

**∅ INFO EDGE ∅**  
**INFO EDGE (INDIA) LTD.**

Date: July 27, 2017

Department of Corporate Services, Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  Scrip Code: 532777	Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051  Scrip Code: NAUKRI
--	--

**Sub: Submission of Annual Report pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (LODR)**

Dear Sir/Madam,

In terms of Regulation 34(1) of LODR, we hereby submit the Annual Report for the FY 2016-17 duly approved and adopted by the members as per provisions of the Companies Act, 2013, in the Annual General Meeting of the Company held on Friday, July 21, 2017 at 04:30 PM at Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi-110003.

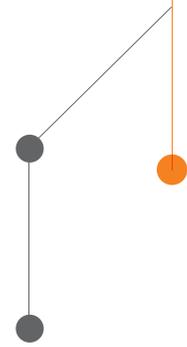
You are requested to take same on record.

Thanking You,

Yours faithfully,

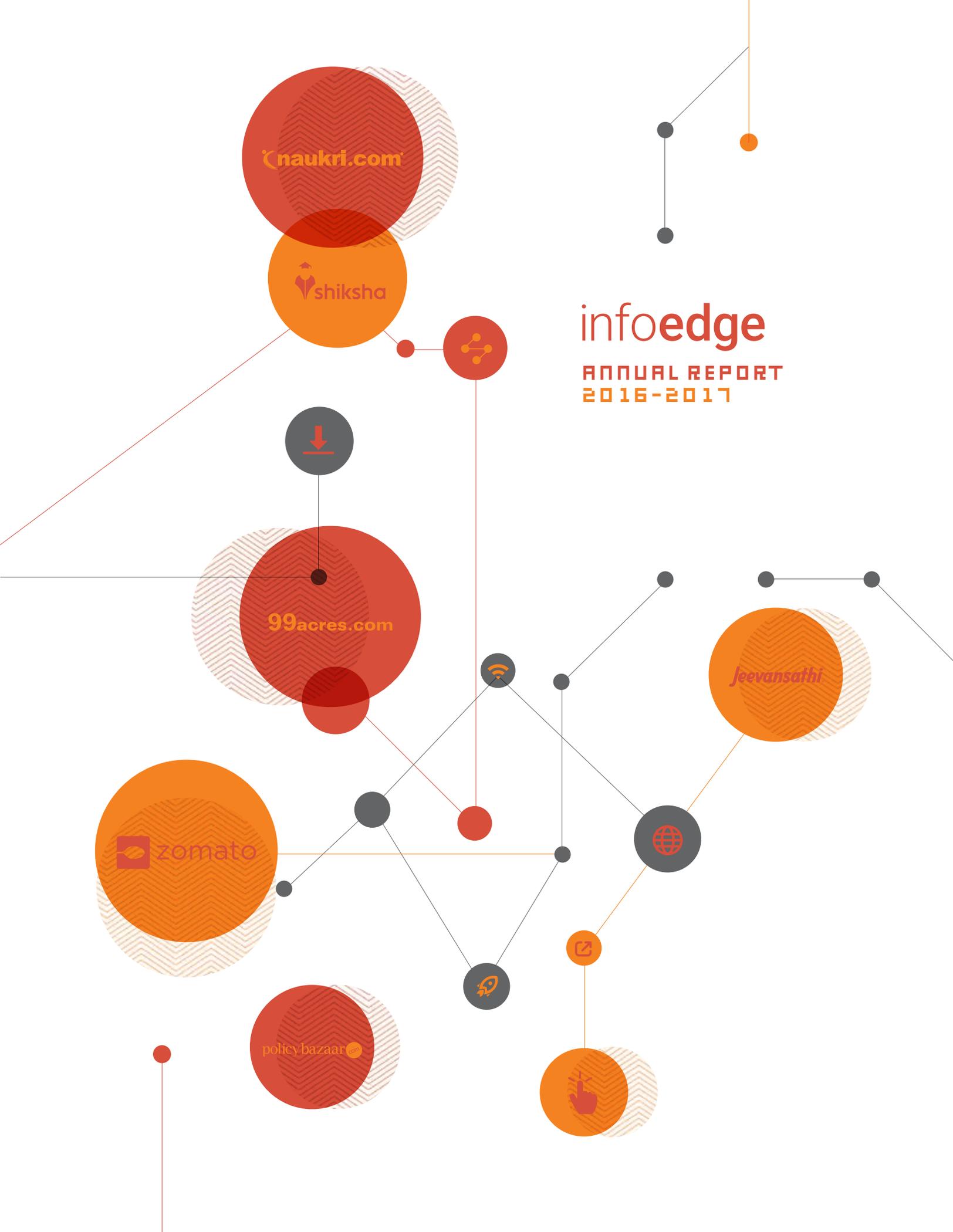
For Info Edge (India) Ltd.

  
MM Jain  
Company Secretary



# infoedge

ANNUAL REPORT  
2016-2017



## BOARD OF DIRECTORS

Mr. Kapil Kapoor	Non-Executive Chairman
Mr. Sanjeev Bikhchandani	Founder & Executive Vice-Chairman
Mr. Hitesh Oberoi	Managing Director & Chief Executive Officer
Mr. Chintan Thakkar	Whole-time Director & Chief Financial Officer
Mr. Arun Duggal	Independent Director
Mr. Saurabh Srivastava	Independent Director
Ms. Bala Deshpande	Independent Director
Mr. Naresh Gupta	Independent Director
Mr. Sharad Malik	Independent Director

## COMPANY SECRETARY

Mr. MM Jain

## AUDITORS

Price Waterhouse & Co Bangalore LLP [FRN-007567S/S-200012] Chartered Accountants

## BANKERS

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

## REGISTERED OFFICE

GF-12A, 94, Meghdoot Building,  
Nehru Place, New Delhi-110 019 India  
CIN: L74899DL1995PLC068021

## CORPORATE OFFICE

B-8, Sector-132, Noida – 201 304  
Uttar Pradesh, India

# CONTENTS

2	CEO'S MESSAGE
6	HIGHLIGHTS & BUSINESS SNAPSHOTS
8	MANAGEMENT DISCUSSION AND ANALYSIS
29	REPORT ON CORPORATE GOVERNANCE
48	CORPORATE GOVERNANCE CERTIFICATE
49	DIRECTORS' REPORT
63	ANNEXURES TO DIRECTORS' REPORT
91	AUDITORS REPORT (STANDALONE)
96	BALANCE SHEET (STANDALONE)
97	STATEMENT OF PROFIT & LOSS (STANDALONE)
98	CASH FLOW STATEMENT (STANDALONE)
100	NOTES TO FINANCIAL STATEMENT (STANDALONE)
155	AUDITORS' REPORT (CONSOLIDATED)
160	BALANCE SHEET (CONSOLIDATED)
161	STATEMENT OF PROFIT & LOSS (CONSOLIDATED)
162	CASH FLOW STATEMENT (CONSOLIDATED)
164	NOTES TO FINANCIAL STATEMENT (CONSOLIDATED)

AT INFO EDGE, WE HAVE ALWAYS FOCUSED ON DELIVERING LONG TERM SUSTAINABLE VALUE. FOR US, INCUBATING AND DEVELOPING A BUSINESS IS ABOUT MAKING A PROMISE AND ROLLING UP OUR SLEEVES TO DELIVER IN THE MOST EFFICIENT MANNER. WE ADOPT A FOCUSED APPROACH TO FORMULATE AN IDEA AND THEN, MOST IMPORTANTLY, WORK VERY HARD TO EXECUTE IT WELL AND KEEP IMPROVISING.



## Dear Shareholders

As I raise my pen to share my thoughts with you this year, I find it much easier to explain what our industry is all about. After a couple of decades of wading through the early phases of development, the internet based industry in India has firmly entrenched its foundation. Today, digital India has gained considerable traction and is poised to become what the Boston Consulting Group estimates to be a \$250 billion economy by 2020.

Like in most growing industries there has been a churn. Those, like Info Edge, who have delivered on their promises, continue to get the attention of investors and get good valuations, while some have gone through the phase of 'investor exuberance', got valuations and bitten the bullet of 'poor delivery'.

WITH THIS STEADY IMPROVEMENTS IN REVENUES AND PROFITS, YOUR COMPANY HAS BUILT A CASH BALANCE OF ₹12,891 MILLION (FD IN BANKS, INVESTMENTS IN DEBT MF AND FMP AT COST) BY THE END OF FY2017. IN ADDITION, ₹7,348 MILLION HAS BEEN INVESTED INTO INVESTEE COMPANIES.

At Info Edge, we have always focused on delivering long term sustainable value. For us, incubating and developing a business is about making a promise and rolling up our sleeves to deliver in the most efficient manner. We adopt a focused approach to formulate an idea and then, most importantly, work very hard to execute it well and keep improvising.

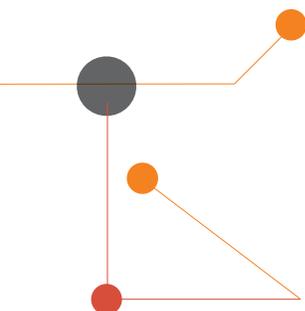
In the way in which we do our business, effective execution is paramount and the process involves a rigorous day-to-day exercise of continuously getting things done well. This encompasses a comprehensive discipline of ideation, strategising, planning, implementing, reviewing and adopting corrective measures. Consequently, even after completing 17 years since our first round of funding we have nurtured only our four core businesses with a central focus on theme of online classifieds. These are the well-established flagship, naukri.com, and a portfolio of developing brands including 99acres.com, jeevansathi.com and shiksha.com. For promoting other ideas, we have invested externally into other teams of entrepreneurs and provided them supervisory support.

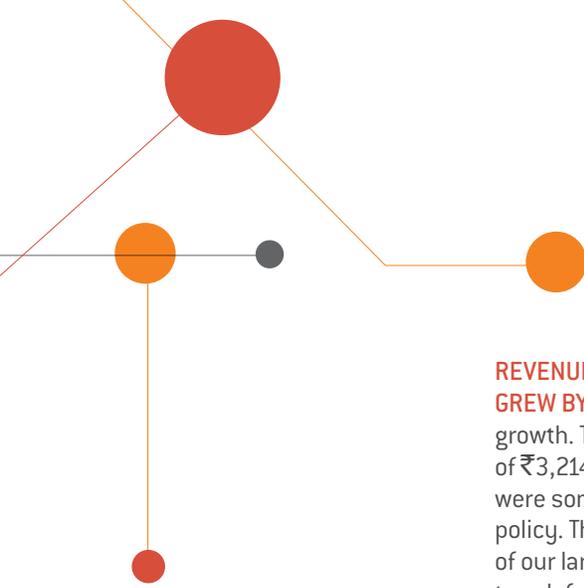
This business ethos of tight focus and exceptional execution reflects in our financial performance.

Over the last decade, Info Edge, as a standalone entity, grew at a compound annual growth rate (CAGR) of 19.4% — from a revenue of ₹1,395 million in FY2007 to ₹8,209 million in FY2017 (as per IGAAP). While there have been some fluctuations over the entire period, operating EBIDTA margin has increased from 27% in FY2007 to 33% in FY2017 (as per IGAAP).

With this steady improvements in revenues and profits, your Company has built a cash balance of ₹12,891 million (FD in banks, Investments in debt MF and FMP at cost) by the end of FY2017. In addition, ₹7,348 million has been invested into investee companies. Clearly, we have invested in the future, while creating a war chest of cash reserves.

For Info Edge, FY2017 was another step forward in this journey of long term value creation. There were gains both in financial terms and in terms of creating greater market dominance for its brands. Given below are the highlights of each of our businesses.





**REVENUES FOR THE RECRUITMENT SEGMENT WAS ₹5,953 MILLION IN FY2017 — WHICH GREW BY 12.5% OVER FY2016.** New products played a significant role in driving this growth. This segment continued to deliver excellent profitability, with operating EBITDA of ₹3,214 million in FY2017. Having said so, it needs stating that revenues for naukri.com were somewhat affected due to the Company's transition to a new sales and incentive policy. The new policy is designed to help reduce discounting and bill more from some of our larger customers who tend to renew at the end of the quarter/year. This has led to a deferment in sales in the fourth quarter; but is expected to yield better revenue numbers in FY2018.

There are early signals of a slowdown in the IT sector. However, in FY2017, we serviced nearly 14,400 IT clients against 13,700 in FY2016. For naukri, there was a growth in revenues from IT. I also believe that with uncertainties in the job market, more people may actually use naukri.com as part of their solution to get employed or recruit at lower costs. Thus, I don't expect the business to be adversely impacted.

**REVENUES FOR 99ACRES.COM INCREASED BY 3.67% TO ₹1,122 MILLION IN FY2017.**

The real estate sector faced the brunt of the Government of India's demonetisation, and 99acres.com was adversely affected in the months of November-December 2016 and January 2017. However, matters improved in February- March 2017. Operating EBITDA loss for FY2017 was ₹597 million. Profitability improved as we rationalised our spending.

**JEEVANSATHI.COM HAS SHOWN VERY ENCOURAGING SIGNS IN FY2017. REVENUES INCREASED BY 22% TO ₹580 MILLION IN FY2017.**

Operating EBITDA loss for FY2017 was ₹79 million. However, operating EBITDA margin will be lower as we will continue to invest in this business to gain market share.

**FOR SHIKSHA.COM, REVENUE GREW BY 11% TO ₹365 MILLION IN FY2017.** Operating EBITDA loss for FY2017 was ₹37 million.

Our strategic investments in investee companies continue to perform up to expectations. In FY2017, an additional ₹617 million (including loan) was invested into these ventures. In accounting terms, there have been some changes in the way some of these businesses are treated in our consolidated accounts. In essence, based on the fully converted shareholding percentages, this year Canvera has been added to the Company's consolidated numbers, while Zomato has moved out.

The performance of Zomato remains important in terms of valuations of investments on the balance sheet of the Company. In FY2017, Zomato recorded a revenue of ₹3,323 million and incurred Operating EBITDA loss of ₹1,519 million. As we see it for Zomato, the revenue growth continues, the cash burn is substantially lower, the business now has enough cash, and is close to breaking even.

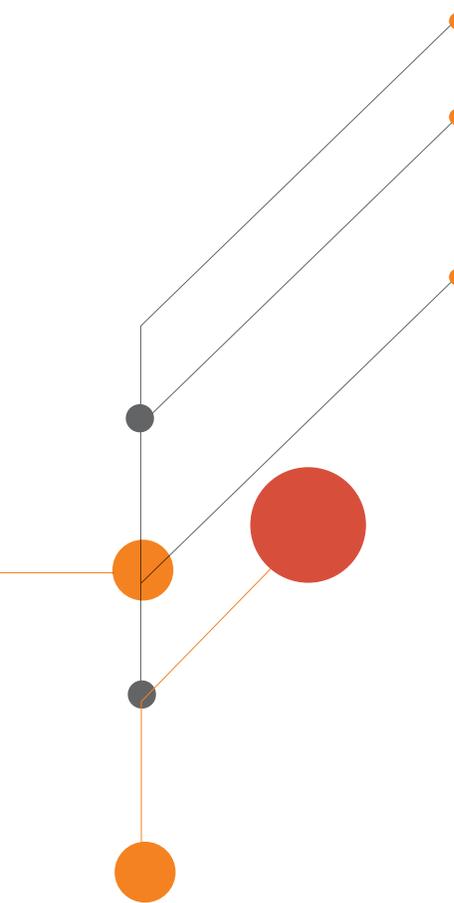
At the consolidated level, net sales of your Company increased by 18.7% to ₹8,876 million, while the total comprehensive loss was ₹239 million in FY2017 against a profit of ₹1,448 million in FY2016. Aggregate revenues of the 12-investee companies increased by 40% from ₹4,744 million in FY2016 to ₹6,644 million in FY2017, while Operating EBITDA level losses reduced from ₹6,819 million to ₹2,625 million.

At this juncture, it is important to emphasise that while we continue to focus on the so-called 'mundane' activities that promote execution excellence, at heart we are a customer-centric, technology-driven Company. Let me elucidate.

Our rich experience over two decades has provided us immense customer insights and understanding on how internet-based customer preferences are evolving in India across the domains where we operate. Our focus is on adding value by solving problems for customers — and this is at the core of the quality customer experience we strive to deliver on a continuous basis. This focus has played a critical role making most of our brands clear market leaders in terms of traffic share.

We have built this strong customer base and continue to increase it by regularly working on providing increasingly more effective value propositions to each of our customers. And the process is undertaken with minimum cash burn by utilising sophisticated tools for analytics and a strong technology platform for product and service delivery.

In terms of technology, today, we are focusing on three core areas.

- 
- **FIRST, THE RAPIDLY INCREASING USE OF MOBILE PLATFORMS:** Today, over 60% of our traffic comes from mobile phones in various businesses.
  - **SECOND, WE WORK ON MATCHING TECHNOLOGIES:** For example, we acquired MakeSense and integrated it with our search engine. We have also been steadily investing in machine learning and Big Data over the last few years to widen the span of our matching algorithms.
  - **THIRD, CLOUD BUSINESS:** With Career Site Manager, for example, we now have a cloud based recruitment management system within the Company. Earlier, we were more of a sourcing enterprise from where people used to scan résumés and candidate profiles. Today, we are expanding into the area of recruitment automation — where the Company supports its customers by helping them automate activities like their recruitment processes, managing referral hiring programmes, improving their corporate career site and streamlining interview processes.

As a Company, we are aggressive yet humble; futuristic yet grounded; technology-driven yet people oriented; and an industry stalwart yet young-at-heart. We are one of the pioneers of the internet enabled services industry in India and we continue to strengthen our positioning in this space across our brands.

*With Best Regards*  
**Hitesh Oberoi**

## HIGHLIGHTS

### FIVE YEAR PERFORMANCE: STAND ALONE (₹ MN)- AS PER IGAAP

	FY2013	FY2014	FY2015	FY2016	FY2017	CAGR
Net Sales	4,349	5,051	6,113	7,235	8,209	17.2%
Total Income	4,838	5,491	6,877	8,063	9,138	17.2%
Operating EBIDTA	1,474	1,644	1,793	1,578	2,677	16.1%
Operating EBIDTA margin	33.9%	32.5%	29.3%	21.8%	32.6%	
EBIDTA	1,939	2,077	2,557	2,407	3,607	16.8%
EBIDTA margin	40.1%	37.8%	37.2%	29.8%	39.5%	
PBT	1,551	1,876	2,675	2,082	3,326	21.0%
PAT*	1,022	1,285	1,939	1,416	2,661	27.0%
EPS** (₹)	9.36	11.77	16.82	11.76	22.01	
Cash & Equivalents (FD in Banks, Investment in Debt MF& FMP)	4252	4782	11,722	10,964	12,891	32.0%
Net Worth	6,654	7,621	16,624	17,640	19,942	31.6%
Head Count	2,464	3,016	3,826	4,214	3,999	12.9%

\* After exceptional item

\*\* Bonus issue in ratio of 1:1 made in FY 2013

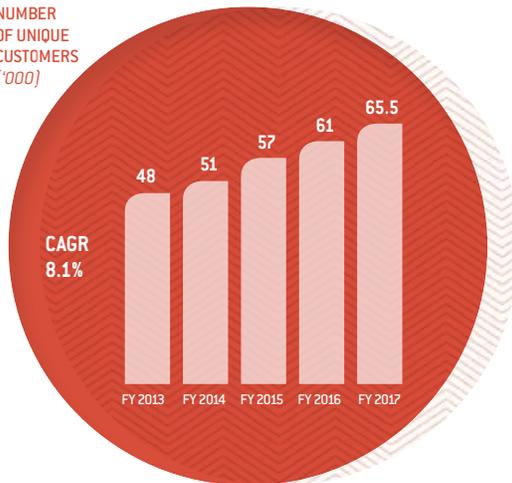
### FIVE YEAR PERFORMANCE: STAND ALONE (₹ MN)- AS PER IGAAP

	FY2013	FY2014	FY2015	FY2016	FY2017	CAGR
Net Sales						
Recruitment	3,368	3,713	4,450	5,312	6,004	15.5%
Matrimonial	323	360	392	469	589	16.2%
Real Estate	516	758	1,004	1,106	1,233	24.3%
Vertical Profits/(Loss)						
Recruitment	1,658	1,879	2,279	2,846	3,366	19.4%
Matrimonial	(75)	(67)	(44)	(126)	(43)	NA
Real Estate	(8)	(48)	(375)	(911)	(414)	NA

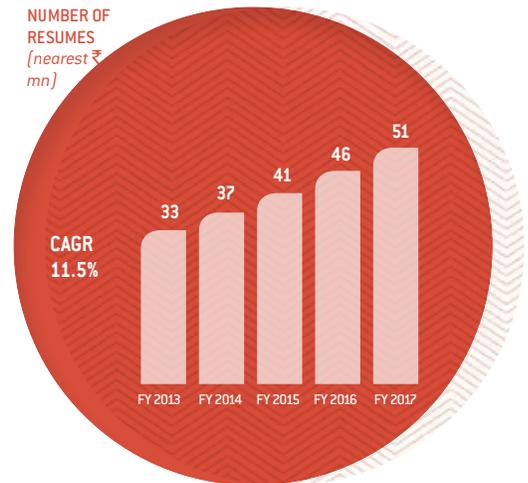
ACROSS BUSINESSES, INFO EDGE IS FOCUSING ON GAINING MARKET DOMINANCE AND INCREASING CUSTOMER PENETRATION. THIS IS EVIDENT IN THE PERFORMANCE HIGHLIGHTS

**NAUKRI.COM**

NUMBER OF UNIQUE CUSTOMERS ('000)

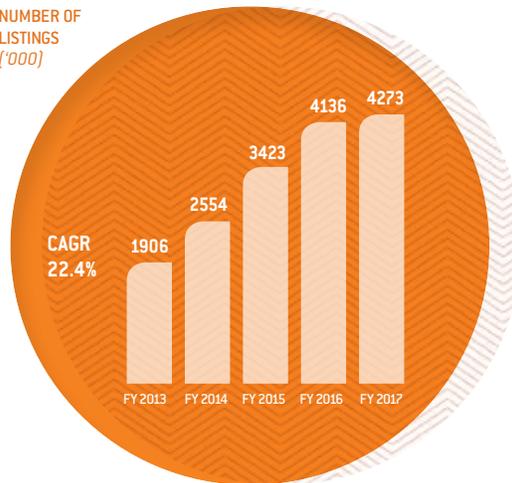


NUMBER OF RESUMES (nearest ₹ mn)

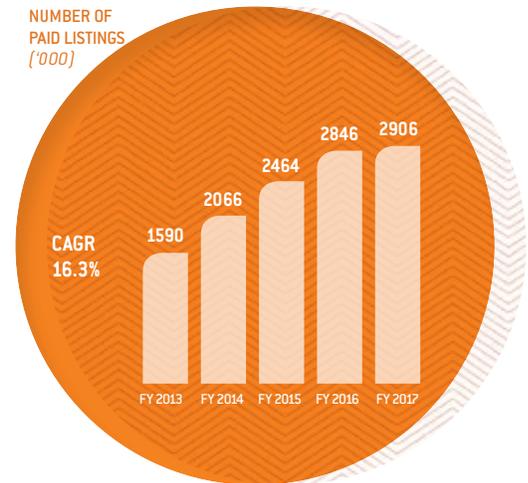


**99ACRES.COM**

NUMBER OF LISTINGS ('000)

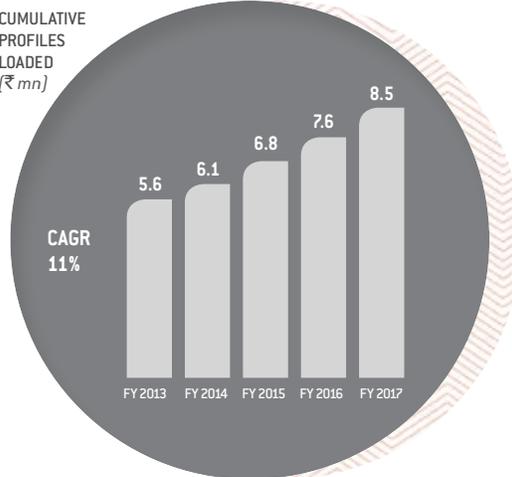


NUMBER OF PAID LISTINGS ('000)

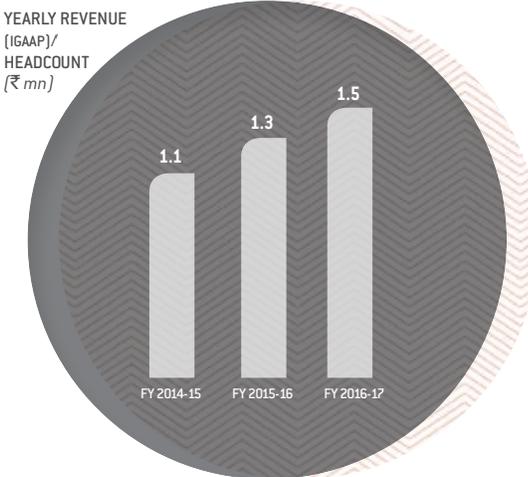


**JEEVANSAAHI.COM**

CUMULATIVE PROFILES LOADED (₹ mn)



YEARLY REVENUE [IGAAP]/ HEADCOUNT (₹ mn)



WHILE LAYING EMPHASIS ON IDEATION, CONCEPT CREATION AND BUSINESS MODEL DESIGN, INFO EDGE HAS ALWAYS IMBIBED A STRONG FOCUS ON EFFICIENT EXECUTION THROUGH TWO CRITICAL DRIVERS IN THE COMPANY'S EXECUTION FOCUSED BUSINESS STRATEGY.

1

EMPHASIS  
ON 'CONTINUOUS  
INNOVATION'

AT THE CORE OF THIS IS THE EFFECTIVE  
ADOPTION AND UTILISATION OF WORLD  
CLASS PROCESSES AND CUTTING EDGE  
TECHNOLOGY

2

SIGNIFICANT STRESS  
ON SUPPORTING  
ONLINE BRANDS WITH  
EFFECTIVE OFFLINE  
ACTIVITIES

BY PUSHING SALES THROUGH OTHER  
CHANNELS, MAINTAINING CUSTOMER  
RELATIONS, PROMOTIONAL ACTIVITIES,  
LOGISTICS AND DELIVERY

INFO EDGE ('THE COMPANY') IS ONE OF INDIA'S PREMIER INTERNET BASED BUSINESS. OVER A PERIOD OF MORE THAN TWO DECADES, IT HAS STEADILY DEVELOPED A PORTFOLIO OF BRANDS ACROSS DIFFERENT DOMAINS THAT PRIMARILY PROVIDES ONLINE CLASSIFIED SERVICES. WHILE THE COMPANY'S BUSINESS HAS EVOLVED AROUND THE PHENOMENAL GROWTH OF ITS FLAGSHIP BRAND – NUKRI.COM (ONLINE RECRUITMENT), THE OTHER BRANDS INCLUDING 99ACRES.COM (ONLINE REAL ESTATE), JEEVANSATHI.COM (ONLINE MATRIMONIAL) AND SHIKSHA.COM (ONLINE EDUCATION INFORMATION SERVICES) ARE FAST GAINING TRACTION IN THE MARKET AND GROWING REVENUES.

IN THE LAST DECADE, HAVING BUILT A STRONG CASH RESERVE, INFO EDGE HAS ALSO EXPANDED BY INVESTING IN BUSINESSES THAT HAVE BEEN CONCEPTUALISED AND INITIALLY DEVELOPED BY SEPARATE ENTREPRENEURIALY ORIENTED MANAGEMENT TEAMS. EACH OF THESE BUSINESSES ARE MANAGED EXTERNALLY WITH INPUTS FROM INFO EDGE. ESSENTIALLY, THESE ARE PART OF AN INVESTMENT PORTFOLIO OF THE COMPANY. SOME OF THESE INVESTEE COMPANIES INCLUDING ZOMATO.COM (ONLINE RESTAURANT CLASSIFIEDS AND FOOD DELIVERY BUSINESS) AND POLICYBAZAAR.COM (ONLINE INSURANCE) HAS GENERATED CONSIDERABLE INVESTOR INTEREST AND CREATED MATERIAL MARKET VALUE FOR THE INVESTMENT.

Across the Company's businesses, Info Edge has internalised the 'winner takes all' phenomena that is deeply rooted in the internet based services industry across the world. This means that in each business category, a single player or a few brands emerge as market leaders and take away significant traffic share and customers. Facebook, Amazon, Twitter, Instagram are all such examples. So, it is very important for companies in this space to strive for market dominance with their respective brands.

On this front, with a primary focus on the Indian market, Info Edge has achieved considerable success: naukri.com (online recruitment), 99acres.com (online real estate) and shiksha.com (online education information services) amongst the brands directly managed by the Company — and zomato.com, policybazaar.com, meritnation.com (online K-12 school testing) and canvera.com (online photo products and services) among the investee companies — are market leaders with largest shares of internet and mobile traffic.

While pushing for market dominance, Info Edge maintains an effective balance between seeking deeper market penetration and the risk exposure of its businesses. The Company has a well calibrated growth strategy that includes a mix of effective sales and marketing spends as well as optimal utilisation of technology, analytics and innovation. The efforts are supported by significant internal domain expertise and consumer insights in the internet business space developed through a rich experience of operations spanning two decades. Consequently, while efforts are on maximising traffic shares, the Company lays considerable emphasis on increasing the return on capital employed and in maintaining a strong cash position in the balance sheet.

As of 31 March 2017, Info Edge had ₹12,891 million as cash balance (FD in banks, Investments in debt MF and FMP at cost). 82% of its liabilities were in terms of equity, only 18% is current liabilities and provisions, and there is very negligible debt. Info Edge continues to operate with negative working capital and high operating leverage.

While laying emphasis on ideation, concept creation and business model design, Info Edge has always believed in efficient execution. The brands have been meticulously nurtured and developed over a period of time to provide consumer experiences that make them market leaders. There are two critical drivers in the Company's execution focused business strategy.

First, there is an emphasis on inculcating an operating culture of ‘continuous innovation’ across the organisation. At the core of this endeavour is the stress on effective adoption and utilisation of world class processes and cutting edge technology. It encompasses a wide range of applications including methodologies to understand customer trends, forecasting developments in technology, regular introduction of new products or product features that best address targeted customer needs, utilisation of techniques used to best enhance brand recognition with minimal investments and continuously identifying and developing solutions that cater to future market needs. This culture is at the heart of the Company’s philosophy of staying ‘a step ahead’ of competition and catering to ever-changing demand dynamics.

Second, while Info Edge is a technology driven company operating in the digital space, it lays significant stress on supporting its online brands with effective offline activities — particularly in terms of support for pushing sales through other channels, maintaining customer relations, undertaking promotional activities, executing logistics and ensuring service delivery. The Company’s online brands are widely supported through pan-India network of 69 company branch offices across 44 cities. 2,817 or 70% of the Company’s workforce is involved in offline activities focused on sales and service. This widespread offline support complementing the quality online products is unique to Info Edge in its industry.

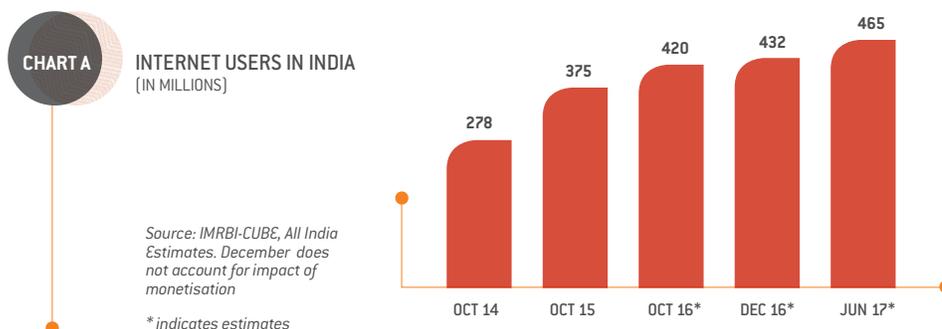
Given that the internet business space in India is still in a ‘developing’ phase, much of its growth depends on the way the overall digital economy evolves in the country. In the last couple of years, after a period of slow and steady expansion, the digital economy has crossed its inflexion point in India and is now on a rapid growth trajectory.

Much of the sector’s growth is attributable to two factors: rapid developments in the telecom space especially mobile telephony, and the changing attitude of the population towards digitisation. In FY2017, the Government of India has also undertaken several regulatory measures that signal the intent to transform much of India into a digital based economy. With its experience and products in the market, Info Edge is well positioned to leverage this transformation.

## BUSINESS ENVIRONMENT

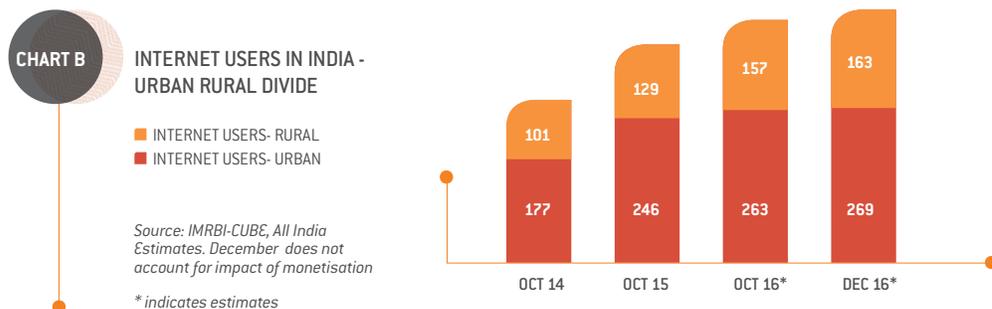
### THE INDIAN DIGITAL ECONOMY

After a rapid shift in growth trajectory in FY2015, internet usage has continued to grow at a rapid rate in FY2017. According to findings in the ‘IMRB ICube 2016’ Report released by the Internet and Mobile Association of India (IAMAI) and Kantar IMRB International, the number of internet users has increased from 278 million in October 2014 to 432 million in December 2016 and is projected to be around 465 million in June 2017 – a sizable addressable market.



It is interesting to note that the growth in internet users is being fuelled largely by rural users while urban penetration levels have generally stagnated. For instance, it is estimated that rural users increased from 157 million in October 2016 to 163 million in December 2016, while for urban India the growth was from 263 million to 269 million over the same period. The reason is not hard to seek. Urban India has almost 60% internet penetration, and growth is expected to continue but at a modest rate. Rural India, with only 17% penetration, has significantly larger scope for rapid internet growth. Apart from creating the requisite

physical infrastructure, rural penetration will also require internet based service providers to make products amenable to rural users. This, in turn, will require considerable work on understanding rural customers across regions and providing unique solutions.



In its bid to improve governance and management of the Indian economy, the Government of India (GoI) has initiated several measures that should digitally transform the country. In 2009, the GoI launched a massive project called Aadhar. This was designed to solve a critical problem of the Indian economy — namely, that nearly half its people did not have any form of identification and hence operated in the fringes. Aadhar solved this by providing a digital identity to every Indian citizen based on an individual's fingerprints and retina scans. As of 2016, the programme had issued this 12-digit identification numbers to 1.1 billion people. This was the largest and most successful IT project in the world and has laid the foundation for a digital economy in the country.

A related challenge to creating a truly digital economy was to provide a significant majority of the country's population with an operational bank account. To fulfil this, the GoI sanctioned opening of 11 institutions called payment banks, which can hold money but can't lend. To motivate people to open accounts, it offered free life insurance with new bank accounts and made these bank accounts a channel for obtaining social-welfare benefits. Within three years since this initiative in 2014, more than 270 million new bank accounts have been opened, with US\$10 billion in deposits. Subsequently, the Unified Payments Interface (UPI) was launched. This enabled banks to transfer money directly to one another based on a single identifier, such as the Aadhar number, thus paving the way for increasing penetration of digitally managed commercial transactions.

India has also introduced another innovation called India Stack. This is a series of secured and connected systems that allow people to store and share personal data such as addresses, bank statements, medical records, employment records and tax filings, and it enables the digital signing of documents. The user controls what information is shared and with whom, via electronic signatures through biometric authentication. This will further simplify banking, lending and other services that require identification of individuals and their history as a pre-requisite.

In November 2016, in a move to curb corruption, tax evasion and eliminate counterfeit bills, the GoI invalidated all ₹500 and ₹1,000 notes as legal tender. These accounted for roughly 86% of all money in circulation. While, in the short term, the move did disrupt the economy across the board, in the long-term its economic implications are expected to accelerate the push to digitisation and bring in a large segment of the informal economy into the mainstream. With the GoI taking these well planned steps to transform the economy through greater digitisation, new impetus has been provided for internet based businesses like Info Edge to avail of fresh market opportunities.

Some insights into the potential of this Indian digital economy is provided in a comprehensive report prepared in April 2017 by BCG and TIE titled 'The US\$250 Billion Digital Volcano: Dormant No More'. The conclusion of this researched report suggests an explosive growth path for the digital economy in India over the next few years. The main findings are:

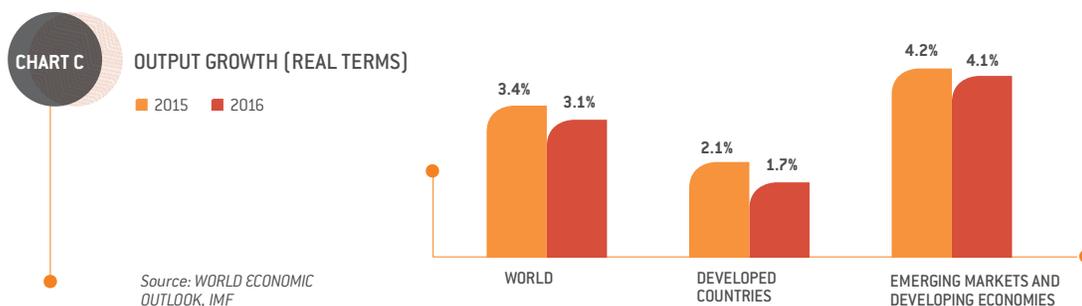
- **Digital Adoption in India has been growing rapidly:** While in the last three years, smartphone users have gone up around four times, mobile internet users have grown to around 391 million, which is the second highest number of users in the world. However, average data consumption per user of less than 1 GB per month remains low compared to other similar develop countries like Indonesia and Brazil who are between 2-3 GB per month, and developed countries Japan and USA who consume between 9-11 GB per month. Thus, even in the internet penetrated population there is considerable scope for growth of usage in India. This is bound to improve with improved and greater penetration of high speed internet, which is still restricted to 56% of the users.
- **Three key forces are coming together to unlock the latent digital demand:** In India, 4G enabled devices are expected to grow six times to around 550 million by 2020. It will constitute some 70% of the devices under use. In addition, reliable high speed data is becoming much more widespread. Already 4G availability is across around 72% of the entire network, which is higher than Germany and UK. Importantly, the data is available at affordable rates. In a period of 4-5 months since the 4G launch, rates have reduced less than one-third of its starting values. Finally, these factors are being supported by greater proliferation of digital content, which is also improving in terms of quality. Mobile internet users are expected to nearly double to 650 million by 2020 with average usage per user growing to around 7-10 GB/month.
- **India's internet economy expected to double to US\$250 billion by 2020:** The internet economy in India is becoming a greater contributor to GDP. From its present level of 5% of GDP, it will increase to around 7.5% of the country's GDP by 2020. The growth is expected to be led by e-commerce and financial services with digital payments increasing to between 30% and 40% of all transactions.
- **Digital economy will have a much broader influence beyond the direct economic impact:** Adoption of digital technology is expected to deliver several social benefits more efficiently including improve ease of doing business, access to services and products and quality of governance.

## MACROECONOMIC DEVELOPMENTS

While the digital economy in India is on an accelerated growth trajectory, the macroeconomic environment in which Info Edge operates presents a complex picture.

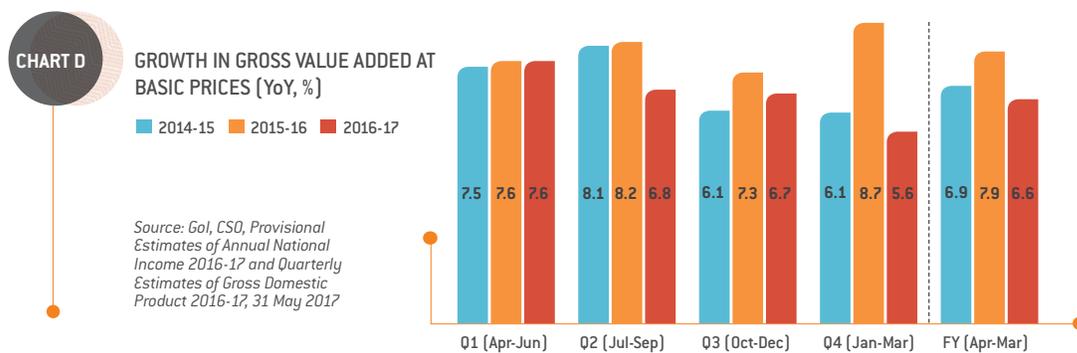
At the global level there is considerable concern and a general sense of uncertainty. Events like the pro - 'Brexit' vote in UK and the election of Donald Trump as the President of the USA suggest that there is a distinct change in the political agenda and social expectations. A rising trend in protectionism across the world is not only weakening global, regional and national institutions, but also raising a dark cloud on the entire concept of a globalised world, which is at the core of the development of the global internet. There is also a clash between protection of jobs and advancement in technology, which is playing an increasingly disruptive role across industries.

These developments have been at the backdrop of a slowing global economy. As Chart C shows, global output growth reduced from 3.4% in calendar year (CY) 2015 to 3.1% in CY2016, with advanced economies registering a lower growth of 1.7% in CY2016 compared to 2.1% in CY2015. Emerging economies also witnessed a minor slowdown from 4.2% in CY2015 to 4.1% in CY2016.



In this global backdrop, India was a fairly bright spot in FY2017 with robust macroeconomic fundamentals, although some critical structural reforms had negative short term implications. First, there was the passage of the Constitutional amendment which paved way for implementing the transformational Goods and Services Tax (GST). Second, was the action to ban the use of existing ₹500 and ₹1,000 banknotes in the country and replace them with new series of ₹500 and ₹2,000 notes.

While there will be complications in the initial phase of implementation of the GST — a period that might last up to two quarters from its date of implementation — in the long term, it will create a common Indian market, improve tax compliance and governance, and boost investment and growth. It is also a bold new experiment in the governance of India's cooperative federalism. Demonetisation, too, had its short-term costs. Contemporary evidence tended to suggest significant disruption for the first six to eight weeks due to unprecedented cash constraints throughout the economy. Moreover, the latest national income data published by the Gol's Central Statistical Organisation suggest reduction in growth in the third and fourth quarter of FY2017. It is difficult to estimate how much of this decline in growth was caused by demonetisation. But to claim that there were no effects is incorrect. Chart D plots the data.



As can be seen from the chart, growth in gross value added (GVA) in Q3 (October-December) 2016 was 6.7%, which was 0.6 percentage points less than the same quarter of the previous year. The difference was even starker for Q4 (January-March) 2017: at 5.6%, GVA growth was 2.1 percentage points below the comparable quarter in 2016. The consequence has been relatively muted growth in FY2017: 6.6% versus 7.9% in FY2016.

Despite this slackening, however, it needs to be stated that 6.6% GVA growth will be the highest among developed and large emerging markets of the world. Unless there are some serious unforeseen crises, India is now well placed to clock 7.3% to 7.5% growth in FY2018.

Other major macroeconomic parameters like inflation, fiscal deficit and current account balance have exhibited distinct signs of improvement in FY2017. Inflation measured by the Consumer Price Index (CPI), which averaged 4.9% during April-December 2016 (see Chart E), has displayed a downward trend since July 2016 when it became apparent that the kharif agricultural production would be bountiful. It reached 3.65% by February 2017. Core inflation has also been stable, hovering around 4.5% to 5% for most of FY2017.



There was also some improvement in Government's fiscal condition. Revised estimates suggest that with gross tax revenues increasing from 10.6% in FY2016 to 11.3% in FY2017, the fiscal deficit has reduced from 3.9% of GDP in FY2016 to 3.5% in FY2017.

## BUSINESS REVIEW

During FY2017, most businesses in India were affected by the temporary stagnation of economic activity due to the Govt's demonitisation drive in November 2016. Info Edge was no exception with both the online recruitment and the real estate businesses facing the brunt of the uncertainties and slowdown. However, even with this temporary blip, the Company recorded a steady growth in revenues and profits.

It needs to be noted that the reported financial results have also been impacted by the newly prescribed Ind AS accounting standards. Beginning 1 April 2016, the Company adopted Ind AS for the first time with a transition date of 1 April 2015. The financial results for the quarter and year ended March 31, 2017 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The major impacts of this transition in accounting treatment are:

- **Revenue:** As per Ind AS, certain items of non-refundable fees, which were received up-front, are now being recognized as revenue over the tenure of contract, based on performance of specific acts or milestones — as it better reflects the substance of the transaction. Accordingly, the Company has deferred the income from such contracts outstanding as at the date of transition and for new contracts entered during the onward years.
- **ESOP cost:** As per Ind AS-102, stock options granted are considered to be towards equity settled share based transactions; therefore, the cost of such options are to be measured at fair value as at the grant date. Further, an exemption as per Ind AS-101 (first time adoption of Indian Accounting Standards) relating to share based payments has been opted for. In this, as at the transition date of 1 April 2015, the fair value of options that were yet to be vested have been considered. The impact is as follows:
  - Retained earnings as at 1 April 2015 reduced by ₹95.5 million.
  - Additional ESOP cost of ₹162.4 million in FY2016.
  - Additional ESOP cost of ₹211 million in FY2017.
- **Other income:** As per Ind AS-109, investment in mutual funds have been measured at fair value as on the reporting date, through the profit and loss account. The impact is as follows:
  - Retained Earnings as at 1 April 2015 increased by ₹64.6 million.
  - Differential reversal of ₹57.4 million on net basis in FY2016.
  - Gain of ₹14.6 million on net basis in FY2017.
- **Investment through preference shares:** As per Ind AS-109, investments in other companies through redeemable / convertible preference shares are recorded based on amortised value / fair value as at the respective reporting date. Accordingly, this will be accounted for and disclosed in audited financial statements as per Ind AS for the respective periods.

While the financial performance has been reported according to Ind AS, the Company has also reported the results in terms of the IGAAP, which was followed earlier for better and easier comparison of performance over the last year.

