes	(18,413)	(37,559)
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	3,194	(5,957)
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	(433)	(1,400)
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	33,513	(7,783)
	Cash generated from operating activities	17,861	(52,699)
	- Taxes (Paid) / Received (Net of TDS)	(554)	(410)
	Net cash from operating activities	17,307	(53,109)
B.	Cash flow from Investing activities:		
	Purchase of fixed assets	(2,596)	(1,392)
	Interest Received	188	367
	Net cash used in investing activities	(2,408)	(1,025)
C.	Cash flow from financing activities:		
	Proceed from fresh issue of share capital (Net)	-	40,000
	Net cash used in financing activities	-	40,000
	Net Increase/(Decrease) in Cash & Cash Equivalents	14,899	(14,134)
	Opening Balance of Cash and cash equivalents (April 01, 2012/April 01, 2011)	1,953	16,087
	Closing Balance of Cash and cash equivalents	16,852	1,953
	Cash and cash equivalents comprise of:		
	Cash in hand	67	70
	Balance with Scheduled Banks		
	-in current accounts	14,892	1,748
	-in fixed deposits	1,893	135
	Total	16,852	1,953

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date.

For Price Waterhouse & Co.
Firm Registration Number 050032S
Chartered Accountants

Amitesh Dutta
Partner
Membership Number 58507

Place : Gurgaon
Date : May 03, 2013

For and on behalf of the Board of Directors

Hitesh Oberoi
Director

Date : May 03, 2013

Ambarish Raghuvanshi
Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. GENERAL INFORMATION

Allcheckdeals India Private Limited (the Company) was incorporated on August 01, 2008 under the Companies Act, 1956 (the 'Act') and is engaged in the business of providing services in relation to property bookings placed with builders / real estate developers.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

2.2 Fixed Assets

Fixed Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

Profit/Loss on disposal of fixed assets is recognized in the Statement of Profit and Loss.

2.3 Depreciation

Fixed Assets are depreciated under Straight Line Method over the estimated useful life of the assets, which are as follows:

Asset	Estimated life (Years)
Plant & Machinery	5
Vehicle	4
Computers & Software	3
Office Equipment	3

Assets costing less than or equal to ₹5,000 were fully depreciated in the year of acquisition upto March 31, 2012. With effect from April 01, 2012 such assets are depreciated @ 100% pro-rata from date of acquisition.

The effective rates of depreciation based on the estimated useful life are above the minimum rate as prescribed by Schedule XIV of the Act.

2.4 Revenue Recognition

Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the Company.

The income is shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases income is recognized on reasonable certainty of collection.

2.5 Employee Benefits

The Company has Defined Contribution plan for post employment benefits namely Provident Fund which is recognized by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year. The Company's contribution to state plans namely Employee State Insurance Fund is charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment, compensated absence and gratuity for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. The Gratuity Fund is recognized by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

Termination benefits are recognized as an expense immediately.

Gains and losses arising out of actuarial valuations are recognized immediately in the Statement of Profit and Loss as income or expense.

2.6 Leased Assets

- i) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

- ii) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Statement of Profit and Loss on a straight line basis over the lease term.

2.7 Taxes on Income

Tax expense comprises of current tax and deferred tax. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred tax assets are recognized and carried forward only to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

2.8 Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.9 Employee Stock Option Based Compensation

Stock options granted to the employees who accepted the grant under the Company's Stock Option Plan are accounted in accordance with the Guidance Note on Accounting for Employee Share based payment issued by Institute of Chartered Accountants of India. The Company follows the intrinsic value method and accordingly, the excess, if any, of the fair value of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognized as employee compensation cost and amortized on straight line basis over the vesting period.

2.10 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rate prevailing on the date of the transaction. Gains/Loss arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the statement of Profit and Loss. Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit and Loss.

2.11 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.12 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
AUTHORIZED CAPITAL 8,000 Thousand Equity Shares of ₹10/- each (Previous year - 8,000 Thousand Equity Shares of ₹10/- each)	80,000	80,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL 7,047,500 Equity shares of ₹10/- each fully paid up * (Previous Year - 7,047,500 Equity shares of ₹10/- each) (* 7,009,999 equity shares (Previous Year 7,009,999 shares) of ₹10/- each are held by Info Edge (India) Limited, the holding Company and it's nominee)	70,475	70,475
	70,475	70,475

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at	As at	As at	As at
	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2012
	No of Shares	(₹'000)	No of Shares	(₹'000)
Equity Shares				
At the beginning of the period	7,047,500	70,475	3,047,500	30,475
Add: Issued during the period	-	-	4,000,000	40,000
Outstanding at the end of the period	7,047,500	70,475	7,047,500	70,475

b. Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	FY 2012-13		FY 2011-12	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹10 each fully paid				
Info Edge (India) Limited	7,009,999	99.47%	7,009,999	99.47%
	7,009,999	99.47%	7,009,999	99.47%

4. RESERVES AND SURPLUS

Particulars		As at		As at
	(₹'000)	March 31, 2013	(₹'000)	March 31, 2012
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Surplus in Statement of Profit and Loss				
Opening Balance	(78,060)		(21,488)	
Add: Net loss after tax transferred from Statement of Profit and Loss	(9,338)	(87,398)	(56,572)	(78,060)
		(87,398)		(78,060)

5. TRADE PAYABLES

Particulars	Long-Term		Short-Term	
	As at	As at	As at	As at
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Trade Payables				
- total outstanding dues of micro, small and medium enterprises	-	-	-	-
- total outstanding dues of creditors other than micro, small and medium enterprises	-	-	79,879	69,374
	-	-	79,879	69,374

Based on information available with The Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

6. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Amount payable to Holding Company	28,588	2,287
Book Overdraft	-	186
Others		
- Service Tax Payable	2,098	4,028
- TDS Payable	1,820	4,171
- Others	308	327
	32,814	10,999

7. PROVISIONS

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Provision for Employee Benefits				
Provision for Compensated Absence	-	-	896	991
Provision for Gratuity	-	-	170	367
Other Provisions				
Accrued Bonus	-	-	2,672	1,590
	-	-	3,738	2,948

8. FIXED ASSETS

(₹' 000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2012	Additions during the year	Deletions during the year	As at March 31, 2013	Up to April 1, 2012	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets										
Own Assets										
Computers and Software	4,942	2,490	-	7,432	2,319	1,875	-	4,194	3,238	2,623
Office Equipment	1,825	106	-	1,931	1,326	472	-	1,798	132	499
Plant & Machinery	29	-	-	29	5	6	-	11	18	24
Total	6,796	2,596	-	9,392	3,650	2,353	-	6,003	3,388	3,146
Previous Year	5,404	1,392	-	6,796	1,557	2,093	-	3,650	3,146	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

9. LOANS & ADVANCES

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
(Unsecured, considered good)				
Security Deposits	5,465	5,515	-	-
Others				
- Advance recoverable in cash or in kind or for value to be received	1,004	719	1,186	1,552
- Advance recoverable from ESOP Trust	-	-	399	399
- Balance with Service Tax Authorities	-	-	774	184
- Advance Tax	-	-	53,492	35,456
- Less: Provision for Tax	-	-	(18,259)	(18,259)
- Advance Tax - Fringe Benefits	-	-	6	6
- Less: Provision for Tax - Fringe Benefits	-	-	(5)	(5)
	6,469	6,234	37,593	19,333

10. OTHER NON CURRENT/ CURRENT ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
(Unsecured Considered Good)				
Non Current portion of Fixed Deposits transferred from Cash & Bank Balances	1,221	135	-	-
Interest Accrued on Fixed Deposits	-	-	-	27
	1,221	135	-	27

11. TRADE RECEIVABLES

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Outstanding for a period exceeding six months from the date they are due for payment				
- Unsecured, considered good	-	-	230	4,069
- Doubtful	-	-	40,874	47,955
Provision for doubtful receivables	-	-	(40,874)	(47,955)
Total (A)	-	-	230	4,069
Other Receivables				
- Unsecured, considered good	-	-	34,976	40,974
Total (B)	-	-	34,976	40,974
Grand Total (A) + (B)	-	-	35,206	45,043

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

12. CASH AND BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Cash & Cash Equivalents				
Cash In Hand	-	-	67	70
Bank Balances:				
-in Current Account			14,892	
-in Fixed Deposit Accounts with original maturity of less than 3 months	-	-	503	1,748
-in Fixed Deposit Accounts with original maturity for more than 12 months	1,221	135	-	-
Non Current portion transferred to non current assets	(1,221)	(135)	-	-
Other Bank Balances				
Balances in Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months	-	-	169	-
Total (A) + (B)	-	-	15,631	1,818

13. REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Sale of Services	141,660	106,106
Other Operating Revenues	111	1,344
	141,771	107,450

14. OTHER INCOME

Particulars	Long Term		Short Term	
	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Interest Received/Receivable on Fixed Deposits with Banks	104	10	84	357
Miscellaneous Income	-	-	11	398
	104	10	95	755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

15. EMPLOYEE BENEFITS EXPENSE

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Salaries, Wages and Bonus	50,741	46,282
Contributions to Provident and other funds	2,011	2,297
Sales Incentives and Commissions	11,910	9,281
Staff Welfare and Benefits	4,395	4,897
Other Employee Expenses	1,021	886
	70,078	63,643

16. FINANCE COSTS

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Bank Charges & Others	46	116
	46	116

17. DEPRECIATION AND AMORTIZATION

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Depreciation of Tangible Assets	2,353	2,093
	2,353	2,093

18. ADVERTISING AND PROMOTION COST

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Advertisement Expenses	28,487	25,189
Promotion & Marketing Expenses	1,519	1,054
	30,006	26,243

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

19. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Electricity and Water	2,432	1,758
Rent	9,560	8,564
Repairs and Maintenance (Building)	995	639
Repairs and Maintenance (Machinery)	424	676
Legal and Professional Charges	672	559
Rates & Taxes	1	5
Insurance	9	2
Communication expenses	3,263	3,143
Travel & Conveyance	5,615	5,197
Provision for Doubtful Debts	6,643	14,733
Miscellaneous expenses	5,774	5,782
Infrastructure & Business Support Expenses	10,882	10,537
	46,270	51,595

20. NETWORK, INTERNET AND OTHER DIRECT CHARGES

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Internet and Server Charges	552	412
Others	2,003	2,510
	2,555	2,922

21. DEFERRED TAX ASSET/ (LIABILITY)

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Deferred Tax Asset / (Liability)		
- Opening Balance	-	18,175
- Adjustment for the current year	-	(18,175)
	-	-

Significant components of deferred tax assets/ (liabilities) are shown in the following table:

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Deferred Tax Asset/(Liability)		
Provision for Leave Encashment	-	-
Provision for Doubtful Debts	-	-
Depreciation	-	-
Others	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

22. Operating Leases where The Company is a lessee:

The Company has entered into lease transaction mainly for leasing of office premise for a period of 5 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹9,560 Thousand (Previous Period ₹8,564 Thousand) included in Note 19 – Administration and Other Expenses.

23. Expenditure in Foreign Currency

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Domain Registration charges	25	23
Total	25	23

24. Earnings in Foreign Exchange

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
Export of Services	Nil	Nil
Total	-	-

25. Auditor's Remuneration

Particulars	Year Ended March 31, 2013 (₹'000)	Year Ended March 31, 2012 (₹'000)
As Auditors	250	200
As Tax Auditors	50	50
Out of Pocket Expenses & Service Tax	20	66
Total	320	316

26. Basic and Diluted Earnings per share (EPS)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Loss attributable to Equity Shareholders (₹' 000)	(9,338)	(56,572)
Weighted average number of Equity Shares outstanding during the year (Nos.)	7,047,500	3,069,358
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	(1.33)	(18.43)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

27 (1) Related Party Disclosures

- A) **Names of related parties with whom transactions were carried out and description of relationship as identified and certified by The Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 (as amended) (“accounting standards”) and where control exists for the year ended March 31, 2013:**

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Hitesh Oberoi

Ambarish Raghuvanshi

Fellow Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Applect Learning Systems Pvt. Ltd. (ALSPL)

Zomato Media Pvt. Ltd. (Formerly DC Foodiebay Online Services Private Limited (ZMPL))

Makesense Technologies Pvt. Ltd.

- B) **Details of transactions with related party for the year ended March 31, 2013 in the ordinary course of business:**

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
1	Advance received for business purposes (net): IEIL ₹14,074	14,074	14,074
2	Service Rendered(inclusive of service tax) IEIL ₹3,333	3,333	3,333
3	Receipt of Service (inclusive of service tax) IEIL ₹12,227	12,227	12,227

Amount due from Allcheckdeals Employee Stock Option Trust as on March 31, 2013 is ₹398 Thousand.

- C) **Amount due to/from related parties as at March 31, 2013**

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
	Credit balances		
1	Outstanding Payable	28,588	28,588

27 (2) Related Party Disclosures

- A) **Names of related parties with whom transactions were carried out and description of relationship as identified and certified by The Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 (as amended) (“accounting standards”) and where control exists for the year ended March 31, 2012:**

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Sanjeev Bikhchandani

Hitesh Oberoi

Ambarish Raghuvanshi

Fellow Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Info Edge USA Inc.

Etechaces Marketing & Consulting Pvt. Ltd. (EMCPL)

Applect Learning Systems Pvt. Ltd. (ALSPL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
1	Advance received for business purposes (net): IEIL ₹11,368	11,368	11,368
2	Receipt of Service (inclusive of service tax) IEIL ₹11,622	11,622	11,622
3	Issue of Equity Shares IEIL ₹40,000	40,000	40,000

Amount due from Allcheckdeals Employee Stock Option Trust as on March 31, 2013 is ₹399 Thousand (Previous Year ₹399 Thousand).

C) Amount due to/from related parties as at March 31, 2012

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
	Credit balances		
1	Outstanding Payable	2,287	2,287

28. Employee Stock Option Scheme

- 1) The Company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31st 2013 have a vesting period of maximum of 3 years from the date of grant.