## FINANCIAL HIGHLIGHTS

### Standalone Financial Performance

TABLE 1

ABRIDGED  
STANDALONE  
PROFIT AND  
LOSS (RS  
MILLION)

	IndAS		IGAAP	
	FY2017	FY2016	FY2017	FY2016
<b>Revenue from Operations</b>	<b>8021.06</b>	<b>7176.07</b>	<b>8208.55</b>	<b>7234.76</b>
Network, internet and other direct expenses	172.58	229.70	172.58	229.70
Employee Benefits Expenses	3751.58	3354.43	3547.81	3205.29
Advertising and Promotion Costs	880.53	1318.41	880.53	1318.41
Other Expenses	941.47	918.21	930.31	902.91
<b>Total Operating Expenses</b>	<b>5746.16</b>	<b>5820.75</b>	<b>5531.23</b>	<b>5656.31</b>
<b>EBIDTA</b>	<b>2274.9</b>	<b>1355.32</b>	<b>2677.32</b>	<b>1578.45</b>
Depreciation and Amortisation	240.55	209.63	240.55	209.63
Other Income	625.23	785.02	929.62	828.10
<b>EBIT from ordinary items</b>	<b>2659.58</b>	<b>1930.71</b>	<b>3366.39</b>	<b>2196.92</b>
Finance Cost	1.00	0.77	1.00	0.77
<b>PBT for ordinary items</b>	<b>2658.58</b>	<b>1929.94</b>	<b>3365.39</b>	<b>2196.15</b>
Exceptional items	(39.84)	(114.58)	(39.84)	(114.58)
<b>PBT</b>	<b>2618.74</b>	<b>1815.36</b>	<b>3325.55</b>	<b>2081.57</b>
Tax	574.71	564.18	664.93	665.77
Other Comprehensive income, net of tax	(4.70)	(8.65)	–	–
<b>Total Comprehensive Income</b>	<b>2039.33</b>	<b>1242.53</b>	<b>2660.62</b>	<b>1415.80</b>

BOX 1

#### STANDALONE — PERFORMANCE HIGHLIGHTS (IndAS)

- Revenue from operations increased by 11.8% to ₹8,021 million in FY2017.
- Operating EBIDTA increased by 67.8% to ₹2,275 million. EBIDTA margin increased from 18.9% in FY2016 to 28.4% in FY2017, driven by substantial reduction in advertising and promotion costs and network, internet and direct expenses, even as revenue growth was achieved.
- PBT from ordinary activities (before exceptional items) increased by 37.8% to ₹2,659 million.
- Total Comprehensive Income increased by 64.1% to ₹2,039 million.

The Board of Directors recommended a final dividend of ₹ 1.50 (15%) per share for FY2017. This will take the dividend for the year to ₹4.5 per share including the two interim dividends of ₹1.5 per share each already paid in November 2016 and March 2017.

The Company has further widened the scope of its business by investing in brands that have been conceptualised and developed by separate management teams. Such investments are in terms of equity and loans. The structure of these investments are such that some have a direct impact in the consolidated accounts, while for others the progress of these businesses affect the valuation of investments in the Company's balance sheet.

Info Edge has always adopted a cautious approach to these investments. The Company continues to maintain a strong cash position, which is preserved as a 'war chest' to be utilised in the core businesses to protect these against any short term adversities. Some of this surplus cash is invested in these investee companies.

In the internet based services industry it is always important to allow for creativity, new ideation and technology development. For this to succeed, the entrepreneurial zeal has to be harnessed. This 'investee company' route to growth is the Company's strategic path to incubate, develop and grow such new business models in the internet based services industry. Here, Info Edge plays a supervisory role and provides support wherever possible while allowing separate entrepreneurially led management teams to develop the businesses.

It is also important to note that most of the investee companies are in the initial phase of development and are positioned for long term value creation. Thus, at present, most of them generate losses and, hence, the consolidated financial performance gets adversely affected. But this is by design and inherent to the industry where Info Edge operates. As per the Company's internal assessment, there is a gestation period of 7-10 years for any new entity in the internet space in India to become a self-sustaining enterprise with a meaningful growth path.

During FY2017, around ₹617 million was invested into the investee companies. As reported in the Annual Report for FY2016, the Company had restructured investments into investee companies by deploying an additional layer of subsidiaries that allowed greater flexibility in future funding. With this structure in place and the changing dynamics of shareholding percentages in the investee companies, some companies that formed part of the consolidated accounts earlier are no longer in the list; while others that were not a part of consolidation process have now come into play. As examples, in FY2017, zomato.com was no longer a subsidiary company for the consolidated accounts on account of fully converted and diluted shareholder percentages; while canvera.com was added to the consolidated numbers.

Table 2 gives the status of Info Edge's investee company portfolio

Investee Company	Website	Aggregate amount invested (₹ Mn)	% holding on fully diluted basis*
<b>Active</b>			
Zomato Media Pvt Ltd.	www.zomato.com	4838	46%
Applert Learning Systems Pvt Ltd.	www.meritnation.com	**1205	59%
Etechaces Marketing and Consulting Pvt Ltd.	www.policybazaar.com	***162	****10%
Kinobeo Software Pvt Ltd.	www.mydala.com	270	42%
Canvera Digital Technologies Pvt Ltd.	www.canvera.com	288	57%
Happily Unmarried Marketing Pvt Ltd.	www.happilyunmarried.com	223	48%
Mint Bird Technologies Pvt Ltd.	www.vacationlabs.com	60	26%
Green Leaves Consumer Services Pvt Ltd.	www.bigstylist.com	124	39%
Rare Media Company Pvt Ltd.	www.bluedolph.in	74	35%
Unnati online Pvt Ltd.	www.unnatihelpers.com	40	29%
VCare Technologies Pvt Ltd.	www.diriolabs.com	40	15%
IdeaClicks Infolabs Pvt. Ltd.	ww.zippserv.com	24	29%
<b>Sub Total</b>		<b>7,348</b>	
<b>Written Off/ Provisioned For/Exited</b>			
Studyplaces Inc.	www.studyplaces.com	45	13%
Ninety Nine Labels Pvt Ltd	www.99labels.com	285	47%
Nogle Technologies Pvt Ltd	www.floost.com	26	31%
Canvera Digital Technologies Pvt Ltd.	www.canvera.com	786	-
<b>Sub Total</b>		<b>1,142</b>	
<b>Total</b>		<b>8,490</b>	

\* Approximate shareholding on fully diluted and converted basis held directly or indirectly (through subsidiaries, associates or affiliates). The % shareholding may or may not translate into an equivalent economic interest on account of conditions in the investment/shareholders agreement.

\*\* Including ₹237 Mn Loan

\*\*\* Excluding ₹163 Mn monetized in Nov 2015

\*\*\*\* Being Info Edge's proportionate share of economic interest. Info Edge's 50.01% subsidiary (However the same has been considered as Joint Venture in financial statement pursuant to Ind AS), Makesense holds nearly 20% of Policybazaar in association with Temasek. Temasek had infused a total of ₹1342 Mn for its 49.99% stake in Oct 2015.

TABLE 2

INVESTE  
COMPANY  
PORTFOLIO  
STATUS (AS  
ON MARCH  
31, 2017)

## Consolidated Financial Performance

TABLE 3

ABRIDGED  
CONSOLIDATED  
PROFIT AND  
LOSS (₹  
MILLION)

	IND-AS	
	FY2017	FY2016
<b>Revenue from Operations</b>	<b>8,876.31</b>	<b>7,475.12</b>
<b>Expenses</b>		
Cost of materials consumed	117.62	-
Employee Benefits Expenses	4,565.52	3,823.23
Advertising and Promotion Costs	926.15	1,375.34
Administration and other expenses	1,309.02	1,103.60
Network, internet and other direct charges	186.02	251.11
<b>II Total Expenses</b>	<b>7,104.33</b>	<b>6,553.28</b>
<b>EBITDA</b>	<b>1,771.98</b>	<b>921.84</b>
Depreciation	327.61	238.18
Other income	828.45	4,406.55
<b>EBIT from ordinary items</b>	<b>2,272.82</b>	<b>5,090.21</b>
Finance Cost	2.33	0.87
<b>PBT for ordinary items</b>	<b>2,270.49</b>	<b>5,089.34</b>
Exceptional items	323.86	322.29
<b>PBT</b>	<b>1,946.63</b>	<b>4,767.05</b>
Tax	477.97	573.48
<b>PAT</b>	<b>1,468.66</b>	<b>4,193.57</b>
Share of Profit / (loss) of associates and joint ventures	(1,895.56)	(3,015.07)
Share of Minority Interest in loss of subsidiary companies	189.48	177.17
<b>Net Profit</b>	<b>(237.42)</b>	<b>1,355.67</b>
Other Comprehensive Income (including share of profit/ (loss) of joint venture, net of tax)	(1.14)	92.00
<b>Total Comprehensive Income/(Loss)</b>	<b>(238.56)</b>	<b>1,447.67</b>

BOX 2

### CONSOLIDATED — PERFORMANCE HIGHLIGHTS

- Revenue from operations increased by 18.7% to ₹8,876 million in FY2017.
- Operating EBIDTA increased by 92.2% to ₹1,772 million. EBIDTA margin improved from 12.3% in FY2016 to 20% in FY2017.
- Total Comprehensive Income- the losses were ₹239 million in FY2017. There were no major gains from sale or transfer of investments in FY2017, unlike in FY2016.

### BRANDS UNDER DIRECT MANAGEMENT – STANDALONE ENTITY

Info Edge has steadily grown and developed its businesses over a period of time. On a standalone basis, for some time now it has focused on the brands described in box 3. Across the Company, there is strong emphasis on execution and all efforts are focused on nurturing the growth and maximising value creation in the existing brand portfolio.

**CORE BUSINESS**

- The online recruitment business — [naukri.com](http://naukri.com). The recruitment portfolio is supported by the offline executive search business, Quadrangle, and its associated portal, [www.quadranglesearch.com](http://www.quadranglesearch.com). There is also the web portal, [www.naukrigulf.com](http://www.naukrigulf.com) that caters to the Middle-East job markets; and the fresher hiring site, [www.firstnaukri.com](http://www.firstnaukri.com).
- The online real estate classified business, which operates through the portal [www.99acres.com](http://www.99acres.com).

**OTHER BUSINESSES**

- The online matrimonial classified business, which operates through the portal [www.jeevansathi.com](http://www.jeevansathi.com).
- The online educational classifieds business, which operates through the portal [www.shiksha.com](http://www.shiksha.com)

**Recruitments – Naukri.com**

The recruitment services business is built around [naukri.com](http://naukri.com) and comprises the following portals:

- **[naukri.com](http://naukri.com)**: This is the Company's flagship brand and India's largest online jobsite
- **[naukrigulf.com](http://naukrigulf.com)**: This is a jobsite that focuses on the middle-eastern market
- **[quadrangle.com](http://quadrangle.com)**: This is primarily an off-line headhunting business that derives revenues from successfully positioning a person with a company
- **[firstnaukri.com](http://firstnaukri.com)**: Launched in January 2009, this site focuses on entry-level jobs

Apart from the temporary slowdown brought about by the Govt's demonetisation drive in Q3FY2017, sluggishness in the global economy and the protectionist measures being adopted in developed countries have affected the job market in India. The Naukri Jobspeak Index suggests that after the major shock in November 2016 on effect of demonetisation, hiring activity revived in end January – early February. However, the index has been volatile and suggests an uncertain environment in the job market in India. Particularly, the IT and technology sectors have been under pressure. However, in the short run, for a portal like [naukri.com](http://naukri.com), such job market slowdown brings in greater activity in terms of job searches and people seeking a change. In the long term, the Company believes that the projected growth in the Indian economy will revive the job market and conditions will stabilise. Also, the Company has been consciously widening its scope to non-IT sectors and diversifying risks. Today, around 50% of its business is from sectors other than IT and ITES.

In a fairly difficult business environment, recruitment solutions, which is the Company's core business continued to deliver strong results in terms of growth in revenues and profits. This shows up in Box 4.

- Net sales from recruitment increased by 12.5% — from ₹5,290 million in FY2016 to ₹5,953 million in FY2017.
- Operating EBITDA loss for FY2017 was ₹3,214 million

The recruitment business has two major sources of revenue:

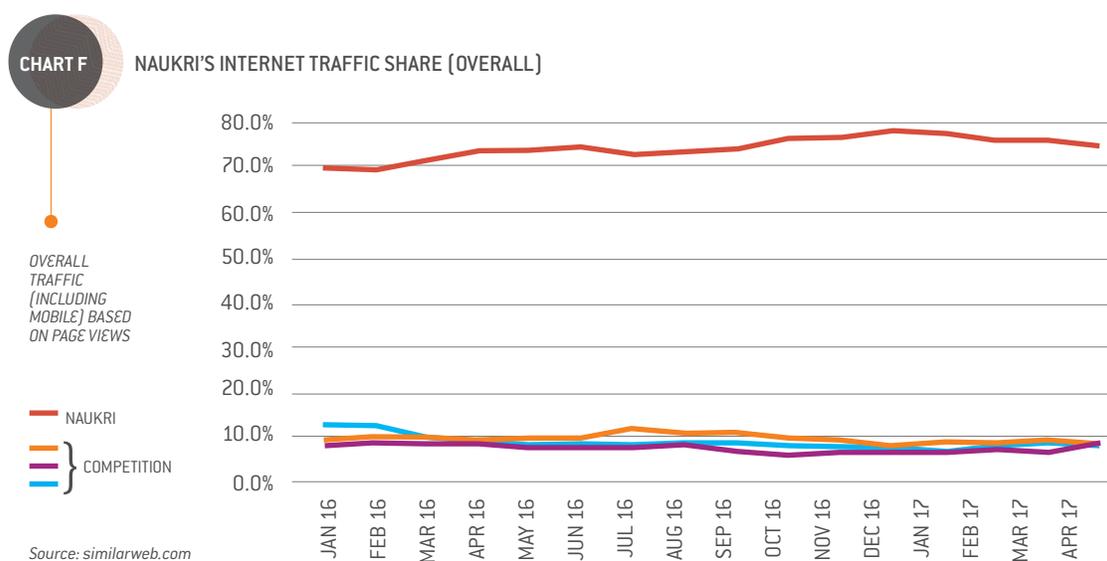
- (i) From recruiters, which accounts for around 90% of revenues. The different elements include job listing/response management; employer branding / visibility, and others, such as résumé short

listing and screening, career site management and campus recruitment, and non-recruitment advertising other than for jobs.

- (ii) From job seekers, which relate to all job seeker advisory services, and accounts for about 10% of segment revenues.

Naukri.com continues to leverage its dominant leadership position in the market. Its growth engine is powered by the virtuous circle that its dominant positioning provides — maximum traffic resulting in most responses attracting the most clients leading to the most job postings, which in turn propels maximum traffic. This leadership position also provides the brand with healthy profits that enables better investments providing an even greater competitive edge in the market. This includes investments into product innovation, engineering, brand support, sales network, servicing back office, and hiring superior talent.

Chart F plots the overall traffic share for naukri.com in FY2017. It maintained a steady traffic share above 70% through the year, with the actual share increasing to around 75% by April 2017.



The primary usage parameters also highlight the continuous growth of naukri.com.

- Number of résumés in naukri.com's database increased by 10.9% — from around 46 million at the end of FY2016 to 51 million at the end of FY2017.
- Number of unique customers grew by 6.7% — from 61,400 at the end of FY2016 to ₹65,500 at the end of FY2017.
- Average realisation per customer increased by 6.5% from around ₹69,000 in FY2016 to ₹73,500 in FY2017.

In the middle of Q1FY2017, naukri.com initiated a new sales and incentive policy to help reduce discounting and increase revenues from some large customers who tend to renew at the quarter-end. In the long run this will help streamline the sales process and increase revenues. However, in the short term, a transition to this policy resulted in some deferment of sales across quarters and has had a slight adverse impact in revenues for FY2017. The negative impact will be streamlined by the second half of FY2018.

As the flagship brand, the strategy adopted by naukri.com is at the heart of Info Edge's business ethos. The focus on creating dominant leadership is driven by several other business drivers. The stress has been on 'continuous' innovation across the four pillars of the business – product, engineering, channels and services.

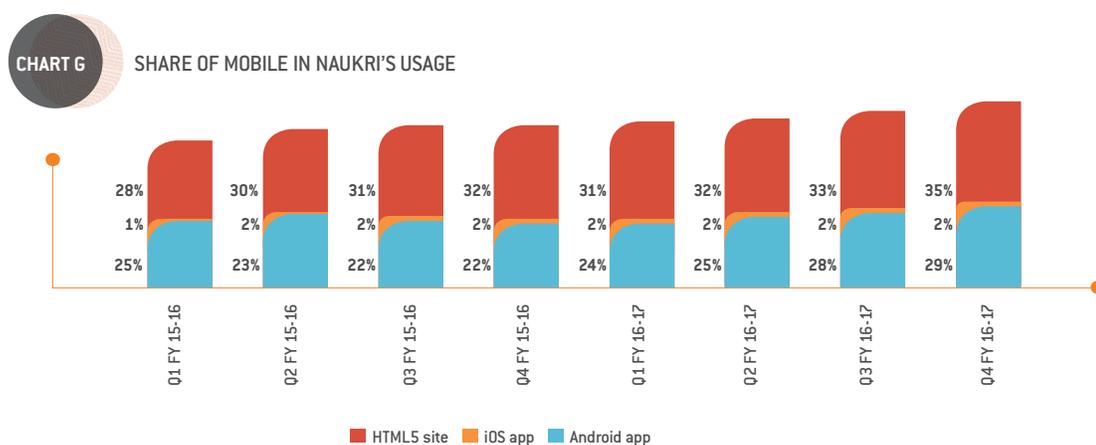
For products, the emphasis has been on regularly introducing newer products and features that solve particular problems in the online recruitment space. Some major initiatives include:

- **Career Site Manager (CSM):** This supports a recruiter's end-to-end hiring process through a combination of career link on website including a mobile ready career site; social media recruiting including search engine optimisation; and an application tracking system with searchable CV database. This product has gained good traction and has been sold to over 2,500 customer in FY2017. During FY2017, additional capabilities and features were added and certain variants are being launched. During FY2017, the CSM Pro version was launched and did well in the market, and during Q4, FY2017 the CSM Enterprise version was also launched.
- **Recruiter Profile:** This provides a platform for public profiles of HR professionals and recruitment consultants. The facility allows jobseekers to follow recruiter updates, keeps jobseekers informed of recruiters' active jobs, and helps build recruiter's personal database. Today, over 200,000 recruiter profiles are available on naukri.com.
- **Naukri Referral Hiring Tool:** This is an end-to-end employee referral management and automation tool. It includes a mobile ready employee referral site; mechanism for social media based referrals; employee engagement through gamification, which also provides real time notification to employees; and integrated referral tracking with automated job posting and pay-out reporting. This was sold to over 900 clients in FY2017 and, as of March 2017, had over 188,000 employees registered.

In addition, there are new initiatives for job aggregation from other websites, cloud based solutions to companies and a value added service called e-hire.

On the engineering and technology development front the focus has been on semantics and analytics that optimises the search mechanism for a more enhanced customer experience. There is stress on improving customer service with emphasis on a solutions based responsive approach to servicing customers. In terms of channels, apart from the physical support from the widespread pan India sales team, Info Edge has emphasised the mobile platform for its services in addition to the regular html site. There are also apps in place for iOS and Android based phones. As of Q4, FY2017, over 63% of the sessions for naukri.com originated from the mobile platform.

As Chart G shows that the share of mobile has steadily gone up in the last two years.



Naukri.com is supported primarily by offerings that complete the Company's full service suite in the recruitment space: *naukrigulf.com*, *Quadrangle* and *firstnaukri.com*

- **naukrigulf.com** is working on replicating the naukri model in the Middle East. While the initial focus was on the Indian diaspora, today, people from several nationalities use the site. While in the last two years there has been reasonable gains in markets like Dubai, Abu Dhabi, and Oman, in FY2017 the business continues to be adversely affected by the slowdown in the Middle-east on account of low oil prices.
- **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. The business continues to perform creditably with little incremental investments.

- **firstnaukri.com** was launched in Q4, FY2010. The site targets at hiring fresh students from campuses. Today, much of this hiring is done offline, and the focus on this business is to convert the existing offline activities to online and build on the potential of online campus hiring. This is at a nascent stage of development.

### Real Estate – 99acres.com

**99acres.com** derives its revenues from property listings, builders' and brokers' branding and visibility through micro-sites, home page links and banners servicing real estate developers, builders and brokers. Box 5 gives the financial performance highlights of **99acres.com**.



#### 99ACRES.COM — PERFORMANCE HIGHLIGHTS

- Net sales from 99acres.com increased by 3.67% from ₹1,083 million in FY2016 to ₹1,122 million in FY2017.
- Operating EBITDA loss for FY2017 was ₹597 million.

Revenue streams for 99acres.com originate from:

- 1) Listing and branding/visibility advertisements: paid by agents and developers, currently free for individuals.
- 2) Others: microsites, home page links, Google Ad sense, advertising other than for real estate, buyer database access and international listings.

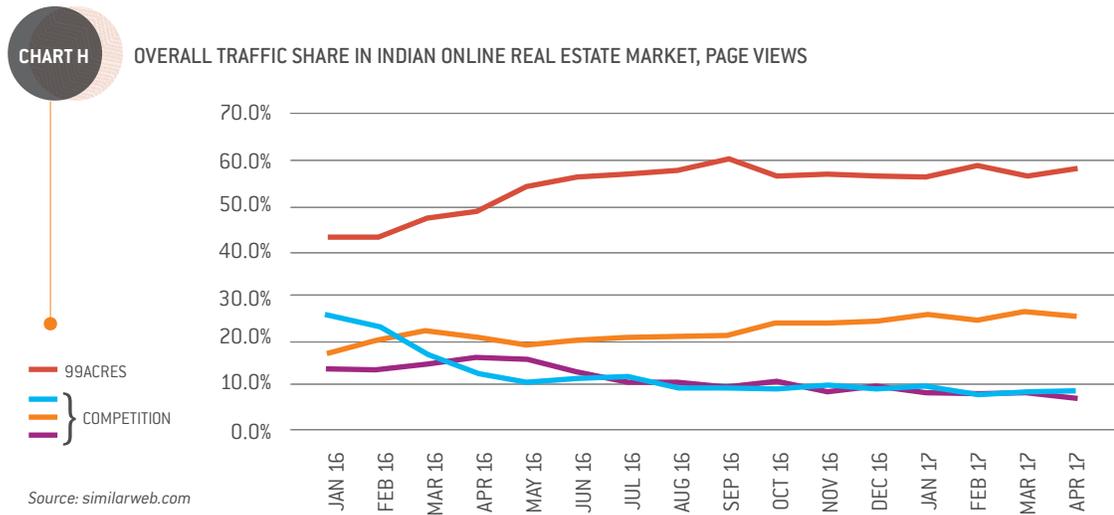
The usage parameters highlight some traction in revenue generating traffic in a very difficult business environment:

- Number of listings on 99acres.com increased by 4.9% — from around 4.1 million during FY2016 to 4.3 million in FY2017.
- Number of paid listings grew from 2.8 million during FY2016 to 2.9 million in FY2017.

This business bore the brunt of the demonetisation drive. During Q3 FY2017 traffic to the site dropped by 40% to 45% as the entire Indian real estate sector was nearly paralysed with hard cash being driven out of the system. However, there have been encouraging signs in Q4 FY2017, with a revival in activities and enquires on the site. However, from a broader perspective, the real estate market in India continues to be sluggish having been adversely impacted by several factors. It is expected, that with demand for new homes being generally weak and unfinished projects and inventory overhang continuing in the market, the sector will take some time to rebound. Further, as provisions of the Real Estate (Regulation and Development) Act (RERA) come into effect in various states and the rules are notified under the act, a sectoral clean-up in the real estate industry will occur over the next few years. In the short-term, this will affect the industry and 99acres.com. However, in the long-term there will be benefits as the market becomes a safer place for all buyers. There are some merger and acquisition activities happening in the space and the industry is consolidating. This has reduced aggressive spending on promotions in the market and activities have returned to steady state.

Under these conditions, much of the growth in demand will emanate from the shift of marketing spends from regular channels to the online space. The potential for this transformation is significant. Total spend of real estate advertisements in the print medium is estimated between ₹1,500 crore and ₹2,000 crore, while the online real estate classifieds market is projected to be around ₹330 crore. There is considerable scope for using online channels to narrow this gap.

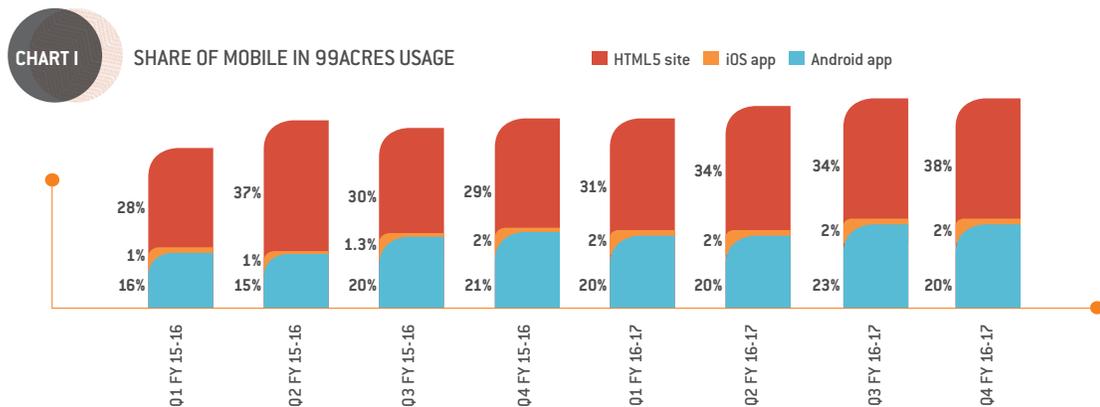
There has been a churn in the industry and 99acres.com has started gaining market share in terms of traffic. It has attained clear leadership status through the course of FY2017 and ended with a market share of around 60% in terms of page views. Chart H gives the data.



This leadership position has been achieved through increased investments in product aesthetics, data quality, innovation and marketing, leading to significant customer retention. Info Edge maintains its strong cash position to invest in this brand when the market conditions so demand.

Similar to the naukri experience, 99acres.com is starting to reap the benefits of market dominance. The business continues to focus on revenue growth and market share gain. It has also adopted Info Edge's innovation driven growth strategy. In terms of the product, this translates into new offerings for builders, lead optimisation and monetisation. In engineering, the stress is on effective use of analytics, verification of listings and improvements in quality of listings. From the services perspective, there is additional focus on customer responsiveness, project comparison updates and innovative payment plans. In channels, the emphasis is on personalisation and brand building, along with the efficacies of mobile presence and the html site. With a focus on effectively utilising this strategy and preserving cash for investments at the right time, the cash burn has also been reduced an operating losses have come down.

The mobile platform continues to grow for 99acres.com. Chart I plots the data over the last two years.



**Matrimonial – jeevansathi.com**

Jeevansathi offers a free platform for listing, searching, expressing interest and accepting others expression of interest in the online matrimonial space. These features allow growth in traffic for the website. Revenues are generated from sharing of contact details and some value added services. The

online platform is supported by 10 operational offline centres where there is walk in services for matchmaking. Box 6 gives the performance highlights for this business.

**BOX 6**

**MATRIMONIAL — PERFORMANCE HIGHLIGHTS**

- Net sales from matrimonial business increased by 22% to ₹580 million in FY2017.
- Posted operating EBIDTA losses of ₹79 million.

The usage data does also highlights the steady growth in the brand.

- Profile listings increased from 7.6 million at the end of FY2016 to 8.5 million by the end of FY2017 — an increase of 11.8%
- Average number of profiles acquired daily grew by 9.4% from 2,184 in FY2016 to 2,390 in FY2017.

The Indian online matrimonial market was estimated to be around ₹5.5 billion to ₹6 billion in FY2016. The nature of the market is so fragmented in terms of geography and communities that there is scope for several niche services. A generic pan-India model cannot gain complete market dominance. The online matrimony space is used primarily by those who are disconnected from mother communities and youngsters seeking choice. Thus, the service packages for online play in the Indian matrimonial market is very different from the localised offline matchmaking services. In most instances, it is actually family members and parents who drive traffic on to these sites. This segment is largely unaffected by macroeconomic developments. However, demonetisation did have some negative impact for a transient period as cash uncertainties delayed marriage preparations.

In terms of market share, jeevansathi.com is positioned third in the Indian market. However, each of the leading players have focused regional markets. The overall leader has strong presence in south India and the NRI community from that region. The number two player has strength in states like Gujarat and Punjab and among the NRIs of that region. Jeevansathi.com has leadership among certain north Indian communities and states. However, there are also certain overlaps among the three players.

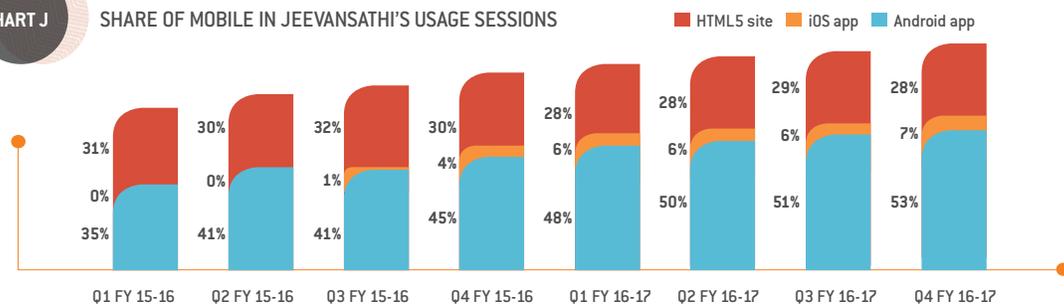
In this market dynamics, jeevansathi.com focuses on certain specific communities and is focused on achieving certain specific strategic imperatives:

- Improve free to paid conversion rate
- Improve revenue growth rates
- Increase profile acquisitions
- Focus on key identified communities
- Leverage mobile

The business has been working steadily to improve its mobile penetration. This included improving the customer experience on the mobile platform and enhancing the accessibility of the site through mobile. Chart J shows the gradual increase of the mobile platform in sessions of jeevansathi.com – from 79% in Q4 FY2016 to 88% in Q4 FY2017.

**CHART J**

**SHARE OF MOBILE IN JEEVANSATHI'S USAGE SESSIONS**



## Education – shiksha.com

Shiksha – the newest business in Info Edge’s stand-alone portfolio – is still going through an initial phase of development. This involves gaining deeper understanding of the nuances in the online education classifieds market and morphing the product and services to create value to customers. The focus is on evolving the website as a trend-setting product with a clear market differentiation. Shiksha is in a process of incubation. Product and market developments are being undertaken in a planned and calibrated manner with optimal utilisation of capital.

Shiksha has been strategically positioned as a website which helps students decide undergraduate and postgraduate options, by providing useful information on careers, exams, colleges and courses. The site generates revenues from the following sources:

- 1) Branding and advertising solution for colleges and universities (UG, PG, post-PG). It has got advertising revenues from both Indian and foreign entities.
- 2) Lead generation: Potential student/applicants details are bought by colleges and their agents. Full counselling services are provided for international university partners.

Prospective students have free access to all information on this site. Box 7 gives the financial highlights of this brand during FY2017.

### BOX 7 EDUCATION — PERFORMANCE HIGHLIGHTS

- Net sales from shiksha.com increased by 11% to ₹365 million in FY2017.
- Operating EBITDA loss for FY2017 was ₹37 million

Traditionally, education has very high spends in the print media. There is considerable opportunity in transiting users from print to digital. Shiksha’s business strategy is based on the foundation of four pillars.

- First, is to build differentiated and useful content. Through this, it intends to provide more useful and improvement information on colleges and courses for different streams. In doing so, it will stress on utilising user generated content like Q&A with the community, experts and campus representatives; college reviews; and interactive student tools.
- Second, is to create strong mobile experience. This includes full feature mobile sites for domestic and study abroad. It also includes development of full version applications with personalised experience.
- Third, is to promote new user growth. This is being done by providing updated course architecture, and also providing details about courses beyond the regular engineering and MBA opportunities.
- Fourth, is to focus on key account development. This includes providing innovative branding and student engagement solutions, creation of applications for international clients, and emphasis on deeper key account management by the sales team.

## INVESTEE COMPANIES

Having preserved cash for any unforeseen use, Info Edge utilises some of the surplus to invest into new entities that have scalable potential and follow the basic ethos of Info Edge. These are typically in early stage ventures and their subsequent rounds of funding for growth. Consequently, most of these companies are still in investment stage and are loss-making.

The objectives of this investment strategy are: (i) to support the growth of new ideas nurtured by a team with entrepreneurial drive, (ii) gain financially from the success stories that generate value, and (iii) bring such enterprises into the Info Edge fold, if such opportunities arise in future. The financial performance of these companies is given in Table 4.

TABLE 4

REVENUES  
AND  
OPERATING  
PROFITS  
OF THE  
INVESTEE  
COMPANIES

\*Associate  
of our joint  
venture  
"Makesense  
Technologies  
Ltd"

Investee Company	Website	Operating Revenue		Operating EBITDA	
		FY16	FY17	FY16	FY17
<b>Partly owned subsidiary</b>					
Applect Learning Systems Pvt Ltd.	www.meritnation.com	287.09	362.99	(415.00)	(225.84)
Canvera Digital Technologies Pvt Ltd.	www.canvera.com	557.27	488.91	(334.11)	(270.19)
<b>Joint Ventures</b>					
Zomato Media Pvt Ltd.	www.zomato.com				
Etechaches Marketing and Consulting Pvt Ltd.*	www.policybazaar.com				
Kinobeo Software Pvt Ltd.	www.mydala.com				
Happily Unmarried Marketing Pvt Ltd.	www.happilyunmarried.com				
Mint Bird Technologies Pvt. Ltd.	www.vacationlabs.com	3,899.73	5,791.88	(6,070.07)	(2,128.73)
Green Leaves Consumer Services Pvt. Ltd.	www.bigstylist.com				
Rare Media Company Pvt. Ltd.	www.bluedolph.in				
IdeaClicks Infolabs Private Ltd.	www.zippserv.com				
Unnati Online Pvt Ltd.	www.unnatihelpers.com				
VCare Technologies Pvt. Ltd.	www.diolabs.com				
<b>Total</b>		<b>4,744.09</b>	<b>6,643.78</b>	<b>(6,819.18)</b>	<b>(2,624.76)</b>

Above numbers are based on IndAS.

Among these investments, two are starting to gain considerable traction — Zomato Media Private Limited and Etechaches Marketing and Consulting Private Limited that runs policybazaar.com

## Zomato

This is the online restaurant discovery and food ordering business. It has clear leadership in India and UAE, which is considered its home market. Today, directly or through acquisitions, it has a presence in 23 countries including India, UK, Canada, Czech Republic, Slovakia, Poland, Portugal, UAE, NZ, South Africa, Turkey, Philippines, Indonesia, Italy, Brazil, Ireland, Qatar, Sri Lanka, Chile, Australia, US, Lebanon and Malaysia.

The business recorded around 120 million sessions in March, 2017. Of these, over 75% were through mobile (web and app). Today, it has a database of 1.27 million restaurants across the world.

The business model focuses on the following:

- Advertising
  - Banner ads on web and mobile apps relevant to a user's search of restaurants in an area.
  - Events, sponsored spots in collections and corporate tie-ups.
- Digitise restaurant menus, provide relevant information (including map coordinates, pictures etc.).
  - Regular data updating through feet on street beats.
- Generate ratings and reviews and enable picture uploads from users.
- Provide a 'wow' user experience by:
  - Search capabilities by location, cuisine, dish names.
  - Convenience through a high quality mobile app.
- Food ordering on the web and mobile app
  - Online food ordering launched in India and UAE (Dubai and Abu Dhabi) from FY2016.
    - Delivery done by restaurant or by Zomato's logistics partners.
    - Around 2 million plus orders processed in March 2017.
- Table reservation active in 10 cities in India, UAE, Australia and the Philippines.
- Table reservations (Zomato Book) across eight cities globally.

The business recorded revenues of ₹3,323 million in FY2017. It had Operating EBITDA losses of ₹1519 million.

## **Policybazaar**

Policybazaar is India's financial online supermarket. It provides for online price comparison site of financial products; mainly for insurance, and is expanding fast into other financial products (Paisabazaar). It is a clear value add to individuals and financial institutions and is a leader in its category with estimated 90% share of Insurance comparison services and 40% of online Insurance transactions. It has potential to penetrate a large untapped and growing market, as less than 4% of the Indian population is insured. 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, it is growing; and it is laying emphasis on distance marketing and advertising.

Info Edge has invested ₹325 million in Etechaces Marketing & Consulting Private Limited. But with other partners investing further, Info Edge's interests in the business has reduced to 10% economic stake. Tiger Global, Intel Capital, Temasek and Premji Invest are the co-investors.

## **Meritnation**

Info Edge has invested ₹968 million for around 59% stake in Applect Learning Systems Private Limited. Further, ₹237 million has been given as loan. 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:

- Supplementary online learning platform for K-12 and Entrance Exams. These involve: proprietary content, freemium models; and direct to consumer.
- Provides free solutions mainly in mathematics and science for K-12 for the popular Indian curriculums viz. CBSE and ICSE and some State Boards; as well as free solutions restricted to popular text books and user generated content.
- Paid product for online assessment and teaching solutions which provides resources to kids for self-study after school; as well as the option for live online tuition classes.
- Expanding offline centres.
- Test prep product for engineering and medical entrance examinations.
- On-line live classes.

These services have been augmented by a mobile app and offline model. In FY2017, around 55% to 60% of the traffic came from mobile platforms. Today, it has over 10 million registered users.

## **Canvera**

It produces printed wedding albums for professional photographers, and has recently added a section for consumers called 'Yougraphy'. The business model is about building the brand with the consumer but monetise through the professional photographer. The products and services include: (i) printed products (albums) sold to the photographer (main source of revenue); (ii) design of printed products and websites (service business that supports the product business); (iii) web solutions to help professional photographer build their website (through SaaS); and (iv) lead generation through photographer classifieds (new offering that could explore a monetisation possibility).

The business is about leveraging the company's expertise in digital imaging and printing. From a revenue perspective, the photographers pay to order printed albums or photographs. Additional sources of monetisation are possible through the micro site. It has a sales presence in more than 200 cities.

## **MyDala**

It is a deals and couponing site with large sales team which sources deals. They also power deals on the mobile, partnering with telecom operators. The business is making efforts to evolve into a merchant marketing platform on web and mobile, with majority of its revenues from mobile. It has about 50 million visitors and 5 million transacting customers every month.

## Happily Unmarried

Today, this is the business which is mainly offline in Info Edge's portfolio. It sells innovative fun products through retail outlets with an Indian and whacky touch. The introduction of these products on the online platform is gaining traction. It has also launched a grooming range for men called 'Ustara'.

## 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 result in corruption of all data and/or security breaches. The Company has established a secondary site in India as a precautionary measure or disaster recovery .
- **Obsolescence:** 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 in India 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 26.85% of its total stand-alone revenues.
- **Investment Risk:** The Company has an exposure of investments worth ₹7,348 million in investee start-ups. There is a probability that this entire investment might not generate returns, and absorb more cash in the incubation/ early phase. Already, ₹1,142 million or 15.7% of all such investments ever made have been written-off, exited or provisioned for. These are calculated risks, which is part of the Company's growth strategy. Also the reported equity holdings in the investee companies may not translate into an equivalent economic interest on account of the terms of investment including senior rights given to an investor or a group of investors or ESOP dilution.

### Financial Risks

- **Tax Issues:** The Company has had a few income tax and service tax cases against it, which, if lost, may impact future cash flows. However, none of these is material.
- **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.
- **Privacy:** Changes in privacy laws may impact the Company's ability to share personal data on their websites. However, since in most cases the Company seeks prior consent from the users before sharing any such data, the effect of this development on Info Edge should be minimal.

### Manpower and Regulatory Risks

- **Attrition:** Being a knowledge driven business, 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 and 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 trademarks against infringement/passing off by third parties who use them in a trademark sense. Even so, it is exposed to risks of third parties trying to use our marks. There are also risks attached with the litigation process. Also, litigation is a time & resource intensive activity and may be on-going.

## 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.

## OUTLOOK

In essence, the recruitment business had a good FY2017 and should continue to benefit as the economy improves further. Info Edge's competitive position in naukri.com continues to be very strong. Newer products and site improvements undertaken in FY2017 have yielded good results. The Company will continue to invest more in this business mainly in areas like product development, machine learning to improve matching algorithms and the mobile user experience.

The 99acres.com traffic share has grown even in a weak market and possibly the business could have done better were it not for demonetisation. The real estate market continues to be weak in most cities and the implications of RERA are expected to unfold over the next 6 to 12 months. In our view, RERA is positive for the business in the long run as a more transparent, organised and professional real estate industry is good for all concerned. Competitive intensity has subsided for the time being, but the impact of RERA in the short term could be negative as there is confusion around the new rules. Info Edge remains committed to this market and will continue to invest more in this business.

During FY2017, the encouraging response to jeevansathi.com has been a positive and the Company will continue to push this business. Shiksha is also close to breaking even.

Though there are some macroeconomic uncertainties going into FY2018, these should not come in the way of Info Edge's leadership position in terms of traffic share across its brands. The Company remains optimistic about FY2018.

## 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.*

INFO EDGE TRUSTS THAT THE BOARD OF DIRECTORS OF A COMPANY IS THE TRUSTEE OF ALL INVESTOR'S CAPITAL AND IS OBLIGATED TO MAXIMIZE SHAREHOLDERS VALUE OVER THE LONG TERM, WHILE PRESERVING THE INTERESTS OF ALL ITS STAKEHOLDERS, SUCH AS CUSTOMERS, BUSINESS PARTNERS/VENDORS, EMPLOYEES AND THE SOCIETY AT LARGE. YOUR COMPANY IS COMMITTED TO HIGH LEVELS OF ETHICS AND INTEGRITY IN ALL ITS BUSINESS DEALINGS, DEVOID OF ALL CONFLICTS OF INTEREST. IN ORDER TO CONDUCT BUSINESS WITH THESE PRINCIPLES, INFO EDGE MAINTAINS A HIGH DEGREE OF TRANSPARENCY THROUGH REGULAR DISCLOSURES AND A FOCUS ON ADEQUATE CONTROL SYSTEM.

GOOD CORPORATE GOVERNANCE PRACTICES LIE AT THE FOUNDATION OF INFO EDGE'S BUSINESS ETHOS. THE COMPANY DOES NOT VIEW CORPORATE GOVERNANCE PRINCIPLES AS A SET OF BINDING OBLIGATIONS, BUT BELIEVES IN USING IT AS A FRAMEWORK TO BE FOLLOWED IN SPIRIT. THIS IS REFLECTED IN COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE.

THE FOLLOWING REPORT ON CORPORATE GOVERNANCE IS A SINCERE MANIFESTATION OF THE EFFORTS MADE BY YOUR COMPANY TO ADOPT AND FOLLOW THE PRINCIPLES OF CORPORATE GOVERNANCE IN TRUE LETTER AND SPIRIT. THIS REPORT, ALONG WITH MANAGEMENT DISCUSSION & ANALYSIS REPORT AND ADDITIONAL SHAREHOLDERS' INFORMATION PROVIDES THE DETAILS OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE PRACTICES BY YOUR COMPANY AS CONTAINED IN SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

## CORPORATE GOVERNANCE PHILOSOPHY

Info Edge's philosophy on Corporate Governance envisages accomplishment of a high level of transparency, integrity, honesty and accountability in the conduct of its businesses and puts due prominence towards regulatory compliances. 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's governance structure is designed to provide a framework for the successful implementation of this business ethos.

Your Company always strives to adopt best global practices in Corporate Governance and remains abreast with the continuous developments in the industry's Corporate Governance systems. The entire framework is governed by a strong Board of Directors and executed by a committed team of management and employees.

## BOARD OF DIRECTORS

A quality Board, being at the core of its Corporate Governance Practice, plays the most pivotal role in overseeing how the management serves and protects the long-term interests of all stakeholders. Info Edge firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the Management.

**SELECTION OF THE BOARD:** In terms of the requirement of the provisions of the Companies Act, 2013, and provisions of the Listing Regulations the Nomination and Remuneration Committee has been designated to evaluate the need for change in the composition and size of the Board of the Company and to select members to fill Board vacancies and nominating candidates for election by the Shareholders at the Annual General Meeting.

**COMPOSITION OF THE BOARD:** Info Edge's Board consists of an optimal combination of Executive Directors and Non-executive Directors with varied professional backgrounds, representing a judicious mix of professionalism, knowledge and experience. As on March 31, 2017 the Company's Board comprised of 9 (Nine) Directors, of which three are Executive Directors, five are Independent Directors (including one Woman Director) and one is a Non-executive Director. The Chairman of the Board is a Non-executive, Non-promoter Director.

***Even though, Regulation 17 of Listing Regulations 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 significance 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 AS ON MARCH 31, 2017.**

Name of Director	Position	Age
Mr. Kapil Kapoor	Non-Executive Chairman	52
Mr. Arun Duggal	Non-Executive, Independent Director	70
Mr. Sanjeev Bikhchandani	Promoter, Executive Vice-Chairman	53
Mr. Hitesh Oberoi	Promoter, Managing Director & CEO	45
Mr. Chintan Thakkar	Whole Time Director & CFO	50
Mr. Saurabh Srivastava	Non-Executive, Independent Director	71
Mr. Naresh Gupta	Non-Executive, Independent Director	50
Ms. Bala Deshpande	Non-Executive, Independent Director	51
Mr. Sharad Malik	Non-Executive, Independent Director	53

**EXTERNAL COMMITMENTS OF WHOLE-TIME DIRECTORS:** The Company regulates 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. It is aimed to define the maximum time the Whole-time Directors can devote to external engagements, maximum limit for strategic investments etc. The Whole-time Directors are also prohibited to accept board/advisory positions in any external organization (other than not for profit organizations) where they have made personal investments.

**BOARD MEETINGS**

**1. INFORMATION SUPPLIED TO THE BOARD:** The Board has complete access to all the information of the Company. Information stipulated under Regulation 17(?) read with Schedule II to Listing Regulations is regularly provided to the Board as part of Agenda papers along with Notes on Agenda, presentations and other necessary documents seven days in advance of the Board Meetings. Agenda items which are in nature of unpublished price sensitive information are dealt as per the provisions of the Companies Act and Secretarial Standard 1 on Board Meetings. There is a structured manner in which agenda items are created and materials are distributed for Board meetings.

**2. SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS:** The Company Secretary prepares the Agenda of the Board meetings on the basis of suggestions from the 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 the Company strategy, performance and business plans, budget (annual operating and capital expenditure), strategic investments and exposure limits, ethical business practices and legal compliances, accounting and internal 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. The members of the Board always have complete liberty to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussions. They are also free to bring up any matter for discussion at the Board Meetings.

The Board also periodically reviews internal controls 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 the minutes of the Board meetings of Company's unlisted subsidiary company(ies) are also placed before the Board for information and noting in compliance with the Listing Regulations.

**4. SCHEDULING OF BOARD MEETINGS:** An Annual Calendar of Board Meetings/Committee Meetings is agreed upon at the beginning of the year. The Board meets at least once every calendar quarter to discuss and review the quarterly results and other items of agenda including the information required to be placed before the Board as required under Regulation 17 read with Schedule II to Listing Regulations. A minimum of four Board meetings are held every 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.

The Board has an effective post meeting follow-up procedure. Items arising out of previous Board meeting and their follow up action taken report is placed at the immediately succeeding meeting for information of the Board.

**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 within 15 days of the conclusion of the meeting. The finalized minutes of proceedings of a meeting are entered in the Minutes book within 30 days from the conclusion of that meeting after incorporating the comments/changes, if any, suggested by the Directors.

**6. MEETING OF INDEPENDENT DIRECTORS:** Pursuant to Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, Independent Directors met twice on May 25, 2016 and on December 19, 2016 without the attendance of non-independent directors and members of Management.

The Board's policy is to regularly have separate meetings with Independent Directors/ Non-Executive Directors, to update them on all business-related issues and new initiatives. At such meetings, the executive directors and other members of all Management make presentations on relevant issues.

**7. NUMBER OF BOARD MEETINGS HELD AND ATTENDANCE DURING THE YEAR 2016-17:** The Board of Directors met 6 (six) times during the year on May 25, 2016, July 25, 2016, October 27, 2016, December 19, 2016, January 30, 2017 and February 25, 2017. The maximum gap between any two meetings was less than 120 days. The details of Director's attendance for Board meetings and Annual General Meeting held during the year 2016-17 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, 2017**

Name of Director	Position	No. Board Meetings held in 2016-17	No. of Meetings attended in 2016-17	Attendance in last AGM	No. of outside Directorships of Public Companies	No. of Committee Memberships <sup>#</sup>	No. of Chairmanship of Committees <sup>#</sup>
Mr. Kapil Kapoor	Non- Executive Chairman	6	5	Yes	1	1	-
Mr. Arun Duggal	Non-Executive Independent	6	5	Yes	5	5	-
Mr. Sanjeev Bikhchandani	Executive Vice- Chairman	6	6	Yes	4	-	-
Mr. Hitesh Oberoi	Managing Director & Chief Executive Officer	6	6	Yes	2	-	-
Mr. Chintan Thakkar	Whole-time Director & Chief Financial Officer	6	6	Yes	5	-	-
Mr. Saurabh Srivastava	Non-Executive Independent	6	6	Yes	5	3	1
Ms. Bala Deshpande	Non-Executive Independent	6	3	No	1	1	-
Mr. Naresh Gupta	Non-Executive Independent	6	6	Yes	-	-	-
Mr. Sharad Malik	Non-Executive Independent	6	5	Yes	-	-	-

<sup>#</sup> In accordance with Regulation 26 of the Listing Regulations, Chairmanship/Committee Membership of Audit Committee & Stakeholders' Relationship Committee of other Public Limited Companies only has been considered.

As mandated by the Regulation 26 of the Listing Regulations, none of the Directors of the Company are members of more than ten Board level committees in public companies nor are they Chairman of more than five Board level committees in listed companies where they are directors.

**Relationship between directors inter-se:** There is no inter-se relation between Directors of the Company.

## COMMITTEES OF THE BOARD

During the year, the Board had seven Committees – Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Business Responsibility Reporting Committee and Committee of Executive Directors. Each Committee has its defined terms of reference/Charter and have been assigned with 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 and the statutes. Committee composition conforms to applicable laws and regulations. Minutes of all the Committee meetings are placed for information/noting in the subsequent Board meeting.

All decisions pertaining to the constitution of committees and its terms of reference/Charter including 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

The primary objective of the Audit Committee is to act as a catalyst in helping the Company to achieve its objectives by overseeing the Integrity of the Company's Financial Statements; Adequacy & reliability of the Internal Control Systems of the Company; Compliance with legal & regulatory requirements and the Company's Code of Conduct; Performance of the Company's Statutory, Secretarial & Internal Auditors.

Audit Committee monitors & provides an effective supervision of the financial reporting process of the Company with a view to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality.

#### Composition, Meetings & Attendance during the Year

As on March 31, 2017, the Audit Committee comprised 4 members all of whom are qualified to be Independent Directors as defined under Section 149 of the Companies Act, 2013 alongwith Regulation 16 of the Listing Regulations. During the year under review, 5 (five) Audit Committee meetings were held on May 25, 2016, July 25, 2016, October 27, 2016, December 19, 2016 and January 30, 2017. The time gap between any two meetings was less than 120 days. The details of the composition, meetings & attendance at the Audit Committee meetings are given in Table No. 3 as under:

TABLE 3

#### ATTENDANCE DETAILS OF AUDIT COMMITTEE FOR FY 2016-17

Name of the Member	Position	Status	Audit Committee Meetings	Meetings Attended
Mr. Arun Duggal	Chairman	Independent Director	5	4
Mr. Saurabh Srivastava	Member	Independent Director	5	5
Mr. Naresh Gupta	Member	Independent Director	5	5
Mr. Sharad Malik	Member	Independent Director	5	5

In addition to the members of the Audit Committee, these meetings were attended by Vice Chairman, Managing Director & Chief Executive Officer, Whole-time Director & Chief Financial Officer, Statutory Auditor, Internal Auditor and/or their representatives, wherever necessary and those executives of the Company who were considered necessary for providing inputs to the Committee.

Mr. MM Jain, Company Secretary acts as 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, 2016.

#### Brief Description of Terms of Reference

The functions and scope of the Audit Committee includes review of Company's financial reporting, internal controls, related party transactions, utilization of proceeds from Public, Rights and Preferential issue, insider trading, disclosure in financial statements, management discussion and analysis, risk mitigation mechanism, appointment of statutory auditor, secretarial auditor and internal auditor and all other aspects as specified in Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C Schedule II of the Listing Regulations.

The Audit Committee has authority to undertake the specific duties and responsibilities set out in its Charter. The highlights of the terms of reference of the Audit Committee are enumerated below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Discuss and review, with the management and auditors, the annual/quarterly financial statements before submission to the Board for approval, with particular reference to matters required to be included in the Director's Responsibility Statement, Disclosure under Management Discussion and Analysis of Financial Condition and Results of Operations, Major accounting entries, Significant adjustments made in the financial statements arising out of audit findings, Compliance with listing and other legal requirements, Disclosure of Related Party Transactions, Audit Report, Inter corporate loans and investments, appointment of CFO etc.
3. To recommend appointment/Re-appointment, removal, audit fee of Statutory/Secretarial/Internal Auditors.
4. Review Management letters/letters of internal control weaknesses issued by statutory/internal auditors and Evaluation of Internal Financial Controls.
5. Review the functioning of the Whistle Blower Mechanism.
6. To oversee compliance with regulatory requirements and policies.
7. To review and approve all Related Party Transactions or any subsequent modification thereof.
8. Review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
9. Setting forth the policies relating to and overseeing the implementation of the Securities & Exchange Board of India [Prohibition of Insider Trading] Regulations, 2015 (including any amendment thereof) and the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.
10. The Audit Committee may also review such matters as are considered appropriate by it or referred to it by the Board.

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

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

**B. NOMINATION & REMUNERATION COMMITTEE**

The constitution and the terms of reference of the Nomination & Remuneration Committee ("NRC") are in compliance with the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**Composition, Meetings & Attendance during the Year**

The Committee comprises of three Non-Executive Directors including Non-Executive Independent Director as a Chairman. The details of the composition, meetings & attendance of the NRC are given in Table No. 4 as under:

TABLE 4

**ATTENDANCE DETAILS OF NRC FOR FY 2016-17**

Name of the Member	Position	Status	NRC Meetings	Meetings Attended
Mr. Saurabh Srivastava	Chairman	Independent Director	5	5
Mr. Kapil Kapoor	Member	Non- Executive Director	5	5
Ms. Bala Deshpande	Member	Independent Director	5	3

Mr. MM Jain, Company Secretary acts as the secretary to the Committee.

Mr. Saurabh Srivastava, Chairman of NRC attended the AGM held on July 25, 2016.

**Brief Description of Terms of Reference**

NRC, vide Committee Charter as approved by the Board, has been entrusted with the responsibility of formulating the criteria for determining qualifications, positive attributes and independence of a director including identifying, screening and reviewing candidates qualified to be appointed as directors and candidates who may be appointed in senior management.

**The Terms of Reference of the NRC, primarily include the following:**

1. Assisting the Board with respect to its composition so as to ensure that the Board is of a size and composition conducive to making appropriate decisions.
2. Reviewing the Board's Committee structures and to make recommendations for appointment of member/ Chairman of the Committees.
3. Ensuring that effective induction and education procedures exist for new Board appointees and senior management.
4. Ensuring that appropriate procedures exist to assess and review and evaluate the performance of the Directors, senior management, Board committees and the Board as a whole.
5. To formulate and recommend to the Board a remuneration policy for the directors, key managerial personnel and other employees.
6. Ensuring that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Committee also administers Company's Stock Option Scheme(s).

**BOARD FAMILIARIZATION PROGRAMME**

NRC designed & recommended a Familiarization Program for Independent Directors of the Company which has been adopted by the Board of Directors and is in accordance with the Regulation 25 of the Listing Regulations. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in-depth and contribute significantly to the Company.

The familiarization program has been uploaded on the website of the Company at <http://www.infoedge.in/pdfs/Board-Familiarisation.pdf>.

**BOARD DIVERSITY POLICY**

The Company recognizes and embraces the benefits of having a diverse Board of Directors that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company. The Company's Board diversity policy is a reflection of its belief that Board appointments should be based on merit, that complements and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience and qualifications, gender, age, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time for it to function effectively.

**REMUNERATION POLICY**

The Company's remuneration policy ensures that its Directors, key managerial personnel and other employees working in the senior management are sufficiently incentivized for enhanced performance. In determining this policy, the Company has taken into account factors it deemed relevant and gave due regard to the interests of shareholders and to the financial and commercial health of the Company. The Remuneration Policy of the Company ensures that the:

- Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management of high quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management creates a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

**Executive Director's Remuneration:**

The key objective of the Company's policy for Board remuneration is to enable a framework that, allows for competitive and fair rewards for the achievement of key deliverables and, also aligns with practice in the industry and shareholders' expectations. While setting remuneration for the Executive Directors' the Company will take into account the market sector, business performance and the practices in other comparable companies.

## The total remuneration package of Executive directors shall include:

### A. Fixed Remuneration:

Executive Directors shall receive a fixed monthly amount as salary with merit based periodic increments as may be approved by the board upon the recommendation of NRC within the overall range approved by the shareholders in general meeting. Such salary shall be based on a function-related system and be in line with market practices. The Fixed Remuneration shall also include other remuneration elements like special allowance, house rent allowance or company leased accommodation, cars with services of driver, medical reimbursements, leave travel allowance, telephone/ internet/fax at residence, cell phone expenses etc. including such other perquisites as the NRC may approve for enabling the Executive Directors to discharge their duties besides statutory contributions to Provident Fund/Superannuation Fund, Gratuity etc.

### B. Variable Remuneration:

The Executive Directors receive Variable Remuneration keeping the performance of the Company in sight. The level of Variable Remuneration to be paid out is dependent upon the degree to which the Company achieves its targets. This Performance Related Payment/Annual Bonus is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of NRC, subject to overall ceilings stipulated in the Companies Act, 2013. All Executive Directors, other than Promoter-Directors, are also eligible to receive Stock Options.

### C. Non-Executive/Independent Directors' Remuneration:

NRC advises the Board regarding Non-Executive/Independent Directors' Remuneration. The remuneration package of the Non-executive/Independent Directors is structured in consonance with the existing industry practice and is fee based, which may be reviewed at regular intervals, subject to maximum that may be permissible under the provisions of the Companies Act, 2013. In view of the increase in the scope of responsibilities of Non-Executive/Independent Directors under the Companies Act, 2013, demanding commitment of more time & efforts from Independent/non-executive directors, the Board in its meeting held on May 25, 2016 revisited the remuneration terms of the Non-Executive/Independent Directors.

Accordingly, the revised terms for the Non-executive/Independent Directors' fee for attending each meeting of the Board or the committee(s) are as follows:

Type of the Meeting	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Stakeholder's Grievance Committee Meeting	Corporate Social Responsibility Committee Meeting	Strategic Review Meeting (offsite meeting of the Board)
Amount Payable (₹)	100,000	75,000	50,000	50,000	50,000	50,000

No fee is paid for attending Risk Management Committee Meeting, Business Responsibility Reporting Committee Meeting and meetings of Committee of Executive Directors.

The Independent Directors are also paid by way of commission, as approved by the Shareholders subject to the maximum allowed under the provisions of the Companies Act, 2013. In terms of the shareholders' approval obtained at the AGM held on July 25, 2016, the Independent Directors are paid Commission, as decided by the Board, within the maximum limit of 1% per annum of the profits of the Company.

The proposal of payment of Commission to Independent Directors is placed before the Board. Total commission payable to Independent Directors is divisible into two parts – Fixed & Variable. The Commission is distributed on the basis of their attendance and contribution at the Board and certain Committee Meetings as well as time spent for the Company, other than at the meetings. The table below gives the parameters on which the Commission is payable.

Fixed Commission (₹)	Variable Commission based on attendance at the Board meetings (₹)		
	Attendance ≥ 50%	Attendance ≥ 75%	100% Attendance
5,50,000	1,50,000	2,00,000	4,50,000

TABLE 5

## DETAILS OF REMUNERATION PAID/PAYABLE TO DIRECTORS FOR FY 2016-17

(In ₹ Million)

Name of the Director	Salary	Reimbursements	Bonus & Leave Encashment	Sitting Fees	Commission Payable/ Performance Linked Incentive	Total
Mr. Kapil Kapoor	-	-	-	1.00	-	1.00
Mr. Sanjeev Bikhchandani	9.99	0.80	7.50	-	-	18.29
Mr. Hitesh Oberoi	9.98	0.44	7.67	-	-	18.09
Mr. Arun Duggal	-	-	-	0.80	0.75	1.55
Mr. Saurabh Srivastava	-	-	-	1.48	1.00	2.48
Ms. Bala Deshpande	-	-	-	0.60	0.70	1.30
Mr. Naresh Gupta	-	-	-	0.98	1.00	1.98
Mr. Chintan Thakkar	13.13	0.44	4.45	-	-	18.02
Mr. Sharad Malik	-	-	-	0.88	0.75	1.63
<b>Total</b>	<b>33.10</b>	<b>1.68</b>	<b>19.62</b>	<b>5.74</b>	<b>4.20</b>	<b>64.34</b>

**Service Contracts, Notice Period, Severance Fee**

The Company does not enter into service contracts with the Directors as they are appointed/re-appointed with the approval of the shareholders for the period permissible under the applicable provisions of the Companies Act, 2013 and/or Listing Regulations. Independent directors have been issued an appointment letter which prescribes that any Independent Director may resign from his office subject to reasonable written notice to the Board. The Company does not pay any severance fees or any other payment to the Directors.

None of the Non-Executive Directors had any pecuniary relationship or transactions vis-à-vis the Company, other than the payment of remuneration as explained above.

TABLE 6

## DETAILS OF STOCK OPTIONS GRANTED TO DIRECTORS

S. No.	Name	Designation	No. of Options Granted	No. of Options Vested	No. of Options Exercised	No. of Options in force
1	Mr. Chintan Thakkar	Whole-time Director & CFO	1,88,000*	25,000	-	1,88,000

\* There was no grant made to Mr Chintan Thakkar during FY 2016-17. Aforesaid options were granted to him during earlier years.

**Shares held by the Non-executive Directors**

The details of the shares held by the Non-Executive Directors as on March 31, 2017 is given under in Table No.7:

TABLE 7

## DETAILS OF SHARES HELD BY NON-EXECUTIVE DIRECTORS:

S. No.	Name	No. of Shares	Percentage to total Paid-up Capital
1	Mr. Kapil Kapoor	3,111,363	2.57
2	Ms. Bala Deshpande	99,481	0.08
3	Mr. Arun Duggal	64,024	0.05
4.	Mr. Sharad Malik	587,160	0.48
5.	Mr. Saurabh Srivastava	Nil*	0
6.	Mr. Naresh Chand Gupta	Nil	0

\*During the year under review, Mr. Saurabh Srivastava transferred his entire holding of 37,370 shares, constituting 0.03% of the Capital of the company to Rajasthan Projects LLP, a Limited Liability Partnership firm under his control.

**Remuneration of Key Managerial Personnel & Senior Management:**

The Company believes that a combination of fixed and performance based payment to the Key Managerial Personnel and Senior Management Executives (the "Executives") helps to ensure that the Company can attract, retain and motivate its Executives.

NRC considers proposals related to the remuneration of Executives after taking into consideration the following items:

- (a) Employment scenario;
- (b) Remuneration packages in the industry; and
- (c) Remuneration package of the managerial talent of other industries.

**The total remuneration package of Executives consists of the following:**

- a. Fixed Salary:** The Executive's fixed salary is competitive and based on the Individual Executive's qualifications, responsibilities and performance.
- b. Variable Salary:** The Executives may receive variable salaries in addition to fixed salaries. The variable salary vary for persons responsible for different business verticals of the Company. The payment of variable salary also depends, inter-alia, on the performance of the Company as a whole or the performance of respective business verticals where the Executive is employed.
- c. Share Options:** There is Employees Stock Option Plans in the form of Stock Appreciation Rights (SARs)/Restricted Stock Units (RSUs) and ESOP/SAR Grants ("Options") in place for Employees of the Company. The focus of said Stock Option Plans is to reward employees for their past performance and association with the Company, as well as to attract, retain, reward and motivate Employees to contribute to the growth and profitability of the Company.

**BOARD EVALUATION PROCESS**

The Company believes that an effective Governance Framework requires periodic evaluation of the functioning of the Board as a whole, its committees and individual director's performance evaluation. Keeping this belief in mind, the Company on the recommendation of the NRC has established the Performance Evaluation criteria for the (a) The Board as a whole including its Committees (b) Chairperson of the Board and (c) Individual Directors as required under Companies Act, 2013 and provisions of Listing Regulations.

As part of the evaluation Process:

1. The Board will have a meeting, annually, to discuss and evaluate the Performance of the Board as a whole and identify changes, if any, to further enhance its effectiveness.
2. Chairperson of each Board Committee will annually share with Board, based on discussions among Committee members, an evaluation of the Committee's functioning.
3. The Nomination and Remuneration Committee shall arrange to carry out a confidential process of performance evaluation of every Director by the entire Board of Directors excluding the Director being evaluated.
4. The Independent directors shall hold at least one meeting a year to review performance of Chairman, Whole-time Directors and the Board as a whole.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board has Stakeholder's Relationship Committee pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, to look into the redressal of grievances of shareholders and other security holders, if any. The Committee considers and resolves the grievances of the Security holders of the Company including complaints related to transfer of shares, non-receipt of annual report or non- receipt of declared dividends.

**Composition, Meetings & Attendance during the Year**

The Stakeholders Relationship Committee (SRC) comprises of two Non-Executive Directors including its Chairman and one Executive Director. The Committee met five times during the financial year 2016-17 on May 25, 2016, July 25, 2016, October 27, 2016, December 19, 2016, and January 30, 2017. The details of the composition, meetings & attendance of the SRC are given in the table no.8 below.

**TABLE 8**

**ATTENDANCE DETAILS OF STAKEHOLDERS RELATIONSHIP COMMITTEE FOR FY 2016-17**

Name of the Member	Designation	Status	No. of Meetings held	No. of Meetings Attended
Mr. Kapil Kapoor	Chairman	Non-Executive Director	5	5
Ms. Bala Deshpande	Member	Independent Director	5	3
Mr. Chintan Thakkar	Member	Whole-time Director & CFO	5	5

Mr. MM Jain, VP- Secretarial & Company Secretary is the Compliance Officer of the Company.

### Brief Description of Terms of Reference

The Committee supervises the system 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 grievances received and attended to by the Company during the financial year 2016-17 are given below in Table no. 9.

TABLE 9

#### STATUS OF COMPLAINTS RECEIVED AND ATTENDED TO DURING 2016-17

Pending as on April 1, 2016	Received during the year	Answered during the year	Pending as on March 31, 2017
Nil	1	1	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. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the requirements of the Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility Committee to assist the Board in setting the Company's Corporate Social Responsibility Policy and assessing its Corporate Social Responsibility performance.

#### Composition, Meetings & Attendance during the Year

The CSR Committee, constituted under Companies Act, 2013, comprised of four directors as on March 31, 2017. The Committee held five meetings during the financial year 2016-17. The details of the composition, meetings & attendance of the CSR Committee are given in Table No. 10 as under:

TABLE 10

#### ATTENDANCE DETAILS OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE FOR FY 2016-17

Name of the Member	Designation	Status	No. of Meetings held	No. of Meetings Attended
Mr. Saurabh Srivastava	Chairman	Independent Director	5	5
Mr. Sanjeev Bikhchandani	Member	Executive Vice-Chairman	5	5
Mr. Hitesh Oberoi	Member	Managing Director & CEO	5	5
Mr. Chintan Thakkar	Member	Whole-time Director & CFO	5	5

### Brief Description of Terms of Reference

The Terms of Reference of CSR Committee primarily include:

1. Establishing and reviewing the CSR Policy of the Company;
2. Review annual budgets with respect to CSR Policy;
3. Work with management to establish, develop and implement the requisite framework w.r.t. CSR matters;
4. Receive reports on the Company's CSR performance to assess the effectiveness of the CSR Policy of the Company;
5. Review the findings or recommendations arising out of any audit of Company's CSR matters;
6. Carry out any other duties and responsibilities delegated to it by the Board from time to time that are related to the purpose of the Committee.

### E. RISK MANAGEMENT COMMITTEE

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors. However, to further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors voluntarily constituted a Board level Risk Management Committee (RMC). The details of the composition & attendance of the RMC are given in Table No. 11 as under:

TABLE 11

**ATTENDANCE DETAILS OF RISK MANAGEMENT COMMITTEE FOR FY 2016-17**

Name of the Member	Designation	Status	No. of Meetings held	No. of Meetings Attended
Mr. Chintan Thakkar	Chairman	Whole-time Director & CFO	1	1
Mr. Sanjeev Bikhchandani	Member	Executive Vice-Chairman	1	1
Mr. Hitesh Oberoi	Member	Managing Director & CEO	1	1

Mr. MM Jain, Company Secretary acts as the secretary to the Committee.

**Brief Description of Terms of Reference**

RMC, as approved by the Board, has been entrusted with the responsibility of framing, implementing and monitoring the risk management plan for the Company, making the exercise broad based and inclusive, taking periodical feedback from Business and Functional heads about their risk perception with respect to their business area and the Company in general & steps taken/suggested to mitigate such risks.

During the FY 2016-17, the Committee met once i.e., on March 28, 2017.

**F. BUSINESS RESPONSIBILITY REPORTING COMMITTEE**

The Company in compliance with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that mandates top 500 listed companies by market capitalisation, to give Business Responsibility Report ("BR Report") in their Annual Report describing the initiatives taken by the Company from an Environmental, Social and Governance perspective in the format specified by the SEBI, constituted a Committee- "Business Responsibility Reporting Committee", ("BRRC") on July 25, 2016. The details of the composition & attendance of the BRRC are given in Table No. 12 as under:

TABLE 12

**ATTENDANCE DETAILS OF BUSINESS RESPONSIBILITY REPORTING COMMITTEE FOR FY 2016-17**

Name of the Member	Designation	Status	No. of Meetings held	No. of Meetings Attended
Mr. Chintan Thakkar	Chairman	Whole-time Director & CFO	1	1
Mr. Sanjeev Bikhchandani	Member	Executive Vice-Chairman	1	1
Mr. Hitesh Oberoi	Member	Managing Director & CEO	1	1

**Brief Description of Terms of Reference**

BRRC, as approved by the Board, has been entrusted with the responsibility of framing, implementing and monitoring various BR policies/initiatives and assessing the BR performance of the Company.

During the FY 2016-17, the Committee met once, on February 1, 2017.

**G. COMMITTEE OF EXECUTIVE DIRECTORS**

The Committee of Executive Directors (COED) has been constituted to take decisions on certain matters of routine nature which may require an immediate decision and where the convening of a Board Meeting immediately may not be feasible, in addition to dwell upon and take decisions, on behalf of the Board, in matters as may be specifically delegated by the Board to it.

**Composition, Meetings & Attendance during the Year**

The COED, constituted by the Board, comprised of three directors as on March 31, 2017. The Committee held a number of meetings during the financial year 2016-2017 as and when required. The details of the composition & attendance of the COED are given in Table No. 13 as under:

TABLE 13

**ATTENDANCE DETAILS OF COMMITTEE OF EXECUTIVE DIRECTORS FOR FY 2016-17**

Name of the Member	Designation	Status	No. of Meetings held	No. of Meetings Attended
Mr. Sanjeev Bikhchandani	Chairman	Executive Vice-Chairman	15	15
Mr. Hitesh Oberoi	Member	Managing Director & CEO	15	15
Mr. Chintan Thakkar	Member	Whole-time Director & CFO	15	15

## Brief Description of Terms of Reference

The Terms of Reference of COED primarily include:

1. To purchase, acquire and/or take on lease land, building and other movable and immovable properties for the purpose of the Company.
2. To open, close and operate the Bank Accounts held, in the name of the Company.
3. To authorize the Officers and/or other person or persons on behalf of the Company to represent the Company before Central and/or State Government(s), Govt. Departments, local bodies etc.
4. To authorize the Officers and/or other person or persons on behalf of the Company to attend meetings of Companies in which Company is or would be shareholder and to vote there on behalf of the Company.
5. To make, vary or repeal any bye-law or bye-laws, service regulations and/or any standing orders for the regulations of the business of the Company.
6. To delegate all its above powers to any of its Officers and/or Employees.
7. To exercise such powers and discharge such functions as may be conferred upon it from time to time by the Company in the general meeting or by the Board of Directors.
8. Any other matter of routine nature for attaining operational efficiencies & flexibility in running the day to day affairs of the Company.

## SUBSIDIARY COMPANIES

Naukri Internet Services Ltd. attained the status of a 'Material Subsidiary' as defined under Regulation 16 of the Listing Regulations as on March 31, 2016.

The Board of Directors of the Company, to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries, has adopted a policy with regard to determination of Material Subsidiaries in accordance with the Regulation 16 of the Listing Regulations. This Policy has become applicable to the Company effective October 1, 2014.

In terms of the requirement of said Policy a subsidiary shall be considered as unlisted material subsidiary if its income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

A copy of the said Policy on Material Subsidiaries is available on the website of the Company at <http://infoedge.in/pdfs/Policy-Material-Subsidiaries.pdf>

## MANAGEMENT

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

**Disclosures on related party transactions:** In compliance with the requirements of the Listing Regulations, the Board of Directors has adopted a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions between the Company and its Related Parties to ensure the proper approval and reporting of such transactions. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders.

A copy of the said Policy on dealing with Related Party Transactions is available on the website of the Company at <http://infoedge.in/pdfs/Related-Party-Transaction-Policy.pdf>

There were no materially significant related party transactions that may have potential conflict with the interests of Company at large. Details of all related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their subsidiaries or relatives etc. are present under Note no. 25 to Annual Accounts of the Annual Report.

**Disclosure of accounting treatment in preparation of financial statements:** The financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act. For all the periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act. The financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 44 under Notes to Financial Statements for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The financial statements were authorised for issue by the Company's Board of Directors as on May 29, 2017.

**Details of non-compliance by the Company:** 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 regulations on prevention of Insider Trading, the Company had instituted a comprehensive Code of Conduct to regulate, monitor and report trading by Insiders for Prevention of Insider Trading for its management and staff to prevent Insider Trading. Further, it also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's Securities.

**CEO/CFO certification:** The CEO and CFO certification of the financial statements, duly signed by the Managing Director & CEO, the Whole-time Director & CFO and the Vice Chairman of the Company, 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.

**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- [http://www.infoedge.in/pdfs/code\\_of\\_ethics.pdf](http://www.infoedge.in/pdfs/code_of_ethics.pdf). 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.

**Sexual Harassment Policy:** The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013 and rules framed thereunder.

During the financial year 2016-17, the Company received two [2] complaint on sexual harassment and no complaint was pending as of March 31, 2017.

**Whistle Blower Policy:** The Company has formulated an effective Whistle Blower Mechanism and a policy that lays down the process for raising concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy ["Protected Disclosure"]. Objective of the Policy is to establish no threat window whereby an individual, who is aware of any Protected Disclosure in the Company, is able to raise it to the appropriate channel as outlined in the policy, to ensure appropriate and timely institutional response and remedial action and offer protection to such individual from victimization, harassment or disciplinary proceedings. The Company also has appointed M/s. Thought Arbitrage Consulting, as an Independent External Ombudsman. During the Financial Year 2016-17, no personnel has been denied access to the audit committee for raising concerns under Whistle Blower Policy.

## COMPLIANCE

**Mandatory Requirements:** The company is in full compliance with all applicable mandatory requirements of the Listing Regulations.

**Discretionary Requirements:** Company has also adopted/followed the following discretionary requirements:

1. The Office of the Chairman is held by a Non-Executive/Non-Promoter director.
2. The Company has appointed separate persons to the post of Chairman and CEO.
3. The Internal Auditors of the Company M/s TRC Chaddha & Co. report directly to the Audit Committee of the Board of the Company.
4. The Company has also constituted a Board level Risk Management Committee, which requirement is otherwise applicable to top 100 listed companies by market capitalization as at the end of the immediate previous financial year.
5. The Company has appointed M/s. Thought Arbitrage Consulting, as independent External Ombudsman for Whistle-Blower Mechanism.
6. The Company has put a Shareholder's Satisfaction Survey on its website.

## SHAREHOLDERS

**Re-appointment/Appointment of Directors:** The Companies Act, 2013 provides for appointment of independent directors for a term of up to five consecutive years on the Board of a Company who shall be eligible for reappointment on passing a special resolution by the shareholders of the company. Further, it provides that no independent director shall be eligible for more than two consecutive terms of five years each.

The proposal for appointment of all Independent Directors for a term of 5 years w.e.f. April 1, 2014 was put before and approved by the members in the Annual General Meeting of the Company held on July 18, 2014. A formal letter of appointment was issued to each of the Independent Director post his appointment as aforesaid. The main terms & conditions of such appointment have also been posted on the website of the Company.

In accordance with the provisions of the Act, not less than 2/3rd (Two-third) of the total number of Directors (other than Independent Directors) shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013 read with Article 119 of the Articles of Association of the Company, Mr. Chintan Thakkar (DIN 00678173) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

The detailed profile of the aforesaid director is provided in the Notice convening the AGM.

**Means of Communication with Shareholders:** The Quarterly and Half-yearly/Annual financial results are forthwith communicated to the BSE Ltd. (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, such as Financial Express/Business Standard/Mint in English and Jansatta in Hindi, etc., along with the official news releases during the year. The financial results and public notices are also put up on the Company's website www.infoedge.in. Further, the quarterly/yearly results are also communicated to the Shareholders through E-mail.

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

Table no. 14 gives details of the publications of the financial results in the year under review.

TABLE 14

**PUBLICATIONS OF FINANCIAL RESULTS DURING FY2016-17**

Quarter/Annual	Date of Board Meeting to Approve the result	Date of Publication	English Newspaper	Hindi Newspaper
Q1 FY 2016-17	July 25, 2016	July 26, 2016	Business Standard	Business Standard
Q2 FY 2016-17	October 27, 2016	October 28, 2016	Business Standard	Business Standard
Q3 FY 2016-17	January 30, 2017	January 31, 2017	Business Standard	Business Standard
Q4 & Annual FY 2016-17	May 29, 2017	May 30, 2017	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.

Your Company hosts a quarterly conference call post declaration of quarterly/half yearly/annual results of the Company, along with the discussion on the performance of the different business divisions of the Company by the leadership team. This is followed by the question and answer session by the analysts/ investors logged into the conference call.

Presentations made, if any, to the Institutional Investors/Analysts are hosted on the website of the Company, along with the Audio Recordings and Transcripts of the Investor/Analysts Calls/Meets hosted by the Company.

Details of any scheduled Analysts Meet/Conference Call are intimated to the Stock Exchanges in advance, followed by the intimation regarding Audio Recordings and/or Transcripts after the Meet/Call as the case may be.

**General Shareholders Information:**

**General Body Meetings:** Table No. 15 gives the details of the last three Annual General Meetings of the Company.

TABLE 15

**DETAILS OF LAST 3 ANNUAL GENERAL MEETINGS:**

Meeting	Date	Time	Venue	No. of Special Resolutions Passed
19th AGM	July 18, 2014	4.30 PM	Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003	NONE
20th AGM	July 27, 2015	4.30 PM	Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003	NONE
21st AGM	July 25, 2016	4.30 PM	Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003	NONE

### Special Resolution passed through Postal Ballot

A Notice of Postal Ballot dated March 2, 2016 was sent to shareholders on March 17, 2016. The resolutions contained in said Postal Ballot were approved by the shareholders on April 16, 2016 (i.e. in FY17).

Particulars of the Resolutions passed and total votes received, votes in favor and against and other relevant details have already been reported in the Annual Report 2015-16.

### Whether any Special Resolution is proposed to be conducted through postal ballot

At present, no Special Resolution(s) are proposed to be passed through Postal Ballot.

### ADDITIONAL SHAREHOLDER INFORMATION

#### Annual General Meeting

Date: July 21, 2017

Time: 4.30 PM

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

#### Financial Calendar

Financial year: April 1, 2016 to March 31, 2017

For the year ended March 31, 2017, results were announced for:

- First quarter- July 25, 2016
- Half yearly- October 27, 2016
- Third quarter- January 30, 2017
- Fourth quarter and annual- May 29, 2017

For the year ending March 31, 2018, results will be announced by:

- First quarter- on or before August 14, 2017
- Half yearly- on or before November 14, 2017
- Third quarter- on or before February 14, 2018
- Fourth quarter and annual- on or before May 30, 2018

#### Book Closure

The dates of book closure are from July 15, 2017 to July 21, 2017 inclusive of both days.

#### Dividend Policy

The Board had revised the dividend policy of the Company in its meeting held on March 12, 2016. The revised dividend policy indicates that the Company strives to maintain a dividend pay-out ratio of 15%-40% of standalone profits after tax, which may be modified in light of exceptional circumstances affecting the financials.

During FY 2017, your Company declared and paid two interim dividends at the rate of ₹1.5/- per equity share of the face value of ₹ 10/- (Rupee Ten only) in the month of October, 2016 and in the month of February, 2017 in line with its revised Dividend Policy. The Board has now recommended in its meeting held on May 29, 2017 a final dividend of ₹1.5/- per equity share which will be paid on or after July 27, 2017, subject to approval by the shareholders at the ensuing Annual General Meeting.

#### Listing

At present, the equity shares of the company are listed on BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2017-18 to BSE and NSE has been paid.

TABLE 16

#### COMPANY'S STOCK EXCHANGE CODES

Name of the Stock Exchange	Stock Code
NSE	Naukri
BSE	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 17 and Chart A and B respectively.

TABLE 17

### HIGHS, LOWS AND VOLUMES OF COMPANY'S SHARES FOR FY 2016-17 AT BSE AND NSE

BSE				NSE			
	High	Low	Volumes		High	Low	Volumes
Apr-16	818.55	745.00	19,723	Apr-16	818.90	740.40	6,04,975
May-16	825.80	710.00	4,68,982	May-16	829.75	710.50	18,74,481
Jun-16	845.00	765.55	1,36,520	Jun-16	845.00	770.80	11,25,173
Jul-16	893.00	810.05	5,20,846	Jul-16	892.60	815.30	19,16,410
Aug-16	882.20	803.00	3,33,586	Aug-16	883.00	801.55	11,48,977
Sep-16	872.00	819.40	75,329	Sep-16	878.95	817.00	16,25,100
Oct-16	1012.00	842.50	3,29,534	Oct-16	1012.80	845.15	19,77,032
Nov-16	1002.00	752.00	4,71,990	Nov-16	1025.00	840.00	10,77,613
Dec-16	950.00	810.20	70,014	Dec-16	950.00	810.10	6,94,010
Jan-17	914.05	820.00	45,409	Jan-17	911.00	807.50	10,19,812
Feb-17	876.55	821.60	24,332	Feb-17	863.95	820.40	5,53,477
Mar-17	857.30	796.35	14,97,407	Mar-17	856.05	796.30	18,12,237

CHART A

### INFO EDGE SHARE PERFORMANCE VERSUS BSE INDEX

—x— INFO EDGE INDICES  
—■— SENSEX INDICES

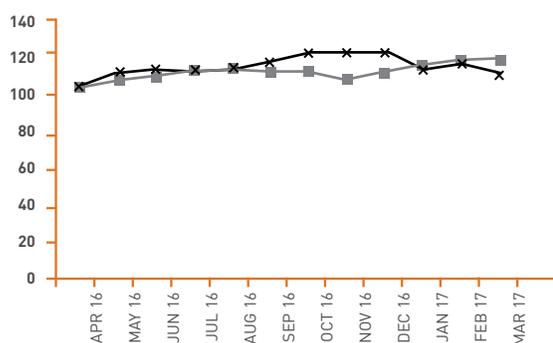
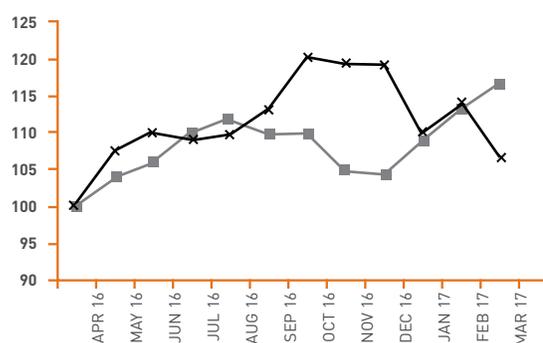


CHART B

### INFO EDGE'S SHARE PERFORMANCE VERSUS NSE NIFTY

—■— NIFTY INDICES  
—x— INFO EDGE INDICE



Note: The share price of Info Edge and index value of BSE Sensex and NSE Nifty have been indexed to 100 on April 1, 2016

## DISTRIBUTION OF SHAREHOLDING

Table 18-21 lists the distribution of the shareholding of the equity shares of the Company by size and by ownership class as on March 31, 2017.

TABLE 18

### SHAREHOLDING PATTERN BY SIZE

Number of Shares	Number of Shareholders	% of Shareholders	Total Shares	% of Shares
Upto 500	13,334	91.77	10,17,123	0.84
501 - 1000	465	3.20	3,41,446	0.28
1001 - 2000	243	1.67	3,54,277	0.29
2001 - 3000	96	0.66	2,38,604	0.20
3001 - 4000	57	0.39	1,98,892	0.16
4001 - 5000	41	0.28	1,87,839	0.16
5001 - 10000	77	0.53	5,49,156	0.45
10001 - above	217	1.50	1,18,328,822	97.62
<b>Total</b>	<b>14,530</b>	<b>100.00</b>	<b>1,21,216,159</b>	<b>100.00</b>

TABLE 19

## SHAREHOLDING PATTERN BY OWNERSHIP AS ON MARCH 31, 2017

Category	As at March 31, 2017			As at March 31, 2016		
	No. of Shareholders	No. of Shares	% of Shareholding	No. of Shareholders	No. of Shares	% of Shareholding
<b>A. PROMOTERS HOLDING</b>						
Indian Promoters	4*	5,14,31,906	42.43	4*	5,21,25,403	43.11
<b>B. NON-PROMOTERS HOLDING</b>						
a) Foreign Institutional Investors (FIIs)	28	1,61,22,512	13.30	75	2,80,15,996	23.11
b) Foreign Portfolio Investors	110	2,42,62,615	20.02	75	1,46,11,404	12.08
c) Mutual Funds, Banks & Financial Institutions	40	1,57,32,240	12.98	45	1,21,49,871	10.05
d) Non-resident Indians	441	6,82,623	0.56	454	6,02,386	0.50
e) Corporate Bodies	247	4,72,459	0.39	283	4,63,755	0.39
f) Indian Public- Individuals	13,121	82,88,846	6.83	14,033	84,46,511	6.99
g) Directors	4	38,62,028	3.19	6	41,52,016	3.43
h) Others (Clearing Members, HUF, ESOP Trust)	532	3,60,930	0.30	572	3,48,817	0.29
<b>Grand Total</b>	<b>14,527</b>	<b>12,12,16,159</b>	<b>100</b>	<b>15,547</b>	<b>12,09,16,159</b>	<b>100</b>

\* Sanjeev Bikhchandani held shares under three folios and Hitesh Oberoi held shares under two folios as on March 31, 2017, which has been clubbed together as one folio each.

TABLE 20

## STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PROMOTER &amp; PROMOTER GROUP" AS ON MARCH 31, 2017

S.No.	Name of the shareholder	Number of shares	% of Total Shareholding
1.	Mr. Sanjeev Bikhchandani*	34,455,386	28.42
2.	Mr. Sanjeev Bikhchandani ( Endeavour Holding Trust )	8,734,880	7.21
3.	Mr. Hitesh Oberoi*	6,747,608	5.57
4.	Ms. Surabhi Motihar Bikhchandani	1,494,032	1.23
	<b>TOTAL</b>	<b>51,431,906</b>	<b>42.43</b>

\* Sanjeev Bikhchandani held shares under three folio and Hitesh Oberoi held shares under two folios as on March 31, 2017 which has been clubbed together as one folio each.

TABLE 21

## 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, 2017

Sr. No.	Name of the shareholder	Number of shares held	% of total shareholding
1	Nalanda India Equity Fund Limited	3,853,000	3.18
2	Amansa Holdings Private Limited	4,000,862	3.30
3	Kapil Kapoor	3,111,363	2.57
4	Aranda Investments (Mauritius) Pte Ltd	3,272,000	2.70
5	Matthews India Fund	3,230,761	2.67
6	Anil Lall	3,133,475	2.59
7	HDFC Trustee Company Limited- HDFC Equity Fund*	4,369,444	3.60
8	Wf Asian Smaller Companies Fund Limited	2,135,982	1.76
9	Ambarish Raghuvanshi*	1,611,051	1.33
10	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Long Term Equity Fund*	2,586,845	2.13
11	Wf Asian Reconnaissance Fund Limited	1,804,324	1.49
12	ICICI Prudential Balanced Advantage Fund*	2,495,683	2.05
13	Morgan Stanley Mauritius Company Limited	1,430,926	1.18
14	SBI Magnum Balanced Fund*	1,540,000	1.27
	<b>Total</b>	<b>38,575,716</b>	<b>31.82</b>

\* HDFC Trustee Company Ltd., Ambarish Raghuvanshi, Axis Mutual Fund Trustee Ltd., ICICI Prudential Balanced Advantage Fund and SBI Magnum Balanced Fund held shares under more than one folio.

**De-materlisation of Shares:** As on March 31, 2017, over 99.99% 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, 2017.

**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. However, in the FY 2014-15, the Company raised an amount of ₹750/- crore by issuing 10,135,135 equity shares of ₹10/- each fully paid up at ₹740/- per share (including securities premium of ₹730/- per share) to qualified institutional buyers by way of a Qualified Institutional Placement (QIP). Details of utilization of funds are available under note no. 35 of the notes to the financial statements.

**Registrar and Transfer Agent:** The Company has appointed M/s 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:-**

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:- 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 15 days from the date of lodgment 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 Building, 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-201304.  
Tel No's: - 0120- 4841100  
Fax No: - 0120-3082095  
E-Mail ID: - investors@naukri.com

**Plant (Branch) Locations:** The Company has 69 offices as on March 31, 2017 spread in 44 cities across India apart from international offices in Dubai, Bahrain, Riyadh and Abu Dhabi. The addresses of these offices are available on our corporate website.

TABLE 22

**Confirmation of Compliance with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46**

Particulars	Regulation Number	Compliance status
<i>Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'</i>	16(1)(b) & 25(6)	Yes
<i>Board composition</i>	17(1)	Yes
<i>Meeting of Board of directors</i>	17(2)	Yes
<i>Review of Compliance Reports</i>	17(3)	Yes
<i>Plans for orderly succession for appointments</i>	17(4)	Yes
<i>Code of Conduct</i>	17(5)	Yes
<i>Fees/compensation</i>	17(6)	Yes
<i>Minimum Information</i>	17(7)	Yes
<i>Compliance Certificate</i>	17(8)	Yes
<i>Risk Assessment &amp; Management</i>	17(9)	Yes
<i>Performance Evaluation of Independent Directors</i>	17(10)	Yes
<i>Composition of Audit Committee</i>	18(1)	Yes
<i>Meeting of Audit Committee</i>	18(2)	Yes
<i>Composition of nomination &amp; remuneration committee</i>	19(1) & (2)	Yes
<i>Composition of Stakeholder Relationship Committee</i>	20(1) & (2)	Yes
<i>Composition and role of risk management committee</i>	21(1),(2),(3),(4)	Yes
<i>Vigil Mechanism</i>	22	Yes
<i>Policy for related party Transaction</i>	23(1),(5),(6),(7) & (8)	Yes
<i>Prior or Omnibus approval of Audit Committee for all related party transactions</i>	23(2), (3)	Yes
<i>Approval for material related party transactions</i>	23(4)	NA
<i>Composition of Board of Directors of unlisted material subsidiary</i>	24(1)	Yes
<i>Other Corporate Governance requirements with respect to subsidiary of listed entity</i>	24(2),(3),(4),(5) & (6)	Yes
<i>Maximum Directorship &amp; Tenure</i>	25(1) & (2)	Yes
<i>Meeting of independent directors</i>	25(3) & (4)	Yes
<i>Familiarization of independent directors</i>	25(7)	Yes
<i>Memberships in Committees</i>	26(1)	Yes
<i>Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel</i>	26(3)	Yes
<i>Disclosure of Shareholding by Non- Executive Directors</i>	26(4)	Yes
<i>Policy with respect to Obligations of directors and senior management</i>	26(2) & 26(5)	Yes
<i>Disclosure on the website of the Company</i>	46(2)	Yes

**CEO's DECLARATION TO COMPLIANCE OF CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management and the same is available on our corporate website [www.infoedge.in](http://www.infoedge.in).

I confirm that the Company has in respect of financial year ended March 31, 2017, received from Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Conduct as applicable to them.

**Hitesh Oberoi**  
**Chief Executive Officer**

Place: Noida  
Date: May 29, 2017

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

We, Hitesh Oberoi, Chief Executive Officer, Chintan Thakkar, 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 and cash flow statement for the year ended on March 31, 2017 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.