- Number of options granted, exercised and forfeited during the year:-

Particulars	2012-13		2011-12	
	Number	Weighted Average Price (₹)	Number	Weighted Average Price (₹)
Options outstanding at beginning of year	15,100	10	15,100	10
Add:				
Options granted	-	-	-	-
Less:				
Options exercised	-	-	-	-
Options outstanding at the end of year	15,100	10	15,100	10
Option exercisable at the end of year	-	-	-	-

In accordance with the above mentioned ESOP Scheme, ₹NIL (Previous Year ₹NIL) has been charged to the Statement of Profit and Loss in relation to the options vested during the year ended March 31, 2013 as Employee Stock Option Scheme Compensation.

- 2) No options have vested during the current year ended March 31, 2013. (NIL during Previous Year).

29. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is operating in single business/ geographical segment of earning commission income on property bookings.

30. The aggregate managerial remuneration under section 198 of the Companies Act, 1956 to the Directors including Managing Director is NIL (NIL during Previous Year):

31. Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

a) Provident Fund

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Amount (₹'000)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Employers' Contribution to Provident Fund *	1,677	1,643

*Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 15)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

B. State Plans

a) Employer's Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Amount (₹'000)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Employers' Contribution to Employee State Insurance *	158	283

*Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 15)

C. Defined Benefit Plans

a) Contribution to Gratuity Funds – Life Insurance Corporation of India, Group Gratuity Scheme

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	
	Year ended March 31, 2013	Year ended March 31, 2012
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in Compensation levels	15% in first year, 10% in next 5 years, & 7% thereafter	15% in first 2 years, 10% in next 5 years, & 7% thereafter

Particulars	Employee's Gratuity Fund	
	Year ended March 31, 2013	Year ended March 31, 2012
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in Compensation levels	15% in first year, 10% in next 5 years, & 7% thereafter	15% in first 2 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	7.50%	7.50%
Expected Average remaining working lives of employees (years)	10.09	10.59

(A) Changes in the Present Value of Obligation	₹'000	₹'000
	Employee's Gratuity Fund Year ended March 31, 2013	Employee's Gratuity Fund Year ended March 31, 2012
Present Value of Obligation at the beginning of the year	1,364	933
Interest Cost	172	123
Past Service Cost	Nil	Nil
Current Service Cost	746	559
Curtailement Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Benefits paid	Nil	Nil
Actuarial (gain)/ loss on obligations	(786)	(251)
Present Value of Obligation at the end of the year	1,496	1,364

(B) Changes in the Fair value of Plan Assets	₹'000	₹'000
	Employee's Gratuity Fund Year ended March 31, 2013	Employee's Gratuity Fund Year ended March 31, 2012
Fair Value of Plan Assets at the beginning of the year	996	768
Expected Return on Plan Assets	107	65
Actuarial Gains and (Losses)	(144)	(1)
Contributions	367	164
Benefits Paid	Nil	Nil
Fair Value of Plan Assets at the end of the year	1,326	996

(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	₹'000	₹'000
	Employee's Gratuity Fund Year ended March 31, 2013	Employee's Gratuity Fund Year ended March 31, 2012
Present Value of funded Obligation at the end of the year	1,496	1,364
Fair Value of Plan Assets as at the end of the year	1,326	996
Funded Status		
Present Value of unfunded Obligation at the end of the year	Nil	Nil
Unrecognized Actuarial (gains) / losses	Nil	Nil
Unfunded Liability Recognized in Balance Sheet*	170	368

*included in Provision for Employee Benefits (Refer Note 7)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(D) Expense recognized in the Statement of Profit and Loss	₹'000	₹'000
	Employee's Gratuity Fund Year ended March 31, 2013	Employee's Gratuity Fund Year ended March 31, 2012
Current Service Cost	746	560
Past Service Cost	Nil	Nil
Interest Cost	172	123
Expected Return on Plan Assets	(107)	(65)
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Net actuarial (gain)/ loss recognized in the year	(641)	(250)
Total Expenses recognized in the Statement of Profit and Loss #	170	368

#Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 15)

In respect of leave encashment/compensated absence the present value of obligation as at March 31, 2013 is ₹896 Thousand* (Previous Year 991 Thousand). The expense recognized in the Statement of Profit and Loss is ₹840 Thousand** (Previous Year ₹879 Thousand)

*included in Provision for Employee Benefits (Refer Note 7)

**Included in Staff Welfare and Benefits under Employee Benefits Expense (Refer Note 15)

(E) Amounts recognised in current year and previous four years	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
Gratuity					
Defined Benefit Obligation	1,496	1,364	932	714	714
Plan Asset	1,326	996	768	-	-
Surplus	170	368	164	714	714
Experience adjustments in plan liabilities	Nil	Nil	Nil	Nil	Nil
Experience adjustments in plan assets	Nil	Nil	Nil	Nil	Nil

(F) Expected Contribution to the fund in the next year	Year ended March 31, 2013	Year ended March 31, 2012
	Amount (₹Mn)	Amount (₹Mn)
Gratuity	170	367

32. The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, although the net worth has eroded at the year-end. The Company is also assured of financial and operational support by its parent company. Basis all of the above, The Company has continued to adopt the going concern basis of accounting in preparing the financial statements.

33. Previous year figures have been regrouped/rearranged to confirm to the current period classification.

For Price Waterhouse & Co.
Firm Registration Number 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Director

Ambarish Raghuvanshi
Director

Place : Gurgaon
Date : May 03, 2013

Place: Noida
Date : May 03, 2013

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Eleventh Annual Report on the operations of the Company together with audited Profit and Loss Account for the year ending 31st March, 2013 and the Balance Sheet as on that date.

Financial Results**(Amount in ₹000)**

Particulars	For the Year Ended 31st March 13	For the Year Ended 31st March 12
Revenue (Including Other Income)	107,075	51,288
Profit & Loss (Before Depreciation)	(205,494)	(44,576)
Depreciation	11,773	4,503
Profit & Loss (After Depreciation)	(217,267)	(49,079)
Provision for Tax (Including deferred Tax)		
Profit & Loss carried to balance sheet	(217,267)	(49,079)

Dividend

The Company did not declare any dividend for strengthening the financial position of the Company except preferential dividend of ₹205/- on 0.1% OCCRPS 15,000 preference shares.

Directors

There is no change in the Board of Directors of the Company during the year.

Auditors Report

Observations made by the Auditors in their Report are self explanatory and therefore, do not call for any further comments under section 217(3) of the Companies Act, 1956.

Statutory Auditors

M/s Price Waterhouse & Co., Chartered Accountants are the retiring auditors and are eligible to be re-appointed as Statutory Auditors to hold their office from the conclusion of the forthcoming Annual General Meeting to the conclusion of the next Annual General Meeting. They also have confirmed that if they would be appointed as statutory auditors of the Company, their appointment would be in accordance with Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment.

Directors Responsibility Statement

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956, your directors declare as follows:

- (i) That in the preparation of the Annual Accounts, the applicable Accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors had prepared the annual accounts on a going concern basis.

Particulars of Employees

None of the employees of your Company is getting salary in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

The Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

Particulars relating to conservation of energy, technology absorption are NIL
Foreign Earning: NIL

APPLECT LEARNING SYSTEMS PRIVATE LIMITED**Foreign Outgo**

Details of the foreign Outgo during the financial Year 2012-13

Particulars	Amount (in ₹000)
Expense	
Server Hire Charges	11,390
Others Expense	323
TOTAL (A)	11,713

Acknowledgement

Your board places on record its gratitude to Company's valued Customers, Dealers, Central and State Government and Bankers for their continued support and confidence in the Company.

For and on behalf of the Board

Place: New Delhi
Dated: May 3, 2013

Pavan Chauhan
Chairman

AUDITORS' REPORT

To the Members of Applect Learning Systems Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Applect Learning Systems Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

Gurgaon
May 03, 2013

Amitesh Dutta
Partner
Membership Number 58507

APPLECT LEARNING SYSTEMS PRIVATE LIMITED

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 7 of the Auditors' Report of even date to the members of Applect Learning Systems Private Limited on the financial statements as of and for the year ended March 31, 2013

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
(c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The Company is in the business of rendering services, and consequently, does not hold any inventory at year end. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. (a) The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b),(c) and (d) / (f) and (g)] of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
(b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance and service tax, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- x. The accumulated losses of the Company exceed fifty percent of its net worth as at March 31, 2013 and it has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.

APPLECT LEARNING SYSTEMS PRIVATE LIMITED

- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

Gurgaon
May 03, 2013

Amitesh Dutta
Partner
Membership Number 58507

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No	Figures as at March 31, 2013 (₹' 000)	Figures as at March 31, 2012 (₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	356	281
(b) Reserves and Surplus	4	265,529	173,531
(2) Non-Current Liabilities			
(a) Long-term provisions	5	2,273	901
(3) Current Liabilities			
(a) Trade payables	6	10,841	11,944
(b) Other current liabilities	7	104,341	34,221
(c) Short-term provisions	5	923	301
Total		384,263	221,179
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	30,841	10,626
(ii) Intangible assets	8	3,205	2,317
(b) Long term loans and advances	9	16,724	4,555
(c) Other non-current assets	10	279	21,386
(2) Current assets			
(a) Inventories	11	-	189
(b) Cash and bank balances	12	319,433	170,221
(c) Short-term loans and advances	9	10,938	6,565
(d) Other current assets	10	2,843	5,320
Total		384,263	221,179

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner

Membership Number: 58507
Place : Gurgaon
Date : May 03, 2013

Pavan Chauhan
Director

Place : Delhi
Date : May 03, 2013

Ritesh Hemrajani
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note No	Year ended March 31, 2013	Year ended March 31, 2012
		(₹'000)	(₹'000)
I. Revenue from operations	13	98,228	40,699
II. Other Income	14	8,847	10,589
III. Total Revenue (I +II)		107,075	51,288
IV. Expenses:			
Increase/(Decrease) in Inventories	15	189	(189)
Employee Benefits Expense	16	143,867	46,278
Finance Costs	17	140	1,088
Depreciation and Amortisation	18	11,773	4,503
Advertising and Promotion cost	19	95,256	20,999
Administration and Other expenses	20	55,265	21,203
Network, Internet and Other direct charges	21	17,852	6,485
Total Expenses		324,342	100,367
V. Loss before tax (III - IV)		(217,267)	(49,079)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
VII. Loss for the year from continuing operations (V-VI)		(217,267)	(49,079)
VIII. Loss for the year (VII)		(217,267)	(49,079)
IX. Earnings per equity share: Nominal Value of Share ₹10/- (Previous Year ₹10/-)	27		
(1) Basic		(8,007)	(2,035)
(2) Diluted		(8,007)	(2,035)

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Membership Number: 58507
Place : Gurgaon
Date : May 03, 2013

Place : Delhi
Date : May 03, 2013

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2013

S. No.	PARTICULARS	For the Year Ended 31st March 2013	For the Year Ended 31st March 2012
		(₹'000)	(₹'000)
A.	Cash Flow From Operating Activities:		
	Loss before tax	(217,267)	(49,079)
	Adjustments for:		
	Interest Income	(8,846)	(10,589)
	Depreciation and Amortisation	11,773	4,503
	Preference Dividend / Interest on debentures	-	781
	(Profit)/Loss on sale of assets	(1)	-
	Employee Stock Option Scheme Compensation Expense	9,311	38
	Operating Loss before working capital changes	(205,030)	(54,346)
	Adjustments for changes in working capital:		
	(Increase)/Decrease in Loans and Advances and Other Current Assets	(3,992)	(5,022)
	Increase/(Decrease) in Trade payables and other liabilities	71,015	28,733
	Cash generated from operations	(138,007)	(30,635)
	Direct Taxes (Paid) / Received	(934)	(1,125)
	Net Cash used in Operating Activities	(138,941)	(31,760)
B.	Cash Flow From Investing Activities:		
	Purchase of Fixed Assets	(32,883)	(11,821)
	Proceed from Sale of Fixed Assets	8	-
	Interest received	12,210	5,532
	Net Cash used in Investing Activities	(20,665)	(6,289)
C.	Cash Flow From Financing Activities:		
	Proceeds including securities premium from issue of equity shares	300,025	254,592
	Redemption/(Conversion in to equity shares) of debentures	-	(50,000)
	Preference Dividend	-	-
	Interest on debentures	-	(781)
	Loan given to Applect ESOP trust	(11,427)	(16)
	Net Cash from Financing Activities	288,598	203,795
	Net Increase/(Decrease) in Cash and Cash Equivalents	128,992	165,746
	Opening balance of Cash and Cash Equivalents (April 01, 2012 / April 01, 2011)	190,720	24,974
	Closing balance of Cash and Cash Equivalents	319,712	190,720
	Cash and cash equivalents comprise of:		
	Balance with Banks		
	-in current accounts	19,433	37,576
	-in fixed deposits	300,279	153,144
	Total	319,712	190,720

Notes:

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard(AS) - 3 on Cash Flow Statements, prescribed under Companies (Accounting Standards) Rules 2006, as notified by the Central Government vide its notification dated December 7, 2006.

2. Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date.

For Price Waterhouse & Co.
Firm Registration Number:050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number: 58507

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Place : Gurgaon
Date : May 03, 2013

Place :- Delhi
Date : May 03, 2013

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. GENERAL INFORMATION

Applect Learning Systems Private Limited (the Company) was incorporated on April 04, 2001 under the Companies Act, 1956 (the 'Act') and is engaged in the business of providing online coaching services.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

2.2 Fixed Assets

Tangible fixed assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets. Intangible fixed assets are stated at their cost of acquisition.

Profit/Loss on disposal of fixed assets is recognized in the Statement of Profit & Loss.

2.3 Depreciation

Fixed assets are depreciated under written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the related assets.

Assets costing less than or equal to ₹5,000 are fully depreciated in the year of acquisition.

2.4 Inventories

Inventories are stated at lower of cost or net realisable value. Cost is determined using weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.5 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rate prevailing on the date of the transaction. Gains/Loss arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit and Loss.

2.6 Revenue Recognition

The Company primarily earns revenue from online coaching services.

Revenue from online coaching is received in the form of subscription fee which is recognized over the period that coaching is imparted.

Revenue is shown net of service tax and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

2.7 Employee Benefits

The Company has Defined Contribution plan for post employment benefits namely Provident Fund which is recognized by the Income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year. The Company's contribution to state plan namely Employee state insurance fund is charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment, compensated absence and gratuity for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year.