**Hitesh Oberoi**  
**Managing Director**  
**& Chief Executive Officer**

**Chintan Thakkar**  
**Whole-time Director**  
**& Chief Financial Officer**

**Sanjeev Bikhchandani**  
**Whole-time Director**

Date: May 29, 2017  
Place: Noida

#### **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015**

The Members  
**Info Edge (India) Limited**  
Ground Floor, GF-12A 94,  
Meghdoot, Nehru Place,  
New Delhi-110020

We have examined all relevant records of Info Edge (India) Limited (the Company) for the purpose of certifying all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2017. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For Chandrasekaran Associates**  
**Company Secretaries**

**Rupesh Agarwal**  
**Partner**  
Membership No. ACS 16302  
Certificate of Practice No. 5673

Date: May 29, 2017  
Place: Delhi

**Dear Member(s),**

The Board of Directors of your Company take pleasure in presenting the Twenty Second Annual Report on the business and operations of the Company together with the audited Standalone & Consolidated Financial Statements and the Auditor's Report thereon for the financial year ended March 31, 2017.

The results of operations for the year under review are given below:

**1. RESULTS OF OPERATIONS:**

(₹ in Million)

	Standalone		Consolidated	
	FY2017	FY2016	FY2017	FY2016
1. Net Sales	8,021.06	7,176.07	8,876.31	7,475.12
2. Other Income	625.23	785.02	828.45	4,406.55
3. Total income (1+2)	8,646.29	7,961.09	9,704.76	11,881.67
Expenditure:				
a) Network and other charges	172.58	229.70	186.02	251.11
b) Employees Cost	3,751.58	3,354.43	4,565.52	3,823.23
c) Advertising and Promotion Cost	880.53	1,318.41	926.15	1,375.34
d) Depreciation/Amortization	240.55	209.63	327.61	238.18
e) Cost of Material Consumed	-	-	117.62	-
f) Other Expenditure	941.47	918.21	1,309.02	1,103.60
4. Total expenditure	5,986.71	6,030.38	7,431.94	6,791.46
5. EBITDA(3-4+3d)	2,900.13	2,140.34	2,600.43	5,328.39
6. Finance Cost	1.00	0.77	2.33	0.87
7. Profit before tax and exceptional items (3-4-6)	2,658.58	1,929.94	2,270.49	5,089.34
8. Exceptional Item	39.84	114.58	323.86	322.29
9. Net Profit before tax (7-8)	2,618.74	1,815.36	1,946.63	4,767.05
10. Tax Expense	574.71	564.18	477.97	573.48
11. Net Profit after tax (9-10)	2,044.03	1,251.18	1,468.66	4,193.57
12. Share of Profit/(Loss) Joint Ventures	N.A.	N.A.	(1,895.56)	(3,015.07)
13. Share of Minority interest in the losses of Subsidiary Companies	N.A.	N.A.	189.48	177.17
14. Other Comprehensive Income (including share of profit/(loss) of Joint Venture-Net of Tax	(4.70)	(8.65)	(1.14)	92.00
15. Total Comprehensive Income (11+12+13+14)	2,039.33	1,242.53	(238.56)	1,447.67

**Financial Review**
**Standalone Financial Statements**

Your Company adopted, beginning April 1, 2016, Indian Accounting Standards for the first time with a transition date of April 1, 2015. The annual audited standalone financial results for the year have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures as regards to the key impact areas & other adjustments upon transition to Ind-AS reporting have been made under the Notes to Financial Statements.

Your Company's revenue from operations reached ₹8,021.06 million (₹8,208.55 million as per IGAAP) during the year under review as against ₹7,176.07 million (₹7,234.76 million as per IGAAP) during the previous financial year, a growth of around 11.8% (13.5% as per IGAAP) year on year. The total income increased by around 8.6% (13.3% as per IGAAP) from ₹7,961.09 million (₹8,062.86 million as per IGAAP) in FY 2016 to ₹8,646.29 million (₹9,138.17 million as per IGAAP) in FY 2017.

The operating expenses remained in line with previous year and stood at ₹5,746.16 million (₹5,531.23 million as per IGAAP) in FY2017 as compared to ₹5,820.75 million (₹5,656.31 million as per IGAAP) in FY2016.

Operating EBITDA, for the year, recorded an increase of around 68% over previous year and stood at ₹2,274.90 million (₹2,677.32 million as per IGAAP) in comparison with ₹1,355.32 million (₹1,578.45 million as per IGAAP) in FY2016. Profit before tax (PBT) from ordinary activities and after exceptional items is ₹2,618.74 million (₹3,325.55 million as per IGAAP) in FY2017 as against ₹1,815.36 million (₹2,081.57 million as per IGAAP) in FY2016.

Total Comprehensive Income, in FY2017, is reported to be ₹2,039.33 million (₹2,660.62 million as per IGAAP) (after exceptional expense of ₹39.84 million) with an increase of more than 64% over previous year and in comparison to ₹1,242.53 million (₹1,415.80 million as per IGAAP) in FY2016 (after exceptional expense of ₹114.58 million in FY 2016).

### **Dividend**

Your Company has a consistent & impressive track record of divided payment.

The Board had revised the dividend policy of the Company in its meeting held on March 12, 2016. The revised dividend policy indicates that the Company strives to maintain a dividend pay-out ratio of 15%-40% of standalone profits after tax, which may be modified in light of exceptional circumstances affecting the financials.

In line with its aforesaid Dividend Policy the Board has recommended a Final Dividend of ₹1.50/- per equity share in its meeting held on May 29, 2017 which will be paid on or after July 27, 2017, subject to approval by the shareholders at the ensuing Annual General Meeting. This is in addition to the two interim dividends at the rate of ₹1.50/- per equity share declared in the month of October, 2016 and in the month of February, 2017.

The total dividend pay-out (excluding Dividend Distribution tax) during the current year is ₹363.50 million as against ₹362.55 million for the previous year. The amount of Dividend Distribution Tax paid/provided by the Company for the year is ₹74 million as compared to ₹73.62 million during the previous financial year.

The Register of Members and Share Transfer Books of the Company shall remain closed from July 15, 2017 to July 21, 2017 for the purpose of payment of final dividend for the financial year ended March 31, 2017, and the Annual General Meeting. The Annual General Meeting is scheduled to be held on July 21, 2017.

### **Transfer to Reserves**

The Company did not transfer any amount to reserves during the year.

### **Share Capital**

During the year under review, the Company issued & allotted 3,00,000 equity shares, from time to time, to Info Edge Employees Stock Option Plan Trust. Pursuant to the above allotment, the issued & paid-up equity share capital of the Company increased to & stood, as on March 31, 2017, at ₹1,212,161,590 divided into 121,216,159 equity shares of ₹10/- each.

The fresh shares allotted as aforesaid have been duly listed on the Stock Exchanges.

### **Listing of Shares**

The Company's shares are listed on BSE Ltd. (BSE) & National Stock Exchange of India Ltd. (NSE) with effect from November 21, 2006, post its initial public offering (IPO). The annual listing fees for the financial year 2017-18 to BSE and NSE has been paid.

### **Fixed Deposits**

During the year under review, your Company has not invited or accepted any deposits from the public/members pursuant to the provisions of Sections 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

## **2. OPERATIONS REVIEW**

The Company considers its business segments as the primary segments to monitor the performance of each of its business segments on regular basis with effect from quarter ended June 30, 2015 and therefore these have been considered as reportable segments under Ind-AS 108 on Segment Reporting. The reportable Segments represent "Recruitment Solutions" and "99acres" and the "Others" segment which comprises Jeevansathi and

Shiksha service verticals since they individually do not meet the qualifying criteria for reportable segment as per the said Accounting Standard. The financial numbers given below for each of the business segments are as per Ind - AS.

### **Recruitment Solutions**

The recruitment solutions business is built around naukri.com and comprises the www.naukri.com, www.quadrangle.com, www.naukri Gulf.com, www.firstnaukri.com, and Fast Forward- Candidate services.

Recruitment solutions, which is the Company's core business continued to deliver strong results in terms of growth in revenues and profits with the flagship portal of the Company naukri.com, continuing to remain the primary source of revenue and cash generation for the Company.

Naukri.com has two major sources of revenue: (i) from recruiters, which accounts for around 90% of revenues. The different elements include job listing/response management; employer branding/visibility, and others, such as résumé short listing and screening, career site management and campus recruitment, and non-recruitment advertising other than for jobs; and (ii) from job seekers, which relate to all job seeker advisory services.

During the year under review recruitment solutions grew by 12.5% from ₹5,289.91 million in FY 2016 to ₹ 5,953.43 million in FY 2017. Operating EBITDA from recruitment solutions in FY 2017 was ₹3,213.51 million.

### **99acres**

99acres.com derives its revenues from property listings, builders' and brokers' branding and visibility through micro-sites, home page links and banners servicing real estate developers, builders and brokers.

With a share of around 50% of traffic, 99acres is the clear leader amongst major players in the market. While the Company has established leadership in traffic share, the business environment still continues to be difficult. In fact, the Real Estate market remains sluggish and demand for new homes remains to be weak as also the unfinished projects and inventory overhang continues.

During the year under review, real estate business grew by 4% from ₹1,082.53 million in FY2016 to ₹1,122.24 million in FY2017. Operating EBITDA loss from real estate business stood at ₹597.15 million in FY 2017 largely on account of additional investments in people.

### **Others**

Your Company also provides matrimonial and education based classifieds and related services through its portals jeevansathi.com and shiksha.com respectively. The other business verticals of the Company have been gaining traction for some time.

While jeevansathi offers a platform for free listing, searching and expressing interest for marriage, its revenues are generated from payments to get contact information and certain value added services. Jeevansathi has two pronged strategic focus. On the one hand, it is to cover specific communities to grow revenues. On the other hand, emphasis is being laid to convert the community already on the site to increase their use of paid services. In addition, the Company has made a lot of effort in creating a world class experience for users on the mobile platform through its mobile site and app.

Within the online education classifieds space, shiksha has been strategically positioned as a website which helps students decide undergraduate and post graduate options, by providing useful information on careers, exams, colleges and courses. The business model focuses on providing a platform for branding and advertising solution for colleges and universities (UG, PG, post PG) where both Indian and foreign entities advertise. Revenues are also generated through lead generation for institutions in terms of potential student or applicants details bought by colleges and their agents.

With revenues from these other verticals increasing by 18%, their combined contribution to the company's net sales was 12% in FY2017. Jeevansathi.com grew by 21.9% & Shiksha.com grew by 11.4%. The Company would continue to invest more to scale up these businesses.

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

## **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

The consolidated financial statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries and associate companies, as approved by their respective Board of Directors. However, for the purpose of consolidation of financial statements of the Company as regards the investment in Kinobeo Software Pvt. Ltd., unaudited financial statements have been considered.

Your Company, on a consolidated basis, achieved net sales of ₹8,876.31 million during the year under review as against ₹7,475.12 million during the previous financial year, a growth of more than 19% year on year. The total income for the year is ₹9,704.76 million as compared to ₹11,881.67 million in FY2016.

Operating EBITDA, for the year, stood at ₹1,771.98 million in comparison with ₹921.84 million in FY2016. Total Comprehensive Income, in FY2017, is reported to be ₹238.56 million loss in comparison to ₹1,447 million in FY 2016.

#### **Details of Subsidiaries/Joint Venture (Associate) Companies**

As on March 31, 2017 we have 11 subsidiaries. During the year, the Board of Directors reviewed the affairs of the subsidiaries. A statement containing the salient features of the financial statement of our subsidiaries/joint venture companies in the prescribed format AOC-I is given as annexure-I to this report. The statement also provides the details of performance and financial positions of each of the subsidiaries.

The developments in the operations/performance of each of the subsidiaries & associates included in the consolidated financial statement are presented below:

**Naukri Internet Services Ltd. (NISL)**, had net revenue of ₹ 100 thousand during the year, similar to the ₹ 100 thousand revenue during the previous financial year. The total loss of NISL is ₹ 44,566 thousand in FY2017 as compared to ₹ 50,994 thousand in FY2016.

NISL holds 7.02% of the paid-up share capital of Zomato Media Private Limited on fully converted & diluted basis, with voting rights.

**Jeevansathi Internet Services Pvt. Ltd. (JISPL)**, owns & holds the domain names & related trademarks of the Company. During the year under review, it had net revenue of ₹100 thousand, similar to the ₹ 100 thousand revenue during the previous financial year. The total income stood at ₹ 109 thousand in FY 2017 as against ₹ 101 thousand in FY 2016.

**Allcheckdeals India Pvt. Ltd. (ACD)**, provides brokerage services in the real estate sector in India. During the year under review, it achieved net revenue of ₹5,221 thousand as against ₹13,482 thousand during the previous financial year. The total income is ₹ 11,540 thousand in FY 2017 as compared to ₹37,775 thousand in FY 2016.

During the year under review, ACD allotted 0.0001%, 4,55,000 Compulsory Convertible Debentures of ₹100/- each (CCDs), aggregating to ₹45.50 million to the Company. It also allotted 2,53,550 CCDs to Smartweb Internet Services Ltd. upon conversion of loan, including interest thereon, extended by Smartweb to ACD during the year.

ACD during the year, acquired a Company i.e., NewInc Internet Services Pvt. Ltd. (NewInc) as its wholly-owned subsidiary, by acquiring its entire equity share capital at face value. The Company further invested in NewInc by subscribing to 2,48,000, 0.0001% Compulsory Convertible Debentures (CCDs) of ₹100 each aggregating to ₹24.80 million.

The Company through ACD, subscribed to 175 equity shares and 23,00,319 0.01%, optionally convertible cumulative redeemable preference shares of Ideaclicks Infolabs Pvt. Ltd. (Zippserv) for an aggregate consideration of about ₹ 24.35 million during the year under review.

**MakeSense Technologies Ltd., (MTL)**, had no revenue during the year, similar to the previous financial year. The total income of MTL is ₹ 494 thousand in FY2017 as compared to NIL in FY2016.

During the year under review, MTL, pursuant to Investment-cum-Shareholders Agreement dated September 23, 2015 entered into amongst the MTL, MacRitchie Investments Pte. Ltd. and the Company, converted 4,99,900 fully paid-up Compulsory Convertible Preference Shares ('CCPS') of ₹ 100 each aggregating to ₹4,99,90,000/- held by M/s. MacRitchie Investments Pte. Ltd. into 4,99,900 Equity Shares of ₹10 each aggregating to ₹49,99,000.

The Company continues to own 50.01% of MTL while MTL holds about 19.65% in Etechaces Marketing & Consulting Pvt. Ltd. (Policybazaar).

**Interactive Visual Solutions Pvt. Ltd.**, is the owner of a proprietary software which enables a high quality virtual video/3D image of a proposed or existing real estate development to be viewed online by customers.

During the year under review, the total income of the company is ₹38 thousand only as compared to ₹1 thousand in FY 2016.

During the year, the Authorised Share Capital of the company was increased from ₹1,00,000 consisting of 10,000 equity shares of ₹10/- each to ₹10,00,000 consisting of 10,000 equity shares of ₹10/- each and 9,000 Preference Shares of ₹100/- each.

Interactive also allotted 1,37,281, 0.0001% Compulsory Convertible Debentures of ₹100 each (CCDs) to ACD and 11,004 CCDs to the Company, on conversion of loan outstanding from ACD and the Company.

**NewInc Internet Services Pvt. Ltd. (NewInc)**, was acquired by ACD on January 5, 2017. During the period under review NewInc acquired land measuring 4,992 square meters (53,713 square feet) from the Company at an acquisition cost of ₹297.27 million. Necessary funds for the purpose were mobilized by issuing 2,48,000, 0.0001% Compulsory Convertible Debentures (CCDs) of ₹100 each aggregating to ₹24.80 million to ACD and balance is payable.

**Startup Investments (Holding) Ltd., (SIHL)** is a holding and investment company. During the year, SIHL made following investments by way of purchase of shares:

- 4,00,000 preference shares of ₹100 each in VCare Technologies Pvt. Ltd. for consideration of about ₹40 million.
- 39,998,395 preference shares of Re. 1 each in Unnati Online Pvt. Ltd. for consideration of about ₹40 million.
- 1868 preference shares of ₹10 each in Happily Unmarried Marketing Pvt. Ltd. for a consideration of about ₹50 million.
- 1,554,841 preference shares in Canvera Digital Technologies Pvt. Ltd. for a consideration of about ₹173.33 million.
- 6,00,000 Compulsorily Convertible Debentures (CCDs) in Green Leaves Consumer Services Pvt. Ltd. for a consideration of about ₹60 million.

Additionally, the Company transferred the following investments held by it to SIHL, during the year:

- Remaining shareholding (73,150 preference shares) held by the Company in Kinobeo Software Pvt. Ltd. at cost of acquisition of about ₹135 million.
- Entire shareholding (6,000,000 preference shares) held by the Company in Mint Bird Technologies Pvt. Ltd. at cost of acquisition of about ₹60 million.
- Entire shareholding (743,808 preference shares) held by the Company in Rare Media Company Pvt. Ltd. at the cost of acquisition of about ₹74.38 million.

It had the total income of ₹149,904 thousand in FY2017 as compared to ₹171,186 thousand in FY2016.

**Smartweb Internet Services Ltd. (SMISL)** a Company incorporated for the purpose of carrying on the business of providing all kinds of internet services, extended a loan for an amount of ₹10 million to Happily Unmarried Marketing Pvt. Ltd., during the year.

The Company had also extended loan of ₹25 million to ACD, which was converted into CCDs as elaborated earlier.

It had the total income of ₹22,759 thousand in FY2017 as compared to loss of ₹22,171 thousand in FY2016.

**Startup Internet Services Ltd., (SISL)** is a wholly owned subsidiary of the Company, for the purpose of providing all kinds and types of internet services. It had the total income of ₹132 thousand in FY2017 as compared to NIL in FY2016.

## INVESTEE COMPANIES

Your Company has following continuing external strategic investments:

All holding percentages in the investee companies given below are computed on fully converted and diluted basis. The percentage holding are held directly or indirectly through its subsidiaries. It may be noted that the economic interest in these investee companies may or may not be equal to the percentage shareholding on account of the terms of the agreements with them.

**Zomato Media Pvt. Ltd.**

Zomato Media Pvt. Ltd. owns & operates the website, www.zomato.com. It generates revenue from advertisements of restaurants and lead sales. The aggregate investment in Zomato is about ₹4,838 million. During the year Zomato came out with a Bonus Issue of shares, accordingly as at the end of the financial year, the percentage of paid-up share capital held by the Company including that of its wholly owned subsidiary stood at about 46.11% on a fully diluted and converted basis, with voting rights.

During the year under review, Zomato achieved, on consolidated basis, net sales of ₹3,322.72 million as against ₹1,839.47 million during the previous financial year. The total income increased by 94% from ₹2,062.18 million in FY 2016 to ₹3,993.51 million in FY 2017.

**Applect Learning Systems Pvt. Ltd.**

Applect owns & operates a website with the name www.meritnation.com which is delivering kindergarten to Class 12 (K-12) study material. The company has an experienced team that specializes in content development and assessment modules in the education space. Your Company has invested an aggregate amount of ₹1,205 million including a loan of ₹237 million. The Company holds around 59% stake, on fully diluted & converted basis, in Applect.

During the year under review, it achieved net sales of ₹363 million as against ₹287 million during the previous financial year. The total income increased by 26% from ₹298 million in FY 2016 to ₹374 million in FY 2017.

Applect falls in the category of a Subsidiary Company of the Company.

**Etechaces Marketing & Consulting Pvt. Ltd.**

Etechaces operates through website, www.policybazaar.com which helps customers understand their need for insurance and other financial products to select products/schemes accordingly, that best suit their requirements. Your Company had invested an aggregate amount of ₹325 million in Etechaces.

During the year the Company had transferred its balance shareholding in Etechaces to one of its wholly owned subsidiary viz. Makesense Technologies Ltd. ("MTL") during the previous financial year. Accordingly, the Company continues to own 50.01% of MTL while MTL holds about 19.65% in Etechaces Marketing & Consulting Pvt. Ltd.

**Kinobeo Software Pvt. Ltd.**

Your Company has invested an aggregate amount of ₹270 million in www.mydala.com for a 42% 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.

During the year, the Company transferred 73,150 preference shares in Kinobeo Software Pvt. Ltd. for a consideration of about ₹135 million to its wholly owned subsidiary i.e. Startup Investments (Holding) Ltd.

**Canvera Digital Technologies Pvt. Ltd.**

The website www.canvera.com is owned & operated by this company. The website is operational since 2008 and offers solutions to professional photographers. Revenues are generated primarily from sale of printed photo books.

Your Company had invested an aggregate amount of ₹1074 million in Canvera for a 57.46% stake, out of which ₹787 million had been booked as loss on account of diminution in value/provision for impairment. The additional investments were made through its wholly owned subsidiary viz. Startup Investments (Holding) Ltd.

Canvera also falls in the category of a subsidiary company of the Company.

**Happily Unmarried Marketing Pvt. Ltd.**

Company has invested an amount of ₹223 million including a loan of ₹10 million in www.happilyunmarried.com. The Company holds around 48% stake in it. This business generates revenues from design and sale of fun creative products as also a men's grooming range ("Ustra") and has a large addressable market.

**Mint Bird Technologies Pvt. Ltd.**

Company has invested an amount of ₹60 million in www.vacationlabs.com for 26% stake. Vacation Labs is developing a software tool for tour & activity operators which apart from automating the online reservations & payments system also provides entire back office operations.

During the year, the Company transferred its investment in 6,000,000 preference shares in Mint Bird Technologies Pvt. Ltd. for a consideration of about ₹60 million to its wholly owned subsidiary i.e. Startup Investments (Holding) Ltd.

**Green Leaves Consumer Services Pvt. Ltd.**

Company has invested an amount of ₹124 million in www.bigstylist.com for 39% stake. Bigstylist is an on-demand marketplace for beauty professionals, which gives access to the network of certified beauty professionals in one's neighbourhood. The Company invested in bigstylist through its wholly owned subsidiary, Startup Investments (Holding) Ltd.

**Rare Media Company Pvt. Ltd.**

Company has invested an amount of ₹74 million in www.bluedolph.in for 35% stake. It is a service offering Secure location tracking and workflow management of mobile employees. The service is delivered by means of the 'Blue Dolphin' application, which is pre-installed on smartphones running the Android Operating System, and the Blue Dolphin Portal, which is an access controlled web portal. Further, said investment was transferred by the Company, during the year, to its wholly owned subsidiary i.e. Startup Investments (Holding) Ltd.

**VCare Technologies Pvt. Ltd.**

Vcare Technologies Pvt. Ltd. (Dirolabs) is a phonebook management company with features like allowing users to create a group phone books which can be shared with friends and family, creation of private phone books where only key members on the group will have rights to edit, removing duplicate accounts.

During the year, the Company acquired 400,000 Preference Shares in VCare Technologies Pvt. Ltd. for a consideration of about ₹40 million for around 15% stake, on fully diluted & converted basis.

**Unnati Online Pvt. Ltd.**

Unnati Online Pvt. Ltd. is an internet company, which runs a website by the name of www.unnatihelpers.com and is in the business of providing a technology enabled employment exchange for enabling hiring of informal sector workers through its web portal. The Company has invested an aggregate amount of ₹40 million in www.unnatihelpers.com for 29% stake.

**IdeaClicks Infolabs Private Limited**

The Company has invested an aggregate amount of ₹24 million in www.zippserv.com for 28% stake. Zippserv is an online platform which provides risk assessment for safeguarding real estate investments, including legal & civil engineering due-diligence, fraud & forgery detection and technology to ascertain encroachments & city planning violations.

The aforesaid Investee Companies achieved an aggregate revenue of ₹6,643.78 million as against ₹4,744.09 million during the previous financial year. The aggregate operating EBITDA level loss was ₹2,624.76 million as compared to ₹6,819.18 million during the previous financial year.

The above companies are treated as "Associate Companies/Joint Venture" except where mentioned specifically in our Consolidated Financial Statements as per the Accounting Standards issued by the Institute of Chartered Accountants of India and notified by the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and the Auditors' Report thereon form part of this Annual Report. Further, the audited financial statements of each of the subsidiaries alongwith relevant Directors' Report and Auditors' Report thereon are available on our website www.infoedge.in. These documents will also be available for inspection during business hours at our registered office.

**Particulars of Loans, Guarantees or Investments**

During the FY2017, your Company invested, directly or indirectly, about ₹617 million into the Investee companies.

**Particulars of Contracts or Arrangements with Related Parties**

As per the provisions of the Act and the Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at <http://infoedge.in/pdfs/Related-Party-Transaction-Policy.pdf>.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This Policy specifically deals with the review and approval of Material Related Party transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party

Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is also obtained for related party transactions on an annual basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and at arm's length basis. The Company has not entered into any material related party transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements.

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed Form AOC-2 are given in Annexure II.

#### **Material Changes and Commitments**

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

As required under section 134(3) of the Act, the Board of Directors inform the members that during the financial year, there have been no material changes, except as disclosed elsewhere in report:

- In the nature of Company's business;
- In the Company's subsidiaries or in the nature of business carried out by them, and
- In the classes of business in which the Company has an interest.

#### **Future Outlook**

The digital economy in India has come of age and for entrenched players like Info Edge there are several opportunities for growth. Deeper Internet penetration and enhanced broadband usage continued to show strong secular growth trends. Therefore, the potential for growth of internet enabled businesses is immense. India's internet base is expanding at an increasing rate which is expected to continue in the near future.

Having established a leadership position in its main business domains, your company continues to lay emphasis on promoting innovation and makes investments in branding, people, product development and processes to maintain its leadership position and defend markets. Info Edge focuses on building businesses that have defensibility, sustainable competitive advantage, and an ability to make healthy profits in the long term. With the positive sentiments in the macro-economic space in India, the job market remained upward in FY2017. The Company's investments specifically in product development will continue to help maintain and strengthen its leadership position. With market hysteria dying down in the online real estate space, investment requirements into 99acres.com, especially from a marketing perspective are expected to reduce. By continuing to invest in various areas like verified listings, better user interface and designs, improving products and features on the site, the mobile platform, the platform for new projects, and analytics, 99acres is expected to firmly continue its leadership position in the market. This can be effectively leveraged once the real estate market in India picks up. Jeevansathi and shiksha have also gained some traction. Shiksha is going through its normal course of evolution in a steady manner and establishing several touchpoints that can be effectively monetised and scaled up in the future. At jeevansathi, too, this year we made some marketing spends and revitalised the brand. We continue to emphasize on building this as a product that addresses niche needs of specific regional communities in India.

Amongst the investee companies, cash burn has reduced significantly at zomato while revenues are picking up. This will realign the business model toward better performance on fundamental parameters. Overall, the Company is expected to deliver good growth in revenues across brands, profitability of the brands are expected to improve, but at the aggregate level the Company will have to keep on investing in products and people to maintain leadership in a market, which is fast getting exposed/prone to competition.

### **3. CORPORATE GOVERNANCE**

Your Company always places a major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an Organization's corporate governance philosophy is directly linked to high performance. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value for all its stakeholders.

In terms of Regulation 34 of the SEBI (LODR) Regulations, a separate section on "Corporate Governance" with a detailed compliance report on corporate governance and a certificate from M/s. Chandrasekran & Associates Company Secretaries, Secretarial Auditors of the Company regarding compliance of the conditions of Corporate Governance, forms part of this Annual Report. The report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013.

### **Management Discussion & Analysis**

The Management Discussion & Analysis Report for the year under review as stipulated under Listing Regulations with the Stock Exchanges in India is presented in a separate section forming part of this Annual Report.

### **Number of Meetings of the Board of Directors**

The Board of Directors of the Company met 6 (six) times during the year under review. In addition to this, two meetings of Independent Directors were also held. The details of the meetings of the Board including that of its Committees and Independent Directors' meeting are given in the Report on Corporate Governance section forming part of this Annual Report.

### **Composition of Audit Committee**

During the year, all recommendations of Audit Committee were accepted by the Board.

The details of the composition, powers, functions, meetings of the Committee held during the year are given in the Report on Corporate Governance section forming part of this Annual Report.

### **Establishment of the Vigil Mechanism**

The Company has formulated an effective Whistle Blower Mechanism and a policy that lays down the process for raising concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Company has appointed M/s. Thought Arbitrage Consulting, as an Independent External Ombudsman. This policy is further explained under Corporate Governance section, forming part of this Report and the full text of the Policy is available on the website of the Company at [www.infoedge.in](http://www.infoedge.in)

Your Company hereby affirms that no Director/employee have been denied access to the Chairman of the Audit Committee. There was one complaint received through the said mechanism which does not pertain to the nature of complaints sought to be addressed through this platform. However, the Company has taken cognizance of the matter and is investigating it further.

### **Risk Management Policy**

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors, covering the process of identifying, assessing, mitigating, reporting and review of critical risks impacting the achievement of Company's objectives or threaten its existence.

To further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors constituted a Board level Risk Management Committee (RMC). The details on Risk Management plan of the Company are given in the Report on Corporate Governance section forming part of this Annual Report.

### **Internal Financial Controls**

Your Company has put in place adequate internal financial controls with reference to the financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

The Company has also put in place adequate systems of Internal Control to ensure compliance with policies and procedures which is commensurate with size, scale and complexity of its operations. The Company has appointed an external professional firm as Internal Auditor. The Internal Audit of the Company is regularly carried out to review the internal control systems and processes. The internal Audit Reports along with implementation and recommendations contained therein are periodically reviewed by Audit Committee of the Board.

### **Details of Significant and Material Orders passed by the Regulators/Courts/Tribunals**

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

### **Extract of Annual Return**

As required by Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Extract of Annual Return in Form MGT-9 is furnished in Annexure III to this Report.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There were no changes in the composition of the Board during the year under review.

### **Directors liable to retire by rotation**

In accordance with the provisions of the Act, not less than 2/3rd (Two-third) of the total number of Directors (other than Independent Directors) shall be liable to retire by rotation. Accordingly, pursuant to the Companies Act, 2013

read with Article 119 of the Articles of Association of the Company, Mr. Chintan Thakkar (DIN 00678173) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

#### **Declaration by Independent Directors**

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and under the SEBI (LODR), Regulations, 2015.

#### **Familiarization Programme for the Independent Directors**

In compliance with the requirements of the Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report. The same is also available on the website of the Company and can be accessed by web link [Infoedge.in/ir-corporate-governance-ac.asp#A11](http://Infoedge.in/ir-corporate-governance-ac.asp#A11).

#### **Performance Evaluation of the Board of Directors**

Listing Regulations laying down the key functions of the Board mandates that the Board shall monitor and review the Board Evaluation Process and also stipulates that the Nomination and Remuneration Committee of the Company shall lay down the evaluation criteria for performance evaluation of Independent Directors. Section 134 of the Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Further, schedule IV to the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

Some of the performance indicators based on which the evaluation takes place are-attendance in the meetings and quality of preparation/participation, ability to provide leadership, work as team player. In addition, few criteria for independent directors include commitment to protecting/enhancing interests of all shareholders, contribution in implementation of best governance practices. Performance criteria for Whole-time Directors includes contribution to the growth of the Company, New ideas /planning and compliances with all policies of the Company.

#### **Separate Meeting of Independent Directors**

Pursuant to Schedule IV to the Companies Act, 2013 and Listing Regulations, two meetings of Independent Directors were held during the year i.e. on May 25, 2016 and on December 19, 2016, without the attendance of Executive directors and members of Management.

In addition, the Company encourages regular separate meetings of its independent directors to update them on all business-related issues and new initiatives. At such meetings, the executive directors and other members of the Management make presentations on relevant issues.

#### **Key Managerial Personnel**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

1. Mr. Hitesh Oberoi, Managing Director & CEO.
2. Mr. Chintan Thakkar, Whole-time Director & CFO.
3. Mr. Murlee Manohar Jain, VP- Secretarial & Company Secretary.

### **4. AUDITORS AND AUDITOR'S REPORT**

#### **Statutory Auditors**

M/s. Price Waterhouse & Co Bangalore LLP (FRN-007567S/S-200012), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

As provided under Section 139 of the Companies Act, 2013, M/s. Price Waterhouse & Co. Bangalore LLP has already served for more than 10 years as the Statutory Auditors of the Company and cannot be re-appointed as the Statutory Auditors of the Company.

In accordance with the aforesaid Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Audit Committee of the Company, has recommended the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, as Statutory Auditors of the Company to the Board, which is a member firm in India of Ernst & Young Global Ltd. (EYG). The Board further recommends their appointment as Statutory auditors of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 to the shareholders for approval in the ensuing AGM. Pursuant to first Proviso to Section 139, the said appointment, if approved by shareholders, shall be placed for ratification at every Annual General Meeting.

M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Chandrasekaran & Associates, Company Secretaries as the Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for FY2017. The Secretarial Audit Report is annexed herewith as Annexure IV.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **Internal Auditors**

M/s. T.R. Chaddha & Associates, Chartered Accountants perform the duties of internal auditors of the Company and their report is reviewed by the audit committee quarterly.

### **S. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

For your Company, Corporate Social Responsibility (CSR) means the integration of social, environmental and economic concerns in its business operations. CSR involves operating Company's business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of businesses. In alignment with vision of the Company, Info Edge, through its CSR initiatives, will continue to enhance value creation in the society through its services, conduct & initiatives, so as to promote sustained growth for the society.

The CSR Committee of the Company helps the Company to frame, monitor and execute the CSR activities of the Company. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company. The CSR Policy of your Company outlines the Company's philosophy & the mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large as part of its duties as a responsible corporate citizen. The constitution of the CSR Committee is given in the Corporate Governance Report which forms part of this Annual Report.

The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as Annexure V to this Report.

#### **Business Responsibility Report**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates, the top 500 listed companies by market capitalisation, to give Business Responsibility Report ("BR Report") in their Annual Report describing the initiatives taken by the Company from an Environmental, Social and Governance perspective in the format specified by the SEBI. This requirement became applicable w.e.f. April 1, 2016.

The concept of Business Responsibility Report lays down nine (9) core principles which a Listed Company shall follow while undertaking its business operations. In terms of aforesaid Regulations, a separate section on "Business Responsibility Report" with a detailed compliance report forms part of this Annual Report and is given in Annexure-VI.

#### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

The particulars relating to conservation of energy and technology absorption as required to be disclosed under the Act are part of Annexure VII to the Directors' report. The particulars regarding foreign exchange earnings and expenditure are furnished below:-

[ ₹ Million]

Particulars	FY2017	FY2016
<b>Foreign exchange earnings</b>		
Sales	672.96	653.01
<b>Total inflow</b>	<b>672.96</b>	<b>653.01</b>
Internet & Server Charges	57.74	149.87
Advertising and Promotion cost	54.32	79.83
Travel & conveyance	1.49	1.75
Foreign Branch Expenses	145.07	117.86
Others	14.10	10.33
<b>Total Outflow</b>	<b>272.72</b>	<b>359.64</b>
<b>Net Foreign exchange inflow</b>	<b>400.24</b>	<b>293.37</b>

### Green Initiative

The Company has implemented the “Green Initiative” to enable electronic delivery of notice/documents/ annual reports to shareholders. Electronic copies of the Annual Report 2017 and notice of the 22nd Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s). For members, who have not registered their e-mail addresses, physical copies of the Annual Report 2017 and the Notice of the 22nd Annual General Meeting are sent in permitted mode. Members requiring a physical copy may send a request to the Company Secretary.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 read with relevant rules thereon. The instructions for e-voting are provided in the Notice of the AGM.

In furtherance of the aforesaid principle of “Green Initiative”, the Company has decided to forego the practice of printing financial statements of its subsidiaries as part of the Company’s Annual Report with a view to help the environment by reducing paper consumption as it results in reduced carbon footprint for the Company. However, the audited financial statements of each of the subsidiaries alongwith relevant Directors’ Report and Auditors’ Report thereon are available on our website [www.infoedge.in](http://www.infoedge.in). These documents will also be available for inspection during business hours at our registered office.

## 6. HUMAN RESOURCES MANAGEMENT

Human resources management at Info Edge goes beyond the set boundaries of compensation, performance reviews and development. We look at the employee’s entire lifecycle, to ensure timely interventions that help build a long-lasting and fruitful career. The Company’s HR practices are aimed at finding a balance between optimizing the resources and investing in the value added activities. The Company conducted several employee engagement initiatives such as Holistic Healing and Stress management which observed encouraging participation.

### Particulars of Employees

The particulars of employees required under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013 forms part of this Report. However, pursuant to provisions of Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information, is being sent to all the Members of your Company and others entitled thereto. Any Member interested in obtaining such particulars may write to the Company Secretary of the Company. The same shall also be available for inspection by members at Registered Office of your Company.

### Company’s Policy relating to Remuneration for Directors, Key Managerial Personnel and Other Employees

The Company’s Policy relating to Remuneration for Directors, Key Managerial Personnel and other Employees is given in the Report on Corporate Governance section forming part of this Annual Report.

## MANAGERIAL REMUNERATION

### Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Name of Director	Designation	Remuneration of Director/ KMP for FY2016-17 (₹ in million)	% increase in remuneration in the FY 2016-17	Ratio of Remuneration of each Director/ to median remuneration of employees
Mr. Kapil Kapoor	Non-Executive Chairman	1.00	42.86% <sup>&amp;</sup>	2.27
Mr. Arun Duggal	Non-Executive, Independent Director	1.55	(11.43)% <sup>&amp;</sup>	3.52
Mr. Sanjeev Bikhchandani	Promoter, Executive Vice-Chairman	18.29	0.88%	41.57
Mr. Hitesh Oberoi	Promoter, Managing Director & CEO	18.09	(0.77)%	41.11
Mr. Chintan Thakkar	Whole Time Director & CFO	18.02	14.70% <sup>&amp;</sup>	40.95
Mr. Saurabh Srivastava	Non-Executive, Independent Director	2.48	60.00% <sup>&amp;</sup>	5.64
Mr. Naresh Gupta	Non-Executive, Independent Director	1.98	13.14% <sup>&amp;</sup>	4.50
Ms. Bala Deshpande	Non-Executive, Independent Director	1.30	(7.14)% <sup>&amp;</sup>	2.95
Mr. Sharad Malik	Non-Executive, Independent Director	1.63	12.41%	3.70
Mr. MM Jain	Company Secretary	2.93	25.21%	6.66

<sup>&</sup> The non-executive/independent directors are paid sitting fees & commission basis their attendance at the Board/Committee Meetings. The variation in their remuneration is on account of increase in the amount of sitting fee/commission payable to them pursuant to the approval of the Board of Directors in its meeting held on May 25, 2016 within the overall limits approved by the Shareholders in their meeting held on July 25, 2016 within the permissible limits under the Companies Act, 2013.

<sup>&</sup> Mr. Chintan Thakkar's remuneration was revised by the Board, on the recommendation of the Nomination & Remuneration Committee, in its meeting held on January 30, 2017 effective April 1, 2016, in accordance with the authority granted by shareholders in their meeting held on July 27, 2015.

### The percentage increase in the median remuneration of employees in the financial year.

The percentage increase in the median remuneration of the employees of the Company during the financial year is 26.5% as compared to last year.

### The number of permanent employees on the rolls of the Company.

3892

### Average percentile increase already made in the salaries of the employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.

The average increase in salaries of employees other than managerial personnel in 2016-17 was around 10%. Percentage increase in the managerial remuneration paid for the year was 4.47%.

### Affirmation that the remuneration is as per the remuneration policy of the Company.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

### Employee Stock Option Plan

Our ESOP schemes help us share wealth with our employees and are part of a retention oriented compensation program. They help us meet the dual objective of motivating key employees and retention while aligning their long term career goals with that of the Company.

**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 Extra-ordinary General Meeting (EGM) held in March 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.

**ESOP-2015:** This is a new Scheme introduced by the Company to provide equity-based incentives to Employees of the Company i.e. the Options granted under the Scheme may be in the form of ESOPs / SARs / other Share-based form of incentives. The Company shall issue a maximum of 40 lac Options exercisable into equity shares of the Company. The scheme is currently used by the Company to make fresh ESOP/SAR grants.

The applicable Disclosures as stipulated under the SEBI Guidelines as on March 31, 2017 with regard to the Employees' Stock Option Scheme (ESOS) are annexed with this report as Annexure VIII.

A certificate from M/s Price Waterhouse & Co Bangalore LLP Chartered Accountants (Firm Registration Number: 007567S/S-200012) with regards to the implementation of the Company's Employee Stock Option Scheme in line with SEBI (Share Based Employees Benefits) Regulations, 2014 would be placed in the ensuing Annual General Meeting.

The shares to which Company's ESOP Scheme relates are held by the Trustees on behalf of Info Edge Employees Stock Option Plan Trust. The individual employees do not have any claim against the shares held by said ESOP Trust unless they are transferred to their respective de-mat accounts upon exercise of vested options by them. Thus, there are no shares in which employees hold beneficial ownership however the voting rights in respect of which are exercised by someone other than such employees. The ESOP trust did not vote on any resolution moved at the previous annual general meeting.

## **7. DIRECTOR'S RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirm that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors 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 as at March 31, 2017 and of the profit of the Company for that year;
- c) the Directors have 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;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **APPRECIATION**

Your Company's organisational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilisation of the Company's resources for sustainable and profitable growth.

Your Directors acknowledge with gratitude and wishes to place on record its appreciation for the dedication and commitment of your Company's employees at all levels which has continued to be our major strength. Your Directors also thank the shareholders, investors, customers, visitors to our websites, business partners, bankers and other stakeholders for their confidence in the Company and its management and look forward for their continuous support.

**Date: May 29, 2017**  
**Place: Noida**

**For and on behalf of Board of Directors**

**(Kapil Kapoor)**  
**Chairman**  
**DIN: 00178966**

## ANNEXURE I

## FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

(₹ Mn)

Sl. No.	1	2	3	4	5	6	7	8	9	10
Name of Subsidiary Company	Allcheckdeals India Pvt Ltd	Interactive Visual Solutions Pvt Ltd	Jeevansathi Internet Services Pvt Ltd	Naukri Internet Services Ltd	Newinc Internet Services Pvt Ltd	Smartweb Internet Services Ltd	Startup Internet Services Ltd	Startup Investments (Holding) Ltd	Applect Learning Systems Private Limited	Canvera Digital Technologies Private Limited
Financial Year ending on	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
Reporting Currency	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee
Exchange Rate on the last day of the financial year	-	-	-	-	-	-	-	-	-	-
Equity share capital	98.48	0.10	0.10	0.10	0.00	0.50	0.50	0.50	0.36	1.27
Other equity	36.20	(1.17)	0.17	3,002.94	39.65	170.19	6.55	1,743.65	(468.73)	(237.66)
Total Assets	184.19	0.64	0.35	3,400.07	321.14	196.38	8.26	2,354.47	107.53	134.35
Total Liabilities	49.52	1.71	0.08	397.03	281.49	25.69	1.21	610.32	575.90	370.74
Investments (excluding Investments made in subsidiaries)	28.31	-	-	3,396.33	-	-	-	1,032.33	-	-
Total Income	11.54	0.04	0.11	0.29	-	22.76	0.13	149.90	373.69	496.00
Profit/(Loss) before tax	1.15	(1.34)	0.04	(44.52)	(1.03)	19.61	(0.02)	(184.74)	(245.32)	(289.17)
Provision for tax	(0.83)	-	0.01	-	-	0.08	0.02	-	(27.00)	(50.54)
Profit/(Loss) after tax	1.99	(1.34)	0.03	(44.52)	(1.03)	19.53	(0.04)	(184.74)	(218.32)	(238.63)
Other comprehensive Income									0.26	1.65
Total Comprehensive Income/(loss)	1.99	(1.34)	0.03	(44.52)	(1.03)	19.53	(0.04)	(184.74)	(218.06)	(236.98)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding*	100%	100%	100%	100%	100%	100%	100%	100%	59.34%	57.46%

\* In case of Canvera & applect dilutive % shareholding is mentioned

FORM AOC-1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures

Part "B": Joint Ventures

Sl. No.	1	2	3	4	5	6	7	8	9	10	
	<b>Name of Joint Ventures</b>	<b>Happily Unmarried Marketing Private Limited</b>	<b>Vcare technologies Private Limited</b>	<b>Unnati online Private Limited</b>	<b>Ideaclicks Infolabs Private Limited</b>	<b>Green leaves Consumer Services Private Limited</b>	<b>Rare Media Company Private Limited</b>	<b>Mint Bird Technologies Private Limited</b>	<b>Kinobeo Software Private Limited*</b>	<b>Zomato Media Private Limited</b>	<b>Makesense Technologies Limited</b>
1	Latest audited Balance Sheet Date	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
2	Shares of Associates /Joint Ventures held by the company on the year end	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee
	No.**	10833	9575	6185	4,232	7451	14304	5732	107801	343,763,830	500,000
	Amount of Investment in Associates/ Joint Ventures (₹ Mn)#	120.97	39.94	35.88	22.44	91.69	60.94	56.86	59.96	1861.85	996.68
	Extent of Holding %***	48.31%	14.77%	28.57%	28.90%	39.24%	34.90%	26.10%	42.18%	46.11%	50.01%
3	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture
4	Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ Mn)	[24.37]	15.31	[16.19]	13.18	18.04	8.55	39.24	226.41	2,041.82	1,335.69
6	Total Comprehensive Income (Loss) for the year (₹ Mn)	[76.18]	[0.44]	[14.40]	[6.63]	[59.88]	[30.81]	[7.65]	[51.81]	[3,888.72]	0.30
	i) Considered in Consolidation (₹ Mn)	[36.80]	[0.06]	[4.11]	[1.91]	[23.50]	[10.75]	[2.00]	[21.85]	[1,793.09]	0.15
	ii) Not considered in Consolidation (₹ Mn)	[39.38]	[0.38]	[10.29]	[4.72]	[36.38]	[20.06]	[5.65]	[29.96]	[2,095.63]	0.15

\* Financial statements of Kinobeo Software Private Limited are unaudited

\*\* Number of shares are given on fully convertible basis

\*\*\* % shareholding is given on fully convertible basis

# refer note no. 45 of Consolidated financials

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

Chintan Thakkar  
Director & CFO

M. M. Jain  
Company Secretary

Sanjeev Balchandanni  
Director

## ANNEXURE II

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:**

**1. Details of contracts or arrangements or transactions at arm's length basis:**

**(i) Kinobeo Software Pvt. Ltd.**

(a)	Name of the related party and nature of relationship	Startup Investments (Holding) Ltd, a wholly owned subsidiary of the Company (SIHL).
(b)	Nature of contracts/arrangements/transaction	Transfer of Investment in Kinobeo Software Pvt. Ltd. to SIHL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has transferred remaining shareholding (73,150 preference shares) in Kinobeo Software Pvt. Ltd. at cost of acquisition of about ₹135 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Audit Committee and the Board of Directors have approved the transaction based on the business rationale for this transaction, which when considered in its entirety, including planned strategic actions of the management, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders.
(f)	Date(s) of approval by the Board	28.01.2016
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	The transaction value was less than the thresholds prescribed for material transactions requiring shareholders' approval.

**(ii) Mint Bird Technologies Pvt. Ltd.**

(a)	Name of the related party and nature of relationship	Startup Investments (Holding) Ltd, a wholly owned subsidiary of the Company (SIHL).
(b)	Nature of contracts/arrangements/transaction	Transfer of Investment in Mint Bird Technologies Pvt. Ltd. to SIHL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has transferred entire shareholding (6,000,000 preference shares) in Mint Bird Technologies Pvt. Ltd. at cost of acquisition of about ₹ 60 million.
(e)	Justification for entering into such contracts or arrangements or transactions	The Audit Committee and the Board of Directors have approved the transaction based on the business rationale for this transaction, which when considered in its entirety, including planned strategic actions of the management, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders.
(f)	Date(s) of approval by the Board	25.02.2017
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	The transaction value was less than the thresholds prescribed for material transactions requiring shareholders' approval.

**(iii) Rare Media Company Private Ltd.**

(a)	Name of the related party and nature of relationship	Startup Investments (Holding) Ltd, a wholly owned subsidiary of the Company (SIHL).
(b)	Nature of contracts/arrangements/transaction	Transfer of Investment in Rare Media Company Private Ltd. to SIHL.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has transferred entire shareholding (743,808 Preference Shares) in Rare Media Company Private Ltd. at the cost of acquisition of about ₹ 74.38 million.

(e)	Justification for entering into such contracts or arrangements or transactions	The Audit Committee and the Board of Directors have approved the transaction based on the business rationale for this transaction, which when considered in its entirety, including planned strategic actions of the management, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders.
(f)	Date(s) of approval by the Board	25.02.2017
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	The transaction value was less than the thresholds prescribed for material transactions requiring shareholders' approval.

**(iv) NewInc Internet Services Pvt. Ltd.**

(a)	Name of the related party and nature of relationship	NewInc Internet Services Pvt. Ltd., a wholly owned step down subsidiary of the Company (NewInc).
(b)	Nature of contracts/arrangements/transaction	Transfer of land held by the Company to NewInc.
(c)	Duration of the Contracts/Arrangements/Transactions	One-time transaction
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	Company has transferred land measuring 4,992 square meters (53,713 square feet) from the Company at an acquisition cost of ₹ 321.61 Million (including stamp duty and other charges).
(e)	Justification for entering into such contracts or arrangements or transactions	The Audit Committee and the Board of Directors have approved the transaction based on the business rationale for this transaction, which when considered in its entirety, including planned strategic actions of the management, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders.
(f)	Date(s) of approval by the Board	27.10.2016
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	The transaction value was less than the thresholds prescribed for material transactions requiring shareholders' approval.

The above transactions, being between a holding company and its wholly owned subsidiaries, are exempted from the provisions of first proviso to section 188(1).

**2. Details of material contracts or arrangement or transactions not at arm's length basis**

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

Details of related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives or with the subsidiaries of the Company etc. are present under Note no. 25 to Annual Accounts of the Annual Report.

Date: May 29, 2017

Place: Noida

For and on behalf of the Board of Directors

Kapil Kapoor  
Chairman  
DIN:00178966

## ANNEXURE III

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

- i. CIN :- L74899DL1995PLC068021
- ii. Registration Date:- May 1, 1995
- iii. Name of the Company:- Info Edge (India) Ltd.
- iv. Category / Sub-Category of the Company:- Company Limited by Shares
- v. Address of the Registered office and contact details:-  
Ground Floor, GF-12A,  
94, Meghdoot Building, Nehru Place,  
New Delhi, 110019  
Tel. No. +91 120-3082000,  
Fax No. +91 120-3082095  
Email: investors@naukri.com  
Website: http://www.infoedge.in
- vi. Whether listed company :- Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:-  
Link Intime India Private Limited,  
44, Community Centre, 2<sup>nd</sup> Floor,  
Naraina Industrial Area, Phase – I,  
New Delhi- 110028  
Tel No.:- +91 (11) 41410592 - 94  
Fax No.:- +91 (11) 41410591  
Email Id: - delhi@linkintime.co.in  
Website: - linkintime.co.in

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND JOINT VENTURE (ASSOCIATE) COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Naukri Internet Services Ltd.	U74899DL1999PLC102748	Subsidiary	100	2(87)(ii)
2.	Allcheckdeals India Pvt. Ltd.	U72400DL2008PTC181632	Subsidiary	100	2(87)(ii)
3.	Jeevansathi Internet Services Pvt. Ltd.	U72900DL1999PTC102749	Subsidiary	100	2(87)(ii)
4.	Interactive Visual Solutions Pvt. Ltd.	U72200PN2009PTC134950	Subsidiary	100	2(87)(ii)
5.	Startup Investments (Holding) Ltd	U74140DL2015PLC277487	Subsidiary	100	2(87)(ii)
6.	Smartweb Internet Services Ltd.	U72300DL2015PLC285618	Subsidiary	100	2(87)(ii)
7.	Startup Internet Services Ltd.	U72200DL2015PLC285985	Subsidiary	100	2(87)(ii)
8.	MakeSense Technologies Ltd.	U74999DL2010PLC270018	Subsidiary	50.01	2(87)(ii)
9.	NewInc Internet Services Pvt Ltd	U74999DL2016PTC309795	Subsidiary	100	2(87)(ii)
10.	Zomato Media Pvt. Ltd.	U93030DL2010PTC198141	Associate	46.11	2(6)
11.	Applect Learning Systems Pvt. Ltd.	U99999DL2001PTC110324	Subsidiary	59.34	2(87)(ii)
12.	Kinobeo Software Pvt. Ltd.	U72900DL2007PTC157471	Associate	42.18	2(6)
13.	Canvera Digital Technologies Pvt. Ltd.	U92111KA2007PTC041671	Subsidiary	57.46	2(87)(ii)
14.	Happily Unmarried Marketing Pvt. Ltd.	U51909DL2007PTC167121	Associate	48.31	2(6)
15.	Mint Bird Technologies Pvt. Ltd.	U72900DL2012PTC235129	Associate	26.10	2(6)
16.	Rare Media Company Pvt. Ltd.	U72900DL2012PTC234028	Associate	34.90	2(6)
17.	IdeaClicks Infolabs Private Limited	U74900KA2015PTC078536	Associate	28.90	2(6)
18.	Green Leaves Consumer Services Pvt. Ltd.	U74999MH2015PTC266415	Associate	39.24	2(6)
19.	Unnati Online Pvt. Ltd.	U72900HR2015PTC054797	Associate	28.57	2(6)

## IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

## i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
a. Individual/ HUF	41,896,491	-	41,896,491	34.64	41,202,994	-	41,202,994	33.99	(0.65)
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks/ FIs	-	-	-	-	-	-	-	-	-
f. Any Other									
Trust	8,734,880	-	8,734,880	7.22	8,734,880	-	8,734,880	7.21	(0.01)
Relative/ Friends of Promoter	1,494,032	-	1,494,032	1.24	1,494,032	-	1,494,032	1.23	(0.01)
<b>Sub-total [A](1)</b>	<b>52,125,403</b>	<b>-</b>	<b>52,125,403</b>	<b>43.11</b>	<b>51,431,906</b>	<b>-</b>	<b>51,431,906</b>	<b>42.43</b>	<b>(0.68)</b>
(2) Foreign	-	-	-	-	-	-	-	-	-
a. NRI Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks/ FIs	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total [A](2)</b>	<b>52,125,403</b>	<b>-</b>	<b>52,125,403</b>	<b>43.11</b>	<b>51,431,906</b>	<b>-</b>	<b>51,431,906</b>	<b>42.43</b>	<b>(0.68)</b>
<b>Total Shareholding of Promoter (A) = [A](1) + [A](2)</b>									
<b>B. Public Shareholding</b>									
(1) Institutions									
a. Mutual Funds	12,143,473	-	12,143,473	10.04	15,713,410	-	15,713,410	12.96	2.92
b. Banks/ FI	6,398	-	6,398	0.01	18,830	-	18,830	0.02	0.01
c. Central Govt.(s)	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	28,015,996	-	28,015,996	23.16	16,122,512	-	16,122,512	13.30	(9.86)
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
<b>Sub-total [B](1)</b>	<b>40,165,867</b>	<b>-</b>	<b>40,165,867</b>	<b>33.21</b>	<b>31,854,752</b>	<b>-</b>	<b>31,854,752</b>	<b>26.28</b>	<b>(6.93)</b>
2. Non- Institutions									
a. Bodies Corp.	463,755	-	463,755	0.38	472,459	-	472,459	0.39	(0.01)
i. Indian									
ii. Overseas									
b. Individuals									
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	2,174,429	12,038	2,186,467	1.81	2,181,414	12,064	2,193,478	1.81	0.00
ii. Individual Shareholders holding nominal share capital in excess ₹ 1 lakh	6,260,044	-	6,260,044	5.18	6,095,368	-	6,095,368	5.03	(0.15)
c. Others									
i. Clearing Member	18,571	-	18,571	0.02	119,788	-	119,788	0.10	0.08

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
ii. Foreign Portfolio Investor	14,611,404	-	14,611,404	12.08	24,262,615	-	24,262,615	20.02	7.94
iii. NRI	602,386	-	602,386	0.50	682,623	-	682,623	0.56	0.06
iv. Directors/ Relatives	4,152,016	-	4,152,016	3.43	3,862,028	-	3,862,028	3.19	(0.24)
v. Trusts	-	-	-	-	-	-	-	-	-
vi. Hindu Undivided Family	116,736	-	116,736	0.10	106,545	-	106,545	0.09	(0.01)
<b>Sub-total (B)(2)</b>	<b>28,399,341</b>	<b>12,038</b>	<b>28,411,379</b>	<b>23.50</b>	<b>37,782,840</b>	<b>12,064</b>	<b>37,794,904</b>	<b>31.18</b>	<b>7.68</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>68,565,208</b>	<b>12,038</b>	<b>68,577,246</b>	<b>56.71</b>	<b>69,637,592</b>	<b>12,064</b>	<b>69,649,656</b>	<b>57.45</b>	<b>0.75</b>
<b>C. Shares held by custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>D. Non-Promoter-Non Public Shareholder</b>									
<b>Employee Benefit Trust</b>	213,510	-	213,510	0.18	134,597	-	134,597	0.11	(0.07)
<b>Grand Total (A+B+C)</b>	<b>120,904,121</b>	<b>12,038</b>	<b>120,916,159</b>	<b>100</b>	<b>121,204,095</b>	<b>12,064</b>	<b>121,216,159*</b>	<b>100</b>	<b>-</b>

\* Paid-up equity capital of the Company increased during the year by reason of allotment of fresh shares to Info Edge Employees Stock Option Plan Trust on, September 26, 2016 (2,00,000 Equity Shares) and February 21, 2017 (1,00,000 Equity Shares).

## ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Sanjeev Bikhchandani*	34,996,373	28.94	0.00	34,455,386	28.42	0.00	(0.52)
2.	Sanjeev Bikhchandani (Endeavour Holding Trust)	8,734,880	7.22	0.00	8,734,880	7.21	0.00	(0.01)
3.	Hitesh Oberoi*	6,900,118	5.71	0.00	6,747,608	5.57	0.00	(0.14)
4.	Surabhi Motihar Bikhchandani	1,494,032	1.24	0.00	1,494,032	1.23	0.00	(0.01)
	<b>Total</b>	<b>52,125,403</b>	<b>43.11</b>	<b>0.00</b>	<b>51,431,906</b>	<b>42.43</b>	<b>0.00</b>	<b>(0.68)</b>

\*Sanjeev Bikhchandani held shares under three folios and Hitesh Oberoi held shares under two folios.

## iii. Change in Promoter's Shareholding

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Sanjeev Bikhchandani	34,996,373	28.94					
				01/09/2016	Sale	49,573	34,946,800	28.90
				26/09/2016	The total holding diluted by 0.05% consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	34,946,800	28.85
				07/11/2016	Transfer to Employees	6,500	34,940,300	28.85
				08/11/2016	Sale	300,427	34,639,873	28.60

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				21/02/2017	The total holding diluted by 0.02% consequent to allotment of 100,000 shares to Info Edge Employee Stock Option Plan	No Change	34,639,873	28.58
				28/03/2017	Sale	98,000	34,541,873	28.50
				30/03/2017	Sale	60,000	34,481,873	28.44
				31/03/2017	Sale	26,487	34,455,386	28.42
<b>2.</b>	<b>Hitesh Oberoi</b>	<b>6,900,118</b>	<b>5.71</b>					
				22/06/2016 – 23/06/2016	Sale	15,235	6,884,883	5.69
				27/06/2016	Sale	1,775	6,883,108	5.69
				25/08/2016	Sale	50,000	6,833,108	5.65
				20/09/2016	Sale	41,000	6,792,108	5.62
				23/09/2016	Sale	23,000	6,769,108	5.60
				26/09/2016	The total holding diluted by 0.004% consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	6,769,108	5.59
				27/09/2016	Sale	21,500	67,47,608	5.58
				21/02/2017	The total holding diluted by 0.01% consequent to allotment of 100,000 shares to Info Edge Employee Stock Option Plan	No Change	67,47,608	5.57
<b>3.</b>	<b>Sanjeev Bikhchandani (Endeavour Holding Trust)</b>	<b>8,734,880</b>	<b>7.22</b>					
				Holding as on March 31, 2017 [Refer Note 1]	The total holding diluted by 0.01% consequent to allotments made as per Note 1.	No Change	8,734,880	7.21
<b>4.</b>	<b>Surabhi Motihar Bikhchandani</b>	<b>1,494,032</b>	<b>1.24</b>					
				Holding as on March 31, 2017 [Refer Note 1]	The total holding diluted by 0.01% consequent to allotments made as per Note 1.	No Change	1,494,032	1.23

Note 1: Change in holding of Sanjeev Bikhchandani (Endeavour Holding Trust) and Surabhi Bikhchandani was consequent to allotment of shares by the Company on September 26, 2016 and February 21, 2017 to Info Edge Employee Stock Option Plan Trust. There was no change in their holding consequent to sale or purchase of shares.

iv. Shareholding Pattern of top ten Shareholders

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase	Decrease	Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
1.	HDFC Trustee Company Limited – HDFC Equity Fund	4,024,244	3.33	345,200	-	4,369,444	3.60
2.	Nalanda India Equity Fund Limited	3,853,000	3.19	-	-	3,853,000	3.18

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase	Decrease	Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
3.	Amansa Holding Private Limited	3,635,343	3.01	365,519	-	4,000,862	3.30
4.	Aranda Investments (Mauritius) Pte. Ltd.	3,272,000	2.71	-	-	3,272,000	2.70
5.	Mathews India Fund	3,247,208	2.69	-	16,447	3,230,761	2.66
6.	Anil Lall	3,133,475	2.59	-	-	3,133,475	2.59
7.	WF Asian Smaller Companies Fund Limited	1,892,881	1.57	243,101	-	2,135,982	1.76
8.	Axis Mutual Fund Trustee Limited	1,695,666	1.40	891,179	-	2,586,845	2.13
9.	Reliance Capital Trustee Co. Ltd.*	1,664,197	1.38	-	1,012,170	652,027	0.54
10.	Ambarish Raghuvanshi*	1,662,317	1.37	-	51,266	1,611,051	1.33
11.	ICICI Prudential Balanced Advantage Fund <sup>#</sup>	1,400,069	1.16	1,095,614	-	2,495,683	2.06
12.	Wf Asian Reconnaissance Fund Limited <sup>#</sup>	1,284,182	1.06	520,142	-	1,804,324	1.49

Note:

\*Ceased to be in the list of Top 10 on 31.03.2017. The same is reflected above since the shareholder was one of the Top 10 shareholders of the Company on 01.04.2016.

<sup>#</sup>Not in the list of Top 10 shareholders as on 01.04.2016. The same has been reflected above since the shareholder was on the Top 10 shareholders of the Company as on 31.03.2017.

Shareholding of Top 10 Shareholders is consolidated, based on Permanent Account Number of the Shareholder.

v. Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Kapil Kapoor	3,279,771	2.71					
				02/09/2106-07/09/2016	Sale	29,558	3,250,213	2.69
				14/09/2016-16/09/2016	Sale	36,350	3,213,863	2.66
				19/09/2016	Sale	28,000	3,185,863	2.63
				23/09/2016-26/09/2016	Sale	23,000	3,162,863	2.62
				26/09/2016	The total holding diluted by 0.01% consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	3,162,863	2.61
				27/09/2016	Sale	21,500	3,141,363	2.59
				21/02/2017	The total holding diluted by 0.002% consequent to allotment of 100,000 shares to Info Edge Employee Stock Option Plan	No Change	3,141,363	2.59
				28/03/2017	Sale	30,000	3,111,363	2.57
				31/03/2017	Sale	12,000*	3,099,363*	2.56
2.	Sanjeev Bikhchandani	Refer table iii above.						
3.	Hitesh Oberoi (Managing Director & CEO)	Refer table iii above.						
4.	Arun Duggal**	64,024	0.053	-	-	No change	64,024	0.053

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
5.	Bala Deshpande	129,496	0.11	26/09/2016	The total holding diluted by 0.0001% consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	129,496	0.11
				23/11/2016	Sale	2,598	126,898	0.10
				24/11/2016-30/11/2016	Sale	27,417	99,481	0.08
				21/02/2017	The total holding diluted minutely consequent to allotment of 100,000 shares to Info Edge Employee Stock Option Plan	No Change	99,481	0.08
6.	Chintan Thakkar (Whole time Director & CFO)	NIL	-	N.A.	N.A.	NIL	NIL	NIL
7.	Naresh Chand Gupta	37,195	0.03	15/09/2016-16/09/2016	Sale	23,000	14,195	0.01
				19/09/2016	Sale	1,034	13,161	0.01
				21/09/2016	Sale	2,000	11,161	0.01
				22/09/2016	Sale	2,000	9,161	0.01
				23/09/2016	Sale	2,492	6,669	0.01
				26/09/2016	The total holding diluted minutely consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	6,669	0.01
				27/09/2016	Sale	2,000	4,669	0.004
				29/09/2016	Sale	4,669	0	0.00
8.	Sharad Malik	602,160	0.50	06/06/2016	Sale	5,000	597,160	0.49
				05/08/2016	Sale	5,000	592,160	0.49
				26/09/2016	The total holding diluted by 0.001% consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	592,160	0.49
				09/11/2016	Sale	2,500	589,660	0.49
				09/02/2017	Sale	2,500	587,160	0.48
				21/02/2017	The total holding diluted minutely consequent to allotment of 100,000 shares to Info Edge Employee Stock Option Plan	No Change	587,160	0.48
9.	Saurabh Srivastava	39,370	0.03	30/06/2016	Sale	2,000	37,370	0.03
				26/09/2016	The total holding diluted minutely consequent to allotment of 200,000 shares to Info Edge Employee Stock Option Plan	No Change	37,370	0.03

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				21/02/2017	The total holding diluted minutely consequent to allotment of 100,000 shares to Info Edge Employee Stock Option Plan	No Change	37,370	0.03
				29/03/2017	Sale	37,370***	-	-
10.	Murlee Manohar Jain (Company Secretary)	1	0.00	26/10/2016	Exercise of Options	270	271	0.00

\*Mr. Kapil Kapoor sold 12,000 shares on March 31, 2017 which were settled after close of the financial year.

\*\* Shareholding of Mr. Arun Duggal diluted minutely as a consequence of allotment of shares to Info Edge Employee Stock Option Plan Trust. There was no change in their holding consequent to sale or purchase of shares.

\*\*\*During this year under review, Mr. Saurabh Srivastava transferred his entire holding of 37,370 shares, constituting 0.03% of the Capital of the company to Rajasthan Projects LLP, a Limited Liability Partnership firm under his control.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal amount	8,126,149			8,126,149
ii. Interest due but not paid	-			-
iii. Interest accrued but not due	57,187			57,187
<b>Total (i+ii+iii)</b>	<b>8,183,336</b>	-	-	<b>8,183,336</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	6,312,980			6,312,980
Reduction	6,417,894			6,417,894
<b>Net Change</b>	<b>(104,914)</b>	-	-	<b>(104,914)</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	8,021,235			8,021,235
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	53,027			53,027
<b>Total (i+ii+iii)</b>	<b>8,074,262</b>	-	-	<b>8,074,262</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager:

₹ Million

S. No.	Particulars of Remuneration	Name of Managing Director/ Whole time Director			Total Amount
		Mr. Sanjeev Bikhchandani	Mr. Hitesh Oberoi	Mr. Chintan Thakkar	
1.	<b>Gross Salary</b>	18.29	18.09	18.02	54.40
a)	Salary as per provisions contained under Section 17(1) of the Income- tax Act, 1961	9.96	10.14	13.38	33.48
b)	Value of perquisites u/s 17(2) of Income- tax Act, 1961	0.04	0.04	0.04	0.12
c)	Profits in lieu of salary under Section 17 (3) of Income- tax Act, 1961	-	-	-	-
2.	<b>Stock Option</b>	-	-	-	-
3.	<b>Sweat Equity</b>	-	-	-	-
4.	<b>Commission as a % of profit</b>	7.50	7.50	4.00	19.00
5.	<b>Others, please specify</b>	0.79	0.41	0.60	1.80
	<b>Total (A)</b>	<b>18.29</b>	<b>18.09</b>	<b>18.02</b>	<b>54.40</b>
	<b>Ceiling as per the Act</b>	Maximum amount payable to Executive Directors subject to a maximum of 10% of net profits as per section 198 of Companies Act, 2013 – ₹305.58			

## B. REMUNERATION TO OTHER DIRECTORS

₹ Million

S.No.	Particulars of Remuneration	Name of Director						Total Amount
		Mr. Arun Duggal	Ms. Bala Deshpande	Mr. Naresh Chand Gupta	Mr. Sharad Malik	Mr. Saurabh Srivastava	Mr. Kapil Kapoor	
	<b>Independent Directors</b>							
1.	Fee for attending board committee meetings	0.80	0.60	0.98	0.88	1.48	-	<b>4.74</b>
2.	Commission	0.75	0.70	1.00	0.75	1.00	-	<b>4.20</b>
3.	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.	-	<b>Nil</b>
	<b>Total (1)</b>	<b>1.55</b>	<b>1.30</b>	<b>1.98</b>	<b>1.63</b>	<b>2.48</b>	-	<b>8.94</b>
	<b>Non-Executive Director</b>							
1.	Fee for attending board committee meetings	-	-	-	-	-	1.00	<b>1.00</b>
2.	Commission	-	-	-	-	-	N.A.	N.A.
3.	Others, please specify	-	-	-	-	-	N.A.	N.A.
	<b>Total (2)</b>	-	-	-	-	-	1.00	<b>1.00</b>
	<b>Total (B)= (1+2)</b>	<b>1.55</b>	<b>1.30</b>	<b>1.98</b>	<b>1.63</b>	<b>2.48</b>	<b>1.00</b>	<b>9.94</b>
	<b>Ceiling as per the Act</b>	Maximum amount payable to Independent/Non-Executive Directors subject to a maximum of 1% of net profits as per section 198 of Companies Act, 2013 – ₹30.56.						
	<b>Total Managerial Remuneration to all Directors</b>	Total Managerial Remuneration paid/Payable to all Directors – ₹64.34.						
	<b>Overall Ceiling as per the Act</b>	Maximum amount payable to Directors subject to a maximum of 11% of net profits as per section 198 of Companies Act, 2013 – ₹336.13.						

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/WTD

₹ Million

S. NO.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Mr. Hitesh Oberoi (CEO & MD)	Mr. Chintan Thakkar	Mr. Murlee Manohar Jain (Company Secretary)	
1.	<b>Gross Salary</b>	Please refer table VI. A. for details	Please refer table VI. A. for details	3.18	3.18
a)	Salary as per provisions contained under Section 17(1) of the Income- tax Act, 1961	-	-	2.93	2.93
b)	Value of perquisites u/s 17(2) of Income- tax Act, 1961	-	-	0.26	0.26
c)	Profits in lieu of salary under Section 17 (3) of Income- tax Act, 1961	-	-	-	-
2.	<b>Stock Option</b>	-	-	-	-
3.	<b>Sweat Equity</b>	-	-	-	-
4.	<b>Commission as % of profits</b>	-	-	-	-
5.	<b>Others, please specify</b>	-	-	-	-
	<b>Total</b>	-	-	<b>3.18</b>	<b>3.18</b>

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

**ANNEXURE-IV**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

The Members,

**Info Edge (India) Limited**

Ground Floor, GF-12A 94,  
 Meghdoot, Nehru Place,  
 New Delhi-110020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Info Edge (India) Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
- (vi) As confirmed and certified by the management, there is no law specifically applicable to the Company based on the Sectors / Businesses.

We have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance (and at a Shorter Notice for which necessary approvals obtained) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or

## INFO EDGE (INDIA) LIMITED

Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events/actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: 29/05/2017

Place: Delhi

For Chandrasekaran Associates  
Company Secretaries

Rupesh Agarwal  
Partner  
Membership No. A16302  
Certificate of Practice No. 5673

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

## ANNEXURE-A

The Members

### Info Edge (India) Limited

Ground Floor, GF-12A 94,  
Meghdoot, Nehru Place,  
New Delhi-110020

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 29/05/2017

Place: Delhi

For Chandrasekaran Associates  
Company Secretaries

Rupesh Agarwal  
Partner  
Membership No.A16302  
Certificate of Practice No.5673

**ANNEXURE-V**  
**ANNUAL REPORT ON CSR ACTIVITIES**

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and reference to the web-link to the CSR policy and projects or programs.**

Your company believes that Corporate Social Responsibility is a means to achieve a balance of economic, environmental and social imperatives, while addressing the expectations of shareholders and all stakeholders. It is a responsible way of doing business. Info Edge's CSR policy is aimed at demonstrating care for the community through its focus on education, sports and support to the disadvantaged and marginalized cross section of the society. At Info Edge, our CSR strategy focuses on aligning corporate goals with development goals thereby enabling inclusive growth. Through the CSR initiatives, your company strives to provide equitable opportunities for sustainable growth. With this idea of shared growth, your company has focussed the CSR initiatives in the field of education in this reporting year.

The complete CSR policy of your company is available on its website [www.infoedge.in](http://www.infoedge.in) at the link <http://www.infoedge.in/ir-corporate-governance-csr.asp>.

**Overview of projects or programs proposed to be undertaken**

The CSR initiatives of your company has following objectives:

- a) Augmenting the higher education standards in India for public at large.
- b) Creating infrastructure for professional education and training for capacity building for the nation.
- c) Helping build world class centres of excellence in learning through a multi-disciplinary approach.
- d) Providing education facilities and support to underprivileged children including those working as waste-pickers.
- e) Providing support to deprived and marginalized women and children and advocating for their rights.
- f) Providing training to people with disabilities and provide them employment opportunities in retail industry.
- g) Rendering rehabilitation services to persons with disabilities through a holistic approach of inclusive education, medical care, vocational training, child guidance and self-employment.
- h) Making provision of services & skill development in the field of education, health, nutrition, environment & livelihood.
- i) Improving learning outcomes through enhancing parental and community engagement in Government Schools.

**Details of the Projects under Info Edge CSR initiatives**

**Ashoka University campus development and operation of the University**

Your company has carried on the CSR initiative of development of Ashoka University undertaken in the previous two years in this reporting year as well. The core theme is to help build Ashoka University into a world-class liberal arts university and a beacon of excellence in higher education in India. Ashoka University is run by International Foundation for Research and Education (IFRE), a Section 25 Company incorporated under erstwhile Companies Act 1956, with the primary objective of promoting and improving the education standard in India. The contribution by your company has been deployed at the University for Infrastructure Creation, for building new facilities and for meeting a range of operational expenses.

Ashoka University is now home to 920 highly talented students and is firmly working its way to having 2,500 students on campus in the next five years. For the academic year 2016-17, the university received 6,500 applications for its highly comprehensive admissions process. The university's faculty strength now stands at 110 (70 fulltime, 30 visiting and 10 co-curricular), with most of them having taught and/or done their PhDs at some of the world's finest institutions like Harvard, Oxford and UPenn. In August 2017, Ashoka is introducing the natural sciences at the undergraduate level through Physics and Biology programmes. This year the University will also offer PhD programmes across a range of disciplines and an MA in Economics.

**Support to the Post Primary School Programme**

The contribution by your company has been deployed at Social Outreach Foundation (SOF) for the project "Support to the Post Primary School Programme" towards school fees, books and stationery including educational material and school uniform for sixty economically underprivileged children.

SOF is a registered society engaged in providing primary education to underprivileged children and supporting them for post-primary education. The SOF primary school is considered today as one of the best managed schools for less privileged children in Noida. Children who are part of SOF primary school and desire to continue studying in higher classes upon completion of their education from the SOF primary school are admitted to established and recognized schools. SOF provides each child with tuition fees, books, uniforms and additional coaching till Class 12.

**Support to the Education-cum-Protection Centre for children by the name of "Mera Sahara"**

The contribution by your company has been deployed at Joint Women's Programme (JWP), a registered society, for meeting a range of operational expenses for running the Education-cum-Protection Centre for children by the name of "Mera Sahara" where around 140 children, between the ages of 1-12 years, are educated, protected and made eligible for mainstream schools. Children who qualify to go to mainstream schools are admitted to the nearby Government Schools.

JWP is also engaged in lobbying and advocating for the rights of the deprived and marginalized women and children, in conducting adult education, legal and health education classes for mothers and school dropouts in urban slums and rural areas and in providing training in tailoring and embroidery, *durrie* making and computer classes.

**Education for waste picking children**

The contribution by your company has been deployed at the Chintan Environmental Research and Action Group (Chintan) for addressing the lack of quality education and health amongst waste picking children.

Chintan is a registered society that runs a programme with the name “No Child in Trash” to work with communities of waste pickers to ensure that such children, or children likely to begin to work on waste, get access to quality education through their learning Centers. It is also engaged in providing them with medical services, life-skills, and exposure to help them make informed choices about their lives and future. This project will provide access to quality education to 300 children, of which around 65% are girls. Around 80% of these children shall be admitted to the nearby municipal school.

**Training & Employment for persons with disabilities**

The contribution by your company has been deployed at the Trust for Retailers & Retail Associates of India (Trrain) with an aim to train persons with disabilities and provide them employment opportunities in the retail industry.

TRRAIN is a public charitable trust formed which runs an initiative called “PANKH–Wings of Destiny”. The initiative aims to train people with disabilities (PwD) and provide them employment opportunities in retail industry & thus create sustainable livelihoods for PwD. The objective of this project by your Company is to train and employ 125 persons with speech & hearing disability and persons with locomotor disabilities. Around 90% of the youths trained under the program come from a rural background with low income & such employment of PwD will, in addition to giving them a high level of confidence and social and financial independence, create a positive impact on lives of their family.

**Establishing a Science Lab**

The contribution by your company has been deployed at Amar Jyoti Research & Rehabilitation Centre. Amar Jyoti is a voluntary organization rendering rehabilitation services to persons with disabilities through a holistic approach of inclusive education, medical care, vocational training, child guidance and self-employment. Amar Jyoti also renders quality inclusive education

The project contributed by the Company is for establishing the required infrastructure with all facilities to the students of XI & XII standard classes particularly by a Science Lab (Physics, Chemistry and Biology Labs) in Gwalior at Amar Jyoti School and Rehabilitation Centre.

**Technology based learning solution to complement classroom learning**

The contribution by your company has been deployed at the Swami Sivanand Memorial Institute (SSMI) which is working to improve the quality of life of the under-privileged women, youth and children through research, promotion, provisioning of services and skill development in the fields of education, health, nutrition, environment and livelihood.

SSMI runs a program named “Imparting Quality Education through Computer and Language Development” which aims to build a scalable learning solution using technology to complement classroom based learning for children. The objective of this program is to implement self-paced multimedia learning content for 275 hours which otherwise takes double the time in a normal classroom and to develop a blended learning process documentation that integrates multimedia based learning, text book usage and classroom interaction. The program will directly benefit around 350 students of SSMI Primary school Grades 1-5 and 30 out of school and drop out students.

**Enhanced parental & community engagement to improve learning outcomes**

The contribution by your company has been deployed at Pratham Delhi Education Initiative (Pratham) which is working to enhance parental and community engagement in Govt. Schools.

Pratham runs a program named “Saajha” which works by forming School Management Committees (SMCs) which are mandatory bodies comprising elected teachers, parents and members of the community. These SMCs enable a collaboration between stakeholders to ensure improvement in learning levels. The target group of this project is residents of urban slum areas, with parents employed as daily wage earners, who have low monthly income and have poor literacy rates. The project will impact about 15,000 children in 30 schools and their parents, especially mothers of such children.

**1. The Composition of the CSR Committee**

The CSR Committee, constituted under Companies Act, 2013, comprised of four directors as on March 31, 2017. The composition of the CSR Committee is as follows:

S. No.	Name	Status	Designation
1	Mr. Saurabh Srivastava	Non-Executive Independent Director	Chairman
2	Mr. Sanjeev Bikhchandani	Founder & Executive Vice Chairman	Member
3	Mr. Hitesh Oberoi	Managing Director & CEO	Member
4	Mr. Chintan Thakkar	Whole-time Director & CFO	Member

**3. Average net profit of the company for last three financial years**

₹1,909.42 million

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

₹38.20 million

**5. Details of CSR spent during the financial year**

- a. Total amount to be spent for the financial year: ₹ 38.20 million
- b. Amount unspent, if any: Not Applicable

c. Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) State & district where project/ program was undertaken	Amount outlay (budget) project or program wise ₹ million	Amount spent on the projects or programs Subheads: (1) Direct expenditure (2) Overheads ₹ million	Cumulative expenditure up to the reporting period ₹ million	Amount spent: Direct or through implementing agency (with implementing agency details)
1	Ashoka University campus development and operation of the University	Higher Education	Kundli, Haryana	26.80	26.80	91.65	Implementing agency – International Foundation for Research and Education, New Delhi
2	Support to the Post Primary School Programme	Post Primary Education	Gautam Budh Nagar, Uttar Pradesh	1.00	1.00	2.00	Implementing agency – Social Outreach Foundation, New Delhi
3	Support to the Education-cum-Protection Centre for children by the name of “Mera Sahara”	Primary Education	Gautam Budh Nagar, Uttar Pradesh	1.50	1.50	3.00	Implementing agency – Joint Women’s Programme, New Delhi
4	Education for waste picking children	Primary Education	Ghaziabad	2.00	2.00	2.00	Implementing agency – Chintan Environmental Research and Action Group
5	Training & Employment for persons with disabilities	Special Education	New Delhi	1.70	1.70	1.70	Implementing agency – Trust for Retailers & Retail Associates of India
6	Establishing a Science Lab	Primary Education	Gwalior	1.50	1.50	1.50	Implementing agency – Amar Jyoti Research & Rehabilitation Centre
7	Technology based learning solution to complement classroom learning	Primary Education	New Delhi	1.50	1.50	1.50	Implementing agency – Swami Sivananda Memorial Institute
8	Enhanced parental & community engagement to improve learning outcomes	Primary Education	New Delhi	2.20	2.20	2.20	Implementing agency – Pratham Delhi Education Initiative
	Sub-total			38.20	38.20	105.55	
	Overheads				Nil		
	Total CSR Spend				38.20		

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Not Applicable

7. Responsibility Statement

We hereby confirm that implementation and monitoring of the CSR policy are in compliance with the CSR objectives and policy of the company.

Hitesh Oberoi  
 Managing Director  
 DIN: 01189953

Saurabh Srivastava  
 Chairman CSR Committee  
 DIN: 00380453

Place: Noida  
 Date: 29.05.2017

**ANNEXURE-VI**  
**BUSINESS RESPONSIBILITY REPORT**  
**2016-17**

<b>Section A: General Information about the Company</b>	
<b>1. Corporate Identity Number (CIN) of the Company</b>	L74899DL1995PLC068021
<b>2. Name of the Company</b>	Info Edge (India) Ltd.
<b>3. Registered Address</b>	Ground Floor, GF-12A 94, Meghdoot Building, Nehru Place, New Delhi 110019
<b>4. Website</b>	www.infoedge.in
<b>5. E-mail</b>	investors@naukri.com
<b>6. Financial Year Reported</b>	2016-17
<b>7. Sector(s) that the Company is engaged in (industrial activity code-wise)</b>	IT Services NIC Code 63121
<b>8. List three key products/services that the Company manufactures/ provides (as in balance sheet)</b>	(i) Online recruitment solutions, (ii) Online real estate related services, (iii) Online matrimony related services; and (iv) Online education related services.
<b>9. Total no. of locations where business activity is undertaken by the Company:</b> <b>(a) Number of International Locations:</b> <b>(b) Number of National Locations:</b>	(a) Dubai, Bahrain, Riyadh and Abu Dhabi (b) The Company has 69 offices as on March 31, 2017 spread in 44 cities across India.
<b>10. Markets served by the Company- Local/State/National/International</b>	The Company serves markets in India and parts of UAE

<b>Section B: Financial details of the Company</b>	
<b>1. Paid up Capital (₹):</b>	₹ 1,212,161,590
<b>2. Total Turn Over (₹)</b>	₹8021.1 million
<b>3. Total profit after taxes (₹)</b>	₹2083.9 million
<b>4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)</b>	₹38.20 million being 2% of the average net profits of the company for last three financial years.
<b>5. List of activities in which expenditure in 4 above has been incurred</b>	Through its CSR initiatives, Info Edge strives to provide equitable opportunities for sustainable growth. With this idea of shared growth, Info Edge has focussed its CSR initiatives in the field of education in this reporting year. For detailed information relating to list of activities in which expenditure in 4 above has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure II to the Directors' Report.

<b>Section C: Other Details</b>	
<b>1. Does the Company has any Subsidiary Company/ Companies</b>	Yes, please refer Form no. MGT-9 on page no. 68
<b>2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)</b>	Info Edge defines the code of conduct of business ethics which is applicable for all the subsidiary companies also. All the companies abide by the code of business ethics wherever applicable.
<b>3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30%-60%, More than 60%]</b>	All the entities that deal with Info Edge are contractually bound to abide by Company's Business Conduct Guidelines, that contain the basic principles and rules for conduct which is extended to its external partners.

<b>Section D: BR Information</b>		
<b>1. Details of Director/Directors responsible for BR</b>		
<b>a. Details of the Director/ Directors responsible for implementation of the BR (Business Responsibility) policy/policies</b>		
Business Responsibility Reporting Committee ("BRRC") of the Board of Directors of the Company is responsible for implementation of BR policies.		
Details of BR Committee are:		
<b>DIN</b>	<b>Name of Director</b>	<b>Designation</b>
00678173	Mr. Chintan Thakkar (Chairman)	Whole-time Director & CFO
00065640	Mr. Sanjeev Bikhchandani	Executive Vice Chairman
01189953	Mr. Hitesh Oberoi	Managing Director & CEO

**b. Details of BR Head**

No.	Particulars	Details
1	DIN Number (If applicable)	00678173
2	Name	Mr. Chintan Thakkar
3	Designation	Whole-time Director & CFO
4	Telephone no.	0120-3082000
5	e-mail id	investors@naukri.com

**2. Principle-wise (as per NVGs) BR Policy/policies:**

P1	Ethics, Transparency and Accountability
P2	Sustainable Products and Services
P3	Employees' wellbeing
P4	Stakeholder Engagement
P5	Protecting Human Rights
P6	Reducing Environmental Impact
P7	Responsible Policy Advocacy
P8	Inclusive Growth & Equitable Development
P9	Providing Value to Customers

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Info Edge's policies are in line with respective principles of National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business as issued by Ministry of Corporate Affairs, Government of India, in July 2011.								
4	Has the policy being approved by the Board? If yes, has it been signed by the MD/owner/CEO/appropriate Board Director?	All the policies are approved by the Business Responsibility Committee of the Board. All the policies are signed by the Whole-time Director & CFO who is also the Chairman of BRR Committee.								
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	<a href="http://infoedge.in/ir-corporate-governance-ac.asp#A1">http://infoedge.in/ir-corporate-governance-ac.asp#A1</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to employees through the Intranet and external stakeholders through the Company's website ( <a href="http://www.infoedge.in">www.infoedge.in</a> )								
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company has a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Whistle Blower Mechanism provides employees/ Customers/Vendors/ Contactors etc. to report any concerns or grievances pertaining to any potential or actual violation of Company's Code of Conduct and Ethics policy or any unethical behaviour. Respective businesses of the Company has its designated Grievance Officer for the business and a grievance form is available on the respective business portals, where a stakeholder can raise their concerns.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by internal or external agency?	The implementation of the policies of the Company are reviewed by the Internal Audit function of the Company.								

**3. Governance related to BR**

**(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

BRR Committee is entrusted with the task of assessing the BR performance of the Company on quarterly basis.

**(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is the first year [FY 2016-17] that the Company has published its BR Report. Info Edge has prepared this report in accordance with the SEBI guidelines and forms part of the Annual Report. The same can be accessed at url: <http://infoedge.in/ir-report-filing-ar.asp>.