Gains and losses arising out of actuarial valuations are recognized immediately in the Statement of Profit and Loss as income or expense.

Termination benefits are recognized as an expense immediately.

2.8 Leased Assets

a) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.

b) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.9 Taxes on Income

Tax expense comprises of current tax and deferred tax. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred tax assets are recognized and carried forward only to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

2.10 Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.11 Employee Stock Option Based Compensation

Stock options granted to the employees who accepted the grant under the Company's Stock Option Plan are accounted in accordance with the Guidance Note on Accounting for Employee Share based payments issued by Institute of Chartered Accountants of India. The Company follows the intrinsic value method and accordingly, the excess, if any, of the fair value of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognized as employee compensation cost and amortized on straight line basis over the vesting period.

2.12 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.13 Interest Income

Interest income is recognized on the time basis determined by the amount outstanding including the tax credits and the rate applicable and where no significant uncertainty as to measurability or collectibility exists.

2.14 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
AUTHORIZED CAPITAL		
247,000 Equity Shares of ₹10/- Each (Previous Year 247,000 Equity shares of ₹10 each)	2,470	2,470
30,000 Preference Shares of ₹1/- Each (Previous Year 30,000 Preference shares of ₹1 each)	30	30
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
35,638 Equity Shares of ₹10/- Each fully paid up (Previous Year 26,600 Equity shares of ₹10 Each fully paid up)	356	266
Nil 0.1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) (Previous Year 0.1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) 15,000 of ₹1/- Each)	-	15
	356	281

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2013 No of Shares	As at March 31, 2013 (₹'000)	As at March 31, 2012 No of Shares	As at March 31, 2012 (₹'000)
Equity Shares				
At the beginning of the period	26,600	266	19,655	197
Add: Issued during the period	9,038	90	6,945	69
Outstanding at the end of the period	35,638	356	26,600	266

Particulars	As at March 31, 2013 No of Shares	As at March 31, 2013 (₹'000)	As at March 31, 2012 No of Shares	As at March 31, 2012 (₹'000)
Preference Shares				
At the beginning of the period	15,000	15	-	-
During the period				
Add: Issued	-	-	15,000	15
Less: Converted/Redeemed	(15,000)	(15)	-	-
Outstanding at the end of the period	-	-	15,000	15

b. (1) Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Dividend if any declared is payable in Indian Rupees. The dividend if any proposed by the board of directors is subject to the approval of the shareholders in Annual General Meeting.

b. (2) Terms/ Rights attached to preference shares

The company has only one class of 0.1% OCCRPS having a par value of ₹1 per share, each holder of preference shares is entitled to one vote per share only if any proposed resolution directly affects any rights or the interest of the holder including resolution for winding up or reduction of share capital. Each OCCRPS is entitled to a preferential dividend 0.1% per annum payable in Indian Rupees.

Ranking: The OCCRPS shall rank senior to all classes of Shares currently existing or established hereafter, with respect to distributions and shall rank pari passu with the Ordinary Shares in all other respects including voting rights and adjustments for any stock splits, bonuses, sub-division, recapitalization, issuance of bonus shares, non-cash dividends/ distributions to holders of Shares, reclassification, conversion, buyback, cancellation, consolidation or merger.

Dividends:

- (i) Each OCCRPS is entitled to a preferential dividend rate of 0.1% (Zero point one per cent.) per annum (the "Preferential Dividend"). The Preferential Dividend is cumulative and shall accrue from year to year, whether or not paid. All accrued dividends shall be paid in full (together with dividends accrued from prior years) prior and in preference to any dividend or distribution.
- (ii) Dividends due and payable on any other Shares of the Company will be subordinate to any dividend payable on the OCCRPS. Under no circumstances shall any amounts be paid or dividends declared on any Shares other than the OCCRPS, until all dividends and other amounts due and owing on the OCCRPS shall have been paid in full.
- (iii) In addition, the OCCRPS shall fully participate with the Ordinary Shares in all dividends declared by the Company

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:-

Particulars	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10	FY 2008-09
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-
Equity Shares allotted as fully paid up pursuant to contracts for consideration other than cash	-	-	-	-	-
Equity Shares bought back by the company	-	-	-	-	-
	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

d. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2012-13		FY 2011-12	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹10 each fully paid				
Info Edge (India) Ltd.	19,300	54.16%	13,210	49.66%
ESOP - Applect	7,479	20.99%	4,203	15.80%
Ritesh Hemrajani	2,509	7.04%	3,040	11.43%
Pavan Chauhan	5,987	16.80%	5,987	22.51%
	35,275	98.98%	26,440	99.40%

Particulars	FY 2012-13		FY 2011-12	
	No of Shares	% Holding	No of Shares	% Holding
0.1% OCCRPS of ₹1 each Fully Paid up				
Info Edge (India) Ltd.	-	-	15,000	100.00%
	-	-	15,000	100.00%

e. Details of share held by Holding Company

Name of Holding company	FY 2012-13		FY 2011-12	
	No. of Shares	In %	No. of Shares	In %
Equity Shares Of ₹10 each				
Info Edge (India) Ltd.	19,300	54.16%	13,210	49.66%
	19,300	54.16%	13,210	49.66%

Name of Holding company	FY 2012-13		FY 2011-12	
	No. of Shares	In %	No. of Shares	In %
0.1% OCCRPS of ₹1 each Fully Paid up				
Info Edge (India) Ltd.	-	-	15,000	100.00%
	-	-	15,000	100.00%

f) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

- i) 2,087 Equity shares of ₹10 each (Face Value) at 71,863.50 each (Security Premium) were issued on 19-Feb-2013 to share holders in settlement of their dues (₹150,000,000/- 0.1% OCCRPS 15,000 Preference Shares)
 [Previous Year 3,372 Equity shares of ₹10 each (Face Value) at ₹15,737.16 each (Security Premium) were issued on 4-Jul-2011 to debenture holders in settlement of their dues (₹50,000,000/- Convertible debenture and ₹3,099,424 /-Interest on debenture due, till date of conversion of debentures in to equity shares.)]

g). Terms of Securities convertible into Equity Shares

The 0.1% OCCRPS may be converted into Ordinary Shares at the option of the holder of the OCCRPS on the fourth anniversary of the date of issuance and allotment of the 0.1% OCCRPS The number of Ordinary Shares issuable pursuant to the conversion of any 0.1% OCCRPS ("Conversion Ratio") shall be based on the following formula:

[Subscription Amount paid for the 0.1% OCCRPS being converted / (Subscription Amount paid for the 0.1% OCCRPS being converted + Company Valuation)]

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

4. RESERVES AND SURPLUS

Particulars	As at	As at	As at	As at
	March 31, 2013 (₹'000)	March 31, 2013 (₹'000)	March 31, 2012 (₹'000)	March 31, 2012 (₹'000)
Securities Premium Account				
Opening Balance	320,171		65,664	
Add : Security premium credited on share issue	299,955	620,126	254,507	320,171
Stock Options Outstanding Account				
Opening Balance	115		77	
Add: Transfer during the year	9,265	9,380	38	115
Stock Options Exercised				
Opening Balance	-		-	
Add: Transfer during the year	45	45	-	-
Statement Of Profit and Loss				
Opening Balance	(146,755)		(97,676)	
Add: Net Loss after tax transferred from Statement of Profit and Loss	(217,267)	(364,022)	(49,079)	(146,755)
		265,529		173,531

5. PROVISIONS

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Provision for Employee Benefits				
Provision for Compensated Absence	367	87	51	4
Provision for Gratuity	1,906	814	72	10
Other Provisions				
Accrued Bonus	-	-	800	287
	2,273	901	923	301

6. TRADE PAYABLES

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Trade Payables				
- total outstanding dues of micro, small and medium enterprises	-	-	-	-
- total outstanding dues of creditors other than micro, small and medium enterprises	-	-	10,841	11,944
	-	-	10,841	11,944

1. Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2013.

7. OTHER CURRENT LIABILITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at	As at
	March 31, 2013 (₹'000)	March 31, 2012 (₹'000)
Income received in advance (Deferred Sales Revenue)	82,785	26,030
Unpaid Application Money received by the company for allotment of securities and due for refund *	-	-
Unpaid dividend on 0.1% OCCRPS*	-	-
Others		
Salary & Reimbursements	12,420	4,963
Expenses Payable	7,097	1,769
TDS Payable	1,563	1,106
Service Tax Payable	37	173
EPF - Employee Contribution	357	156
ESIC - Employee Contribution	82	24
	104,341	34,221

* Amount is below the rounding off norm adopted by the company

8. FIXED ASSETS

Amount (in ₹'000)

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at April 1, 2012	Additions during the year	Deletions/ Write off during the year	As at March 31, 2013	Up to April 1, 2012	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets										
Own Assets										
Leasehold improvement	5,203	12,339	-	17,542	2,318	1,290	-	3,608	13,934	2,885
Plant & Machinery	1,087	1,653	-	2,740	353	263	-	616	2,124	735
Furniture and Fixtures	1,169	1,195	-	2,364	1,101	1,111	-	2,212	152	68
Office Equipment	2,144	4,368	-	6,512	939	1,530	-	2,469	4,043	1,203
Computers	10,032	10,900	26	20,906	4,298	6,039	19	10,318	10,588	5,734
	19,635	30,455	26	50,064	9,009	10,233	19	19,223	30,841	10,625
Intangible Assets										
Own Assets (Acquired)										
Computer Software	3,856	2,428	-	6,284	1,539	1,540	-	3,079	3,205	2,317
	3,856	2,428	-	6,284	1,539	1,540	-	3,079	3,205	2,317
Total	23,491	32,883	26	56,348	10,548	11,773	19	22,302	34,046	12,942
Previous Year	11,670	11,821	-	23,491	6,045	4,503	-	10,548	12,943	5,625

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

9. LOANS & ADVANCES

Particulars	Long-Term		Short-Term	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
(Unsecured, considered good)				
Security Deposits	5,091	4,349	-	-
Others				
Advance recoverable in cash or in kind or for value to be received	-	-	5,156	2,840
Advance recoverable from ESOP Trust	11,633	206	-	-
Balance with Service Tax Authorities	-	-	2,071	896
Staff Advance	-	-	-	52
Advance Tax	-	-	5,099	4,165
Less:- Provision for Income Tax	-	-	(1,394)	(1,394)
Advance Tax - Fringe Benefits	-	-	6	6
	16,724	4,555	10,938	6,565

10. OTHER NON CURRENT/ CURRENT ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
(Unsecured Considered Good)				
Non Current portion of Fixed Deposits transferred from Cash & Bank Balances	279	20,499	-	-
Interest Accrued on Fixed Deposits	-	887	2,843	5,320
	279	21,386	2,843	5,320

11. INVENTORIES

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Stock In Trade (At Cost) Books (Current Year Nil Previous Year 590 books @ 320/-)	-	189
	-	189

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

12. CASH AND BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
Cash & Cash Equivalents				
Balances with Banks:				
-In current Accounts	-	-	19,433	37,576
-in Fixed Deposit Accounts with original maturity of less than 3 months	-	-	293,500	25,000
-in Fixed Deposit Accounts with original maturity for more than 12 months	279	20,499	-	-
Non Current portion transferred to non current assets	(279)	(20,499)	-	-
Other Bank Balances				
Balances in Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months	-	-	6,500	107,645
	-	-	319,433	170,221

13. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Sale of Services (Net of Service Tax)	98,228	40,699
	98,228	40,699

14. OTHER INCOME

Particulars	Long Term		Short Term	
	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Interest Received/ Receivable on fixed deposits with banks	1	986	8,845	9,603
Profit on sale of fixed assets (Net)	-	-	1	-
	1	986	8,846	9,603

15. INCREASE/ (DECREASE) IN INVENTORIES

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Opening Balance of Inventories	189	-
Closing Balance of Inventories	-	(189)
(Increase) / Decrease In Inventories	189	(189)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

16. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Salary & Other Allowance	92,317	31,064
Employee Stock Option Compensation	9,311	38
Bonus	3,678	1,017
House Rent Allowance	22,920	8,200
Gratuity	1,154	394
Leave Encashment	393	137
ESI Employer Contribution	1,659	523
Contribution to Provident Fund	3,702	1,449
Staff Welfare & Benefits	8,733	3,455
	143,867	46,278

17. FINANCE COSTS

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Interest on long term borrowings	-	781
Others	140	307
	140	1,088

18. DEPRECIATION AND AMORTIZATION

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Depreciation of Tangible Assets	10,233	3,561
Amortisation of Intangible Assets	1,540	942
	11,773	4,503

19. ADVERTISING AND PROMOTION COST

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Advertisement Expenses	95,195	20,871
Promotion & Marketing Expenses	61	128
	95,256	20,999

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

20. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Books & Periodicals	100	29
Communication Expenses	11,112	2,707
Domain Name Expenses	134	43
Electricity & Water Expenses	4,749	1,209
Foreign Exchange Variation	268	129
Fee & Subscription	225	110
Insurance Expenses	25	13
Commission	6,022	964
Legal and Professional Charges	3,352	1,288
Miscellaneous Expenses	261	25
Office Expenses	1,985	697
Postage & Courier	2,042	675
Printed Educational Material	3,186	1,831
Printing & Stationery	951	207
Prior Period Expense	67	-
Rates & Taxes	16	5
Recruitment & Training Expenses	2,924	2,280
Rent	11,882	5,396
Repairs and Maintenance	1,912	1,562
Payment to Auditors		
As Auditor:-		
Statutory Audit Fee	320	200
Tax Audit Fee	80	50
Out Of Pocket Expenses	20	11
Transaction Charges	2,771	1,294
Travel & Conveyance	611	270
Web Development Expenses	250	208
	55,265	21,203

21. NETWORK, INTERNET AND OTHER DIRECT CHARGES

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Server Charges	16,724	6,130
Broadband & Internet Expense	1,128	355
	17,852	6,485

22. Operating Leases where the company is a lessee:

The company has entered into lease transaction mainly for leasing of office premise for a period between 4 to 5 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Statement Profit and Loss amount to ₹11,737 Thousand (Previous Period ₹5,388 Thousand) included in Note 20 – Administration and Other Expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

23. Expenditure in Foreign Currency

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Server Hire Charges	11,390	4,905
Others	323	447
Total	11,713	5,352

24. Contingent Liabilities

Claims against the Company not acknowledged as debts

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Income Tax Matters	-	1,225
	-	1,225

It is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the proceeding.