<b>Section E: Principle-wise Performance</b>	
<b>Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability</b>	
<p><b>1. Does the policy relating to ethics, bribery and corruption cover only the Company?</b> <b>Does it extend to the group/Joint Ventures/Suppliers/ Contractors/ NGOs/ Others?</b></p>	<p>It covers and extend to all stake holders.</p> <p>At Info Edge, we believe in performing well by doing good right things. The Company has adopted the Code of Ethics and Conduct which guides its employees and directors to conduct business in an ethical, responsible and transparent manner. The code extends to wholly-owned subsidiaries of the Company including business associates.</p> <p>All internal &amp; external stakeholders are expected to work within the framework of the Code of the Company.</p> <p>The Company has zero tolerance approach toward bribery and corruption. To support this, the Company has a Gift policy, which enables employees to avoid situations in which their personal interests may conflict or appear to conflict with the interest of the company or its customers. The gifts received by employees are to be handed over to HR and acceptance of the gifts otherwise than as stated in the policy is strictly prohibited.</p> <p>The Company ensures compliance of ethical standards by its vendors and contractors through appropriate clauses in its work contracts to which they are obligated. The contracts include clauses in relation to anti-corruption law, confidentiality, human rights etc.</p> <p>The code of conduct is further supported by Vigil Mechanism, which is being governed by Whistle Blower Policy. Objective of the Policy is to establish no threat window whereby an individual, who is aware of any Protected Disclosure in the Company, is able to raise it to the appropriate channel as outlined in the policy, to ensure appropriate and timely institutional response and remedial action and offer protection to such individual from victimization, harassment or disciplinary proceedings. The Company has appointed M/s. Thought Arbitrage Consulting, as an Independent External Ombudsman and the Policy is directly monitored by the Chairman of the Audit Committee.</p>
<p><b>2. How many Stakeholders Complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.</b></p>	<p>The Company being in service industry does receive customer queries/feedback which are duly attended to &amp; addressed to satisfaction. A total of 26 legal complaints were received during the financial year. All of them have been duly resolved or satisfactory replied to.</p>
<b>Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle</b>	
<p><b>1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities</b></p>	<p>The Company aims to have negligible negative impact on the environment by identifying ways to optimise resource consumption in its operations although the very nature of the businesses of the Company has limited impact on environment.</p> <p>To ensure optimal resource consumption, we have incorporated environment friendly installations such as energy efficient equipments etc. For further details please refer paragraph 2 under Principle 6 of this report.</p>
<p><b>2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</b> <b>(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?</b> <b>(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</b></p>	<p>Not Applicable</p>
<p><b>3. Does the Company have procedures in place for sustainable sourcing (including transportation)?</b> <b>(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</b></p>	<p>Info Edge, being a pure play internet Company, is relatively less resource intensive in terms of material inputs. However, as a responsible corporate citizen the Company endeavours to reduce the environmental impact of its operations. As part of the Info Edge's operations, a small amount of e-waste is generated by the Company which is dealt with as per the laws.</p>
<p><b>4. Has the Company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work?</b> <b>(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</b></p>	<p>The Company's criteria for selection of goods and services is reliability, quality and price. The Company takes regular trainings to upgrade skills of security and housekeeping personnel .</p>

<p><b>5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt; 10%). Also, provide details thereof, in about 50 words or so.</b></p>	<p>The nature of Company's products is service oriented and not material resource intensive, and hence recycling of products is not applicable for the Company's products. There is negligible waste generation at Company's offices. However, the Company has procedures in place to dispose of e-waste through authorised e-waste vendors .</p>																
<p><b>Principle 3: Businesses should promote the wellbeing of all employees</b></p>																	
<p><b>1. Please indicate the Total number of employees.</b></p>	<p>3983</p>																
<p><b>2. Please indicate the Total number of employees hired on temporary/ contractual/causal basis.</b></p>	<p>91</p>																
<p><b>3. Please indicate the number of permanent women employees.</b></p>	<p>1212</p>																
<p><b>4. Please indicate the Number of permanent employees with disabilities</b></p>	<p>4</p>																
<p><b>5. Do you have an employee association that is recognized by management</b></p>	<p>No</p>																
<p><b>6. What percentage of your permanent employees is member of this recognised employee association?</b></p>	<p>NA</p>																
<p><b>7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</b></p>	<p>The Company does not engage in any form of child labour/forced labour/ involuntary labour and does not adopt any discriminatory employment practices. The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination.</p>																
<table border="1"> <thead> <tr> <th data-bbox="115 779 167 835">No.</th> <th data-bbox="175 779 610 835">Category</th> <th data-bbox="618 779 1052 835">No. of Complaints filed during the financial year</th> <th data-bbox="1060 779 1507 835">No. of complaints pending as on end of the financial year.</th> </tr> </thead> <tbody> <tr> <td data-bbox="115 842 167 873">1</td> <td data-bbox="175 842 610 873">Child labour/ forced labour/ involuntary labour</td> <td data-bbox="618 842 1052 873">0</td> <td data-bbox="1060 842 1507 873">0</td> </tr> <tr> <td data-bbox="115 879 167 911">2</td> <td data-bbox="175 879 610 911">Sexual Harassment</td> <td data-bbox="618 879 1052 911">2</td> <td data-bbox="1060 879 1507 911">0</td> </tr> <tr> <td data-bbox="115 917 167 940">3</td> <td data-bbox="175 917 610 940">Discriminatory employment</td> <td data-bbox="618 917 1052 940">0</td> <td data-bbox="1060 917 1507 940">0</td> </tr> </tbody> </table>	No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as on end of the financial year.	1	Child labour/ forced labour/ involuntary labour	0	0	2	Sexual Harassment	2	0	3	Discriminatory employment	0	0	
No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as on end of the financial year.														
1	Child labour/ forced labour/ involuntary labour	0	0														
2	Sexual Harassment	2	0														
3	Discriminatory employment	0	0														
<p><b>8. What percentage of your under mentioned employees were given safety &amp; skill up-gradation training in the last year?</b></p>	<p>The Company has institutionalised learning and development processes to create right proficiencies across levels and help employees progress in their career. The learning and development needs are recognized through various processes which include Company's vision and mission, competency frameworks and training needs identified through performance management system.</p> <p>Safety of employees is of utmost importance to the Company and in this regard mock drills are conducted in addition to periodic communication and alerts that are sent to employees on safety related aspects.</p>																
<p><b>(a) Permanent Employees</b></p>	<p>100%</p>																
<p><b>(b) Permanent Women Employees</b></p>	<p>100%</p>																
<p><b>(c) Casual/ Temporary/ Contractual Employees</b></p>	<p>100%</p>																
<p><b>(d) Employees with Disabilities</b></p>	<p>100%</p>																
<p><b>Principle 4: Businesses should promote the wellbeing of all employees</b></p>																	
<p><b>1. Has the company mapped its internal and external stakeholders? Yes/ No</b></p>	<p>Yes</p>																
<p><b>2. Out of the above, has the company identified the disadvantaged, vulnerable &amp; marginalized stakeholders.</b></p>	<p>Yes</p>																

<p><b>3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.</b></p>	<p>Info Edge carries out continuous interaction and engagement with all Internal &amp; External stakeholders including the disadvantaged, vulnerable and marginalized stakeholders.</p> <p>Brief of stakeholder engagement is as below:</p> <p><b>1. Employees Stakeholder Group:</b></p> <ul style="list-style-type: none"> <li>a. The Company has processes in place to uphold the rights of all the employees and protect them from any kind of discrimination.</li> <li>b. Employee's Surveys are conducted periodically- e.g. HR Survey, IT services related survey, Administration Services related surveys etc.</li> <li>c. Various learning and development activities/ trainings are held to ensure skill enhancement of all the employees.</li> </ul> <p><b>2. Business Associate Stakeholder Group:</b></p> <p>Various one on one meetings are held with the vendors of the Company to ensure continuous interaction with them.</p> <p><b>3. Community Stakeholder Group:</b></p> <p>The Company through its CSR initiatives focuses on Education, Women and Children (underprivileged) empowerment, Training and empowering people with disabilities thereby creating employment opportunities, Rehabilitation Services, Sustainable Livelihood- Vocational Skills.</p> <p><b>4. Shareholders/ Investor Stakeholder Group:</b></p> <ul style="list-style-type: none"> <li>a. The Company has a shareholder satisfaction survey available on the website of the Company.</li> <li>b. The Company attends various Investor/Analysts Meets, holds Investor Calls etc. and transcripts and voice recordings of such calls are available on the portal of the Company.</li> <li>c. Company also interacts with the shareholders/ Investors through Newspaper Publications, Stock Exchange disclosures, Annual Reports etc.</li> </ul> <p><b>5. Customer Stakeholder Group:</b></p> <p>The Customers/ Clients of the Company are expected to work within the framework of the Code of Ethics &amp; Conduct of the Company. The Grievance Forms are available at respective business portals of the Company in addition to the feedback forms.</p> <p>Respective Business portals has toll free number, through which a customer can approach the Company.</p>
<p><b>Principle 5: Businesses should respect and promote human rights</b></p>	
<p><b>1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?</b></p>	<p>The Company's philosophy of non-discrimination among employees, meritocracy and mechanisms for redressal of employee issues applies across the Company and its subsidiaries. Our respect for human rights guides our policies and practices dealing with our operations, partnerships, contracts and investment agreements. While mutual agreements assure stakeholders such as vendors and suppliers of protection against human rights violations, all our employees are introduced to these policies during induction. The Code of Ethics and Conduct covers guidelines on Human Rights, Ethics, Corruption, Bribery, Transparency and Environment.</p> <p>All employees and contractual staff is empowered to report any incident of discrimination and harassment. The Company does not employ child labour. We have grievance redressal channels to deal with issues related to discrimination, retaliation and harassment. The company has constituted an Internal complaints committee to address complaints of sexual harassment raised by women employees. There is an effective whistle blower mechanism put in place by the company which is managed by an independent external ombudsman to provide complete anonymity and confidentiality.</p> <p>Also, we at Info Edge encourage its Business Partners to follow the policy. We discourage dealing with any supplier/contractor if it is in violation of human rights and also prohibits the use of forced or child labour .</p>

<p>2. How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</p>	<p>No incidence of discrimination or human rights violation was received by the Company or was pending investigation as on March 31, 2017. Two sexual harassment complaints have been received from the employees which have been satisfactorily resolved. For further details please refer paragraph 7 under Principle 3 of this report .</p>
<p><b>Principle 6: Businesses should respect, protect, and make efforts to restore the environment</b></p>	
<p>1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others</p>	<p>The aspects outlined under this principle are not substantially relevant to the Company given the nature of its business. The Company complies with the applicable environmental regulations in respect of its premises and operations. Also, the Company participates in initiatives towards addressing environmental issues.</p>
<p>2. Does the Company have strategies/Initiatives to address global warming issues such as climate change, global warming, etc.? Y/N: If yes, please give hyperlink for webpage etc.</p>	<p>The Company has always been striving towards imbibing green sustainable products, processes and practices. The Company continuously endeavours to reduce the environmental impacts of its own operations. The Company focuses on improving energy efficiency, use of renewable energy, procurement of greener products and waste recycling. The Company aims to reduce the impact on the environment by identifying ways to optimise resource consumption in its operations although the very nature of the businesses of the Company has limited impact on environment.</p> <p>To ensure optimal resource consumption, we have incorporated environment friendly installations such as energy efficient equipments including:</p> <ol style="list-style-type: none"> <li>1. Replacement of conventional lights to LED lights in the offices across all the locations.</li> <li>2. The Company uses Automated Energy Monitoring &amp; Control Product named as "Zenatix", which enables monitor, configuration and control of the electrical devices of the organisation.</li> <li>3. The Company uses star rated and energy efficient ACs and Diesel Gensets.</li> <li>4. Automatic server and desktop shutdown, to reduce consumption of energy, in addition to constant mailers to remind &amp; encourage energy saving.</li> <li>5. Initiatives to reduce usage of virgin paper and consumption and promotion of recycle.</li> <li>6. Responsible e-waste disposal.</li> <li>7. Usage of Video Conferences, Video/ Audio chatting to reduce emissions as a result of travel.</li> <li>8. Company provides shuttle services and encourages car pool to save fuel &amp; reduce pollution, thereby protecting the environment.</li> </ol>
<p>3. Does the Company identify and assess potential environment risks? Y/N</p>	<p>Though the very nature of the businesses of the Company has limited impact on environment. The Company continuously aims to reduce even the limited impact on the environment by identifying ways to optimise resource consumption in its operations. The Company understands the potential environmental risks and participates in initiatives as mentioned above to address the environmental concerns. We also comply with applicable environmental regulations, wherever applicable, in respect of its premises and operations.</p>
<p>4. Does the company have any project related to Clean Development Mechanism? If so, provide details therefor, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?</p>	<p>Not Applicable</p>
<p>5. Has the Company undertaken any initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.</p>	<p>Please refer paragraph 2 above</p>
<p>6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported?</p>	<p>Not Applicable</p>
<p>7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.</p>	<p>There were no legal notices received during the year that remain outstanding as on March 31, 2017.</p>
<p><b>Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner</b></p>	
<p>1. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.</p>	<p>Yes, it is a part of NASSCOM and Internet And Mobile Association of India (IAMAI ).</p>

<p><b>2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)</b></p>	<p>There is no distinct policy on public advocacy. Yes, the Company does share its views/comments on proposed policy formulations through appropriate forums whenever required on matters relating to its business including but not limited to Digital India, Security Policy, Cyber Crimes, Startup India and Tax Administration etc. or on matters of corporate governance.</p>
<p><b>Principle 8: Businesses should support inclusive growth and equitable development</b></p>	
<p><b>1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.</b></p>	<p>The Company has put in place Policy on Corporate Social Responsibility to guide its efforts on CSR initiatives that contribute to inclusive growth and equitable development.  Info Edge CSR Policy outlines the Company's philosophy &amp; the mechanism for undertaking socially useful programmes for welfare &amp; sustainable development of the community at large as part of its duties as a responsible corporate citizen. For detailed information relating to list of activities in which expenditure in 4 below has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure II to the Directors' Report.</p>
<p><b>2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures structures/any other organisation?</b></p>	<p>The Company engages with NGOs/ other organisations/Trusts along with its in-house team to ensure that the Company achieves its vision of promoting inclusive growth.</p>
<p><b>3. Have you done any impact assessment of your initiative?</b></p>	<p>The Company periodically reviews the impact of its initiatives. The CSR Committee at the end of the year understand the efficacy of the programme in terms of delivery of desired benefits to the community.</p>
<p><b>4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken.</b></p>	<p>The Company has spent ₹ 38.20 million towards various CSR initiatives during the year 2016-17. For detailed information relating to list of activities in which expenditure above has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure II to the Directors' Report.</p>
<p><b>5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.</b></p>	<p>Info Edge's CSR initiatives are rolled out directly or in partnership with non-profit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Company's Representatives track the reach and take necessary steps to make it successful. Further, the CSR projects are evaluated by the CSR Committee to ensure maximum impact of their initiatives.</p>
<p><b>Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner</b></p>	
<p><b>1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.</b></p>	<p>There are 6 consumer cases going in consumer courts in different parts of the country.</p>
<p><b>2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)</b></p>	<p>Not Applicable</p>
<p><b>3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.</b></p>	<p>There is no case against the Company during last 5 years, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour .</p>
<p><b>4. Did your company carry out any consumer survey/ consumer satisfaction trends?</b></p>	<p>The Company on a continuous basis measures satisfaction levels of customers. Businesses of the Company has a feedback form on their respective portals, where a customer can freely give its feedback on the services being offered by the Company.</p>

## ANNEXURE VII

## DISCLOSURE OF PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

**Conservation of Energy**

The Company, being a responsible Corporate Citizen, makes conscious efforts to reduce its energy consumption though its nature of operations are not energy-intensive. Some of the measures undertaken by the Company on a continuous basis including during the year are listed below:

1. Replacement of conventional lights to LED lights in the offices across all the locations.
2. The Company uses Automated Energy Monitoring & Control Product named as “Zenatix”, which enables monitor, configuration and control of the electrical devices of the organisation.
3. The Company uses star rated and energy efficient ACs and Diesel Gensets.
4. Automatic server and desktop shutdown, to reduce consumption of energy, in addition to constant mailers to remind & encourage energy saving.
5. Company provides shuttle services and encourages car pool to save fuel & reduce pollution, thereby protecting the environment.
6. Rationalization of usage of electrical equipments— air-conditioning system, office illumination, beverage dispensers, desktops.
7. Regular monitoring of temperature inside the buildings and controlling the air-conditioning System.
8. Planned Preventive Maintenance (PPM) schedule put in place for electro-mechanical equipments.
9. Usage of energy efficient illumination fixtures.
10. Signage timings rationalization.
11. Power factor rationalization.

**Research and Development (R&D)**

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

i) 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.

ii) 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.

iii) 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. We have a pipeline of new initiatives that are being developed and launched.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- a) The details of the technology imported: N.A.
- b) The year of import: N.A.
- c) Whether the technology been fully absorbed: N.A.
- d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

iv) Expenditure on R&D for the year ended March 31, 2017

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

**ANNEXURE VIII**  
**INFORMATION REGARDING THE EMPLOYEES STOCK OPTION SCHEMES**

PARTICULARS	NUMBER
Options/Stock Appreciation Rights outstanding at beginning of year (April 1, 2016)	4,460,584
<b>Add:</b>	
Options/Stock Appreciation Rights Granted	122,800
<b>Sub-total 1</b>	<b>45,83,384</b>
<b>Less:</b>	
Options/Stock Appreciation Rights Exercised	523,349
Options/Stock Appreciation Rights lapsed/Forfeited	412,800
Options/Stock Appreciation Rights expired	7,600
<b>Sub-total 2</b>	<b>9,43,749</b>
Options/Stock Appreciation Rights outstanding at the end of year (Sub-total 1-2)	36,39,635
Options/Stock Appreciation Rights exercisable at the end of year (March 31, 2017)	11,44,744
Total number of shares arising as a result of exercise of option	377,021
Money realised by exercise of options (Inclusive of tax)	117,403,646

**Options/SAR Vested:**

During the year 2016-17, an aggregate of 242,302 options vested in the respective grantees.

**Variation of terms of Options/SAR:**

No variation was made during the year to the terms of the Options/SARs granted to the Eligible Employees.

**Exercise Price:**

During the year 2016-17, ESOPs/SARs were exercised under the ESOP 2007 at the following prices:

Exercise Price Range (₹)	No. of ESOPs/SARs Exercised
0-300	245,778
300-600	237,334
600-900	40,237
<b>Total</b>	<b>523,349</b>

**Employee wise details of the options granted to:****(i) Key Managerial Personnel:**

KEY MANAGERIAL PERSONNEL	NUMBER
Managing Director & CEO	N.A.*
Whole-time Director	N.A.*
Whole-time Director & CFO	Nil
Company Secretary	Nil

\* Managing Director & CEO and Whole-time Director, also being Promoters of the Company are not entitled to participate in the ESOP Scheme of the Company.

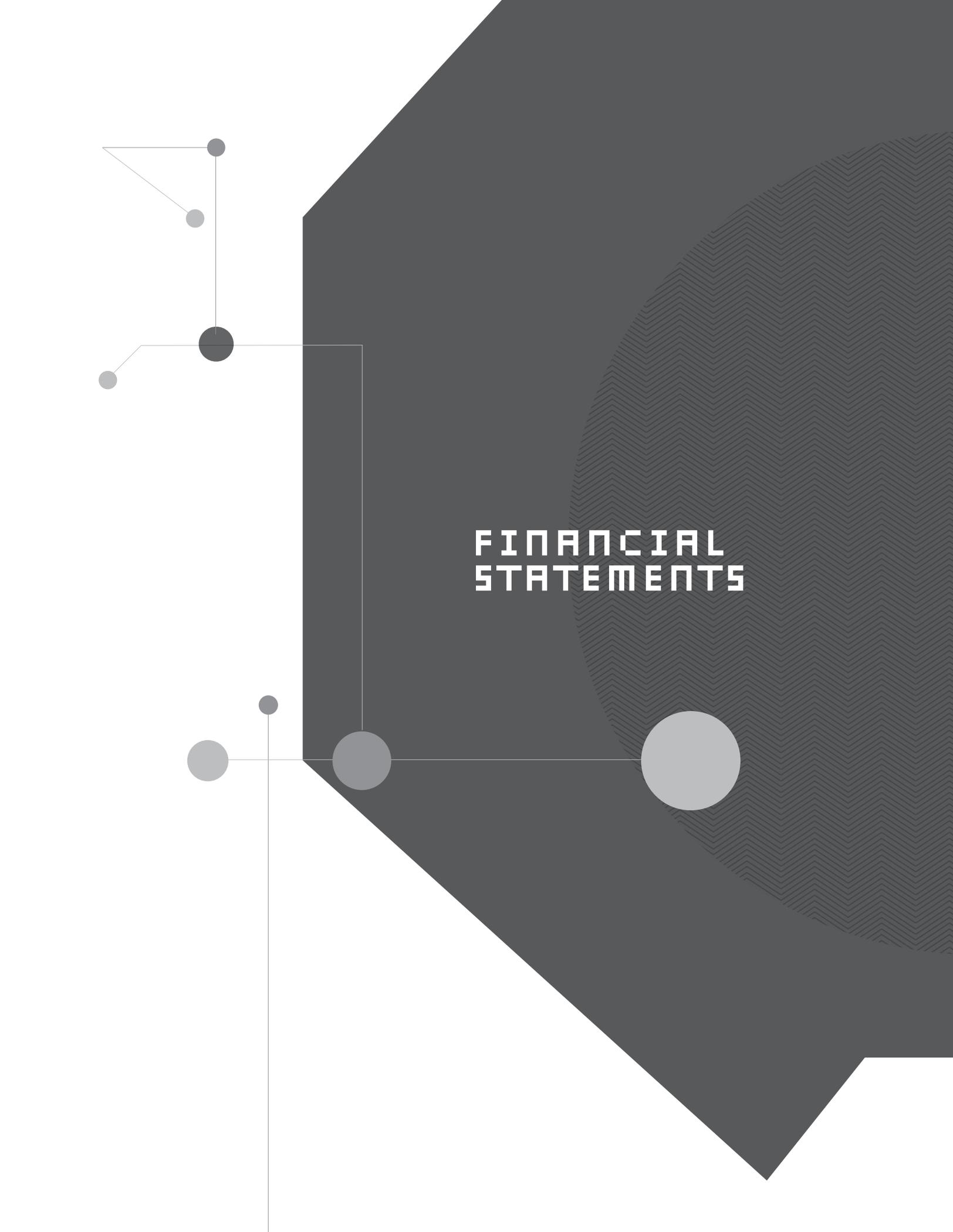
(ii) **Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.** – Nil

(iii) **Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (including outstanding warrants and conversions) of the Company at the time of grant.** – Nil

**Other Details-**

1	Earnings Per share (EPS)	Basic - ₹ 16.91, Diluted - ₹16.81
2	Method of calculation of employee compensation cost	The Company has calculated the employee compensation cost using the Fair 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)	Not Applicable
4	The impact of this difference on profits and on EPS of the Company	Not Applicable
5 a	Weighted-average exercise prices of options whose exercise price –	<b>ESOPs/SARs</b>
	i) either equals market price; or	832.20
	i) exceeds market price ; or	809.60
	ii) less than market price ; or	827.75

5 b	Weighted fair values of options whose exercise price –	<b>ESOPs/SARs</b>
	i) either equals market price; or	293.88
	ii) exceeds market price ; or	285.44
	iii) is less than the market price of the stock	800.56
6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information:	<b>ESOPs/SARs</b>
	i) risk-free interest rate;	6.77%
	ii) expected life (in years);	4.23
	iii) expected volatility	33.45%
	iv) expected dividend yield	0.48%
	v) the price of the underlying share in the market at the time of option grant.	831.69
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.



**FINANCIAL  
STATEMENTS**

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF INFO EDGE (INDIA) LIMITED

#### Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of **Info Edge (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, of the state of affairs of the Company as at March 31, 2017, and its total comprehensive income (comprising of profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date).

#### Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we

expressed an unmodified opinion dated May 25, 2016 and May 29, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and 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 so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 27;
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 44.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 0007567S/S-200012  
Chartered Accountants

Place: Noida  
Date: May 29, 2017

Abhishek Rara  
Partner  
Membership Number: 077779

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Info Edge (India) Limited on the standalone financial statements for the year ended March 31, 2017

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls over financial reporting of Info Edge (India) Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 0007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number: 077779

Place: Noida  
Date: May 29, 2017

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Info Edge (India) Limited on the standalone financial statements as of and for the year ended March 31, 2017

- 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 3 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) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has granted unsecured loans, to 2 companies covered in the register maintained under Section 189 of the Act. There are no firms /LLPs/ other parties covered in the register maintained under Section 189 of the Act.
  - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
  - (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (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, service tax and provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess 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 sales-tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax, and service tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount under dispute	Unpaid Amount	Financial Year	Forum where the dispute is pending
Finance Act, 1994	Business Support Services Advertisement Services	27,310,388	21,900,520	2003-2012	Custom excise and Service Tax Appellate Tribunal
Finance Act, 1994	Wrong availment of Cenvat Credit	1,290,882	1,290,882	April 01, 2010 to March 31, 2011	Commissioner – Service Tax
Finance Act, 1994	Export of services provided to Special Economic Zone (SEZ)	16,671,871	16,671,871	April 2012 to March 2013	Commissioner – Service Tax
Income Tax Act, 1961	Depreciation on intangible assets	3,961,444	-	2004-2005	CIT (Appeals)
Income Tax Act, 1961	Depreciation on intangible assets	2,270,447	-	2005-2006	CIT (Appeals)
Income Tax Act, 1961	Depreciation on intangible assets	6,608,480	2,771,357	2006-2007	A0/ CIT (Appeals)
Income Tax Act, 1961	Disallowance of ESOP expenses, Disallowance u/s 14A	21,707,080	21,707,080	2010-2011	Income Tax Appellate Tribunal

Name of the statute	Nature of dues	Amount under dispute	Unpaid Amount	Financial Year	Forum where the dispute is pending
Income Tax Act, 1961	Disallowance u/s 14A Disallowance of ESOP expenses, Fee paid to Registrar of Companies, Trademark expenses and stale cheques	14,884,030	14,884,030	2012-2013	CIT (Appeals)
Income Tax Act, 1961	Disallowance of ESOP Expenses Disallowance u/s 14A*	9,044,670	9,044,670	2013-14	CIT (Appeals)*
Income Tax Act, 1961	Computation made on presumptive basis	182,271 SAR	-	2008-13	Deputy Director of the Department of Zakat and Income Tax

\*intimation received subsequent to March 31, 2017.

- viii. 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 loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. 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 by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IND AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- xiv. The Company had made a private placement of shares during the year ended March 31, 2015, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 0007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number: 077779

Place: Noida  
Date: May 29, 2017

## BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Notes	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 01, 2015 (₹ Mn)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3 (a)	586.03	725.33	637.66
Intangible assets	3 (b)	12.88	19.90	22.41
Intangible assets under development	3 (b)	3.35	3.35	-
Investment property	3 (c)	-	271.59	274.78
Financial assets				
(i) Investments	4 (a)	7,408.58	6,170.41	5,858.46
(ii) Other financial assets	4 (f)	212.67	1,596.88	102.85
Non-current tax assets (net)	7	688.76	179.73	20.36
Deferred tax assets (net)	5	295.18	492.41	386.00
Other non-current assets	6	61.31	72.61	67.40
<b>Total non-current assets</b>		<b>9,268.76</b>	<b>9,532.21</b>	<b>7,369.92</b>
<b>Current Assets</b>				
Financial assets				
(i) Investments	4 (b)	2,162.12	374.38	9,037.78
(ii) Trade receivables	4 (c)	75.31	121.39	101.66
(iii) Cash and cash equivalents	4 (d)	472.73	447.41	356.00
(iv) Bank balances other than (iii) above	4 (d)	2,435.33	1,045.39	1,491.74
(v) Loans	4 (e)	246.76	44.08	24.27
(vi) Other financial assets	4 (f)	9,389.33	9,950.88	1,920.82
Other current assets	6	111.50	88.14	67.83
<b>Total current assets</b>		<b>14,893.08</b>	<b>12,071.67</b>	<b>13,000.10</b>
<b>Total assets</b>		<b>24,161.84</b>	<b>21,603.88</b>	<b>20,370.02</b>
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Equity share capital	8	1,210.81	1,207.15	1,200.80
Other equity	9	18,620.30	16,742.43	15,994.08
<b>Total equity</b>		<b>19,831.11</b>	<b>17,949.58</b>	<b>17,194.88</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	10(a)	3.57	3.79	2.82
(ii) Trade payables	10(c)	38.30	37.87	41.69
Other non-current liabilities	12	10.40	26.47	30.20
<b>Total non-current liabilities</b>		<b>52.27</b>	<b>68.13</b>	<b>74.71</b>
<b>Current liabilities</b>				
Financial liabilities				
(i) Trade payables	10(c)	417.78	269.96	340.28
(ii) Other financial liabilities	10(b)	4.50	4.40	4.21
Provisions	11	416.10	428.58	258.26
Other current liabilities	12	3,440.08	2,883.23	2,497.68
<b>Total current liabilities</b>		<b>4,278.46</b>	<b>3,586.17</b>	<b>3,100.43</b>
<b>Total liabilities</b>		<b>4,330.73</b>	<b>3,654.30</b>	<b>3,175.14</b>
<b>Total equity and liabilities</b>		<b>24,161.84</b>	<b>21,603.88</b>	<b>20,370.02</b>

The above balance sheet should be read in conjunction with the accompanying notes.

This is the balance sheet referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

## STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars	Notes	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
<b>Income</b>			
Revenue from operations	13	8,021.06	7,176.07
Other income	14	625.23	785.02
<b>I Total Income</b>		<b>8,646.29</b>	<b>7,961.09</b>
<b>Expenses</b>			
Employee benefits expense	15	3,751.58	3,354.43
Finance costs	16	1.00	0.77
Depreciation and amortisation expense	17	240.55	209.63
Advertising and promotion cost	18	880.53	1,318.41
Administration and other expenses	19	941.47	918.21
Network, internet and other direct charges	20	172.58	229.70
<b>II Total Expense</b>		<b>5,987.71</b>	<b>6,031.15</b>
<b>III. Profit before exceptional items and tax (I-II)</b>		<b>2,658.58</b>	<b>1,929.94</b>
IV. Exceptional items	36	39.84	114.58
<b>V. Profit before tax (III-IV)</b>		<b>2,618.74</b>	<b>1,815.36</b>
<b>VI. Income tax expense</b>			
(1) Current tax- (current year)	41	770.62	684.23
(2) Current tax- (previous years)		(393.14)	(13.64)
(3) Deferred tax		197.23	(106.41)
<b>Total tax expense</b>		<b>574.71</b>	<b>564.18</b>
<b>VII. Profit for the year (V-VI)</b>		<b>2,044.03</b>	<b>1,251.18</b>
<b>Other comprehensive income (OCI)</b>			
(A) Items that will be reclassified to profit or loss		-	-
(B) Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligation		(7.18)	(13.23)
Income tax relating to this		2.48	4.58
<b>Other comprehensive income for the year, net of income tax</b>		<b>(4.70)</b>	<b>(8.65)</b>
<b>Total comprehensive income for the year</b>		<b>2,039.33</b>	<b>1,242.53</b>
<b>Earnings per share:</b>	24		
Basic earnings per share		16.91	10.40
Diluted earnings per share		16.81	10.31

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

## STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
<b>A.</b>	<b>Cash flow from operating activities:</b>		
	Profit before exceptional item and tax	2,658.58	1,929.94
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	240.55	209.63
	Lease Equalisation charges	(1.46)	(5.26)
	Finance cost	1.00	0.77
	Interest income from financial assets measured at amortised cost		
	- on fixed deposits with banks	(844.89)	(531.07)
	- on other financial assets	(67.63)	(32.87)
	Dividend income from financial assets measured at FVTPL	(41.06)	(200.59)
	Loss/(gain) on sale of property, plant & equipment and investment property (net)	(29.09)	1.40
	Net gain on disposal of financial assets measured at FVTPL	394.07	139.77
	Net loss on financial assets mandatorily measured at FVTPL	(15.89)	(135.15)
	Unwinding of discount on security deposits	(7.18)	(5.93)
	Interest income on deposits with banks made by ESOP Trust	(13.18)	(13.02)
	Bad debt/provision for doubtful debts	3.58	0.04
	Share based payments to employees	259.75	174.24
	<b>Operating profit before working capital changes</b>	<b>2,537.15</b>	<b>1,526.90</b>
	<b>Adjustments for changes in working capital :</b>		
	- Decrease/(Increase) in Trade receivables	42.50	(19.77)
	- Decrease/(Increase) in Other Non Current Financial Assets	10.77	(15.39)
	- Increase in Other Current Financial Assets	(75.07)	21.16
	- Decrease/(Increase) in Other Non- Current asset	6.97	(721)
	- Decrease/(Increase) in Other Current asset	(23.31)	(20.31)
	- Increase/(Decrease) in Trade payables	147.16	(63.02)
	- Increase in Short-term provisions	(19.66)	127.67
	- Increase/(Decrease) in Other long term liabilities	(16.07)	(755)
	- Increase in Other current liabilities	557.01	385.20
	<b>Cash generated from operations</b>	<b>3,167.40</b>	<b>1,927.68</b>
	- Taxes Paid (Net of TDS)	(884.11)	(825.38)
	<b>Net cash inflow from operations</b>	<b>2,283.29</b>	<b>1,102.30</b>
<b>B.</b>	<b>Cash flow from Investing activities:</b>		
	Purchase of fixed property, plant and equipment	(88.97)	(295.08)
	Loan to related parties	(222.49)	(27.93)
	Investment in fixed deposits (net)	(168.37)	(7,917.85)
	Amount paid on acquisition of subsidiary and associate companies	(1,885.65)	(2,336.86)
	Payment for purchase of investments	(9,065.26)	(11,000.96)
	Proceeds from sale of investments	7,294.69	19,711.46
	Proceeds from sale of property, plant and equipment	4.98	2.04
	Proceeds from sale of investment property	20.00	-
	Repayment of loans by related parties	28.86	8.12
	Interest received	790.04	293.88
	Dividend received	41.06	200.59
	Proceeds from sale of investment in subsidiary and associate companies	1,411.81	1,013.39
	<b>Net cash outflow from investing activities</b>	<b>(1,839.30)</b>	<b>(349.20)</b>
<b>C.</b>	<b>Cash flow from financing activities:</b>		
	Proceeds from allotment of shares	19.31	63.24
	Proceeds from borrowings	6.31	6.31
	Repayment of borrowings	(6.43)	(5.16)
	Interest paid	(1.01)	(0.77)
	Dividend paid to company's shareholders	(362.84)	(602.46)
	Dividend tax paid	(74.01)	(122.85)
	<b>Net cash outflow from financing activities</b>	<b>(418.67)</b>	<b>(661.69)</b>
	<b>Net increase in cash &amp; cash equivalents</b>	<b>25.32</b>	<b>91.41</b>
	<b>Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)</b>	<b>447.41</b>	<b>356.00</b>
	<b>Closing balance of cash and cash equivalents</b>	<b>472.73</b>	<b>447.41</b>
	<b>Cash and cash equivalents comprise</b>		
	Cash in hand	4.16	6.36
	<b>Balance with scheduled banks</b>		
	-in current accounts (Refer Note no 2 below)	458.11	415.61
	-in fixed deposits accounts with original maturity of less than 3 months	10.46	25.44
	<b>Total cash and cash equivalents</b>	<b>472.73</b>	<b>447.41</b>
	-in fixed deposits accounts with original maturity of more than 3 months	10,749.91	10,580.79
		<b>11,222.64</b>	<b>11,028.20</b>

**Notes:** 1. The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.  
2. Figures in brackets indicate cash outflow.

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flows referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

Chintan Thakkar  
Director & CFO

M. M. Jain  
Company Secretary

## Statements of changes in equity

## a. Equity share capital

Particulars	Notes	Amount (₹ mn)
<b>As at April 01, 2015</b>		<b>1,200.80</b>
Changes in equity share capital	8	6.35
<b>As at March 31, 2016</b>		<b>1,207.15</b>
Changes in equity share capital	8	3.66
<b>As at March 31, 2017</b>		<b>1,210.81</b>

## b. Other equity

Particulars	Notes	Reserves & Surplus				Total
		Employee stock options outstanding	Securities premium account	General reserve	Retained earnings	
<b>Balance as at April 01, 2015</b>		110.30	8,151.16	317.99	7,414.63	15,994.08
Profit for the year		-	-	-	1,251.18	1,251.18
Other Comprehensive Income for the year		-	-	-	(8.65)	(8.65)
<b>Total Comprehensive Income for the year</b>		-	-	-	<b>1,242.53</b>	<b>1,242.53</b>
<b>Transaction with owners in their capacity as owners</b>						
Options granted during the year	26	174.24	-	-	-	174.24
Transfer from Employee stock options outstanding to General reserve		(9.55)	-	9.55	-	-
Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings		-	-	-	56.99	56.99
Amount received on issue of shares		-	18.00	-	-	18.00
Securities premium on shares issued to and held by ESOP Trust as at the year end		-	(18.10)	-	-	(18.10)
Dividends		-	-	-	(239.91)	(239.91)
Interim Dividend		-	-	-	(362.55)	(362.55)
Corporate dividend tax		-	-	-	(122.85)	(122.85)
<b>Balance as at March 31, 2016</b>		<b>274.99</b>	<b>8,151.06</b>	<b>327.54</b>	<b>7,988.84</b>	<b>16,742.43</b>
Profit for the year		-	-	-	2044.03	2044.03
Other Comprehensive Income for the year		-	-	-	(4.70)	(4.70)
<b>Total Comprehensive Income for the year</b>		-	-	-	<b>2,039.33</b>	<b>18,781.76</b>
<b>Transaction with owners in their capacity as owners</b>						
Options granted during the year	26	259.75	-	-	-	259.75
Amount received on issue of shares by the Company/ESOP Trust		-	45.10	-	-	45.10
Securities premium on shares issued to and held by ESOP Trust as at the year end		-	(12.11)	-	-	(12.11)
Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings		-	-	-	(17.35)	(17.35)
Interim Dividend		-	-	-	(362.84)	(362.84)
Corporate dividend tax		-	-	-	(74.01)	(74.01)
<b>Balance as at March 31, 2017</b>		<b>534.74</b>	<b>8,184.05</b>	<b>327.54</b>	<b>9,573.97</b>	<b>18,620.30</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

**1. Reporting entity**

Info Edge (India) Ltd (the Company) is a public limited company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019 and principal place of business is in B-8, Sector-132, Noida-201 304. Its shares are listed in two stock exchanges of India. The Company is primarily engaged in providing online & offline services primarily through its online portal Naukri.com, Jeevansathi.com, 99 acres.com, shiksha.com & offline portal Quadrangle.com.

**2. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation of financial statements****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act.

For all the periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 45 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

These financial statements were authorised for issue by the Company's Board of Directors as on May 29, 2017.

**(ii) Historical Cost Convention**

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) which are measured at fair value / amortised cost;
- Defined benefit plans-plan assets measured at fair value; and
- Share based payments.

**2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

*Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

*Depreciation methods, estimated useful lives and residual value*

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by the Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Building	60
Computers	3

Assets	Estimated useful life (Years)
Plant and Machinery	10
Furniture and Fixtures	8
Office Equipment	5
Vehicles	6

The property, plant and equipment acquired under finance leases and other leasehold improvements are depreciated over the assets' useful life or over the shorter of the assets' useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The asset's useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

### 2.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset 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 or loss when the asset is derecognized.

#### **Amortisation methods and estimated useful lives**

Assets	Estimated useful life (Years)
Enterprise resource planning software	5
Other software licenses	3

Assets costing less than or equal to ₹ 5,000 are fully amortised pro-rata from date of acquisition.

#### **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### 2.4 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, 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 group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

### 2.5 Foreign currency translations

#### (i) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') i.e., Indian Rupee (₹) which is its presentation currency as well.

#### (ii) Transactions and balances

##### **Initial recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between

the functional currency and the foreign currency at the date of the transactions.

#### Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

#### Translation of foreign operations

The financial statements of foreign operations are translated using the principles and procedures mentioned above, since these businesses are carried on as if it is an extension of the Company's operations.

### 2.6 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable, net of service tax. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

The Company earns revenue significantly from the following sources viz.

- a) Recruitment solutions through its career web site, Naukri.com:-  
Revenue is received primarily in the form of fees, which is recognized prorata over the subscription / advertising / service agreement, usually ranging between one to twelve months.
- b) Matrimonial web site, Jeevansathi.com, Real Estate website, 99acres.com and Education classified website, Shiksha.com:-  
Revenue is received in primarily the form of subscription fees, which is recognized over the period of subscription / advertising / service agreement, usually ranging between one to twelve months. The revenue is recognized on principal to principal basis and recognized gross of agency/commission fees, as applicable in case of Jeevansathi.com.
- 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) Resume Fast Forward Service:-  
The revenue from Resume Sale Services is earned in the form of fees and is recognized on completion of the related service.  
Revenue in relation to rendering of the services mentioned in (a) & (b) above are recognized under the percentage of completion method and rendering of the services mentioned in (c) to (d) above are recognised in the accounting period in which the services are rendered.  
In respect of (a) and (d) above, the unaccrued amounts are reflected in the Balance sheet as Income received in advance (deferred sales revenue).

### 2.7 Employee benefits

- (i) Short-term obligations  
Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.
- (ii) Other Long-term employee benefit obligations  
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.  
The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- a) defined contribution plans - provident fund
- b) defined benefit plans - gratuity plans

## a) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund which is administered through the Regional Provident Fund Commissioner and the contributions towards such fund are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

## b) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year. The Gratuity Fund is recognised by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

## (iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## (v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## (vi) Share based payments

Share-based compensation benefits are provided to employees via the Info Edge Limited Employee Option Plan and share-appreciation rights.

*Employee options*

The fair value of options granted under the Info Edge Employees' Stock Option Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

*Share appreciation rights*

Share appreciation rights granted are considered to be towards equity settled share based transactions and as per IND AS 102, cost of such options are measured at fair value as at the grant date. Liabilities for the Company's share appreciation rights are recognised as employee benefit expense over the relevant service period.

**2.8 Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**2.9 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**2.10 Leases (as lessee)****a) Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under an operating leases (net of any incentives received from the lessors) are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the period of lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**b) Finance leases**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liabilities included in Non-current liabilities. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 2.11 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

All operating segments' results are reviewed regularly by the Company's Managing Director & Chief Executive Officer (MD & CEO) who has been identified as the CODM, to assess the financial performance and position of the Company and makes strategic decisions.

The Company is primarily in the business of internet based service delivery operating in four service verticals through various web portals in respective verticals namely recruitment solutions comprising primarily naukri.com, other recruitment related portals and ancillary services related to recruitment, 99acres.com for real estate related services, Jeevansathi.com for matrimony related services and Shiksha.com for education related services.

### (a) Description of segments and principal activities

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in preparing these financial statements are consistently applied to record revenue & expenditure in individual segments. The reportable segments represent "Recruitment Solutions" and "99acres" and the "Others".

- 1: **Recruitment Solutions:** This segment consists of Naukri (both India and Gulf business) and all other allied business which together provides complete hiring solutions which are both B2B as well as B2C. Apart from all Other Online business, it also includes Offline headhunting business 'Quadrangle'.
- 2: **Real State- 99acres:** 99acres.com derives its revenues from property listings, builders' and brokers' branding and visibility through micro-sites, home page links and banners servicing real estate developers, builders and brokers.
- 3: **Others:** This segment comprises primarily Jeevansathi and Shiksha service verticals since they individually do not meet the qualifying criteria for reportable segment as per the Ind AS.

The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments. However, the CODM also receives information about the segments' revenue and assets on a monthly basis.

### (b) Profit before tax

Profit before tax for any segment is calculated by subtracting all the segment's expenses (excluding taxes) incurred during the year from the respective segment's revenue earned during the year. To calculate the segment level expenses, certain common expenditures which are incurred for the entity as a whole but cannot be directly mapped to a single segment are allocated basis best management estimates to all the segments.

Interest income is not allocated to segments as this type of activity is driven by the central treasury function. Similarly, certain costs including corporate expenses which are not directly related to general functioning of business are not allocated to segments.

## 2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

## 2.13 Earnings Per Share (EPS)

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating basic EPS, shares allotted to ESOP trust pursuant to the employee share based payment plan are not included in the shares outstanding as on the reporting date till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions. Till such time, the shares so allotted are considered as dilutive potential equity shares for the purpose of calculating diluted EPS.

## 2.14 Treasury shares (Shares held by the ESOP Trust)

The Company has created an Employee Stock Option Plan Trust (ESOP Trust) for providing share-based payment to its employees. The Company uses Trust as a vehicle for transferring shares to employees under the employee remuneration schemes. The Company allots shares to ESOP Trust.

The Company treats ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares. Share options exercised during the reporting period are satisfied with treasury shares.

The consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from retained earnings.

## 2.15 Investments and other financial assets

### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in equity instruments in subsidiaries, associates and jointly control entities these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company has classified its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

#### Equity instruments

The Company subsequently measures all equity investments at fair value, other than investments in equity instruments in subsidiaries, associates and jointly control entities, which are carried at cost.

### iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

### (iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all

risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

#### **Interest income**

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### **Dividends**

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### **2.16 Contributed Equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### **2.17 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **2.18 Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Million as per the requirement of Schedule III, unless otherwise stated.

### **2.19 Exceptional items**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

- a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value
- b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of such write down.
- c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

### **2.20 Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. 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.

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expenses and payable-Note 41
- b) Estimated fair value of unlisted entities-Note 42
- c) Estimation of defined benefit obligation-Note 30

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### **2.21 Standards issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent

amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

#### Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

#### Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

Since the Company does not have any cash settled awards, the above amendment will not have any impact on the financial statements.

### 3 (a). Property, plant & equipment

Amount (₹Mn)

Particulars	Own Assets						Assets taken on finance lease (Note a)		Total
	Building	Leasehold improvements	Computers	Plant and equipment	Furniture and fixtures	Office equipment	Land	Vehicles	
<b>Year ended March 31, 2016</b>									
<b>Gross carrying amount</b>									
Deemed cost as at April 1, 2015	74.30	172.08	135.53	19.55	49.55	36.58	135.87	14.20	637.66
Additions	-	13.27	224.95	2.75	7.50	12.18	-	8.32	268.97
Disposals	-	1.39	1.12	0.09	0.05	0.25	-	1.27	4.17
<b>Closing gross carrying amount</b>	<b>74.30</b>	<b>183.96</b>	<b>359.36</b>	<b>22.21</b>	<b>57.00</b>	<b>48.51</b>	<b>135.87</b>	<b>21.25</b>	<b>902.46</b>
<b>Accumulated depreciation</b>									
Depreciation charged during the year	1.34	45.11	99.75	2.75	10.23	13.00	1.96	3.72	177.86
Disposals	-	0.32	0.31	-	-	0.10	-	-	0.73
<b>Closing accumulated depreciation</b>	<b>1.34</b>	<b>44.79</b>	<b>99.44</b>	<b>2.75</b>	<b>10.23</b>	<b>12.90</b>	<b>1.96</b>	<b>3.72</b>	<b>177.13</b>
<b>Net carrying amount</b>	<b>72.96</b>	<b>139.17</b>	<b>259.92</b>	<b>19.46</b>	<b>46.77</b>	<b>35.61</b>	<b>133.91</b>	<b>17.53</b>	<b>725.33</b>
<b>Year ended March 31, 2017</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	74.30	183.96	359.36	22.21	57.00	48.51	135.87	21.25	902.46
Additions	-	10.63	52.61	1.81	4.59	3.31	-	8.39	81.34
Disposals	-	0.05	3.60	0.11	0.07	0.48	-	1.96	6.27
<b>Closing gross carrying amount</b>	<b>74.30</b>	<b>194.54</b>	<b>408.37</b>	<b>23.91</b>	<b>61.52</b>	<b>51.34</b>	<b>135.87</b>	<b>27.68</b>	<b>977.53</b>
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	1.34	44.79	99.44	2.75	10.23	12.90	1.96	3.72	177.13
Depreciation charged during the year	1.34	46.52	133.88	2.97	10.83	13.38	1.95	5.42	216.29
Disposals	-	0.03	0.98	0.02	0.03	0.38	-	0.48	1.92
<b>Closing accumulated depreciation</b>	<b>2.68</b>	<b>91.28</b>	<b>232.34</b>	<b>5.70</b>	<b>21.03</b>	<b>25.90</b>	<b>3.91</b>	<b>8.66</b>	<b>391.50</b>
<b>Net carrying amount</b>	<b>71.62</b>	<b>103.26</b>	<b>176.03</b>	<b>18.21</b>	<b>40.49</b>	<b>25.44</b>	<b>131.96</b>	<b>19.02</b>	<b>586.03</b>

#### Note :

- the lease term in respect of vehicles and land acquired under finance leases expires with in 2-3 years and 99 years respectively. Under the terms of the leases, the Company acquires the leased vehicle at zero value on the expiry of the leases.
- refer note 21a for disclosure of contractual commitment for the acquisition of property, plant and equipment.
- refer note 40 for information on property, plant and equipment pledged/hypothecated as security by the Company.

3. (b) Intangible assets				Amount (₹Mn)
Particulars	Enterprise resource planning software	Other software licenses	Total	Intangible assets under development
<b>Year ended March 31, 2016</b>				
<b>Gross carrying amount</b>				
Deemed cost as at April 1, 2015	2.04	20.37	22.41	-
Additions	-	26.07	26.07	3.35
<b>Closing gross carrying amount</b>	<b>2.04</b>	<b>46.44</b>	<b>48.48</b>	<b>3.35</b>
<b>Accumulated amortisation</b>				
Depreciation charged during the year	1.57	27.01	28.58	-
<b>Closing accumulated amortisation</b>	<b>1.57</b>	<b>27.01</b>	<b>28.58</b>	<b>-</b>
<b>Net carrying amount</b>	<b>0.47</b>	<b>19.43</b>	<b>19.90</b>	<b>3.35</b>
<b>Year ended March 31, 2017</b>				
<b>Gross carrying amount</b>				
Opening gross carrying amount	2.04	46.44	48.48	3.35
Additions	-	14.52	14.52	-
<b>Closing gross carrying amount</b>	<b>2.04</b>	<b>60.96</b>	<b>63.00</b>	<b>3.35</b>
<b>Accumulated amortisation</b>				
Opening accumulated depreciation	1.57	27.01	28.58	-
Depreciation charged during the year	0.46	21.08	21.54	-
<b>Closing accumulated amortisation</b>	<b>2.03</b>	<b>48.09</b>	<b>50.12</b>	<b>-</b>
<b>Net carrying amount</b>	<b>0.01</b>	<b>12.87</b>	<b>12.88</b>	<b>3.35</b>

Note : 3 (c) Investment property *			Amount (₹Mn)
Particulars	March 31, 2017	March 31, 2016	
<b>Gross carrying amount</b>			
Opening gross carrying amount/Deemed cost	274.78	274.78	
Disposal during the period	274.78	-	
<b>Closing gross carrying amount (A)</b>	<b>-</b>	<b>274.78</b>	
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	3.19	-	
Amortisation charge	2.72	3.19	
Accumulated amortisation on disposal	5.91	-	
<b>Closing accumulated amortisation (B)</b>	<b>-</b>	<b>3.19</b>	
<b>Net carrying amount (A)-(B)</b>	<b>-</b>	<b>271.59</b>	

Fair value		Amount (₹Mn)		
	March 31, 2017	March 31, 2016	April 1, 2015	
Investment property*	-	444.00	444.00	

\* relates to land including related development cost Nil (March 31, 2016 - 94.88 & April 1, 2015 - 94.88)

#### Estimation of fair value

The Company obtains independent valuations for its investment property at least annually. The fair value of the above investment property has been determined by M/s CBRE South Asia Private Limited & the valuation approach adopted was direct comparison approach which is based on comparison with similar properties that have actually been sold in an arms length transactions or are offered for sale in the related market. However, there is limited transacted/quoted investments of similar comparable land parcels and the value of the subject land parcel has been estimated after taking into consideration the premium/discount for location, zoning, size, access, etc. The resulting fair value estimates have been included in Level 2.

4. Financial assets

(a) Non current investments

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)
<b>Investments in Equity instruments of Subsidiary Companies (fully paid up) Unquoted</b>												
Jeevansathi Internet Services Private Limited -Two hundred shares (March 31, 2016- Two hundred shares & April 01, 2015- Two hundred shares) are held by the nominees of the Company	9,800	10	0.10	0.10	9,800	10	0.10	0.10	9,800	10	0.10	0.10
Naukri Internet Services Limited Add : Equity component of debt instruments -Six shares (March 31, 2016- Six shares & April 01, 2015- Six shares) are held by the nominees of the Company	9,994	10	0.10 3,117.29	3,117.39	9,994	10	0.10 3,117.29	3,117.39	9,994	10	0.10 1,691.42	1,691.52
Allcheckdeals India Private Limited Add : Equity component of debt instruments -One share (March 31, 2016- One share & April 01, 2015- One share) is held by Naukri Internet Services Limited	9,847,499	10	98.47 41.32	139.79	9,847,499	10	98.47 -	98.47	9,847,499	10	98.47 -	98.47
Makesense Technologies Limited -Six shares (March 31, 2016- Six shares & April 01, 2015- Six shares) are held by the nominees of the Company -Share premium of ₹ 154.82/- per share (March 31, 2016- ₹ 154.82 & April 01, 2015 ₹ 154.82) per share	-	-	-	-	-	-	-	-	499,994	10	82.41	82.41
Appect Learning Systems Private Limited -Share premium of ₹ 8,255.31/- (March 31, 2016- ₹ 8,255.31 & April 01, 2015- ₹ 32015.88) per share computed on average basis	5,871	10	48.52	48.52	5,871	10	48.52	48.52	19,300	10	618.10	618.10
Startup Investments (Holding) Limited Add : Equity component of debt instruments -Six shares (March 31, 2016- Six shares & April 01, 2015- Six shares) are held by the nominees of the Company	49,994	10	0.50 1,760.42	1,760.92	49,994	10	0.50 111.92	112.42	49,994	10	0.50 0.28	0.78
Smartweb Internet Services Limited Less: Impairment in value of investment Add : Equity component of debt instruments -Six shares (March 31, 2016- Six) are held by the nominees of the Company	48,994	10	0.49 (35.59) 213.98	178.88	48,994.00	10	0.49  213.98	214.47	-	-	-	-

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015				
	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	
Startup Internet Services Limited Add : Equity component of debt instruments -Six shares (March 31, 2016- Six) are held by the nominees of the Company	49,994	10	0.50	7.27	49,994.00	10	0.50	2.72	3.22	-	-	-	
Interactive Visual Solutions Private Limited Add : Equity component of debt instruments	-	-	-	1.00	-	-	-	-	-	-	-	-	
Newinc Internet Services Private Limited Add : Equity component of debt instruments	-	-	-	18.16	-	-	-	-	-	-	-	-	
Info Edge (India) Mauritius Limited Less: Impairment in value of investment	-	-	-	-	1,112,001	USD 1	45.60	(45.60)	-	1,112,001	USD 1	45.60	(45.60)
<b>Sub-total (A)</b>				<b>5,272.53</b>				<b>3,594.59</b>				<b>2,491.38</b>	
<b>Investments in Equity instruments of Jointly controlled entities (fully paid up) Unquoted</b>													
Makesense Technologies Limited -Six shares (March 31, 2016- Six shares & April 01, 2015- Six shares) are held by the nominees of the Company -Share premium of ₹ 154.82/- per share (March 31, 2016- ₹ 154.82 & April 01, 2015 ₹ 154.82) per share	499,994	10	82.41		499,994	10	82.41			-	-	-	
Happily Unmarried Marketing Private Limited -Share premium of ₹ Nil/- (March 31, 2016- ₹ Nil/- & April 01, 2015-₹ 12,709.04/-) per share computed on average basis	-	-	-		-	-	-			275	10	3.50	
Canvera Digital Technologies Private Limited** -Share premium of ₹ Nil/- (March 31, 2016- ₹ Nil/- & April 01, 2015-₹ 1,167/-) per share computed on average basis	-	-	-		-	-	-			34,711	1	40.54	
Zomato Media Private Limited -Share premium of ₹ 5282.02/- (March 31, 2016- ₹ 5282.02 & April 01, 2015- ₹ 5282.02) per share computed on average basis	164,451	1	868.80		164,451	1	868.80			164,451	1	868.80	
<b>Sub-total (B)</b>				<b>951.21</b>				<b>951.21</b>				<b>912.84</b>	
<b>Investments in Equity instruments of Associate Companies (fully paid up) Unquoted</b>													
ETechAces Marketing and Consulting Private Limited -Share premium of ₹ Nil/- per share (March 31, 2016- ₹ Nil/- & April 01, 2015- ₹ 16726.40/-) computed on average basis	-	-	-		-	-	-			5,975	10	100.00	
<b>Sub-total (C)</b>												<b>100.00</b>	

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)
<b>Investments in Preference shares of Subsidiary Companies (fully paid up)</b>												
<b>Unquoted</b>												
Applect Learning Systems Private Limited -0.1% optionally convertible cumulative preference shares with share premium of ₹ Nil/- (March 31, 2016- ₹ Nil/- & April 01, 2015- ₹ 9 999 /- ) per share computed on average basis Add/(Less) : Loss on measurement at FVTPL	-	-	-	-	-	-	-	-	10,000	1	100.00	
											(14.62)	85.38
Startup Investments (Holding) Limited -0.0001% cumulative redeemable preference shares Less : Equity component of debt instruments Add : Interest income on account of measurement at amortised cost method	2,403,136	100	243.23		1,203,136	100	123.23		3,136	100	0.31	
			(220.90)				(111.92)				(0.28)	
			3.27	25.60			0.65	11.96				0.03
Naukri Internet Services Limited -0.0001% cumulative redeemable preference shares Less : Equity component of debt instruments Add : Interest income on account of measurement at amortised cost method	34,324,000	100	3,432.40		34,324,000	100	3,432.40		18,624,000	100	1,862.40	
			(3,117.29)				(3,117.29)				(1,691.42)	
			81.78	396.89			37.11	352.22			1.71	172.69
Smartweb Internet Services Limited -0.0001% cumulative redeemable preference shares Less: Impairment in value of investment Less : Equity component of debt instruments Add : Interest income on account of measurement at amortised cost method	2,350,000	100	235.61		2,350,000	100	235.61		-	-	-	-
			(4.25)				(213.98)				-	-
			(213.98)				(213.98)				-	-
			4.01	21.39			1.12	22.75			-	-
Startup Internet Services Limited -0.0001% cumulative redeemable preference shares Less : Equity component of debt instruments Add : Interest income on account of measurement at amortised cost method	80,000	100	8.00		30,000.00	100	3.00		-	-	-	-
			(7.27)				(2.72)				-	-
			0.06	0.79			0.01	0.29			-	-
<b>Sub-total (D)</b>				<b>444.67</b>				<b>387.22</b>				<b>258.10</b>
<b>Investments in Preference shares of Associate Companies (fully paid)</b>												
<b>Unquoted</b>												
ETechAces Marketing and Consulting Private Limited -0.1% compulsorily convertible preference shares with share premium of ₹ Nil (March 31, 2016- ₹ Nil/- & April 01, 2015- ₹ 26,755.94/-) per share computed on average basis	-	-	-	-	-	-	-	-	2,673	100	71.79	
<b>Sub-total (E)</b>												71.79

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015				
	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	
<b>Investments in Preference shares of Joint ventures (fully paid) Unquoted</b>													
Zomato Media Private Limited - 0.0001% cumulative convertible preference shares with share premium of ₹ 26,969.94/- (March 31, 2016- ₹ 26,969.94/- & April 01, 2015- ₹ 26,969.94/- ) per share computed on average basis	21,225	10	572.65		21,225	10	572.65		21,225	10	572.65		
' - 0.0001% cumulative convertible preference shares' (March 31, 2016- Nil & April 01, 2015- Nil) received as bonus shares	142,186,275	1	-	572.65	-	-	-	572.65				572.65	
Happily Unmarried Marketing Pvt. Ltd. - 0.1% optionally convertible cumulative redeemable preference shares with share premium of ₹ 15,689.36/- (March 31, 2016- ₹ Nil/- & April 01, 2015- ₹ 12,719.12/- ) per share computed on average basis Add : Gain on measurement at FVTPL	-	-	-		-	-	-		5,733	10	90.00	88.04	178.04
Kinobeo Software Private Limited -0.1% optionally convertible cumulative redeemable preference shares with share premium of ₹ Nil/- (March 31, 2016- ₹ 1,835.50/- & April 01, 2015- ₹ 2,494.61/- ) per share computed on average basis Add : Gain on measurement at FVTPL	-	-	-		73,150	10	135.00		107,801	10	270.00	327.00	597.00
Canvera Digital Technologies Private Limited** -0.1% optionally convertible cumulative redeemable preference shares with share premium of ₹ Nil/- (March 31, 2016- ₹ Nil/- & April 01, 2015- ₹ 1,182.73/- ) per share computed on average basis Add : Gain on measurement at FVTPL	-	-	-		-	-	-		532,216	1	630.00	46.66	676.66
Mint Bird Technologies Private Limited - 0.1% optionally convertible cumulative redeemable preference shares	-	-	-		6,000,000	10	60.00	60.00	-	-	-	-	-
Rare Media Company Private Limited -0.01% optionally convertible cumulative redeemable preference shares Add : Gain on measurement at FVTPL	-	-	-		743,808	100	74.38	31.48	-	-	-	-	105.86
<b>Sub-total (F)</b>				<b>572.65</b>				<b>1,237.39</b>					<b>2,024.35</b>

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)	Number of Share	Face Value per share (₹*)	(₹ Mn)	(₹ Mn)
<b>Investments in Debentures of Subsidiary Companies (fully paid up)</b>												
<b>Unquoted</b>												
Allcheckdeals India Private Limited -0.0001% compulsorily convertible debentures into redeemable preference shares	455,000	100	45.50		-	-	-		-	-	-	
Less : Equity component of debt instruments			(41.32)									
Add : Interest income on account of measurement at amortised cost method			0.13	4.31								
Newinc Internet Services Private Limited -0.0001% compulsorily convertible debentures into redeemable preference shares	200,000	100	20.00		-	-	-		-	-	-	
Less : Equity component of debt instruments			(18.16)									
Add : Interest income on account of measurement at amortised cost method			0.04	1.88								
Interactive Visual Solutions Private Limited -0.0001% compulsorily convertible debentures into redeemable preference shares	1,104	100	1.10		-	-	-		-	-	-	
Less : Equity component of debt instruments			(1.00)									
Add : Interest income on account of measurement at amortised cost method				0.10								
Startup Investments (Holding) Limited -0.0001% compulsorily convertible debentures into redeemable preference shares	16,951,439	100	1,695.14		-	-	-		-	-	-	
Less : Equity component of debt instruments			(1,539.52)									
Add : Interest income on account of measurement at amortised cost method			5.61	161.23								
<b>Sub-total (G)</b>				<b>167.52</b>								
<b>Total Non current investments</b>				<b>7,408.58</b>				<b>6,170.41</b>				<b>5,858.46</b>
<b>Aggregate amount of quoted investments &amp; market value thereof</b>				-				-				-
<b>Aggregate amount of unquoted investments</b>				<b>7,408.58</b>				<b>6,170.41</b>				<b>5,858.46</b>
<b>Aggregate amount for impairment in value of investments</b>				<b>39.84</b>				<b>45.60</b>				<b>45.60</b>

\* Unless otherwise stated

\*\* This has become a subsidiary during the year and as on March 31, 2017 based on investment made through a wholly owned subsidiary (indirect control)

Note: FVTPL=Fair value through profit of loss

(b) Current investments

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Units	Amount per unit [₹]	(₹ Mn)	(₹ Mn)	Number of Units	Amount per unit [₹]	(₹ Mn)	(₹ Mn)	Number of Units	Amount per unit [₹]	(₹ Mn)	(₹ Mn)
<b>Investment in Mutual Funds (quoted) - Fixed Maturity Plans</b>												
DWS Fixed Maturity Plan- Series 63- Direct Growth	-	-	-	-	-	-	-	-	2,000,000	10.93	21.85	
DSP BlackRock FMP - Series 154 - 12.5M - Dir - Growth	-	-	-	-	-	-	-	-	2,500,000	10.95	27.37	
IDFC Fixed Term Plan Series 84 Direct Plan-Growth	-	-	-	-	-	-	-	-	2,000,000	10.99	21.99	
Axis Fixed Term Plan - Series 62 (383 Days)-Direct Growth - W2DG	-	-	-	-	-	-	-	-	2,500,000	10.97	27.42	
DSP BlackRock FMP - Series 161 - 12M - Dir - Growth	-	-	-	-	-	-	-	-	3,000,000	10.90	32.69	
DSP BlackRock FMP - Series 163 - 12M - Dir - Growth	-	-	-	-	-	-	-	-	5,000,000	10.88	54.38	
HDFC FMP 369D April 2014 (2) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	5,000,000	10.88	54.38	
HDFC FMP 367D April 2014 (1) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	5,000,000	10.85	54.23	
HDFC FMP 370D May 2014 (1) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	5,000,000	10.82	54.09	
HDFC FMP 370D June 2014 (2) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	3,000,000	10.69	32.08	
ICICI Prudential FMP Series 74 - 369 Days Plan B Direct Plan Cumulative	-	-	-	-	-	-	-	-	2,500,000	10.86	27.16	
ICICI Prudential FMP Series 74 - 369 Days Plan K Direct Plan Cumulative	-	-	-	-	-	-	-	-	5,000,000	10.77	53.83	
ICICI Prudential FMP Series 74 - 370 Days Plan S Direct Plan Cumulative	-	-	-	-	-	-	-	-	3,000,000	10.71	32.13	
ICICI Prudential FMP Series 74 - 370 Days Plan X Direct Plan Cumulative	-	-	-	-	-	-	-	-	5,000,000	10.67	53.33	
Birla Sun Life Interval Income Fund - Annual Plan-X-(Maturity Date 01-Sep-2019) -Gr-Direct	2,500,000	13.58	33.96		2,500,000	12.62	31.54		2,500,000	11.67	29.18	
Birla Sun Life Fixed Term Plan - Series KZ (1103 days) - Gr. DIRECT	-	-	-	-	-	-	-	-	2,500,000	10.91	27.28	
Birla Sun Life Fixed Term Plan - Series LQ (368 days) - Gr. DIRECT	-	-	-	-	-	-	-	-	2,500,000	10.66	26.64	
Birla Sun Life Interval Income Fund - Annual Plan-IX-(Maturity Date 01-Sep-2019)	4,550,336	13.54	61.63	95.59	4,550,336	12.59	57.29	88.83	4,550,336	11.65	53.02	683.05
<b>Investment in Mutual Funds (un-quoted) (Liquid/Liquid Plus)</b>												
DWS Ultra Short Term Fund - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	31,155,813	10.02	312.12	
DWS Treasury Fund - Cash - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	478,892	100.39	48.08	
DSP BlackRock Money Manager Fund-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	341,408	1004.23	342.86	

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Units	Amount per unit (₹)	(₹ Mn)	(₹ Mn)	Number of Units	Amount per unit (₹)	(₹ Mn)	(₹ Mn)	Number of Units	Amount per unit (₹)	(₹ Mn)	(₹ Mn)
Birla Sun Life Saving Fund-Daily Dividend-Direct Plan	-	-	-	-	-	-	-	-	4,210,761	100.30	422.33	
SBI Ultra Short Term Debt Fund - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	458,231	1005.00	460.52	
Kotak Banking & PSU Debt Fund-Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	15,841,167	10.06	159.34	
Kotak Floater Long Term - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	15,138,647	10.08	152.60	
Canara Robeco Liquid - Direct Growth	-	-	-	-	-	-	-	-	92,338	1700.86	157.05	
Sundaram Ultra Short-Term Fund Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	31,073,468	10.04	312.10	
ICICI Prudential Flexible Income - Direct Plan - Growth	174,219	312.57	54.46		174,219	287.00	50.00		189,724	263.54	50.00	
ICICI Prudential Liquid Plan - Direct Plan-Daily Dividend	9,640,018	100.07	964.66		594,262	100.07	59.47		511,350	100.06	51.16	
ICICI Prudential Flexible Income-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	4,740,050	105.74	501.19	
ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Weekly Dividend	-	-	-	-	-	-	-	-	39,297,015	10.40	408.76	
ICICI Prudential Ultra Short Term - Direct Plan - Growth	-	-	-	-	-	-	-	-	3,813,448	14.31	54.59	
Birla Sun Life Cash Plus-Daily Dividend Direct Plan	-	-	-	-	-	-	-	-	3,489,344	100.20	349.61	
HDFC Cash Management Fund Savings Plan Direct Plan Daily Dividend Reinvestment	-	-	-	-	21,452	1,063.64	22.82		59,786,640	10.64	635.91	
Franklin Templeton India Ultra Short Bond Fund Super Institutional Plan - Direct Daily Dividend Plan	-	-	-	-	-	-	-	-	31,071,100	10.06	312.66	
HDFC Floating Rate Income Fund-Short Term Plan-Wholesale Option-Dividend Reinvestment	-	-	-	-	-	-	-	-	29,925,012	10.08	301.67	
Axis Treasury Advantage Fund - Direct Daily Dividend - TADR	-	-	-	-	-	-	-	-	310,573	1,004.68	312.03	
Axis Liquid Fund-Direct Daily Dividend - CFDR	-	-	-	-	-	-	-	-	73,108	1,000.32	73.13	
IDFC Ultra Short Term Fund-Daily Dividend-Direct Plan	-	-	-	-	-	-	-	-	51,747,321	10.06	520.32	
Kotak Liquid Scheme Plan A-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	26,979	1,222.81	32.99	
IDFC Cash Fund-Daily Dividend-Direct Plan	-	-	-	-	-	-	-	-	277,638	1,000.69	277.83	
Franklin Templeton India Treasury Management Account - Super Institutional Plan - Direct - Daily Dividend Plan	-	-	-	-	-	-	-	-	132,507	1,001.85	132.75	
Reliance Liquidity Fund-Direct Plan Daily Dividend Reinvestment Option-LQAD	-	-	-	-	-	-	-	-	161,846	1,000.51	161.93	
Reliance Medium Term Fund - Direct Plan Daily Dividend Plan - IPAD	-	-	-	-	-	-	-	-	17,854,482	17.10	305.24	
Reliance Money Manager Fund - Direct Plan Dividend Plan-LPAD	-	-	-	-	-	-	-	-	216,981	1,002.74	217.57	

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Units	Amount per unit (₹)	(₹ Mn)	(₹ Mn)	Number of Units	Amount per unit (₹)	(₹ Mn)	(₹ Mn)	Number of Units	Amount per unit (₹)	(₹ Mn)	(₹ Mn)
L&T Ultra Short Term Fund Direct Plan - Daily Dividend Reinvestment Plan	-	-	-	-	-	-	-	-	30,186,489	10.34	312.20	-
JPMorgan India Treasury Fund - Direct Plan - Daily Dividend Reinvestment Option	-	-	-	-	-	-	-	-	15,484,346	10.08	156.07	-
Tata Floater Fund Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	207,267	1,003.53	207.99	-
UTI-Treasury Advantage Fund - Institutional Plan - Direct Plan - Daily Dividend Reinvestment	-	-	-	-	-	-	-	-	415,073	1,002.35	416.05	-
SBI Premier Liquid Fund-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	26,675	1,003.25	26.76	-
Religare Invesco Liquid Fund - Direct (Growth)	-	-	-	-	-	-	-	-	5,237	1,924.99	10.08	-
Baroda Pioneer Liquid Fund - Plan B Growth	-	-	-	-	-	-	-	-	6,344	1,605.26	10.18	-
Pramerica Liquid Fund - Direct Plan - Growth Option	-	-	-	-	-	-	-	-	13,421	1,493.89	20.05	-
DSP Blackrock Liquidity Fund-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	128,903	1,000.60	129.01	-
HDFC Cash Management Fund - Savings Plan - Direct Plan - Growth	20,102	3,395.85	68.26	-	32,637	3,163.97	103.26	-	-	-	-	-
HDFC Liquid Fund-Direct Plan-Dividend-Daily Reinvest	960,121	1,019.82	979.15	-	-	-	-	-	-	-	-	-
HDFC Floating Rate Income Fund-Short Term Plan-Wholesale Option-Direct Plan-Dividend Reinvestment	-	-	-	2,066.53	4,959,875	10.08	50.00	285.55	-	-	-	8354.73
<b>Total current investments</b>				<b>2,162.12</b>				<b>374.38</b>				<b>9,037.78</b>
<b>Aggregate amount of quoted investments &amp; Market value thereof</b>				<b>95.59</b>				<b>88.83</b>				<b>683.05</b>
<b>Aggregate amount of unquoted investments</b>				<b>2,066.53</b>				<b>285.55</b>				<b>8,354.73</b>
<b>Aggregate amount of impairment in value of investments</b>				<b>-</b>				<b>-</b>				<b>-</b>

## 4 (c) Trade receivables

Particulars	Non-current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Unsecured considered good	-	-	-	76.04	121.85	101.98
Unsecured considered doubtful	-	-	-	3.51	3.28	3.37
Allowance for doubtful debts (refer Note 43)	-	-	-	(4.24)	(3.74)	(3.69)
<b>Total trade receivables</b>	-	-	-	<b>75.31</b>	<b>121.39</b>	<b>101.66</b>

## (d) Cash &amp; bank balances

Particulars	Non-current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Cash &amp; cash equivalents</b>						
Balances with banks:						
-In current accounts	-	-	-	422.04	410.93	285.06
-In Exchange earner's foreign currency (EEFC) accounts	-	-	-	36.07	4.68	23.78
-In fixed deposit accounts with original maturity of less than 3 months	-	-	-	10.46	25.44	41.34
Cash on hand	-	-	-	4.16	6.36	5.82
<b>Total (A)</b>	-	-	-	<b>472.73</b>	<b>447.41</b>	<b>356.00</b>
<b>Other bank balances</b>						
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	-	-	-	2,434.95	1,044.86	1,491.55
Unpaid dividend accounts (refer Note 29)	-	-	-	0.38	0.53	0.19
<b>Total (B)</b>	-	-	-	<b>2,435.33</b>	<b>1,045.39</b>	<b>1,491.74</b>
<b>Total (A)+(B)</b>	-	-	-	<b>2,908.06</b>	<b>1,492.80</b>	<b>1,847.74</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

## (e) Loans

Particulars (Unsecured, considered good)	Non-current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Loans to subsidiary companies	-	-	-	246.76	33.95	24.27
Intercorporate loan	-	-	-	-	10.13	-
<b>Total Loans/advances</b>	-	-	-	<b>246.76</b>	<b>44.08</b>	<b>24.27</b>

Note: The above loans were given for meeting cash flow (working capital) requirement of these companies at interest rate in compliance with section 186(?) of Companies Act 2013 which are generally repayable within a year unless extended by mutual consent.

(f) Other financial assets

Particulars (Unsecured, considered good)	Non-current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Security deposits	59.35	62.94	41.62	10.54	0.99	26.92
Balance in fixed deposit accounts with original maturity more than 12 months*	107.35	1,510.84	61.01	8,372.23	8,190.46	1,275.75
Interest accrued on fixed deposits with banks	45.97	23.10	0.22	389.87	343.24	115.22
Amount receivable from subsidiary companies towards sale of shares (Refer Note 39)	-	-	-	269.38	1,411.81	500.00
Amount receivable from subsidiary companies towards rendering of services & sub lease	-	-	-	0.04	4.38	2.93
Amount receivable from subsidiary companies towards sale of investment property	-	-	-	277.27	-	-
Amount paid towards investment in mutual funds	-	-	-	70.00	-	-
* Includes ₹ 225.84 Mn (March 31, 2016 - ₹ 218.37 Mn & April 01, 2015 - ₹ 207.57 ) as margin money with bank						
<b>Total</b>	<b>212.67</b>	<b>1,596.88</b>	<b>102.85</b>	<b>9,389.33</b>	<b>9,950.88</b>	<b>1,920.82</b>

5. Deferred tax assets

Particulars	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)
Deferred tax asset		
- Opening balance	492.41	386.00
- Adjustment for the current year: - (Charged)/credited through profit or loss	(197.23)	106.41
<b>Total</b>	<b>295.18</b>	<b>492.41</b>

Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2017 (₹ Mn)	(Charged)/ credited to profit or loss/OCI (₹ Mn)	As at March 31, 2016 (₹ Mn)	(Charged)/ credited to profit or loss/OCI (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Deferred tax asset</b>					
-Routed through profit or loss					
-Provision for leave obligation	9.11	(0.83)	9.94	3.46	6.48
-Provision for lease equalisation	15.73	(0.51)	16.24	(1.49)	17.73
-Provision for doubtful debts	1.47	0.17	1.30	0.05	1.25
-Property, Plant & Equipment	34.01	11.61	22.40	(6.91)	29.31
-Employee stock option scheme compensation (ESOP)	184.58	89.89	94.69	58.04	36.65
-Indexed value of Land	22.30	(36.61)	58.91	8.98	49.93
-Security deposit & deferred rent expense	2.10	0.37	1.73	0.50	1.23
-Short term carried forward loss	29.37	(0.89)	30.26	1.09	29.17
-Deferred sales revenue	1.92	(257.83)	259.75	26.95	232.80
-Others	5.56	2.45	3.11	(0.29)	3.40
<b>Total deferred tax assets</b>	<b>306.15</b>	<b>(192.18)</b>	<b>498.33</b>	<b>90.38</b>	<b>407.95</b>
Set-off of deferred tax liabilities pursuant to set-off provisions :-					
-Routed through profit or loss					
-Fair valuation of mutual funds	(10.97)	(5.05)	(5.92)	16.03	(21.95)
<b>Net deferred tax asset</b>	<b>295.18</b>	<b>(197.23)</b>	<b>492.41</b>	<b>106.41</b>	<b>386.00</b>

## 6. Other non-current/current assets

Particulars (Unsecured, considered good, unless otherwise stated)	Non-current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Capital advances</b>						
Considered good	9.48	13.81	15.81	-	-	-
Considered doubtful	55.18	55.18	55.18	-	-	-
Less: Provision for doubtful capital advances	(55.18)	(55.18)	(55.18)	-	-	-
<b>Others</b>						
- Amount recoverable in cash or in kind or for value to be received	15.38	15.38	15.99	101.21	71.73	61.10
- Prepaid rent	36.45	43.42	35.60	-	-	-
- Balance with service tax authorities	-	-	-	33.50	49.87	23.41
Less : Service tax payable	-	-	-	(23.21)	(33.46)	(16.68)
	-	-	-	10.29	16.41	6.73
<b>Total</b>	<b>61.31</b>	<b>72.61</b>	<b>67.40</b>	<b>111.50</b>	<b>88.14</b>	<b>67.83</b>

## 7. Non-current tax assets (net)

Particulars	Non-current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
- Advance tax	5,595.30	4,717.79	3,903.02	-	-	-
Less: provision for tax	(4,907.54)	(4,539.06)	(3,883.66)	-	-	-
- Advance tax - fringe benefits	29.69	29.69	29.69	-	-	-
Less: provision for tax - fringe benefits	(28.69)	(28.69)	(28.69)	-	-	-
<b>Total</b>	<b>688.76</b>	<b>179.73</b>	<b>20.36</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 8. Equity Share capital

Particulars	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Authorised capital</b>			
150.00 Mn Equity Shares of ₹ 10/- each (March 31, 2016 & April 1, 2015 - 150.00 Mn Equity Shares of ₹ 10/- each)	<b>1,500.00</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>Issued, subscribed and paid-up capital</b>			
121.08 Mn Equity Shares of ₹ 10/- each fully paid up (March 31, 2016 - 120.72 Mn & April 1, 2015 - 120.08 Mn Equity Shares of ₹ 10/- each fully paid up)	1,210.81	1,207.15	1,200.80
<b>Total</b>	<b>1,210.81</b>	<b>1,207.15</b>	<b>1,200.80</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	As at	As at	As at	As at
	March 31, 2017 No of shares	March 31, 2017 [₹ Mn]	March 31, 2016 No of shares	March 31, 2016 [₹ Mn]
<b>Equity shares</b>				
At the beginning of the year	120,704,558	1,207.15	120,080,105	1,200.80
Add: Shares held by ESOP Trust at the beginning of the year	211,601	2.01	136,054	1.36
Add: Issued during the year to the ESOP Trust	300,000	3.00	700,000	7.00
	<b>121,216,159</b>	<b>1,212.16</b>	<b>120,916,159</b>	<b>1,209.16</b>
Less: Shares held by ESOP Trust as at the year end	(134,580)	(1.35)	(211,601)	(2.01)
<b>Outstanding at the end of the year</b>	<b>121,081,579</b>	<b>1,210.81</b>	<b>120,704,558</b>	<b>1,207.15</b>

**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, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

**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	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	54,590,512
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,590,512</b>

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

Particulars	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
<b>Equity shares of ₹ 10 each fully paid</b>						
- Sanjeev Bikhchandani	34,639,873	28.58	34,996,373	28.94	35,533,808	29.56
- Sanjeev Bikhchandani (Trust)	8,734,880	7.21	8,734,880	7.22	8,734,880	7.27
- Hitesh Oberoi	6,747,608	5.57	6,900,118	5.71	6,900,118	5.74
<b>Total</b>	<b>50,122,361</b>	<b>41.36</b>	<b>50,631,371</b>	<b>41.87</b>	<b>51,168,806</b>	<b>42.57</b>

**e. Shares reserved for issue under options**

Information relating to Infoedge Employee Stock Option Plan trust, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 26.

**9. Other equity**

Particulars	As at March 31, 2017 [₹ Mn]	As at March 31, 2016 [₹ Mn]	As at April 1, 2015 [₹ Mn]
Securities premium account	8,184.05	8,151.06	8,151.16
General reserve	327.54	327.54	317.99
Stock options outstanding account	534.74	274.99	110.30
Retained earnings	9,573.97	7,988.84	7,414.63
	<b>18,620.30</b>	<b>16,742.43</b>	<b>15,994.08</b>

Particulars	As at	As at	As at	As at
	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016
	(₹ Mn)	(₹ Mn)	(₹ Mn)	(₹ Mn)
<b>Securities premium account</b>				
Opening balance	8,151.06		8,151.16	
Add : Securities premium on shares issued held by ESOP Trust as at the beginning of the year	18.10		-	
Add: Securities premium on shares issued during the year to the ESOP Trust	27.00		18.00	
	8,196.16		8,169.16	
Securities premium on shares issued held by ESOP Trust as at the year end	(12.11)	8,184.05	(18.10)	8,151.06
<b>General reserve</b>				
Opening balance	327.54		317.99	
Add: Transfer from Stock Options Outstanding Account	-	327.54	9.55	327.54
<b>Stock options outstanding account</b>				
Opening balance	274.99		110.30	
Add: Transfer during the year	259.75		174.24	
Less: Transfer to General reserve	-	534.74	(9.55)	274.99
<b>Retained earnings</b>				
Opening balance	7,988.84		7,414.63	
Add: Net profit after tax transferred from Statement of Profit and Loss	2,044.03		1,251.18	
Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings	(17.35)		56.99	
Items of other comprehensive income recognised directly in retained earnings				
-Remeasurements of post-employment benefit obligation, net of tax	(4.70)		(8.65)	
Dividend Paid	-		(239.91)	
Interim Dividend	(362.84)		(362.55)	
Dividend Tax	(74.01)		(122.85)	
		9,573.97		7,988.84
<b>Total</b>		<b>18,620.30</b>		<b>16,742.43</b>

## 10. Financial liabilities

### a. Borrowings

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Secured loans</b>						
Term loans from banks	3.57	3.79	2.82	4.50	4.40	4.21
Less : Interest accrued (included in Note 10b)	-	-	-	(0.05)	(0.06)	(0.05)
Current maturities transferred to Other financial liabilities	-	-	-	(4.45)	(4.34)	(4.16)
<b>Total</b>	<b>3.57</b>	<b>3.79</b>	<b>2.82</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

b. Term loans carry interest rates ranging from 7% to 12%. 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	As at	As at
	March 31, 2017 (₹ Mn)	March 31, 2016 (₹ Mn)	April 1, 2015 (₹ Mn)
Not later than 1 year	5.02	4.94	4.67
Later than 1 year and not later than 5 years	3.76	4.09	3.00
<b>Total minimum lease payments</b>	<b>8.78</b>	<b>9.03</b>	<b>7.67</b>
Less: Future finance charges on finance leases	0.76	0.90	0.69
<b>Total</b>	<b>8.02</b>	<b>8.13</b>	<b>6.98</b>
<b>Representing lease liabilities:</b>			
- Current	4.45	4.34	4.16
- Non Current	3.57	3.79	2.82
<b>Total</b>	<b>8.02</b>	<b>8.13</b>	<b>6.98</b>
The present value of finance lease liabilities may be analysed as follows:			
Not later than 1 year	4.45	4.34	4.16
Later than 1 year and not later than 5 years	3.57	3.79	2.82
<b>Total</b>	<b>8.02</b>	<b>8.13</b>	<b>6.98</b>

## b. Other financial liabilities

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Current maturities of term loans transferred from long term borrowings	-	-	-	4.45	4.34	4.16
Interest accrued but not due on loans	-	-	-	0.05	0.06	0.05
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.50</b>	<b>4.40</b>	<b>4.21</b>

## c. Trade payables

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Trade Payables (refer Note 37)	38.30	37.87	41.69	417.78	269.96	340.28
<b>Total</b>	<b>38.30</b>	<b>37.87</b>	<b>41.69</b>	<b>417.78</b>	<b>269.96</b>	<b>340.28</b>

## 11. Provisions

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Provision for employee benefits</b>						
- Gratuity (refer Note 30)	-	-	-	42.53	41.98	20.18
- Leave obligations (refer Note 30)	-	-	-	41.35	46.81	25.77
- Accrued bonus & incentives	-	-	-	332.22	339.79	212.31
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>416.10</b>	<b>428.58</b>	<b>258.26</b>

## 12. Other non-current/current liabilities

Particulars	Non-Current			Current		
	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Income received in advance (deferred sales revenue)	10.40	26.47	30.20	3,357.09	2,787.34	2405.79
Unpaid dividend (refer Note 29)	-	-	-	0.38	0.53	0.19
Amount due to subsidiaries (unsecured)	-	-	-	-	-	0.04
Advance from customers	-	-	-	11.74	14.92	18.32
Employee benefits payable	-	-	-	12.18	13.89	20.23
<b>Others</b>						
- TDS payable	-	-	-	42.33	52.71	41.17
- Other statutory dues	-	-	-	16.36	13.84	11.94
<b>Total</b>	<b>10.40</b>	<b>26.47</b>	<b>30.20</b>	<b>3,440.08</b>	<b>2,883.23</b>	<b>2,497.68</b>

## 13. Revenue from operations

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Sale of services	8,021.06	7,176.07
<b>Total</b>	<b>8,021.06</b>	<b>7,176.07</b>

## 14. Other income

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Interest income from financial assets measured at amortised cost		
- on fixed deposits with banks	844.89	531.07
- on other financial assets	67.63	37.87
Dividend income from financial assets measured at FVTPL	41.06	200.59
Net loss on disposal of investments	(394.07)	(139.77)
Net gain on disposal of property, plant & equipment and Investment property	29.09	-
Net gain on financial assets mandatorily measured at FVTPL	15.89	135.15
Unwinding of discount on security deposits	7.18	5.93
Interest income on deposits with banks made by ESOP Trust	13.18	13.02
Miscellaneous income	0.38	1.16
<b>Total</b>	<b>625.23</b>	<b>785.02</b>

## 15. Employee benefits expense

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Salaries, wages and bonus	2,782.05	2,514.53
Contribution to provident and other funds (Note 30)	118.93	106.81
Sales incentives	395.71	362.85
Staff welfare expenses	141.78	143.86
Share based payments to employees (Note 26)	259.75	174.24
Other employee related expenses	53.36	52.14
<b>Total</b>	<b>3,751.58</b>	<b>3,354.43</b>

## 16. Finance costs

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Interest on borrowings	1.00	0.77
<b>Total</b>	<b>1.00</b>	<b>0.77</b>

## 17. Depreciation and amortisation

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Depreciation of Property, plant and equipment	216.29	177.86
Amortisation of Intangible assets	21.54	28.58
Amortisation of Investment property	2.72	3.19
<b>Total</b>	<b>240.55</b>	<b>209.63</b>

## 18. Advertising and promotion cost

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Advertisement expenses	852.02	1,222.79
Promotion & marketing expenses	28.51	95.62
<b>Total</b>	<b>880.53</b>	<b>1,318.41</b>

## 19. Administration and other expenses

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Electricity and water	77.87	71.23
Rent [refer Note 21(b)]	244.80	247.52
Repairs and maintenance (building)	38.73	44.12
Repairs and maintenance (machinery)	41.32	40.92
Legal and professional charges	72.72	62.90
Rates & taxes	0.01	0.14
Insurance	2.95	3.19
Communication expenses	87.82	81.32
Travel & conveyance	109.27	108.59
Bad debts /provision for doubtful debts (net)	3.58	0.04
Collection & bank related charges	37.05	32.59
Loss on disposal of property, plant & equipment (net)	-	1.40
Expenditure towards Corporate Social Responsibility activities [Refer Note 38]	38.20	36.05
Miscellaneous expenses	187.15	188.20
<b>Total</b>	<b>941.47</b>	<b>918.21</b>

## 20. Network, internet and other direct charges

Particulars	Year ended March 31, 2017 [₹ Mn]	Year ended March 31, 2016 [₹ Mn]
Internet and server charges	145.65	207.84
Others	26.93	21.86
<b>Total</b>	<b>172.58</b>	<b>229.70</b>

## 21. COMMITMENTS

## a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Amount in (₹ Mn)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Property, plant & equipment	9.69	13.81	15.81

## b) Non-cancellable operating lease

The Company leases various offices under non-cancellable operating leases expiring within one to three years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are re-negotiated.

Amount in (₹ Mn)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Commitments of minimum lease payments in relation to non-cancellable operating leases are payable as follows:-			
Within one year	23.29	48.01	53.30
Later than one year but not later than five years	11.16	39.55	68.06
Later than five years	-	-	-

## Rental expense relating to operating lease:

The Company has entered into lease transactions mainly for leasing of office premises & Company provided leased accommodation to employees for periods between 11 months to 11 years. The operating lease payments, which are minimum lease payments, recognised in the Statement of Profit and Loss amount to ₹ 244.96 Mn [included in Note 19 – Administration and Other Expenses ₹ 244.80 Mn and in Note-15 Employee Benefits Expense ₹ 0.16 Mn [(previous year ₹ 247.83 Mn [included in Note 19 – Administration and Other Expenses ₹ 247.52 Mn and in Note-15 Employee Benefits Expense ₹ 0.31 Mn)].

## 22. Expenditure in foreign currency

Particulars	Year ended March 31, 2017 [₹ Mn]	Year ended March 31, 2016 [₹ Mn]
Internet and server charges	57.74	149.87
Advertising and promotion cost	54.32	79.83
Travel & conveyance	1.49	1.75
Foreign branch expenses	145.07	117.86
Others	14.10	10.33
<b>Total</b>	<b>272.72</b>	<b>359.64</b>

## 23. Auditor's Remuneration\*

Particulars	Year ended March 31, 2017 [₹ Mn]	Year ended March 31, 2016 [₹ Mn]
As Auditors		
- Audit Fees	4.17	3.82
- Tax Audit Fees	0.30	0.30
Other Services		
- Certification	0.05	0.40
Reimbursement of Expenses	0.54	0.53
<b>Total</b>	<b>5.06</b>	<b>5.05</b>

\*excluding service tax

## 24. Earnings per share (EPS):

## A)

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Profit attributable to Equity Shareholders (₹ Mn)	2,044.03	1,251.18
<b>Basic</b>		
Weighted average number of Equity Shares outstanding during the year (Nos.)	120,894,730	120,343,902
<b>Basic EPS of ₹ 10 each (₹)</b>	16.91	10.40
<b>Diluted</b>		
Weighted average number of Equity Shares outstanding during the year (Nos.)	120,894,730	120,343,902
Add : Weighted average number of potential equity shares on account of employee stock options	692,962	1,024,652
Weighted average number of shares outstanding for diluted EPS	<b>121,587,692</b>	<b>121,368,554</b>
<b>Diluted EPS of ₹ 10 each (₹)</b>	16.81	10.31

## B) Information concerning the classification of securities

## Options

Options granted to employees under the Info edge Employee stock option plan are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 26.

## 25. (1) Related Party Disclosures for the year ended March 31, 2017:

## (A). Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Limited (NISL)

Allcheckdeals India Private Limited (ACDIPL)

Applect Learning Systems Private Limited (ALSPL)

Canvera Digital Technologies Private Limited (CDTPL) (w.e.f. 29.08.2016) (Subsidiary of SIHL)

Interactive Visual Solutions Private Limited (IVSPL) (Subsidiary of ACDIPL)

Startup Investments (Holding) Limited (SIHL)

Smartweb Internet Services Limited (SWISL)

Startup Internet Services Limited (SISL)

Newinc Internet Services Private Limited (NISPL) (w.e.f. 05.01.2017) (Subsidiary of ACDIPL)

Info Edge (India) Mauritius Limited (IEIML) (Liquidated on 04.06.16)

## (B) Key management personnel compensation

Particular	(₹ Mn)
Short term employee benefits	54.15
Post employment benefits	0.30
Employee share based payments	19.50
Total Compensation	73.95

## (C). Details of transactions with related party for the year ended March 31, 2017 in the ordinary course of business:

Amount (₹ Mn)

Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>License Fees Paid:</b> JISPL NISL	0.10 0.10	- -	- -	- -	- -	- -	- -	0.20
2	<b>Remuneration Paid:</b> Sanjeev Bikhchandani Hitesh Oberoi Chintan Thakkar* Surabhi Bikhchandani	- - - -	- - - -	- - - -	18.30 18.16 37.49 1.81	- - - -	- - - -	- - - -	75.76
3	<b>Unsecured loans/Advances given</b> Vcare Technologies Private Ltd. ALSPL	- 219.50	3.00 -	- -	- -	- -	- -	- -	222.50
4	<b>Repayment received of unsecured loan/advances given (including interest)</b> UNNATI Online Private Ltd. Vcare Technologies Private Ltd. ACDIPL	- - 15.86	10.27 3.03 -	- - -	- - -	- - -	- - -	- - -	29.16
5	<b>Receipt of Service:</b> Minik Enterprises Oyester Learning Divya Batra Rare Media Company Private Ltd.	- - - -	- - - -	- - - 1.26	- - 0.90 -	- - - -	- - - -	1.38 0.64 - -	4.18
6	<b>Dividend Paid</b> Sanjeev Bikhchandani Hitesh Oberoi Surabhi Bikhchandani Arun Duggal Saurabh Srivastava Bala Deshpande Endeavour Holding Trust Sharad Malik Kapil Kapoor	- - - - - - - - -	- - - - - - - - -	- - - - - - - - -	104.37 20.24 4.48 - - - - - -	- - - 0.19 0.11 1.69 - 1.77 -	- - - - - - - - 9.42	- - - - - - 26.20 - -	168.47
7	<b>Services Rendered:</b> ACDIPL ALSPL Zomato Media Private Ltd. CDTPL Mint Bird Technology Private Ltd. Happily Unmarried Marketing Private Ltd. Rare Media Company Private Ltd. Green leaves Consumer Services Private Ltd. UNNATI Online Private Ltd. IDEACLICK Infolabs Private Ltd. Oyester Learning	0.38 0.25 - 1.62 - - - - - - -	- - - - - - 0.02 0.04 0.01 -	- - 1.73 - 0.04 1.09 0.02 - - - -	- - - - - - - - - - -	- - - - - - - - - - -	- - - - - - - - - - -	- - - - - - - - - - 0.01	5.21
8	<b>Investment in Debentures (Debt component)</b> ACDIPL NEWINC SIHL	4.18 1.84 155.62	- - -	- - -	- - -	- - -	- - -	- - -	161.64
9	<b>Investment in Debentures (Equity component)</b> ACDIPL NEWINC SIHL	41.32 18.16 1,539.52	- - -	- - -	- - -	- - -	- - -	- - -	1,599.00
10	<b>Conversion of loan into Debenture (Debt component)</b> IVSPL	0.10	-	-	-	-	-	-	0.10

Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
11	<b>Conversion of loan into Debenture (Equity component)</b> IVSPL	1.00	-	-	-	-	-	-	1.00
12	<b>Investment in Preference Shares (Debt component)</b> SISL SIHL	0.45 11.02	- -	- -	- -	- -	- -	- -	11.47
13	<b>Investment in Preference Shares (Equity component)</b> SISL SIHL	4.55 108.98	- -	- -	- -	- -	- -	- -	113.53
14	<b>Sitting Fees Paid:</b> Arun Duggal Bala Deshpande Kapil Kapoor Naresh Gupta Sharad Malik Saurabh Srivastava	- - - - - -	- - - - - -	- - - - - -	- - - - - -	0.80 0.60 - 0.98 0.88 1.48	- - 1.00 - - -	- - - - - -	5.74
15	<b>Commission Payable</b> Arun Duggal Bala Deshpande Naresh Gupta Sharad Malik Saurabh Srivastava	- - - - -	- - - - -	- - - - -	- - - - -	0.75 0.70 1.00 0.75 1.00	- - - - -	- - - - -	4.20
16	<b>Rent Received</b> Zomato Media Private Ltd. ACDIPL JISPL IVSPL SIHL SWIL SISL NEWINC NISL Maksense Technologies Ltd.	- 0.02 0.03 0.02 0.02 0.02 0.02 0.01 0.03 -	- - - - - - - - - -	0.02 - - - - - - - - 0.02	- - - - - - - - - -	- - - - - - - - - -	- - - - - - - - - -	- - - - - - - - - -	0.21
17	<b>Interest on Unsecured loan/ business Advance:</b> ALSPL ACDIPL IVSPL V Care Technologies Ltd. UNNATI Online Private Ltd.	11.27 0.08 0.07 - -	- - - 0.03 0.17	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	11.62
18	<b>Sale/transfer of Investment (refer note 39a)</b> SIHL (Share of Kinobeo Software Private Limited) SIHL (Share of Rare Media Company Private Ltd.) SIHL (Share of Mind Bird Technologies Private Limited)	135.00 74.38 60.00	- - -	- - -	- - -	- - -	- - -	- - -	269.38
19	<b>Sale of Investment Property</b> NEWINC	297.27	-	-	-	-	-	-	297.27
20	<b>Payment towards Corporate Social Responsibility activities (refer note no. 38)</b> IFRE	-	-	-	-	-	-	26.80	26.80

\*Including post employment benefits and employee share based payments.

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

Dividend paid ₹ 0.45

**(D). Amount due to / from related parties as at March 31, 2017**

Amount (₹ Mn)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>Loan Receivable (including interest accrued)</b> ALSPL	246.75	-	-	-	-	-	-	246.75
2	<b>Advances recoverable</b> IVSPL Zomato Media Private Limited	0.02 -	- -	- 0.02	- -	- -	- -	- -	0.04
3	<b>Amount receivable against sale of share</b> SIHL	269.38	-	-	-	-	-	-	269.38
4	<b>Amount receivable against sale of fixed assets</b> NewInc	277.27	-	-	-	-	-	-	277.27

**(E) Terms & conditions**

The loans to wholly owned subsidiaries are generally repayable on demand, at interest rate based on zero coupon bond rates which generally ranges from 6% to 7% and loan given to other subsidiaries/associates are generally for 1 year and repayable at the end of tenure at interest rate of 8% p.a.