25. Basic and Diluted Earnings per share (EPS):

Particulars	Year Ended March 31, 2013 (₹)	Year Ended March 31, 2012 (₹)
Loss attributable to Equity Shareholders (₹'000)	(217,267)	(49,079)
Weighted average number of Equity Shares outstanding during the year (Nos.)	27,136	24,116
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	(8,007)	(2,035)

26 (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2013:

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Ritesh Hemrajani (Director)

Pavan Chauhan (Director)

Sudhir Bhargava (Director)

B) Details of transactions with related party for the year ended March 31, 2013 in the ordinary course of business:

Amount (₹'000)

Sr. No	Nature of relationship / transaction	Holding Company	KMP	Total
1	Shares subscription (Including Share Premium)	300,000	-	300,000
2	Resdex Premium services	(133)	-	(133)
3	0.1% OCCRPS 15,000 converted into 2,087 Equity Shares of ₹10 each at a premium of ₹71,863.50 per share.	150,000	-	150,000
4	Amount (given to) / received from Mr. Ritesh Hemrajani as Advance / (payments) for business purpose	-	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

C) Amount due to/from related parties as at March 31, 2013

Sr. No	Nature of relationship / transaction	Holding Company	KMP	Total
	Debit balances			
1	Outstanding Advances/Receivables	-	-	-
	Maximum amount outstanding during the year	-	100	100
	Credit balances			
2	Outstanding Payable	-	-	-
	Maximum amount outstanding during the year	300,148	-	300,148

1. Advance given to Applect Employees Stock Option Plan Trust during the year ₹11,426 Thousand
2. Amount due from Applect Employees Stock Option Plan Trust as on March 31, 2013 is ₹11,633 Thousand
3. The directors do not take any remuneration.

26 (2) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Ritesh Hemrajani (Director)

Pavan Chauhan (Director)

Sudhir Bhargava (Director)

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹'000)

Sr. No	Nature of relationship / transaction	Holding Company	KMP & Relatives	Total
1	Issue of 6% optionally Fully Convertible Debentures.	200,000	-	200,000
2	Resdex Premium services	(126)	-	(126)
3	Interest on 6% Debenture payable during the year	781	-	781
4	6% debentures of ₹50,000,000 and interest of ₹3,099,424 due till date of conversion, converted in to 3,372 Equity Shares of ₹10 each issued at a premium of ₹15,737.16 per share.	53,099	-	53,099
5	Amount (given to) / received from Mr. Ritesh Hemrajani as Advance / (payments) for business purpose	-	(100)	(100)

1. Advance given to Applect Employees Stock Option Plan Trust during the year ₹16 Thousand
2. Amount due from Applect Employees Stock Option Plan Trust as on March 31, 2012 is ₹206 Thousand
3. The directors do not take any remuneration.

C) Amount due to/from related parties as at March 31, 2012

Sr. No	Nature of relationship / transaction	Holding Company	KMP	Total
	Debit balances			
1	Outstanding Advances/Receivables	-	100	-
	Maximum amount outstanding during the year	-	100	100
	Credit balances			
1	Outstanding Payable	-	-	-
	Maximum amount outstanding during the year	200,140	-	200,140

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

27. Employee Stock Option Scheme 2009 (ESOP)

The board vide its resolution dated 29-Dec-09 approved ESOP 2009 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the company, monitored and supervised by the compensation Committee of the Board of Directors

The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

- Number of options granted, exercised and forfeited during the year:-

Particulars	2012-13		2011-12	
	Number	Weighted Average Exercise Price (₹)	Number	Weighted Average Exercise Price (₹)
Options outstanding at beginning of year	745	10	745	10
Add:				
Options granted	1,585	10	-	-
Less:				
Options exercised	294	10	-	-
Options forfeited	66	10	-	-
Options outstanding at the end of year	1,970	10	745	10
Option exercisable at the end of year	1,970	10	745	10

In accordance with the above mentioned ESOP Scheme, ₹9,311 Thousand (Previous Year ₹38 Thousand) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended March 31, 2013 as Employee Stock Option Scheme Compensation.

2. A) - In respect of options vested during the year, had the fair value method been used, the loss for the year would be higher by ₹15,025 thousand [Previous year ₹1 thousand] and the EPS would be ₹(8,560.62) [Previous year ₹(2,035.16)].
- (B) - The fair value of each option is estimated on the date of grant using the discounted cash flow method with the below listed assumptions:

ESOP Plan 2009	2012-13	2011-12
Weighted average fair value of the options at the grant dates	15,353.92	155.82
Risk free rate	8.83%	6.53%

28. The Company is in the business of internet based service delivery which constitute a single business segment, therefore there is no reportable segment as per the requirements of Accounting Standards – 17 on “Segment Reporting” prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.

29. Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

- a) Provident Fund

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Employers' Contribution to Provident Fund*	3,702	1,449

*Included in Employee benefit expenses refer Note 16

B. State Plans

- a) Employer's Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Employers' Contribution to Employee State Insurance *	1,659	523

*Included in Employee benefit expenses refer Note 16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

C. Defined Benefit Plans

- a) Gratuity payable to employees
- b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	
	FY 2012-13	FY 2011-12
Discount Rate (per annum)	8.00%	8.50%
Rate of increase in Compensation levels (Per Annum)	5.50%	5.50%

Particulars	Employee's Gratuity Fund	
	FY 2012-13	FY 2011-12
Discount Rate (per annum)	8.00%	8.50%
Rate of increase in Compensation levels	5.50%	5.50%

Expected Average remaining working lives of employees (years)	32.73	32.27
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(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund	Employee's Gratuity Fund	Leave Encashment	Leave Encashment
	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Present Value of Obligation at the beginning of the year	824	488	91	46
Interest Cost	66	42	7	4
Past Service Cost	-	-	-	-
Current Service Cost	1,028	334	179	28
Curtailment Cost / (Credit)	-	-	-	-
Settlement Cost / (Credit)	-	-	-	-
Benefits paid	-	(58)	(65)	(92)
Actuarial (gain)/ loss on obligations	60	18	206	105
Present Value of Obligation at the end of the year*	1,978	824	418	91

*Included in the provision for employee benefits refer note 6

(B) Assets and Liabilities recognized in the balance sheet :	Employee's Gratuity Fund	Employee's Gratuity Fund	Leave Encashment	Leave Encashment
	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Present value of unfunded Obligation as at March 31, 2013	1,978	824	418	91
Unrecognized Actuarial (gains)/losses	-	-	-	-
Unfunded Net Liability Recognized in Balance Sheet	1,978	824	418	91

(C) Expense recognized in the Profit and Loss Statement	Employee's Gratuity Fund	Employee's Gratuity Fund	Leave Encashment	Leave Encashment
	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Current Service Cost	1,028	334	179	28
Past Service Cost	-	-	-	-
Interest Cost	66	42	7	4
Expected Return on Plan Assets	-	-	-	-
Actuarial (gain) / loss on Obligations	60	18	206	105
Settlement Cost / (Credit)	-	-	-	-
Total Expenses recognized in the Statement Profit and Loss*	1,154	394	392	137

*Included in Employee benefit expenses refer Note 16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(D) Amounts recognized in current year & previous four years	Year ended March 31, 2009 (₹'000)	Year ended March 31, 2010 (₹'000)	Year ended March 31, 2011 (₹'000)	Year ended March 31, 2012 (₹'000)	Year ended March 31, 2013 (₹'000)
Gratuity					
PBO (C)	-	301	488	824	1,978
Plan Assets	-	--	--	--	--
Net Assets /Liability)	-	(301)	(488)	(824)	(1,978)
Leave Encashment					
PBO (C)	-	58	46	91	418
Plan Assets	-	--	--	--	--
Net Assets /Liability)	-	(58)	(46)	(91)	(418)

(E) Expected Contribution to the fund in the next year	Year ended March 31, 2013 (₹'000)	Year ended March 31, 2012 (₹'000)
Gratuity	1,932	793
Leave Encashment	210	41

30. Details of Bank Balances:

A. Bank Balances with scheduled Banks:

-In Current Accounts

Balance with Banks in India	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
ICICI Bank Ltd.	13,595	22,450
State Bank of India	5,838	2,062
Standard Chartered Bank	-	13,064
Total	19,433	37,576

-In Fixed deposits

Balance with Banks in India	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
ICICI Bank Ltd.	279	91,144
State Bank of India	300,000	50,000
Standard Chartered Bank	-	12,000
Total	300,279	153,144

The above comprises of :-

Particulars	As at March 31, 2013 (₹'000)	As at March 31, 2012 (₹'000)
- Fixed Deposit Accounts with original maturity of less than 3 months	293,500	25,000
- Fixed Deposit Accounts with original maturity for more than 12 months	279	20,499
- Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months	6,500	107,645
Total	300,279	153,144

31. The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, although the net worth has significantly eroded as at the year-end. Thus the Company has continued to adopt the going concern basis of accounting in preparing the financial statements

APPLECT LEARNING SYSTEMS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

32. The Previous year figures have been regrouped & rearranged to conform to this year's classification, wherever necessary.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Place : Gurgaon
Date : May 03, 2013

Place: Delhi
Date : May 03, 2013

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors feel immense pleasure in presenting their 3rd Annual Report along with Audited Statement of Accounts of the Company for the year ended on 31st March, 2013. The summarized financial results for the year ended 31st March, 2013 are as under:-

FINANCIAL RESULTS

Particular	For the Financial Year ended on 31 st March, 2013 (Amount in ₹)	For the Financial Year ended on 31 st March, 2012 (Amount in ₹)
Total Revenue Earned	12,29,19,531	2,09,04,524
Less: Total Expenses	22,24,32,274	9,73,91,557
Loss before tax	(9,95,12,743)	(7,64,87,033)
Tax expense	0.00	0.00
Loss after taxation but before prior period items	(9,95,12,743)	(7,64,87,033)
Prior Period Items	8,05,692	-
Loss carried over to balance sheet	(10,03,18,435)	(7,64,87,033)

PERFORMANCE

During the year under consideration, the Company has achieved a considerable turnover amounting to ₹12,29,19,531/- in comparison to ₹2,09,04,524/- during the previous financial year. However, due to high operating and revenue expenses, the Company has incurred a net loss of ₹9,95,12,743/-. In the immediately previous financial year, the loss was ₹7,64,87,033/-. Your Directors are hopeful that the revenue and profitability of the Company shall increase in the near future.

DIVIDEND

The Directors do not recommend any payment of dividend due to heavy loss during the year.

ALLOTMENT OF EQUITY SHARES

During the year under review, allotment of equity shares was made twice, at first 10,527 equity shares of the face value of Re.1/- each at par and again 33,473 equity shares of the face value of Re.1/- each at a premium of ₹13143.92 dated 18th September, 2012 and 21st February, 2013 respectively.

ALLOTMENT OF PREFERENCE SHARES

During the year under review, 18,922 0.1% Optionally Convertible Cumulative Redeemable Preference Shares of the face value of Re.1/- each were issued and allotted to Info Edge India Limited at a premium of ₹6795.32/- per share.

CONVERSION OF PREFERENCE SHARES

During the year under review, 63,506 0.1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) were converted into equity shares in exchange of one Equity Share of Re.1/- each at par for each OCCRPS held as per the terms and conditions of conversion attached to the preference shares at the time of their allotment.

TRANSFER OF SHARES

During the year under review, 5962 Equity Shares of the existing members were transferred to Info Edge (India) Limited as per Share Purchase Agreement.

SHIFTING OF REGISTERED OFFICE OF THE COMPANY

During the year under review, the Registered office of the Company was shifted from 223-C, MIG DDA Flats, Rajouri Garden, New Delhi-110027 to GF 12A, 94, Meghdoot, Nehru Place, New Delhi-110019 in view of conducting the business of the Company more economically and efficiently with effect from 15th March, 2013 at a duly convened Board Meeting.

DEPOSITS

The Company has not accepted any deposit from the public within the meaning of Section 58A the Companies Act, 1956.

DIRECTORS

There has not been any change in the Directorship of the Company during the period under review.

AUDITOR'S REPORT

The observations made in the Auditor's Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

AUDITORS

M/s S.R.B.C & CO LLP, CHARTERED ACCOUNTANTS, having office at Golf view Corporate Tower-B, Sector-42, Sector Road, Gurgaon, Haryana-122002, retire as auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible have offered himself for re-appointment. The Board of Directors recommend for their re-appointment in the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956

There were no employees during the year in respect of whom information is required under section 217(2A) of the Companies act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT / TECHNOLOGY ABSORPTION / FOREIGN EXCHANGE EARNING AND OUTGO

Particulars required under Section 217(1)(e) regarding conservation of energy, technology absorption is NIL during the year under review.

Foreign Exchange Earning (Accrual basis) is ₹3,058,735/- during the year under review in comparison with NIL Foreign Exchange Earning during the immediately preceding Financial Year. The Foreign Exchange Expenditure (Accrual basis) is ₹3,14,37,081/- in comparison to ₹59,98,572/- during the immediately preceding Financial Year.

DIRECTORS RESPONSIBILITY STATEMENT

Under the provision of section 217 (2AA) of the Companies Act 1956 the Director States As under–

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and loss of the Company for the year ended on that date;
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

ACKNOWLEDGEMENTS

Your directors take on record their sincere appreciation to the contributions made by the employees through their hard work, dedication and co-operation towards the success of your company. Your directors are also very thankful for consistent co-operation and assistance received from its shareholders, business associates, customers, vendors, bankers and government authorities.

For and on behalf of the board

Place: New Delhi
Dated: April 29, 2013

(Pankaj Chaddah)
Director
DIN: 02625858

(Deepinder Goyal)
Director
DIN: 02613583

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZOMATO MEDIA PRIVATE LIMITED (Formerly known as "DC Foodiebay Online Services Private Limited")

Report on the Financial Statements

We have audited the accompanying financial statements of Zomato Media Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S R B C. & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E

Per Yogesh Midha

Partner

Membership Number: 94941

Place of Signature: Gurgaon

Date: April 29, 2013

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph [1] of report on other legal and regulatory requirements of our report of even date

Re: Zomato Media Private Limited (formerly known as "DC Foodiebay Online Services Private Limited")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no such material discrepancies were identified on such verification.
- (c) There was no disposal of substantial fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable interval during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) According to the information and explanations given to us, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventor and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, cess and other material statutory dues applicable to it *though there has been a slight delay in cases of provident fund*. The provisions of investor education and protection fund, employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, provident fund, service tax, cess and other undisputed statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable. The provisions of investor education and protection fund, employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of income tax, provident fund, service tax and cess and other material statutory dues applicable which have not been deposited on account of any dispute.
- (x) The Company has been register for a period less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty percent or more of its net worth and whether it has incurred cash losses in such financial year and the immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order, (as amended) are not applicable to the Company.

ZOMATO MEDIA PRIVATE LIMITED (Formerly known as DC Foodiebay Online Services Private Limited)

- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S.R.B.C & Co LLP

Firm registration number: 324982E
Chartered Accountants

per Yogesh Midha
Partner

Membership No.: 94941

Place: Gurgaon
Date: April 29, 2013

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Notes	31 March, 2013 (Amount in ₹)	31 March, 2012 (Amount in ₹)
Equity and liabilities			
Shareholders' funds			
Share capital	3	284,522	221,600
Reserves and surplus	4	564,619,763	96,840,260
		564,904,285	97,061,860
Non - current liabilities			
Trade payables	5	562,688	124,000
Long term provisions	6	1,704,989	476,273
		2,267,677	600,273
Current liabilities			
Short term borrowings	7	-	11,539
Trade payables	8	8,784,920	1,355,229
Other current liabilities	8	6,636,583	4,391,574
Short term provisions	6	4,692	1,856
		15,426,195	5,760,198
TOTAL		582,598,157	103,422,331
Assets			
Non - current assets			
Fixed assets			
Tangible assets	9	14,033,444	7,211,410
Intangible assets	10	2,964,683	592,671
Non-current investments	11	50,000,000	-
Loans and advances	12	3,444,140	2,900,000
Other non current assets	13	163,237,430	180,000
		233,679,697	10,884,081
Current assets			
Current investments	14	150,069,016	-
Inventories	15	3,524,133	-
Trade receivables	16	15,427,921	5,526,816
Cash and bank balances	17	166,844,556	83,749,646
Loans and advances	12	13,052,834	3,207,329
Other current assets	13	-	54,459
		348,918,460	92,538,250
TOTAL		582,598,157	103,422,331

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
Firm registration number: 324982E
Chartered Accountants

For and on behalf of the Board of Directors of
Zomato Media Private Limited

per Yogesh Midha
Partner
Membership No.: 94941

Pankaj Chaddah
(Director)

Deepinder Goyal
(Director)

Place: Gurgaon
Date: April 29, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Notes	31 March, 2013 (Amount in ₹)	31 March, 2012 (Amount in ₹)
Income			
Revenue from operations (net)	18	113,762,592	20,422,268
Other income	19	9,156,939	482,256
Total revenue (I)		122,919,531	20,904,524
Expenses			
Purchase of traded goods	20	4,065,683	-
(Increase)/ decrease in inventories of traded goods	20	(3,524,133)	-
Employee benefits expense	21	92,004,274	39,739,998
Depreciation & amortization expense	22	9,194,688	4,776,313
Finance costs	23	82,339	47,257
Other expenses	24	120,609,423	52,827,989
Loss before tax		(99,512,743)	(76,487,033)
Tax expense			
- Current Tax		-	-
Total tax expense		-	-
Loss after taxation but before prior period items		(99,512,743)	(76,487,033)
Prior period items	25	805,692	-
Loss for the year		(100,318,435)	(76,487,033)
Earnings per equity share (nominal value of share Re. 1 (31 March 2012: Re. 1))	26		
Basic/ diluted (loss) per equity share		(535.93)	(495.45)
Computed on the basis of total loss for the year			

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
Firm registration number: 324982E
Chartered Accountants

For and on behalf of the Board of Directors of
Zomato Media Private Limited

per Yogesh Midha
Partner
Membership No.: 94941

Pankaj Chaddah
(Director)

Deepinder Goyal
(Director)

Place: Gurgaon
Date: April 29, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

PARTICULARS	31 March 2013	31 March 2012
Cash flow from operating activities		
Loss before tax	(100,318,435)	(76,487,033)
Non-cash adjustment to reconcile loss before tax to net cash flow		
Depreciation and amortization	9,194,688	4,776,313
Profit on sale of fixed assets	(103,399)	-
Interest income	(8,885,372)	(376,651)
Dividend income	(69,016)	-
Operating loss before working capital changes	(100,181,534)	(72,087,371)
Movement in working capital :		
Increase/ (decrease) in trade payables	7,868,379	878,678
Increase/ (decrease) in provisions	1,231,490	344,658
Increase/ (decrease) in other current liabilities	2,245,009	3,750,935
Decrease / (increase) in trade receivables	(9,901,105)	(3,293,518)
Decrease/ (increase) in inventories	(3,524,133)	-
Decrease / (Increase) in loans & advances	(7,371,163)	(4,278,799)
Cash used in operation	(109,633,057)	(74,685,417)
Direct taxes paid (net of refund)	(2,792,343)	(115,970)
Net cash from/(used) in operating activities (A)	(112,425,400)	(74,801,387)
Cash flow from investing activities		
Purchase of fixed assets including CWIP and capital advance	(18,841,484)	(9,151,207)
Proceeds from sale of fixed assets	330,010	31,714
Invested in bank deposit (having original maturity of more than three months)	(283,299,459)	(1,180,000)
Purchase of non-current investments	(50,000,000)	-
Purchase of current investments	(150,069,016)	-
Interest received	7,101,206	322,192
Dividend received	69,016	-
Net cash from/(used) in investing activities (B)	(494,709,727)	(9,977,301)
Cash flows from financing activities		
Proceed from issuance of equity share capital	440,010,527	30,002,148
Proceed from issuance of preference share capital	128,599,967	134,999,958
Repayment of short term borrowings	(11,539)	11,539
Net cash from/(used) in financing activities (C)	568,598,955	165,013,645
Net decrease in cash and cash equivalents (A+B+C)	(38,536,172)	80,234,957
Foreign Currency Monetary Item Translation Difference Account on foreign branches	(449,572)	-
Cash and cash equivalents at the beginning of year	82,749,646	2,514,689
Cash and cash equivalents at end of year	43,763,902	82,749,646
Components of cash and cash equivalents		
Cash on hand	288,599	72,523
Cheque on hand	-	437,790
With banks - on current account	28,283,974	82,239,333
-on deposit account	15,191,329	-
Total cash and cash equivalents (note 17)	43,763,902	82,749,646

As per our report of even date
For S R B C & CO LLP
Firm registration number: 324982E
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941

Place: Gurgaon
Date: April 29, 2013

For and on behalf of the Board of Directors of
Zomato Media Private Limited

Pankaj Chaddah
(Director)

Deepinder Goyal
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. Corporate information

Zomato Media Private Limited (formerly known as DC Foodiebay Online Services Private Limited) (“the Company”) is a private limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The company is engaged in operating an internet portal providing all sorts of information, including but not limited to details of menus, contacts, discount offers, quality of service & food about restaurants & caterers, and other service providers to be availed by users of the website in making informed decisions about their dining options and related facilities and by restaurants, hotels and other caterers to advertise themselves to the target audience in India & abroad.

2. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (*Accounting Standards*) Rules, 2006, (*as amended*) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(c) Depreciation on tangible fixed assets

Depreciation is provided using the Straight Line Method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher as under.

Fixed Assets	Rates used by the company	Schedule XIV Rates (SLM)
Air conditioner	33.33%	4.75%
Electrical Equipments	33.33%	4.75%
Furniture & Fittings	33.33%	6.33%
Computers	50.00%	16.21%
Motor Vehicles	9.50%	9.50%
Telephone Instruments	50.00%	4.75%

Depreciation on the assets purchased during the year is provided on pro rata basis from the date of purchase of fixed assets. Individual assets costing upto ₹5,000 are depreciated fully in year of purchase.

(d) Intangible assets

Intangible assets mainly include softwares and website stated at cost, less accumulated amortization. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and are amortized using the straight-line method over a period of two years.

(e) Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

(f) Leases

Where the company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

(g) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(h) Inventory

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from operating an internet portal providing all sorts of information about restaurants and caterers for display of advertisements are recognized on the display of advertisements. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(j) Foreign currency translation

Foreign currency transactions & balances

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

iii. Exchange differences

The company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
2. All other exchange differences are recognized as income or as expenses in the period in which they arise.

(k) Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

The company operates one defined benefit plans for its employees, viz., gratuity. Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

(l) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(m) Segment reporting

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

3 Share capital

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Authorized shares		
400,000 (31 March 2012: 400,000) equity shares of Re. 1 each	400,000	400,000
200,000 (31 March 2012: 200,000) 0.1% optionally convertible cumulative redeemable preference shares (OCCRPS) of Re. 1 each	200,000	200,000
	600,000	600,000
Issued, subscribed and fully paid-up shares		
284,522 (31 March 2012: 177,016) equity shares of Re. 1 each	284,522	177,016
Nil (31 March 2012: 44,584) 0.1 % OCCRPS of Re. 1 each	-	44,584
Total issued, subscribed and fully paid-up share capital	284,522	221,600

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

Particulars	31 March 2013		31 March 2012	
	No.	(Amount in ₹)	No.	(Amount in ₹)
At the beginning of the year	177,016	177,016	140,602	140,602
Conversion of OCCRPS into equity shares	63,506	63,506	-	-
Issued during the year	44,000	44,000	36,414	36,414
Outstanding at the end of the year	284,522	284,522	177,016	177,016

Preference shares

Particulars	31 March 2013		31 March 2012	
	No.	(Amount in ₹)	No.	(Amount in ₹)
At the beginning of the year	44,584	44,584	-	-
Issued during the year	18,922	18,922	44,584	44,584
Conversion into equity shares	63,506	63,506	-	-
Outstanding at the end of the year	-	-	44,584	44,584

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms of conversion/redemption of OCCRPS

During the year ended 31 March 2013, the Company issued 18,922 OCCRPS of Re. 1 each fully paid-up at a premium of ₹6795 per share. OCCRPS carry cumulative dividend @ 0.1% p.a. The company declares and pays dividends in Indian rupees. The preferential dividend is cumulative and shall accrue from year to year whether or not paid. All accrued dividends shall be paid in full (together with dividends accrued from prior years) prior to and in preference to any dividend or distribution. Subject to the applicable laws, the OCCRPS holder shall be entitled to receive notice of and vote on all matters that are submitted to vote of the shareholders of the company (including the ordinary shares). Each OCCRPS shall entitle the holder to the number of votes equal to the number of whole or fractional ordinary shares into which such OCCRPS could then be converted.

Each holder of OCCRPS are entitled to convert the OCCRPS into ordinary shares at any time in one or more tranches after the respective closing date on which such OCCRPS was issued and upto 15 years from the date of agreement (i.e. 2 September, 2011). If the holder exercises its conversion option, the company will issue 1 equity shares for each OCCRPS held.

Any OCCRPS in respect of which company has not received any conversion notice during the conversion period, shall be automatically redeemed by the company at a price equal to the subscription amount paid for it at the end of the conversion period. In the event of the liquidation of the company, total proceeds from the such liquidation, shall be distributed first to the holders of OCCRPS, until the holders have received the minimum return.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

c) Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as below:

Particulars	31 March 2013		31 March 2012	
	No.	(Amount in ₹)	No.	(Amount in ₹)
Info Edge (India) Limited 163,827(31 March 2012: 58,480) equity shares of ₹1/- each			163,827	58,480
			163,827	58,480

(d) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31 March 2013		31 March 2012	
	No.	(Amount in ₹)	No.	(Amount in ₹)
Equity shares of Re 1 each fully paid				
Info Edge (India) Limited	163,827	57.58%	58,480	33.04%
Mr. Deepinder Goyal, Director	90,092*	32.00%	85,527	48.32%
Mr. Pankaj Chaddah, Director	23,013	8.00%	25,000	14.12%
* This includes 21,054 shares held on behalf of Foodiebay Employee ESOP Trust (not yet constituted)				
OCCRPS of Re 1 each fully paid				
Info Edge (India) Limited, Shareholder	-	-	44,584	100.00%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4 Reserves and surplus

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Securities premium account		
Balance as per the last financial statements	184,196,999	19,275,891
Add: premium on issue of equity shares	439,966,527	29,965,734
Add: premium on issue of OCCRPS	128,581,045	134,955,374
Closing balance	752,744,571	184,196,999
Deficit in the statement of profit and loss		
Balance as per last financial statements	(87,356,739)	(10,869,654)
Loss for the year	(100,318,435)	(76,487,033)
Less: Appropriations		
Dividend on preference shares (amount per share Re. 0.001 (31 March 2012: Re. 0.001))	53	45
Tax on preference dividend	9	7
Total appropriations	62	52
Net deficit in the statement of profit and loss	(187,675,236)	(87,356,739)
Foreign Currency Monetary Item Translation Difference Account	(449,572)	-
Total reserves and surplus	564,619,763	96,840,260

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

5 Other long term liabilities

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Trade payables (refer note 31 for details of dues to micro and small enterprises)	562,688	124,000
	562,688	124,000

6 Provisions

Particulars	Long Term		Short Term	
	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Provision for employee benefits				
Provision for Gratuity (note 27)	1,704,875	476,221	4,692	1,856
	1,704,875	476,221	4,692	1,856
Other provisions				
Proposed preference dividend	98	45	-	-
Provision for tax on proposed preference dividend	16	7	-	-
	114	52	-	-
	1,704,989	476,273	4,692	1,856

7 Short-term borrowings

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Credit from banks (unsecured)*	-	11,539
Total short term borrowings	-	11,539

* Credit from bank is repayable on demand and carries interest @ 3% per month.

8 Other current liabilities

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Trade payables (refer note 31 for details of dues to micro and small enterprises)	8,784,920	1,355,229
Other liabilities		
Share application money to be refunded*	56	23
Unearned revenue	5,396,543	3,079,400
Others		
Service tax payable	6,217	-
Tax deducted at source payable	1,167,015	1,312,151
Provident fund payable	66,752	-
	6,636,583	4,391,574
	15,421,503	5,746,803

*Company intends to refund this amount and it carries no interest.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

9 Tangible Assets

(Amount in ₹)

Particulars	Air conditioner	Electrical Equipments	Furniture & Fittings	Computers	Motor Vehicles	Telephone Instruments	Total
Cost							
At 1 April 2011	211,142	218,273	516,862	2,164,533	-	328,270	3,439,080
Additions	149,704	617,999	1,077,104	5,480,402	158,025	1,035,332	8,518,566
Disposals	-	-	-	26,880	-	9,500	36,380
At 31 March 2012	360,846	836,272	1,593,966	7,618,055	158,025	1,354,102	11,921,266
Additions	639,130	2,320,013	1,418,145	8,044,712	410,685	2,252,417	15,085,102
Disposals	-	-	-	650,210	-	43,537	693,747
At 31 March 2013	999,976	3,156,285	3,012,111	15,012,557	568,710	3,562,982	26,312,621
Depreciation							
At 1 April 2011	4,157	12,644	244,404	158,482	-	6,396	426,083
Charge for the year	109,833	242,389	593,331	2,841,536	7,098	494,252	4,288,439
Disposals	-	-	-	2,467	-	2,199	4,666
At 31 March 2012	113,990	255,033	837,735	2,997,551	7,098	498,449	4,709,856
Charge for the year	277,315	724,400	1,025,943	4,774,800	33,018	1,200,981	8,036,457
Disposals	-	-	-	459,085	-	8,051	467,136
At 31 March 2013	391,305	979,433	1,863,678	7,313,266	40,116	1,691,379	12,279,177
Net Block							
At 31 March 2012	246,856	581,239	756,231	4,620,504	150,927	855,653	7,211,410
At 31 March 2013	608,671	2,176,852	1,148,433	7,699,291	528,594	1,871,603	14,033,444

10 Intangible assets

(Amount in ₹)

Particulars	Software	Website	Trademarks	Total
Gross Block				
At 1 April 2011	61,845	432,022	-	493,867
Purchase	632,641	-	-	632,641
Disposals	-	-	-	-
At 31 March 2012	694,486	432,022	-	1,126,508
Purchase	394,913	125,174	3,010,156	3,530,243
Disposals	-	-	-	-
At 31 March 2013	1,089,399	557,196	3,010,156	4,656,751
Amortization				
At 1 April 2011	14,881	31,082	-	45,963
Charge for the year	207,072	280,802	-	487,874
Disposals	-	-	-	-
At 31 March 2012	221,953	311,884	-	533,837
Charge for the year	505,630	107,808	544,793	1,158,231
Disposals	-	-	-	-
At 31 March 2013	727,583	419,692	544,793	1,692,068
Net Block				
At 31 March 2012	472,533	120,138	-	592,671
At 31 March 2013	361,816	137,504	2,465,363	2,964,683

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

11 Non-current investments

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Non- trade investments (valued at cost unless stated otherwise)		
Unquoted mutual funds		
ICICI Prudential mutual fund of ₹10 each fully paid up 5,000,000 units (31 March 2012: Nil)	50,000,000	-
	50,000,000	-

12 Loans and advances

Particulars	Non-current		Current	
	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Capital advances				
Unsecured, considered good	226,139	-	-	-
	226,139	-	-	-
Security deposit				
Unsecured, considered good	3,218,000	2,900,000	1,831,257	866,000
	3,218,000	2,900,000	1,831,257	866,000
Advances recoverable in cash or kind				
Unsecured considered good	-	-	2,998,648	1,859,345
	-	-	2,998,648	1,859,345
Other loans and advances				
Tax Deducted at Source	-	-	2,918,760	126,417
Prepaid expenses	-	-	2,201,317	207,345
Loan to employees	-	-	2,910,841	-
Balances with statutory/ government authorities	-	-	192,011	148,222
	-	-	8,222,929	481,984
Total	3,444,140	2,900,000	13,052,834	3,207,329

13 Other assets

Particulars	Non- Current		Current	
	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 17)	161,398,805	180,000	-	-
Others				
Interest accrued on fixed deposits	1,305,160	-	533,465	54,459
Total	162,703,965	180,000	533,465	54,459

14 Current investments

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Non- trade investments (valued at cost unless stated otherwise)		
Unquoted mutual funds		
IDFC Ultra Short Term Fund of ₹10 each fully paid up 7,492,451 units (31 March 2012: Nil)	75,018,170	-
HDFC Mutual Fund of ₹10.0809 each fully paid up 7,444,856 units (31 March 2012: Nil)	75,050,846	-
	150,069,016	-
Aggregate amount of unquoted investments	150,069,016	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

15 Inventories (valued at lower of cost and net realisable value)

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Stock of book (food guide)	3,524,133	-
	3,524,133	-

16 Trade receivables

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	66,549	-
Doubtful	2,347,004	-
	2,413,553	-
Provision for doubtful receivables	(2,347,004)	-
	66,549	-
Other receivables		
Unsecured, considered good	15,361,372	5,526,816
Doubtful	44,100	-
	15,405,472	5,526,816
Provision for doubtful receivables	(44,100)	-
	15,361,372	5,526,816
Total	15,427,921	5,526,816

17 Cash and bank balances

Particulars	Non- Current		Current	
	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Cash and cash equivalents				
Balances with banks:				
- On current accounts	-	-	28,283,974	82,239,333
- Deposits with maturity of less than 3 months	-	-	15,191,329	-
Cheques on hand	-	-	-	437,790
Cash on hand	-	-	288,599	72,523
	-	-	43,763,902	82,749,646
Other bank balances				
Deposits with original maturity for more than 12 months	161,398,805	180,000	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	123,080,654	1,000,000
	161,398,805	180,000	123,080,654	1,000,000
Amount disclosed under other non-current assets (note 13)	(161,398,805)	(180,000)	-	-
Total	-	-	166,844,556	83,749,646

Pledged with company's bankers against guarantees given by them	180,000	180,000	-	1,000,000
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

18 Revenue from operations

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Sale of services		
Revenue from advertisements	108,893,806	15,953,663
Revenue from sale of events' tickets	3,367,432	2,744,712
Revenue from restaurant bookings	1,501,354	1,723,893
Revenue from operations (net)	113,762,592	20,422,268

19 Other income

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Interest income on		
- Bank deposits	8,885,372	376,651
Dividend income on		
- Current investments	69,016	-
Profit on sale of fixed assets	103,399	-
Other non-operating income	99,152	105,605
	9,156,939	482,256

20 (Increase)/decrease in inventories

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Inventories at the end of the year		
Traded goods	3,524,133	-
	3,524,133	-
Inventories at the beginning of the year		
Traded goods	-	-
	-	-
	(3,524,133)	-

Detail of purchase of traded goods

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Food guides	4,065,683	-
	4,065,683	-

21 Employee benefit expense

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Salaries, wages and bonus	85,810,314	37,463,181
Contribution to provident and other funds	682,582	-
Gratuity Expense (note 27)	1,231,490	344,658
Staff welfare expenses	4,279,888	1,932,159
	92,004,274	39,739,998

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

22 Depreciation and amortization expense

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Depreciation of tangible assets	8,036,457	4,288,439
Amortization of intangible asset	1,158,231	487,874
	9,194,688	4,776,313

23 Finance costs

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Bank Charges	82,339	47,257
	82,339	47,257

24 Other expenses

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Power & fuel	2,858,731	529,792
Rent	19,012,537	6,052,138
Rates and taxes	3,044,103	38,501
Repairs and maintenance:		
- Plant and machinery	1,542,591	1,584,681
- Building	945,029	767,128
Advertisement and sales promotion	48,457,683	31,290,844
Travelling and conveyance	21,351,423	3,601,665
Communication cost	9,192,767	2,399,653
Commission	676,059	591,470
Brokerage and discounts	207,950	568,989
Printing and stationary	880,174	919,833
Exchange difference (net)	3,183	69,230
Job work expenses	1,053,360	1,779,321
Legal and professional fees	6,408,662	1,819,777
Payment to auditor (refer detail below)	535,994	211,476
Deposits written off	-	300,000
Bad debts written off	1,873,583	234,397
Provision for doubtful debts and advances	2,391,104	-
Miscellaneous expenses	174,490	69,094
	120,609,423	52,827,989

Payment to auditor

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
As Auditor:		
Audit Fee	500,000	200,000
Reimbursement of expenses	35,994	11,476
Total	535,994	211,476

25 Prior period items

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Salaries, Wages and Bonus	365,093	-
Provident Fund	440,599	-
	805,692	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

26 Earnings per share (EPS)

The following reflects the profit and share data used in the basic EPS computations:

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Total operations for the year		
Net loss for calculation of basic EPS	(100,318,558)	(76,487,085)
Weighted average number of equity shares in calculating basic EPS	187,188	154,379
Basic/ diluted (loss) per equity share	(535.93)	(495.45)

There are potential equity shares as on 31 March 2013 and 31 March 2012 in the form of OCCRPS. As these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.

27 Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is unfunded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Net employee benefit expense recognized in employee cost

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Current service cost	1,096,807	399,635
Interest cost on benefit obligation	40,637	10,006
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the period	94,046	(64,983)
Past service cost	-	-
Net benefit expense	1,231,490	344,658

Actual return on plan assets - -

Balance sheet

Benefit asset/liability

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Present value of defined benefit obligation	1,709,567	478,077
Fair value of planned assets	-	-
Plan (asset)/liability	1,709,567	478,077

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Opening defined benefit obligation	478,077	133,419
Current service cost	1,096,807	399,635
Interest cost	40,637	10,006
Benefit paid	-	-
Actuarial (gain) / losses on obligation	94,046	(64,983)
Closing defined benefit obligation	1,709,567	478,077

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Changes in fair value of planned assets are as follows:

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Opening fair value of planned assets	-	-
Expected return	-	-
Contribution by the employer	-	-
Benefit paid	-	-
Actuarial gain / (losses)	-	-
Closing fair value of planned assets	-	-

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Discount rate	8.00%	8.50%
Expected rate of return on assets	NA	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous period are as follows*

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)	31 March 2011 (Amount in ₹)
Gratuity			
Defined benefit obligation	1,709,567	478,077	133,419
Plan assets	-	-	-
Surplus/(deficit)	(1,709,567)	(478,077)	(133,419)
Experience adjustments on plan liabilities	(35,832)	26,123	-
Experience adjustments on plan assets	-	-	-

*Since, the company has started its operations from 18 January 2010 and prepared its financial statements first time from 18 January 2010 to 31 March 2011, above mentioned disclosures for other previous two periods are not applicable.

28 Leases

Operating lease: company as lessee

The company has operating lease for space for office premises.

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Lease payment for the period		
Rent for office premises	19,012,537	6,052,138
	19,012,537	6,052,138

The Company has not given or taken any sub-leases during the current year.

29 Segment information

Business segments

The primary reporting of the Company has been performed on the basis of business segment. The company is engaged in operating an internet portal providing all sorts of information, including but not limited to details of menus, contacts, discount offers, quality of service & food about restaurants & caterers, and other service providers to be availed by users of the website in making informed decisions about their dining options and related facilities and by restaurants, hotels and other caterers to advertise themselves to the target audience in India & abroad.

Geographical segments

Secondary Segmental reporting is performed on the basis of the geographical location of customers. The following tables show the distribution of the Company's sales by geographical market, carrying amount of segment assets and addition to segment assets by geographical area in which assets are located:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Sales:

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
India	110,703,857	20,422,268
Others	3,058,735	0
Total	113,762,592	20,422,268

Assets and additions to tangible and intangible fixed assets by geographical area:

The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located:

Particulars	Carrying amount of segment assets and Intangible assets		Addition to fixed assets and intangible assets	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
India	13,905,147	-	-	-
Other	9,180,849	-	862,001	-
Total	23,085,996	-	862,001	-

30 Name of related parties and related party relationship

Holding Company Info Edge (India) Limited (w.e.f.28th March,2013)

Associates Info Edge (India) Limited (till 27th March,2013)

Key Management Personnel
Deepinder Goyal (Director)
Pankaj Chaddah (Director)
Sudhir Bhargava (Director)

Related Party Disclosure

Nature of Transactions	Key Management Personnel		Holding company		Associates		Total	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Remuneration paid to Directors								
Pankaj Chaddah	2,079,603	1,691,664	-	-	-	-	2,079,603	1,691,664
Deepinder Goyal	3,362,502	2,436,360	-	-	-	-	3,362,502	2,436,360
Equity Share Capital Issued								
Info Edge (India) Limited*	-	-	96,979	-	-	36,083	96,979	36,083
Deepinder Goyal on behalf of Foodiebay Employee ESOP Trust (not yet constituted)	-	-	10,527	-	-	-	10,527	-
Preference Share Capital (OCCRPS) Issued								
Info Edge (India) Limited	-	-	18,922	-	-	44,584	18,922	44,584

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Nature of Transactions	Key Management Personnel		Holding company		Associates		Total	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Securities premium received							-	-
On equity shares (Info Edge (India) Limited)	-		439,966,527	-	-	28,963,936	439,966,527	28,963,936
On preference shares (OCCRPS)							-	-
(Info Edge (India) Limited)	-		128,581,045	-	-	134,955,374	128,581,045	134,955,374
Payment of Expenses							-	-
Recruitment Expenses							-	-
(Info Edge (India) Limited)	-		2,809	-	-	-	2,809	-
Balance Payable at the end of the period:*							-	-
Pankaj Chaddah	37,573		-	-	-	-	37,573	-
Deepinder Goyal	399,008		-	-	-	-	399,008	-
Balance Receivable at the end of the period:*							-	-
Pankaj Chaddah	-	25,230	-	-	-	-	-	25,230
Deepinder Goyal	-	258,580	-	-	-	-	-	258,580

*Includes conversion of 63506 optionally convertible cumulative redeemable preference share (OCCRPS) into same number of equity share.

31 Details of dues to micro and small as defined under MSMED Act 2006

The Company, has during the year, not received any intimation from any of its suppliers regarding their status under The Micro and Small Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end along with interest paid/payable as required under the said Act have not been given. Based on the information available with the Company there are no principal/interest amounts due to micro, small and medium enterprises.

32 Capital Commitment

As at March 2013, the company has estimated amount of contract remaining to be executed on capital account not provided for, net of Advance ₹26,719 (31st March 2012:-Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

33 Unhedged foreign currency exposure

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Debtors	AED 98,550 @14.7 (₹1,448,685) GBP 900 @ 82.32 (₹74,088)	-
Bank	AED 237,658 @14.7 (₹3,493,573)	-
Cash in Foreign Currency	AED 12,367 @14.7 (₹181,796) GBP 1,161 @ 82.32 (₹95,603)	-
Advance recoverable in cash or in kind or for value to be received	AED 102,461 @14.7 (₹1,506,176) GBP 21,999 @ 82.32 (₹1,810,957)	-

34 Value of imports calculated on CIF basis

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Capital goods	1,746,546	-
Total	1,746,546	-

35 Expenditure in foreign currency (accrual basis)

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Power & Fuel	94,474	-
Rent	5,862,040	-
Repairs and Maintenance:		
- Plant and Machinery	543,225	-
- Building	101,815	-
Travelling and Conveyance	7,229,399	-
Communication cost	1,066,417	-
Printing and stationary	108,998	-
Legal and Professional Fees	3,065,697	-
Salaries, wages and bonus	4,818,038	-
Staff welfare expenses	810,097	-
Bank Charges	17,985	-
Provision for Doubtful Debts	44,100	-
Miscellaneous Expenses	55,840	-
Advertisement Expenses	7,618,956	5,998,572
Total	31,437,081	5,998,572

36 Earning in foreign currency (accrual basis)

Particulars	31 March 2013 (Amount in ₹)	31 March 2012 (Amount in ₹)
Sales	3,058,735	-
Total	3,058,735	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

37 As at the period ending on March 31, 2013 and March 31, 2012, the Company is having net deferred tax assets primarily comprising of unabsorbed Depreciation and carry forward Losses under tax laws. However in the absence of virtual certainty as to its realization of Deferred Tax Assets (DTA), DTA has not been created.

38 Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For S R B C & CO LLP
Firm registration number: 324982E
Chartered Accountants

For and on behalf of the Board of Directors of
Zomato Media Private Limited

per Yogesh Midha
Partner
Membership No.: 94941

Pankaj Chaddah
(Director)

Deepinder Goyal
(Director)

Place: Gurgaon
Date: April 29, 2013

MAKESENSE TECHNOLOGIES PRIVATE LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

The Directors have pleasure in presenting the third Annual Report on the operation of the Company and the Audited Accounts for the period ended 31st March, 2013.

The Company was Incorporated on 21th Sept, 2010 vide Certificate of Incorporation bearing No. **U74999MH2010PTC207974**. The company's main activity is providing services and solutions in relation to placement consultancy, personnel recruitment, staffing etc, and to develop, possess, buy, sell and market certain technological solutions in area of placement consultancy including technologies like development and marketing of recruitment framework software.

FINANCIAL RESULTS

During the financial year ended March 31, 2013 the Company incurred a loss of ₹22,45,910/-. Detailed financial results are stated in Annual Accounts.

DIVIDEND

Your Directors do not propose any dividend for the Accounting Year ended 31st March 2013.

EMPLOYEES

No Statement under the provisions of Section 217(2A) of the Companies Act, 1956 is attached as none of the employees of the Company were in receipt of remuneration in excess of the sum prescribed by the Companies Act.

AUDITORS

M/s. Naresh S. Shah & Associates, Chartered Accountants (Membership No. 10585) retires at the conclusion of the ensuing annual general meeting & being eligible offer themselves for reappointment at the forthcoming AGM.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Board believes in conservation of energy and using latest technologies. However, no major activity is done in current year hence, no substantial /major act for conserving energy is considered necessary.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no foreign exchange outgo or any inflow in current year.

DIRECTOR'S RESPONSIBILITY STATEMENT

As required Under Section 217 of the Companies Act, the directors hereby confirm that:

- i) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable so as to give true and fair view of the state of affairs of the company at the end of the financial year and profit of the company for that period.
- ii) The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities to the best of their knowledge.
- iii) The directors have prepared the Annual Accounts on Going Concern basis.
- iv) Management hereby declares that, none of the Directors are disqualified for being appointed as such, as required under clause (g) of Sub-Section (1) of Section 274 of Companies Act.
- v) The Balance Sheet and Profit and Loss accounts comply with, the Accounting Standards to the extent applicable, referred to in Section 211 (3C) of the Companies Act, 1956.

MAJOR TRANSACTIONS WITH DIRECTORS/SHAREHOLDERS

New equity shares were issued during financial year 2012-13 of face value of ₹10 each, totaling to ₹49 lakhs (after increasing authorized capital in April 2012 to ₹50 lakhs).

The company has below transactions with related parties within the meaning of Accounting Standard – 18:-

Key management persons (KMP) –Mr. Vivek Arya, Mr. Anand R, Mr. Sumit Kundu

Parent company (as on 31.3.2013) – Info Edge (India) Limited

MAKESENSE TECHNOLOGIES PRIVATE LIMITED

Major Ex-shareholder (as on 31.3.2013) – Mr. Ravi Jakhar, Mr. Vivek Arya, Mr. Anand R, Mr. Sumit Kundu

(₹In lakhs)

Particular of transaction	KMP	Ex shareholder	Parent Company
Total Director's remuneration (paid before company was taken over by public company)	₹3.93 L (Previous Yr. ₹1.32 L)		
Cash allowance (paid before company was taken over by public company)	₹2.69 L (Previous Yr. ₹2.27 L)		
Loan repayment		₹24.10 L	
Loan taken			₹24.28 L
New allotment of shares		₹49.00 L	

After the above new allotment of ₹49 lakh shares, on or around 20.3.2013, individual shareholders of the company sold their 499999 shares to public limited company Info Edge (India) Limited and one share was sold to Naukri Internet Services Pvt Ltd , thus making this company a 99.99% subsidiary of Info Edge (India) Limited.

APPRECIATION:

The directors acknowledge with gratitude, the co-operation and assistance from all with whom the company has dealt with. The directors also place on record their appreciation for the dedicated service rendered by the officers and staff of the company.

Makesense Technologies Pvt LtdPlace: Mumbai
Date: 01/05/2013Vivek Arya
DirectorAnand Ramchandran
Director

AUDITORS' REPORT

TO THE MEMBERS OF MAKESENSE TECHNOLOGIES PRIVATE LIMITED

1. We have audited the attached Balance Sheet of MAKESENSE TECHNOLOGIES PRIVATE LIMITED as at 31st March, 2013, the Profit and Loss Account and also cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing and Assurance Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion, the Provisions of the Companies (Auditors' Report) Order, 2004 Issued by the central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 are not applicable (in spite of it being a subsidiary of a listed public company) as :

CARO is applicable to private limited company as defined u/s. 3(1)(iii). Further, this company does not have a paid-up capital and Reserves exceeding fifty lakh rupees and has not accepted any public deposit and does not have loan outstanding of Twenty five lakh rupees or more from any bank or financial institution and does not have a turnover exceeding five crore rupees.
4. Further to our comments in the Annexure referred above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of those books;
 - (c) The Balance Sheet and Profit and Loss Account and cash flow dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance sheet, Profit and Loss Account and Cash flow dealt with by the report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable;
 - (e) On the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) In the case of cash flow statement, the cash flows for the ended on that date.

For NARESH S. SHAH & ASSOCIATES
(Chartered Accountants)

NARESH S. SHAH
PROPRIETOR
MEMBERSHIP NO: 010585
FIRM REG. NO: 127332W

Place: Mumbai
Date: May 1, 2013

MAKESENSE TECHNOLOGIES PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2013

Sr. No.	Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	5,000,000	100,000
	(b) Reserves and surplus	4	(4,097,579)	(1,851,669)
			902,421	(1,751,669)
2	Non-current liabilities			
	(a) Long-term borrowings	5	2,428,910	4,200,000
	(b) Deferred tax Liability(Net)		-	-
	(c) Other long-term liabilities		-	-
	(d) Long-term Provisions		-	-
			2,428,910	4,200,000
3	Current liabilities & provisions	6		
	(a) Short-term borrowings		-	-
	(b) Trade Payables			
	(c) Other Current liabilities		25,000	61,844
	(d) Short-term Provisions		-	-
	TOTAL		3,356,331	2,510,175
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	95,893	110,536
	(iii) Intangible assets under development		3,248,844	2,098,094
	(b) Miscellaneous expenditure	8	-	191,910
			3,344,737	2,400,540
2	Current assets			
	Cash and cash equivalents		816	94,316
	Bank balance		10,778	15,319
			11,594	109,635
	TOTAL		3,356,331	2,510,175

See accompanying notes forming part of the financial statements

As per our Report of even date
For Naresh S. Shah & Associates
(Chartered Accountants)

CA Naresh S. Shah
Proprietor
Membership No. 10585
Firm Reg No. 127332W

Date: May 1, 2013
Place: Mumbai

For & on behalf of the Board of Directors of
Makesense Technologies Pvt. Ltd.

Vivek Arya
(Director)

Anand Ramchandran
(Director)

Date: May 1, 2013
Place: Mumbai

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Sr. No.	Particulars	Note No.	For the year ended 31 March,2013	For the year ended 31 March,2012
1	Revenue from operations (gross)		-	56,780
2	Other income		-	-
3	Total revenue (1+2)		-	56,780
4	Expenses	9	2,245,910	1,478,241
	Total expenses		2,245,910	1,478,241
5	Profit / (Loss) before tax		(2,245,910)	(1,421,461)
	Profit / (Loss) before tax		(2,245,910)	(1,421,461)
6	Tax expense:			
	Current tax expense		-	-
			(2,245,910)	(1,421,461)
7	Profit / (Loss) for the year		(2,245,910)	(1,421,461)
8	Basic Earning per share		(4.49)	(147.82)
	Diluted Earning per share		(4.49)	(147.82)

Significant Accounting Policies

2

As per our Report of even date
For Naresh S. Shah & Associates
(Chartered Accountants)

CA Naresh S. Shah
Proprietor
Membership No. 10585
Firm Reg No. 127332W

For & on behalf of the Board of Directors of
Makesense Technologies Pvt. Ltd.

Vivek Arya
(Director)

Anand Ramchandran
(Director)

Date: May 1, 2013
Place: Mumbai

Date: May 1, 2013
Place: Mumbai

MAKESENSE TECHNOLOGIES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2013

Sr. No.	Particulars	Current Year	Previous year
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit (Loss) before Tax	(2,245,910)	(1,421,461)
	Operating Profit (Loss) before working capital changes	(2,245,910)	(1,421,461)
	ADJUSTMENT FOR:		
	Trade Payables & short term provisions	(36,844)	42,080
	Cash used in operations	(2,282,754)	(1,379,381)
	Net Cash used in operating activities (A)	(2,282,754)	(1,379,381)
B	CASH FLOW FROM INVESTING ACTIVITIES:	-	-
	Net Cash used in Investing activities (B)	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Change in Fixed Assets	14,643	(68,786)
	Change in Intangible assets	(1,150,750)	(1,696,546)
	Change in miscellaneous expenditure (Fully w/off)	191,910	(66,022)
	Increase in Paid up Capital	4,900,000	-
	Unsecured Loan Repaid	(1,771,090)	3,100,000
	Net Cash used in Financing activities (C)	2,184,713	1,268,646
	Net Increase in cash & cash activities (A+B+C)	(98,041)	(110,735)
	OPENING BALANCE		
	Cash & Bank Balance	109,635	220,370
	CLOSING BALANCE		
	Cash & Bank Balance	11,594	109,635

As per our Report of even date
For Naresh S. Shah & Associates
(Chartered Accountants)

CA Naresh S. Shah
Proprietor
Membership No. 10585
Firm Reg No. 127332W

Date: May 1, 2013
Place: Mumbai

For & on behalf of the Board of Directors of
Makesense Technologies Pvt. Ltd.

Vivek Arya
(Director)

Anand Ramchandran
(Director)

Date: May 1, 2013
Place: Mumbai

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Significant Policies & Notes forming part of Accounts

1. Corporate information - MakeSense Technologies Private Limited. The Company is incorporated on **21/09/2010** Under Registration No. **U74999MH 2010PTC 207974** having its registered office at 7, Silln Heights, Sun City Complex, Mumbai 400076. The company's main activity is providing services and solutions in relation to placement consultancy, personnel recruitment, staffing etc, and to develop, possess, buy, sell and market certain technological solutions in area of placement consultancy including technologies like development and marketing of recruitment framework software. Company has not yet generated significant revenue as it this is only the 3rd year of the company.

2. **Significant Accounting Policies:**

a) Basis of Accounting

These accounts are prepared on historical cost basis and on the principle of going concern. Method of accounting employed by the company is mercantile system. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

c) Tangible Assets:

Tangible Assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses related thereto, less accumulated depreciation.

d) Depreciation:

Depreciation on fixed assets are provided on straight-line method as per rates and in the manner specified in the Schedule XIV to the Companies Act, 1956.

e) Taxation

Current tax is NIL because, company has not had any revenue in current year.

f) Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the reporting period.

g) Miscellaneous expenditure (written off in current year)

Mainly consists of increase of authorized capital costs and promotional expenditure which is now written off in current year, as considered reasonable by management.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 3- Share capital

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	₹	Number of shares	₹
(a) Authorised Share Capital Equity shares of 10/- each with voting rights	500,000	5,000,000	500,000	5,000,000
(b) Issued Share Capital 500000 Equity Shares of ₹10 each fully paid up	500,000	5,000,000	500,000	5,000,000
	500,000	5,000,000	10,000	1,00,000
(c) Subscribed and Paid up Share Capital 500000 Equity Shares of ₹10 each	5,00,000	5,00,0000	10,000	1,00,000
	500,000	5,000,000	10,000	100,000
	500,000	5,000,000	10,000	100,000
Total	500,000	5,000,000	10,000	100,000

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31st March, 2012								
- Number of shares	10,000	-	-	-	-	-	-	10,000
- Amount (₹)	100,000	-	-	-	-	-	-	100,000
Year ended 31st March, 2013								
- Number of shares	10,000	490,000	-	-	-	-	-	500,000
- Amount (₹)	100,000	4,900,000	-	-	-	-	-	5,000,000

Presently, the issued, subscribed and paid up capital of company comprises of only 1 class of capital - equity having par value of ₹10 per share. Company increased its authorised capital from 150,000 to ₹5,000,000 during the year and its paid up capital from ₹1 lakh to ₹50 lakhs, against cash.

Note 4 Reserves and surplus

Particulars	As at 31st March, 2013	As at 31st March, 2012
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(1,851,669)	(430,208)
Add: Profit / (Loss) for the year	(2,245,910)	(1,421,461)
Closing balance	(4,097,579)	(1,851,669)
Total	(4,097,579)	(1,851,669)

Note 5-Borrowings Details

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Secured	Unsecured	Secured	Unsecured
	Amount	Amount	Amount	Amount
Advet Advisory Pvt Ltd	-	-	-	1,300,000
Ravi Jakhar	-	-	-	1,150,000
Ravi Jakhar (For Shares)	-	-	-	1,650,000
Samrat Fageria	-	-	-	100,000
Info Edge India Ltd	-	2,428,910	-	-
Total	-	2,428,910	-	4,200,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 6-Current liabilities & provisions

Particulars	As at 31st Mar, 2013	As at 31st Mar, 2012
	Amount	Amount
Trade Payable		
Naresh S Shah & Associates	25,000	15,000
CA Kunjan Shah		10,000
Duties & Taxes		
TDS payable	-	17,223
Credit Card Settlement A/c	-	19,621
Total	25,000	61,844

Note 7 Fixed Assets

Particulars	Gross Block				Depreciation and amortization				Net Block	
	As on 01.04.12	Additions for the Year	Deductions/ Retirement during the year	Total	As on 01.04.12	For the year	Deductions/ Retirement during the year	Upto 31.03.13	As on 31.03.13	As on 31.03.12
Tangible Assets										
Furniture and Fixtures (LG A/c)	33,144	-	-	33,144	-	2,098		2,098	31,046	33,144
Computer (including printer)	77,392	-		77,392	-	12,545		12,545	64,847	77,392
Current year total	110,536	-	-	110,536	-	14,643	-	14,643	95,893	110,536
Intangible assets										
Software/ application under development	2,098,094	1,150,750		3,248,844					3,248,844	2,098,094

Note 8-Miscellaneous expenditure

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
Formation Fees		16,000
ROC increase in authorised capital fees	91,200	91,200
Promotional Exp	84,710	84,710
Less : W/off during the year	-175,910	-
Total	-	191,910

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 9 Expenses

Particulars	For the year ended	For the year ended
	31st March, 2013	31st March, 2012
Directors remuneration	393,000	132,500
Monthly Allowances to directors	269,000	-
Professional Fees	41,000	11,000
Payment to Auditor (Mainly statutory Audit fees)	25,000	15,000
Professional Tax	41,500	-
Bank Charges	505	138
Repairs & Maintainance	6,100	24,400
Electricity Charges	120,510	129,490
Telephone & Mobile charges	44,568	51,571
Office Rent	329,000	327,000
SMS & Dedicated long code service Pack Charges	37,753	42,921
Internet Chagres	115,563	9,870
Other exp	24,672	387,504
Preliminary Exps w/off	4,000	4,000
Travelling Expenses	58,803	227,800
Advertising Exp	10,350	-
BPO Teleservices	104,522	-
HR Conference	7,303	-
IVR Recording Project	10,000	-
Printing & Stationery	500	-
PRI Port Rental	93,301	-
PRI Telephone Line Rental	46,399	-
ROC Filing Fees	7,000	-
Staff Welfare	2,500	-
Technical charges	-	60,665
Web Server & Domain Rental	262,508	-
Misc exp w/off during the year	175,910	43,978
Depreciation on tangible assets	14,643	10,404
Total	2,245,910	1,478,241

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

10. In the opinion of the Board, all the current assets, loans and advances, which are shown in the financial statement, have realizable value in the ordinary course of the business at least equivalent to the amount at which they are stated.
11. Intangible asset is mainly payments to software experts including employee's salaries that were used for software development.
12. Company has increased authorised capital from ₹1.50 lakhs to ₹50 lakhs issuing 490000 equity shares of ₹10 each fully paid up against cash.
13. The board is of the opinion that the provisions of Gratuity Act are not applicable to the Company

14. Related Party Disclosures:

The company has below transactions with related parties within the meaning of Accounting Standard - 18:-

Key management persons (KMP) -Mr. Vivek Arya, Mr. Anand R, Mr. Sumit Kundu

Parent company (as on 31.3.2013) - Info Edge (India) Limited

Major Ex-shareholder (as on 31.3.2013)- Mr.Ravi Jakhar, Vivek Arya, Anand R, Sumit Kundu

Particular of Transaction	KMP	Ex Shareholder	Parent Company
Total Director's Remuneration (paid before company was taken over by public company)	₹3.93 (Previous Year ₹1.32)		
Cash allowance (paid before company was taken over by public company)	₹2.69 (Previous year ₹2.27)		
Loan Repayment		24.10 (Previous year ₹11.50)	
Loan Taken			24.28
New Allotment of Share		49.00	

After the -above new allotment of ₹49 lakh shares, on or around 20.3.2013, individual shareholders of the company sold their 499999 shares to public limited company Info Edge (India) Limited and one share was sold to Naukri Internet Services Pvt Ltd 1 thus making this company a 99.99% subsidiary of Info Edge (India) Limited. Hence, technically, this company becomes a public limited company, though the words Pvt. Ltd, are stated in this company,

15. As company is just taken over in Feb/March 2013 by a public company and directors are also likely to change, as on 31.3.2013, certain compliances specifically required for public companies like audit committees, etc. are in process of being completed,
16. Company shall file a compliance certificate u/s. 383A in due course of time.
17. The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements the disclosure and presentation made in the financial statements.

For Naresh S.Shah & Associates
(Chartered Accountants)

CA Naresh S. Shah
Proprietor
Membership No. 10585
Firm Reg.No, 127332W

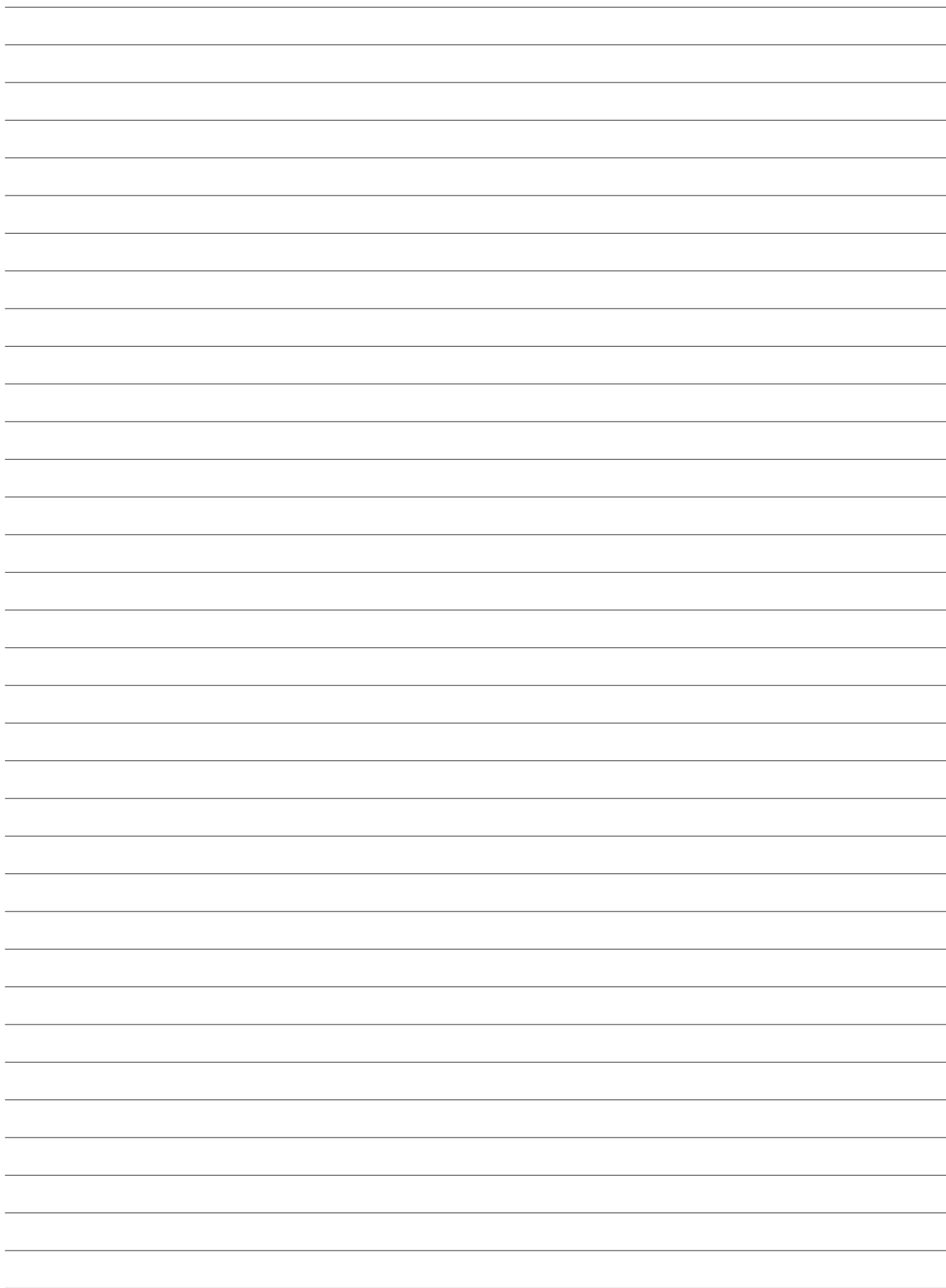
Dated: May 1, 2013
Place: Mumbai

For & on behalf of the Board of Directors of
Makesense Technologies Pvt. Ltd.

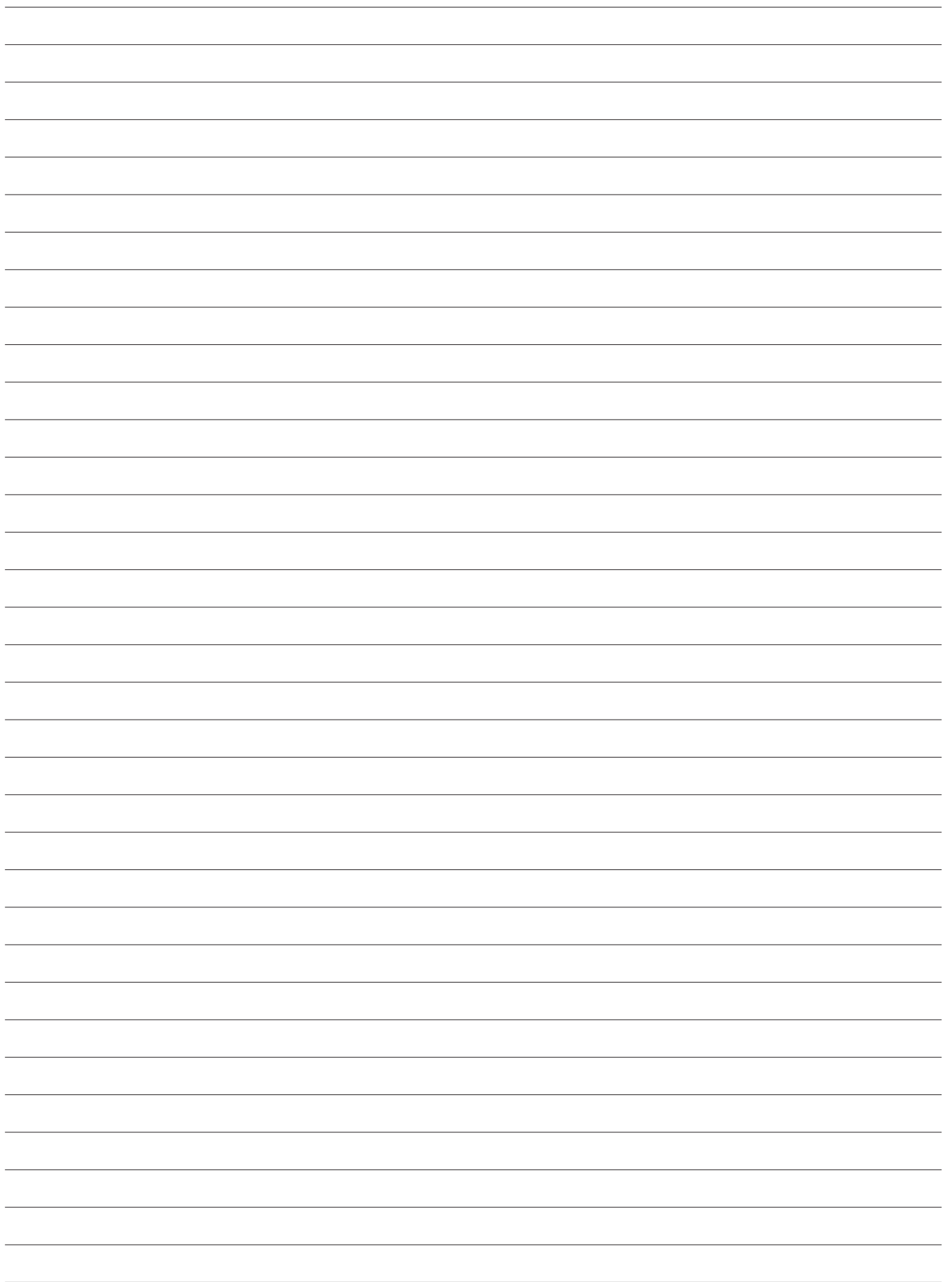
Vivek Arya
(Director)

Anand Ramchandran
(Director)

Date: May 1, 2013
Place: Mumbai









INFO EDGE

INFO EDGE (INDIA) LIMITED

REGISTERED OFFICE

GF-12A, 94, Meghdoot Building,
Nehru Place, New Delhi-110 019 India

CORPORATE OFFICE

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Info Edge is an environment-conscious corporate citizen. This annual report is printed on environment friendly paper