Transactions related to sale of shares and investment property were made at carrying value and cost respectively.

Transactions related to investment in wholly owned subsidiaries made in debenture/preference share were made at face value.

All other transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash.

**(2) Related Party Disclosures for the year ended March 31, 2016:**

**(A) Subsidiaries**

Jeevansathi Internet Services Private Limited ( JISPL)  
 Naukri Internet Services Limited (NISL)  
 Info Edge (India) Mauritius Limited (IEIML) (Under liquidation)  
 Allcheckdeals India Private Limited (ACDIPL)  
 Applect Learning Systems Private Limited (ALSPL)  
 Interactive Visual Solutions Private Limited (IVSPL) (Subsidiary of ACDIPL)  
 Startup Investments (Holding) Limited (SIHL)  
 Smartweb Internet Services Limited (SWISL)  
 Startup Internet Services Limited(SISL)

**(B) Key management personnel compensation**

Particular	(₹Mn)
Short term employee benefits	52.07
Post employment benefits	0.25
Employee share based payments	2.30
<b>Total compensation</b>	<b>54.62</b>

## (C) Details of transactions with related party for the year ended March 31, 2016 in the ordinary course of business:

Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Amount (₹ Mn)	
								Enterprise over which KMP & Relatives have significant influence	Total
1	<b>License Fees Paid:</b> JISPL NISL	0.10 0.10							0.20
2	<b>Remuneration Paid:</b> Sanjeev Bikhchandani Hitesh Oberoi Chintan Thakkar* Surabhi Bikhchandani				18.13 18.23 18.26 1.57				56.19
3	<b>Unsecured loans/Advances given</b> ACDIPL IVSPL Maksense Technologies Limited ALSPL	0.02 0.23 17.00		0.11					17.36
4	<b>Repayment received of unsecured loan/advances given</b> ACDIPL Maksense Technologies Limited (including interest)	0.02		8.10					8.12
5	<b>Receipt of Service:</b> Minik Enterprises Oyester Learning Divya Batra Rare Media Company Private Limited			0.74	0.80			1.63 0.92	4.09
6	<b>Dividend Paid</b> Sanjeev Bikhchandani Hitesh Oberoi Surabhi Bikhchandani Arun Duggal Naresh Gupta Saurabh Srivastava Bala Deshpande Endeavour Holding Trust Sharad Malik Kapil Kapoor				176.56 34.50 7.47	0.32 0.14 0.14 0.39 3.03	16.40	43.67	282.62
7	<b>Services Rendered:</b> ACDIPL ALSPL Zomato Media Private Limited Canvear Digital Technologies Private Limited Mind Bird Technologies Private Limited HUMPL Oyester Learning Kinobeo Software Private Limited	1.16 1.53 1.02		1.45 0.05 0.03 0.16				0.01	5.41
8	<b>Investment in Equity Shares:</b> SWISL SISL	0.50 0.50							1.00
9	<b>Investment in Preference Shares (Debt Component)</b> NISL ALSPL Mind Bird Technologies Private Limited SISL SWISL Rare Media Company Pvt. Ltd. SIHL Happily Unmarried Marketing Private Ltd.	144.13 249.97 0.28 21.63 11.28		60.00 74.38 19.99					581.66

Amount (₹ Mn)

Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
10	<b>Investment in Preference Shares (Equity Component)</b> NISL SISL SWISL SIHL	1,425.87 2.72 213.98 111.64							1,754.21
11	<b>Sitting Fees Paid:</b> Arun Duggal Bala Deshpande Kapil Kapoor Naresh Gupta Sharad Malik Saurabh Srivastava					0.85 0.70 0.85 0.75 0.85	0.70		4.70
12	<b>Commission Payable</b> Arun Duggal Bala Deshpande Naresh Gupta Sharad Malik Saurabh Srivastava					0.90 0.70 0.90 0.70 0.70			3.90
13	<b>Rent Received</b> Zomato Media Private Limited ACDIPL JISPL IVSPL SIHL SWIL SISL NISL Maksense Technologies Limited	0.02 0.02 0.02 0.02 0.01 0.01 0.02		0.02      0.02					0.16
14	<b>Interest on Unsecured loan/business Advance:</b> ALSPL ACDIPL IVSPL Maksense Technologies Limited	0.12 0.11 0.07		0.25					0.55
15	<b>Sale/transfer of Investment (refer note 39)</b> SWIL (Share of Canvera Digital Technologies Private Ltd.) SIHL (Share of ALSPL) SIHL (Share of SWIL) SIHL (Share of Kinobeo Software Pvt. Ltd.) SIHL (Share of Happily Unmarried Marketing Private Ltd.) Maksense Technologies Ltd. (Share of Etechaces Marketing and Consulting Private Ltd.)	243.78 919.54 0.01 135.00 113.49 513.39							1,925.21
16	<b>Purchase of Intangible assets under development</b> MTL	3.35							3.35
17	<b>Payment towards Corporate Social Responsibility activities (refer note no. 38)</b> IFRE							31.05	31.05

\*Including post employment benefits and employee share based payments.

1. Interactive Visual Solutions Pvt. Ltd.(IVSPL) : Right to use the 'Interactive Technology' by virtue of share purchased through ACDIPL

(D). Amount due to / from related parties as at March 31, 2016									Amount (₹ Mn)
Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>Loan Receivable (including interest accrued)</b>								
	IVSPL	1.06							
	ACDIPL	15.79							
	ALSPL	17.11							33.96
2	<b>Advances recoverable</b>								
	ACDIPL	4.33							
	Zomato Media Private Ltd.	0.05							4.38
3	<b>Amount receivable against sale of share</b>								
	SWISL	243.78							
	SIHL	1,168.03							1,411.81

**(E) Terms & conditions**

The loans to wholly owned subsidiaries are generally repayable on demand, at interest rate based on zero coupon bond rates which generally ranges from 6% to 7% and loan given to other subsidiaries are generally for 1 year and repayable at the end of tenure at interest rate of 8% p.a.

Transactions related to sale of shares were made at carrying value.

Transactions related to investment in wholly owned subsidiaries made in debenture/preference share were made at face value.

All other transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash

25 (3) Amount due to / from related parties as at April 01, 2015									Amount (₹ Mn)
Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>Loan Receivable (including interest accrued)</b>								
	IVSPL	0.75							
	ACDIPL	15.78							
	Maksense Technologies Private Ltd.	7.74							24.27
2	<b>Advances recoverable</b>								
	ACDIPL	2.91							
	Zomato Media Private Ltd.	0.02							2.93
3	<b>Amount receivable against sale of share</b>								
	Maksense Technologies Private Ltd.	500.00							500.00

**26. Share Based Payments**

The establishment of the Info Edge Limited Employee Option Plan(s) are approved by shareholders at annual general meeting. ESOP scheme 2015 was approved by shareholders through postal ballot on April 16, 2016. The employee stock option plan is designed to provide incentives to employees generally at and above the designation of managers to deliver long-term returns. Under the plan, participants are granted options which vest upon completion of three years of service from the grant date. Participation in the plan is at the board appointed committee's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The Company has set up a trust to administer the ESOP scheme under which Stock Appreciation Rights (SAR) and Stock options (ESOP), with substantially similar types of share based payemnt arrangements, have been granted to employees. The scheme only provides for equity settled grants to employees whereby the employees can purchase equity shares by exercising SAR/options as vested at the exercise price specified in the grant, there is no option of cash settlement. The SAR/options granted till March 31, 2017 have a vesting period of maximum 3 years from the date of grant.

Set out below is a summary of SAR/options granted under the plan:

Particulars	March 31, 2017		March 31, 2016	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	634.84	4,460,584	441.83	2,945,778
Granted during the year	788.23	122,800	739.76	2,436,350
Exercised during the year *	275.95	523,349	236.08	773,221
Forfeited during the year	746.89	412,800	622.40	143,360
Expired during the year	352.50	7,600	61.16	4,963
<b>Closing balance</b>		<b>3,639,635</b>		<b>4,460,584</b>
<b>Vested and exercisable</b>		<b>1,144,744</b>		<b>1,397,916</b>

\*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2017 was ₹ 275.95 (March 31, 2016 - ₹ 236.08)

Share options outstanding at the end of the year have the following exercise price range :

Exercise price (₹) (Range)	March 31, 2017	March 31, 2016	April 01, 2015
0-300	679,569	937,852	1,264,723
300-600	101,966	392,150	728,255
600-900	2,858,100	3,130,582	952,800
<b>Total</b>	<b>3,639,635</b>	<b>4,460,584</b>	<b>2,945,778</b>
Weighted average remaining contractual life of options outstanding at end of period	4.25	4.77	3.26

#### Fair value of SAR/options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, term of option, the share price at grant date, and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of option.

Model inputs for Options/SAR granted during the year are as follows:-

Options are granted for no consideration and vest upon completion of service for a period of two years. Vested options are exercisable for a period of two years after vesting.

	March 31, 2017	March 31, 2016	April 1, 2015
Fair Value of options (₹ per share)	320.60	344.02	288.86
Share price at measurement date (₹ per share)	831.69	792.99	817.55
Expected volatility (%)	33.45%	32.30%	31.94%
Dividend yield (%)	0.48%	0.43%	0.35%
Risk-free interest rate (%)	6.77%	7.57%	8.52%
Expected Life (Years)	4.23	4.66	3.49

The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to publicly available information.

#### Expense arising from share-based payment transactions (refer Note 15)

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Amount (₹Mn)

	March 31, 2017	March 31, 2016
Total employee share-based payment expense (Stock appreciation rights)	227.85	165.68
Total employee share-based payment expense (Employee Stock Options)	31.90	8.56
<b>Total employee share-based payment expense</b>	<b>259.75</b>	<b>174.24</b>

27. The Company has received various legal notices of claims/lawsuits filed against including suits relating to infringement of Intellectual Property Rights (IPR), Consumer suits, etc. in relation to the business activities carried on by it. The management based on internal assessment and legal opinion obtained, believes that no material liability is likely to arise on account of such claims/law suits.

28. The Company is primarily in the business of internet based service delivery operating in four service verticals through various web portals in respective verticals namely recruitment solutions comprising primarily naukri.com, other recruitment related portals and ancillary services related to recruitment, 99acres.com for real estate related services, Jeevansathi.com for matrimony related services and Shiksha.com for education related services.

The Managing Director & Chief Operating Officer of the Company examines the Company's performance both from a business & geographical prospective and has identified as reportable segment of its business which are "Recruitment Solutions" and "99acres"; the "Other segments" comprises primarily Jeevansathi & Shiksha verticals are not considered as reportable operating segment since they individually do not meet qualifying criteria for the reportable segment as per Ind AS 108.

A) Business Segment		Amount in ₹ (Mn)	
	Particular	2016-17	2015-16
1	<b>Segment Revenue:</b>		
	Recruitment solutions	5,953.45	5,289.91
	99acres for real estate	1,122.24	1,082.53
	Others	945.37	803.63
	<b>Segment Revenue-Total</b>	<b>8,021.06</b>	<b>7,176.07</b>
2	<b>Results (Profit/(Loss)) after tax:</b>		
	Recruitment Solutions	3,111.62	2,656.09
	99acres for real estate	(663.16)	(1,061.21)
	Others	(151.16)	(215.49)
	<b>Total Segment Result</b>	<b>2,297.30</b>	<b>1,379.39</b>
	Less: unallocable expenses	(263.95)	(234.47)
	Add : unallocated Income	625.23	785.02
	Exceptional Item - Income/(Loss)	(39.84)	(114.58)
	<b>Profit Before Tax</b>	<b>2,618.74</b>	<b>1,815.36</b>
	Tax Expense	574.71	564.18
	<b>Profit after tax</b>	<b>2,044.03</b>	<b>1,251.18</b>
3	<b>Assets</b>		
	Recruitment solutions	323.12	412.29
	99acres for real estate	156.74	231.63
	Others	94.28	99.33
	<b>Total Segment Assets</b>	<b>574.14</b>	<b>743.25</b>
	Unallocable assets	23,627.43	20,860.63
	<b>Total assets</b>	<b>24,201.57</b>	<b>21,603.88</b>
4	<b>Liabilities</b>		
	Recruitment solutions	2,822.66	2,493.71
	99acres for real estate	790.58	644.02
	Others	559.28	457.85
	<b>Total Segment Liabilities</b>	<b>4,172.52</b>	<b>3,595.58</b>
	Unallocable liabilities	158.10	58.72
	<b>Total Liabilities</b>	<b>4,330.62</b>	<b>3,654.30</b>

B) Geographical Segment		Amount (₹ Mn)						
Particulars	2016-17				2015-16			
	Domestic	Overseas	Unallocated	Total	Domestic	Overseas	Unallocated	Total
Revenue from customers (sale of services)	7,348.10	672.96		8,021.06	6,523.06	653.01	-	7,176.07
Segment assets	12,649.49	97.78	11,414.57	24,161.84	12,889.24	74.17	8,640.47	21,603.88

**Notes :**

- Domestic segment revenue includes sales and services to customers located in India and overseas segment (primarily in Gulf countries) revenue includes sales and services rendered to customers located outside India. Segment revenue is measured in the same way as in the Statement of Profit and loss.
- Segment assets includes fixed assets, trade receivables, cash and bank balances (except dividend bank account), loans & advances and other current assets and are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Unallocated assets include dividend bank accounts, investments, Interest accrued and Deferred Tax asset.
- Segment liabilities includes borrowings, trade payable, other current liabilities, provisions and other financial liabilities. Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

29. As at March 31, 2017 the Company had ₹ 0.02 Mn (March 31, 2016: ₹ 0.04 Mn & April 01, 2015: ₹ 0.05 Mn) outstanding with Kotak Mahindra Bank, ₹ 0.21 Mn (March 31, 2016: ₹ 0.45 Mn & April 01, 2015 ₹ 0.10 Mn) outstanding with Yes Bank, ₹ 0.04 Mn (March 31, 2016 & April 01, 2015: ₹ 0.04 Mn) outstanding with ICICI Bank and ₹ 0.11 Mn (March 31, 2016: Nil & April 01, 2015: Nil) outstanding with Indusind 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.

### 30. Employee Benefits

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

#### A. Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

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

Particulars	Year ended	Year ended
	March 31, 2017	March 31, 2016
	(₹ Mn)	(₹ Mn)
Employers' Contribution to Provident Fund	77.73	72.42

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 15)

#### B. Other Long term benefits

Leave obligations:

The leave obligations cover the Company's liability for earned leave.

The amount of the provision for ₹ 41.35 Mn (March 31, 2016 - ₹ 46.81 Mn, April 1, 2015 - ₹ 25.77 Mn) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment with in the next twelve months.

Amount in ₹ Mn

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Current leave obligations expected to be settled with in the next twelve months	12.22	18.94	7.82

Assumption used by the Actuary

Particulars	Leave Encashment / Compensated Absences	
	2016-17	2015-16
Discount Rate (per annum)	7.35%	7.75%
Rate of increase in Compensation levels	10% for First 5 years, & 7% thereafter	10% for First 5 years, & 7% thereafter

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, seniority, promotions and other relevant factors.

#### C. Defined Benefit Plans

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

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India.

Assumption used by the Actuary

Particulars	Gratuity	
	2016-17	2015-16
Discount Rate (per annum)	7.35%	7.75%
Rate of increase in Compensation levels	10% for First 5 years, & 7% thereafter	10% for First 5 years, & 7% thereafter

The amounts recognised the balance sheet & movements in the net defined benefit obligation over the year are as follows :

Changes in the Present Value of Obligation	2016-17	2015-16
	(₹ Mn)	(₹ Mn)
<b>Present Value of Obligation at the beginning of the year</b>	<b>164.70</b>	<b>131.00</b>
Interest Cost	12.18	9.94
Past Service Cost	Nil	Nil
Current Service Cost	35.04	28.21
Benefits paid	(18.50)	(17.61)
<b>Remeasurment due to</b>		
-Actuarial loss/(gain) arising from change in financial assumptions	10.79	6.28
-Actuarial loss/(gain) arising on account of experience changes	(2.63)	6.89
<b>Present Value of Obligation at the end of the year</b>	<b>201.58</b>	<b>164.70</b>

Changes in the Fair value of Plan Assets	2016-17	2015-16
	(₹ Mn)	(₹ Mn)
<b>Fair Value of Plan Assets at the beginning of the year</b>	<b>122.72</b>	<b>110.82</b>
Interest on Plan Assets	9.70	9.13
Actuarial Gains/(Losses)	0.98	(0.06)
Contributions made by the Company	42.88	20.44
Assets acquired/settled*	1.27	-
Benefits Paid	(18.50)	(17.61)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>159.05</b>	<b>122.72</b>

\* on account of inter group transfer

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	March 31, 2017	March 31, 2016	April 01, 2015
	(₹ Mn)	(₹ Mn)	(₹ Mn)
<b>Present Value of funded obligation at the end of the year</b>	<b>(201.58)</b>	<b>(164.71)</b>	<b>(131.00)</b>
Fair Value of Plan Assets as at the end of the period	159.05	122.72	110.82
<b>Deficit of funded plan</b>	<b>(42.53)</b>	<b>(41.98)</b>	<b>(20.18)</b>
*included in Provision for employee benefits (Refer Note 11)			

The present value of the defined benefit obligation relates to active employees.

Expense recognised in the Statement of Profit and Loss	March 31, 2017	March 31, 2016
	(₹ Mn)	(₹ Mn)
Current Service Cost	35.04	28.21
Past Service Cost	Nil	Nil
Interest Cost	2.49	0.80
(Gains)/Loss on Settlement	Nil	Nil
<b>Total Expenses recognized in the Statement of Profit and Loss #</b>	<b>37.53</b>	<b>29.01</b>
#Included in 'Contribution to provident and other funds' under 'Employee benefits expense' (Refer Note 15)		

Amount recorded in Other comprehensive Income (OCI)	March 31, 2017	March 31, 2016
	(₹ Mn)	(₹ Mn)
<b>Remeasurments during the year due to</b>		
-changes in financial assumptions	10.79	6.28
-Experience adjustments	(2.63)	6.89
-Actual return on plan assets less interest on plan assets	(0.98)	0.06
<b>Amount recognised in OCI during the year</b>	<b>7.18</b>	<b>13.23</b>

\*included in Provision for employee benefits (Refer Note 11)

#### (D) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

	Impact on defined benefit obligation							
	Change in assumption			Increase in assumption			Decrease in assumption	
	March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016
Discount Rate	0.50%	0.50%	Decrease by	5.18%	5.06%	Increase by	5.66%	5.53%
Salary growth rate	0.50%	0.50%	Increase by	3.30%	3.30%	Decrease by	3.25%	3.25%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

#### (E) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
				(₹ Mn)	(₹ Mn)	(₹ Mn)
Insurer managed funds	100.00%	100.00%	100.00%	159.05	122.72	110.82
	-	-	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>159.05</b>	<b>122.72</b>	<b>110.82</b>

**(F) Risk exposure**

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

**Changes in bond yields**

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation (LIC) of India under its Group Gratuity Scheme.

**(G) Defined benefit liability and employer contribution**

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post employment benefit plan (Gratuity) for the year ending March 31, 2018 are ₹ 40 mn.

The weighted average duration of the defined benefit obligation is 10.85 years (2016 – 10.6 years, 2015- 10.53 years).

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

Amount (₹ Mn)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>March 31, 2017</b>					
Defined benefit obligation (gratuity)	16.98	16.56	51.94	479.13	564.61
<b>March 31, 2016</b>					
Defined benefit obligation (gratuity)	15.28	14.07	43.69	412.91	485.95
<b>April 1, 2015</b>					
Defined benefit obligation (gratuity)	13.51	12.26	34.49	344.84	405.10

31. Pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the period November 08, 2016 to December 30, 2016 as provided in the table below :-

Amount (₹ Mn)

Particulars	Specified bank notes*	Other notes	Total
<b>Balance as at November 08, 2016</b>	2.26	0.02	2.28
Less : Paid for permitted transactions	-	0.10	0.10
Add : Receipts of permitted transactions	-	4.70	4.70
Less : Deposited in bank accounts	2.26	3.90	6.16
Add : Withdrawal from bank accounts	-	-	-
<b>Closing balance as at December 30, 2016</b>	-	<b>0.72</b>	<b>0.72</b>

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 18, 2016.

32. The Company has made long term strategic investments in certain subsidiaries/associate companies {refer Note 4(a)}, which are in their initial/developing 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, 2017. 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 there is no diminution in carrying value of the investments as compared to their current net worth and therefore no provision, other than those already made, is required at this stage.

**33. Regulation 34(3) read with para A of Schedule V to Securities And Exchange Board of India (Listing Obligations And Disclosures Requirements) Regulations, 2015:**

Particulars	March 31, 2017 [ ₹ Mn]	March 31, 2016 [ ₹ Mn]	April 1, 2015 [ ₹ Mn]
<b>Loans and advances in the nature of loans to subsidiaries</b>			
<b>Advance to Subsidiary- Allcheckdeals India Pvt Ltd</b>			
Balance at the year end	-	20.12	18.69
Maximum amount outstanding at any time during the year	20.64	20.12	23.93
<b>Advance to Subsidiary- Makesense Technologies Ltd.</b>			
Balance at the year end	-	-	7.74
Maximum amount outstanding at any time during the year	-	-	7.74
<b>Advance to Subsidiary- Interactive Visual Solutions Pvt. Ltd.</b>			
Balance at the year end	0.02	1.06	0.75
Maximum amount outstanding at any time during the year	1.14	1.06	0.75
<b>Advance to Subsidiary- Startup Investment (Holding) Ltd.</b>			
Balance at the year end	-	-	-
Maximum amount outstanding at any time during the year	0.02	0.02	-
<b>Advance to Subsidiary- Startup Internet Services Ltd</b>			
Balance at the year end	-	-	-
Maximum amount outstanding at any time during the year	0.02	0.01	-
<b>Advance to Subsidiary- Smartweb Internet Services Ltd</b>			
Balance at the year end	-	-	-
Maximum amount outstanding at any time during the year	0.02	0.01	-
<b>Advance to Subsidiary- Newinc Internet Services Pvt. Ltd.</b>			
Balance at the year end	-	-	-
Maximum amount outstanding at any time during the year	0.01	-	-
<b>Advance to Subsidiary- Applect Learning Systems Pvt. Ltd.</b>			
Balance at the year end	246.75	17.11	-
Maximum amount outstanding at any time during the year	246.75	17.11	-
<b>Advance to Joint venture - Zomato Media Pvt. Ltd.</b>			
Balance at the year end	0.02	0.05	0.02
Maximum amount outstanding at any time during the year	0.05	0.05	480.00
<b>Advance to Joint venture - Maksense Technologies Ltd.</b>			
Balance at the year end	-	-	-
Maximum amount outstanding at any time during the year	-	7.86	-

**34.** During the year, the Company has issued 300,000 (March 31, 2016; 500,000 & 2,00,000 each fully paid up at ₹ 10/- & ₹ 100/ respectively) each fully paid up at ₹ 10/- per share respectively to Info Edge Employees Stock Option Plan (ESOP) Trust, which have been duly listed in the respective Stock Exchanges, ranking pari passu with the existing equity shares of the Company. The ESOP trust has in turn issued 377,021 and 624,453 shares fully paid up to the employees during the year ended March 31, 2017 & March 31, 2016 respectively.

**35.** During the year ended March 31, 2015, the Company had issued 10,135,135 equity shares of ₹ 10/- each fully paid up at ₹ 740/- per share (including securities premium of ₹ 730/- per share) to qualified institutional buyers on September 12, 2014 pursuant to Qualified Institutional Placement (QIP) document, dated September 10th, 2014, as per provisions of section 42 of Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, and Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 which have been listed in the respective Stock Exchanges on September 16, 2014.

Expenses incurred in relation to QIP amounting to ₹ 155.65 Mn had been adjusted from Securities Premium Account during the year ended March 31, 2015. The utilisation out of such net amount of ₹ 7,344.35 Mn till March 31, 2017 is given below. The balance amount of QIP proceeds remains invested in Mutual Funds (Debt) & Term Deposits with banks.

Utilisation of funds	March 31, 2017 ₹ (Mn)	March 31, 2016 ₹ (Mn)
Balance Unutilised funds as at the beginning of the year	6,391.45	7,290.91
Utilised during the year-working capital and general corporate purposes (99acres)	476.03	899.46
Balance Unutilised funds as at the year end	5,915.42	6,391.45

36. Exceptional items includes

Particulars	March 31, 2017 (₹ Mn)	March 31, 2016 (₹ Mn)
Profit on sale of investments (Refer note a below)	-	(341.60)
Less: Provision for Bonus ((Refer note b below)	-	29.42
Less: Diminution in value of an investment in an associate (Refer note c below)	39.84	426.76
<b>Total [(Income)/Expense]</b>	<b>39.84</b>	<b>114.58</b>

- a) During the year ended March 31, 2016, the Company had transferred its investment [5,975 equity and 2,673 compulsorily convertible preference shares] in ETechaces Marketing & Consulting Private Limited (EMCPL) to its subsidiary Makesense Technologies Limited (MTL) formerly known as Makesense Technologies Pvt. Ltd. for a consideration of ₹ 513.39 Mn thereby resulting in a profit of ₹ 341.60 Mn, which is shown as an exceptional item in the Statement of Profit and Loss. The Audit Committee and the Board of Directors had approved the transaction during the year ended March 31, 2015, taking a holistic view of the same, based on the business rationale, which when considered in its entirety, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders and demonstrates the intention of the Company to transact at arm's length with its subsidiary.
- b) This represents an additional provision for bonus related to April 1, 2014 to March 31, 2015 amounting to ₹ 29.42 Mn pursuant to retrospective amendment to "The Payment of Bonus Act, 1965" notified on January 1, 2016.
- c) During the year ended March 31, 2017, diminution in the carrying value of investment in respect of Smartweb Internet Services Pvt Ltd amounting to ₹39.84 Mn (represented by investments in equity shares of ₹ 35.59 Mn and Preference shares of ₹4.25 Mn) was made. During the year ended March 31, 2016, diminution in the carrying value of investment in respect of Canvera Digital Technologies Private Limited amounting to ₹ 426.76 Mn (represented by investments in equity shares of ₹ 25.61 Mn and Preference shares of ₹ 401.15 Mn) was initially made and later on transferred to wholly owned subsidiary.

37. Based on the information available with the Company, the Company has certain dues to suppliers registered under the "The Micro, Small and Medium Enterprises Development Act, 2006" ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Amount ₹ (Mn)

Particular	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	0.06
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the day	-	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the day	-	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-

38. As per Section 135 of the Companies Act, 2013 ('Act'), a Corporate Social Responsibility (CSR) committee had been formed by the Company in previous year. The main areas for CSR activities, as per the CSR policy of the Company are promoting education, training to promote sports and contribution to appropriate funds set up by the Central Government, further the CSR Committee may consider other CSR activities subject to the condition that such activities relate to the subjects enumerated in Schedule VII of the Act.

Details of corporate social responsibility (CSR) are as below :

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
<b>Gross amount required to be spent by the Company during the year</b>	38.20	36.05
Amount spent (paid) by the Company during the year on education (operating expenditure in relations to various associations as detailed below)	38.20	36.05

S. No.	Vendor Name	Year ended	Year ended
		March 31, 2017	March 31, 2016
		(₹ Mn)	(₹ Mn)
1	Social Outreach Foundation	1.00	1.00
2	Joint Women's Programme	1.50	1.50
3	International Foundation for Research & Education	26.80	31.05
4	Swami Sivananda Memorial Institute	1.50	-
5	Amar Jyoti Charitable Trust	1.50	-
6	Trust For Retailers & Retails Associates of India	1.70	-
7	Pratham Delhi Education Initiative Trust	2.20	-
8	Chintan Environmental Research And Action Group	2.00	-
9	The Blind Relief Association	-	2.50
<b>Total</b>		<b>38.20</b>	<b>36.05</b>

#### 39. A) During the year ended March 31, 2017

- the Company has transferred 743,808 preference shares (Previous year Nil) of Rare Media Company Private Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 74.38 Mn.
- the Company has transferred 6,000,000/- preference shares (Previous year Nil) of Mint Bird Technologies Private Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 60.00 Mn.
- the Company has transferred 73,105 preference shares (Previous year 34,651) of Kinobeo Software Private Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 135 Mn.

#### B) During the year ended March 31, 2016

- the Company had transferred its entire shareholding (i.e. 34,711 equity shares & 532,216 preference shares) of Canvera Digital Technologies Private Limited to its subsidiary Smartweb Internet Services Limited at book value (previous GAAP) amounting to ₹ 243.78 Mn
- the Company had transferred its entire shareholding (i.e. 275 equity shares & 6,635 pref shares) of Happily Unmarried Marketing Private Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 113.49 Mn
- the Company had transferred 13,429 equity shares & 249,974,932 preference share of Applect Learning Systems Private Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 919.54 Mn.
- the Company has transferred 34,651 preference shares of Kinobeo Software Private Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 135 Mn.
- the Company had transferred 1,000 preference shares of Smartweb Internet Services Limited to its wholly owned subsidiary Startup Investment (Holding) Limited at book value (previous GAAP) amounting to ₹ 0.01 Mn

The above transfers, which are duly approved by Audit Committee and Board of Directors, have been made in line with the decision of the Company about creating a corporate structure where under the Company's investments are to be transferred to and held by the different wholly owned subsidiaries of the Company which will ensure that the stakeholders are adequately apprised about each of these investments in a focused & timely manner. Further this segregation of main business of the Company from the cluster of investments held by the Company will result into effective communication about its entire portfolio to its stakeholders.

#### 40. Assets pledged/hypothecated as security

The carrying amounts of assets pledged/hypothecated as security for current and non-current borrowings are :

Amount (₹ Mn)

	Note	March 31, 2017	March 31, 2016	April 1, 2015
<b>Non current</b>				
<b>First charge</b>				
Vehicle acquire under finance lease	3	19.02	17.53	14.20

#### 41. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

##### a) Income Tax expense

Particulars	Year ended	Year ended
	March 31, 2017	March 31, 2016
	(₹ Mn)	(₹ Mn)
<b>Current Tax</b>		
Current tax on profit for the year	770.62	684.23
Adjustments for current tax of prior periods	(393.14)	(13.64)
<b>Total current tax expenses</b>	<b>377.48</b>	<b>670.59</b>
<b>Deferred Tax</b>		
	197.23	(106.41)
<b>Total</b>	<b>574.71</b>	<b>564.18</b>

**b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:**

Particulars	Year ended	Year ended
	March 31, 2017	March 31, 2016
	(₹ Mn)	(₹ Mn)
Profit before tax	2,658.58	1,929.94
<b>Tax at the Indian tax rate of 34.608% (March 31, 2016 : 34.608%)</b>	<b>920.08</b>	<b>667.91</b>
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Depreciation on Land (including investment property)	1.62	1.78
Corporate social responsibility expenditure	13.22	12.48
Dividend Income on Mutual Funds	(14.21)	(69.42)
Fair value of financial instruments	117.45	5.03
Adjustments for current tax of prior periods	(393.14)	(13.64)
Profit on sale of investment (separately considered in capital gains)	(0.89)	(32.74)
Deferred tax created on indexed value of land & investment property	36.61	(9.41)
Income tax expenses of foreign branch	6.52	7.53
Difference in effective tax rates	-	(5.58)
Additional 'ESOP charges	(102.75)	-
Profit on sale of Investment property	(10.22)	-
Deferred tax created on short term capital loss	0.89	-
Other items	(0.48)	0.24
	<b>574.71</b>	<b>564.18</b>

During the year, the management has assessed that, based on the direction issued by Commissioner of Income Tax (Appeals)/ Income Tax Appellate Tribunal (ITAT) to the Assessing Officer to consider the decision taken by the Special Bench of the ITAT in the case of Biocon Ltd. vs DCIT in Company's own case in earlier years with respect to the Company's claim on same matter, the above mentioned judgement of the Special Bench by the ITAT had decided that the Employee stock option scheme compensation (ESOP) expenses can be claimed basis the gain in the hands of the employees at the time of exercising the options by them as opposed to the ESOP expenses debited to the Profit & Loss (based on difference between the fair value at the date of grant and the exercise price). Accordingly, the Company has reversed the provision for income tax amounting to ₹393.14 Mn for prior periods and further, the effect given for current year amounts to ₹ 102.75 Mn. The same may however be subject to litigation by the tax authorities and relief could be expected only at higher appellate forums.

**42. Fair value measurements****a). Financial instruments by category**

Amount (₹ Mn)

	March 31, 2017		March 31, 2016		April 1, 2015	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
<b>Financial Assets</b>						
Loans	-	246.76	-	44.08	-	24.27
Investments*						
- Mutual Funds	2,162.12	-	374.38	-	9,037.78	-
- Preference Shares	-	444.67	664.74	387.22	1,537.08	172.72
- Debentures	-	167.52	-	-	-	-
Trade and other receivables	-	75.31	-	121.39	-	101.66
Cash and cash Equivalents	-	472.73	-	447.41	-	356.00
Other bank balances	-	2,435.33	-	1,045.39	-	1,491.74
Other financial assets	-	9,602.00	-	11,547.76	-	2,023.67
<b>Total Financial Assets</b>	<b>2,162.12</b>	<b>13,444.32</b>	<b>1,039.12</b>	<b>13,593.25</b>	<b>10,574.86</b>	<b>4,170.06</b>
<b>Financial Liabilities</b>						
Borrowings	-	8.07	-	8.19	-	7.03
Trade payables	-	456.08	-	307.83	-	381.97
<b>Total Financial Liabilities</b>	<b>-</b>	<b>464.15</b>	<b>-</b>	<b>316.02</b>	<b>-</b>	<b>389.00</b>

\*Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

**Fair value hierarchy**

The following section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**b) Fair value hierarchy for assets****Financial assets measured at fair value at March 31, 2017**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				
- Mutual Funds-Fixed Maturity Plans	95.59	-	-	95.59
- Mutual Funds-Daily Dividend & Debt Liquid Fund	2,066.53	-	-	2,066.53
- Preference Shares	-	-	-	-

**Financial assets measured at fair value at March 31, 2016**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				-
- Mutual Funds-Fixed Maturity Plans	88.83	-	-	88.83
- Mutual Funds-Daily Dividend & Debt Liquid Fund	285.55	-	-	285.55
- Preference Shares	-	-	664.74	664.74

**Financial assets measured at fair value at April 1, 2015**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				
- Mutual Funds-Fixed Maturity Plans	683.05	-	-	683.05
- Mutual Funds-Daily Dividend & Debt Liquid Fund	8,354.73	-	-	8,354.73
- Preference Shares	-	-	1,537.08	1,537.08

**Notes:**

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**c) Valuation techniques used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis for which third party valuer is appointed. This is included in Level 3.

**d) Fair value of financial assets and liabilities measured at amortised cost**

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits, Investment in preference shares & investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significant impact on fair values as at the current year end. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**(e) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in Level 3 items for the years ended March 31, 2017 and March 31, 2016

Particulars	Unlisted equity securities (₹ Mn)
As at 1 April 2015	1,537.08
Acquisitions	134.38
Disposal including related gain/loss	1,131.97
Unrealised gain/loss recognised in profit/loss	125.25
As at March 31, 2016	664.74
Disposal including related gain/loss	664.74
Unrealised gain/loss recognised in profit/loss	-
As at March 31, 2017	-

**(f) Valuation inputs and relationships to fair value**

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements. See (c) above for the valuation techniques adopted. Amount (₹ Mn)

Particulars	Fair value as at			Significant unobservable inputs*	Probability-weighted range			Sensitivity
	March 31, 2017	March 31, 2016	April 1, 2016		March 31, 2017	March 31, 2016	April 1, 2016	
Convertible Preference Shares	-	664.74	1,537.08	Weighted Average Cost of Capital (WACC)	15% to 35%	15% to 35%	15% to 35%	Increased WACC (+20 basis points (bps)) and keeping other key inputs constant would change FV by ₹ (33) mn and ₹ (164) mn in FY2016 and FY2015 respectively; Decreased WACC (-20 bps) and keeping other key inputs constant would change FV by ₹ 125 mn and ₹ 180 mn in FY2016 and FY2015 respectively
				EBITDA Margin in Perpetuity	-170% to 60%	-170% to 60%	-170% to 60%	Increased EBITDA Margin in Perpetuity (+50 basis points (bps)) and keeping other key inputs constant would change FV by ₹ 79 mn and ₹ 87 mn in FY2016 and FY2015 respectively; Decreased EBITDA Margin in Perpetuity (-50 bps) and keeping other key inputs constant would change FV by ₹ (7) mn and ₹ (105) mn in FY2016 and FY2015 respectively
				Earnings growth rate	40% to 80%	40% to 80%	40% to 80%	Increased Earnings growth rate (+50 basis points (bps)) and keeping other key inputs constant would change FV by ₹ 65.5 mn and ₹ 57.4 mn in FY2016 and FY2015 respectively; Decreased Earnings growth rate (-50 bps) and keeping other key inputs constant would change FV by ₹ (0) mn and ₹ (90) mn in FY2016 and FY2015 respectively

\*\* There were no significant inter-relationships between unobservable inputs that materially affect their values

**(g) Valuation processes**

The Company uses third party valuers to perform the valuations of the unquoted equity shares, preference shares and debentures required for financial reporting purposes for Level 3 purposes other than investment in compulsorily redeemable preference shares and debentures (Debt instruments) which are done by Finance department of the company.

The main Level 3 inputs for these unlisted securities are derived and evaluated as below.

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies to the extent available.

**Significant estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (c) and (f) above.

### 43. Financial risk and Capital management

#### A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds	Credit ratings	Portfolio diversification and regular monitoring

#### a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

##### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses. The Company evaluates the concentration of risk with respect to trade receivables as low.

##### Reconciliation of loss allowance provision:

	Trade receivables (₹Mn)
<b>Loss allowance as on April 1, 2015</b>	3.69
changes in loss allowance	0.05
<b>Loss allowance as on March 31, 2016</b>	3.74
changes in loss allowance	0.50
<b>Loss allowance as on March 31, 2017</b>	4.24

##### Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

#### b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit

lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period :

Particulars	Amount (₹ Mn)		
	March 31, 2017	March 31, 2016	April 1, 2015
Cash credit facilities	95.00	90.00	90.00

The bank overdraft facilities may be drawn at any time.

**(ii) Maturities of financial liabilities**

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances equal their carrying balances as the impact of discounting is not significant.

March 31, 2017	Contractual cash flows				
	Total	6 months or less	6-12 months	1-2 years	2-5 years
<b>Non-derivative financial liabilities</b>					
Trade payables	456.08	417.47	0.31	13.43	24.87
Borrowings	8.07	2.44	2.06	3.12	0.45

March 31, 2016	Contractual cash flows				
	Total	6 months or less	6-12 months	1-2 years	2-5 years
<b>Non-derivative financial liabilities</b>					
Trade payables	307.83	269.51	0.45	1.89	35.98
Borrowings	8.19	2.48	1.92	2.66	1.13

April 1, 2015	Contractual cash flows				
	Total	6 months or less	6-12 months	1-2 years	2-5 years
<b>Non-derivative financial liabilities</b>					
Trade payables	381.97	337.17	3.11	4.80	36.89
Borrowings	7.03	2.51	1.70	2.35	0.47

**(c) Market risk**

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

**(i) Currency risk**

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of US\$, United Arab Emirates Dirham (AED), Saudi Riyal (SAR) and Bahraini Dinar (BHD). the Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

**Exposure to currency risk**

The currency profile of financial assets and financial liabilities are given below:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Amount (₹ Mn)	(₹ Mn)	Amount (₹ Mn)	(₹ Mn)	Amount (₹ Mn)	(₹ Mn)
<b>Financial assets</b>						
Trade receivables	AED 0.17	3.03	AED 0.16	2.94	AED 0.11	1.85
	BHD *0.00	0.30	BHD *0.00	0.23	-	-
	OMR 0.01	1.29	OMR 0.01	1.00	OMR 0.01	1.18
	QAR 0.06	1.08	-	-	-	-
	-	-	-	-	SAR 0.08	1.30
	USD 0.08	5.44	USD 0.18	11.81	USD 0.04	2.45
Cash & Bank Balances	SAR 1.99	34.29	SAR 2.47	43.59	SAR 2.59	43.15
	USD 0.56	36.09	USD 0.07	4.68	USD 0.38	23.78
	BHD 0.01	1.31	BHD 0.01	1.09	BHD 0.01	1.76
	AED 2.75	48.42	AED 0.29	5.23	AED 0.27	4.52
	HKD *0.00	-	HKD *0.00	-	HKD *0.00	0.04
			GBP *0.00	0.04	-	-
	EUR *0.00	-	EUR *0.00	0.02	-	-
	THB *0.00	0.01	THB *0.00	-	THB *0.00	-
Other receivables	USD 0.00	0.26	USD 0.01	0.98	USD 0.01	0.89
<b>Total-Financial assets</b>		<b>131.52</b>		<b>71.61</b>		<b>80.92</b>
<b>Financial liabilities</b>						
Trade payables	AED 0.08	1.33	AED 0.07	1.34	-	-
	BHD 0.00	-	BHD 0.00	0.00	-	-
	EURO 0.03	2.00	EURO 0.02	1.23	-	-
	SAR 0.01	0.15	SAR 0.01	0.14	-	-
	USD 0.22	14.25	USD 0.11	7.57	USD 0.06	3.65
<b>Total financial liabilities</b>		<b>17.73</b>		<b>10.28</b>		<b>3.65</b>

\*Amount is below rounding off norms adopted by the company.

**Sensitivity analysis**

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2017 & March 31, 2016 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

Effect in ₹_10% movement	Profit or loss		Profit or loss	
	March 31, 2017		March 31, 2016	
	Strengthening	Weakening	Strengthening	Weakening
AED (Increase/decrease by 3.5%, March 31, 2016- 1%)	(1.75)	1.75	(0.08)	0.08
BHD (Increase/decrease by 3.6%, March 31, 2016- 1%)	(0.06)	0.06	(0.02)	0.02
OMR (Increase/decrease by 3.5%, March 31, 2016- 1%)	(0.05)	0.05	(0.01)	0.01
QAR (Increase/decrease by 3.5%, March 31, 2016- 1%)	(0.04)	0.04	-	-
SAR (Increase/decrease by 3.5%, March 31, 2016- 1%)	(1.19)	1.19	(0.52)	0.52
EURO (Increase/decrease by 3.5%, March 31, 2016- 1%)	0.07	(0.07)	0.01	(0.01)
USD (Increase/decrease by 3.5%, March 31, 2016- 1%)	(0.96)	0.96	(0.12)	0.12
<b>Total</b>	<b>(3.98)</b>	<b>3.98</b>	<b>(0.74)</b>	<b>0.74</b>

**(ii) Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

**Exposure to interest rate risk**

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows:

Particulars	Amount (₹ Mn)		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>Fixed-rate instruments</b>			
Financial assets	11,171.75	10,815.68	2,893.92
Financial liabilities	8.07	8.19	7.03
<b>Total</b>	<b>11,179.82</b>	<b>10,823.87</b>	<b>2,900.95</b>

**(iii) Price risk****Exposure**

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

**B) Capital management****a) Risk management**

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits. The Company avails borrowings only for buying vehicles.

**b) Dividend**

Particulars	March 31, 2017	March 31, 2016
Final dividends for the year ended March 31, 2015 of ₹ 2 per share	-	240.83
<b>i) Interim dividends:</b>		
1st interim dividend : ₹ 1.5 per share (March 31, 2016 ₹ 1 per share)	181.67	120.72
2nd interim dividend : ₹ 1.5 per share (March 31, 2016 ₹ 2 per share)	181.17	240.91
<b>ii) Dividends not recognised at the end of the reporting period</b>	181.62	-
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 1.50 per fully paid equity share (March 31, 2016-Nil). The proposed dividend is subject to the approval of share holders in the ensuing annual general meeting.		

**44. First time adoption of Ind AS****Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**1 Ind AS optional exemptions****a) Business Combination**

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

**b) Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

**c) Share-based payment transactions**

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date.

Accordingly, the Company has elected to calculate ESOP cost only on unvested options as on the transition date.

**d) Investments in subsidiaries, joint ventures and associates**

IND AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, joint ventures and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109. The Company has elected to measure such investments at cost in accordance with Ind AS 27.

**2 Ind AS mandatory exemptions**

**a) De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choice, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**b) Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**c) Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at Fair value through profit or loss or Fair value through other comprehensive income;
- Investment in debt instruments carried at Fair value through profit or loss; and
- Impairment of financial assets based on expected credit loss model.

### 3 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

#### Reconciliation of equity as on March 31, 2016

Particulars	Reference Note	Previous GAAP * (₹ Mn)	Adjustment (₹ Mn)	Ind AS (₹ Mn)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	12	902.04	(176.71)	725.33
Capital work in progress	12	94.88	(94.88)	-
Intangible assets		19.90	-	19.90
Intangible assets under development		3.35	-	3.35
Investment property	12		271.59	271.59
Financial assets				
(i) Investments	7	5,736.16	434.25	6,170.41
(ii) Others	1	1,639.54	(42.66)	1,596.88
Non current tax assets (net)	7	175.81	3.92	179.73
Deferred tax assets (net)	9	59.56	432.85	492.41
Other non-current assets	1	29.19	43.42	72.61
<b>Current Assets</b>				
Financial assets				
(i) Investments	7	357.28	17.10	374.38
(ii) Trade receivables	2	118.13	3.26	121.39
(iii) Cash and cash equivalents	8	445.95	1.46	447.41
(iv) Bank balances other than (iii) above		1,045.39	-	1,045.39
(v) Loans		44.08	-	44.08
(vi) Other financial assets	8	9,784.39	166.49	9,950.88
Other current assets	8	88.12	0.02	88.14
<b>Total Assets</b>		<b>20,543.77</b>	<b>1060.11</b>	<b>21,603.88</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share capital	8	1,209.16	(2.01)	1,207.15
Other equity	3, 5, 8	16,430.95	311.48	16,742.43
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings		3.79	-	3.79
Other non-current liabilities	6	56.42	7.92	64.34
<b>Current liabilities</b>				
Financial liabilities				
(i) Trade payables		269.88	0.08	269.96
(ii) Other financial liabilities		4.40	-	4.40
Provisions		428.58	-	428.58
Other current liabilities	6	2,140.59	742.64	2,883.23
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,543.77</b>	<b>1,060.11</b>	<b>21,603.88</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015			Amount (₹ Mn)	
Particulars	Note	March 31, 2016	April 1, 2015	
Total equity (shareholder's funds) as per previous GAAP		17,640.11	16,624.01	
<b>Adjustments :</b>				
Proposed dividend	3	-	240.23	
Dividend tax	3	-	49.23	
Fair valuation of compound instrument	7	395.37	447.08	
Fair valuation of Mutual Fund	7	17.09	64.59	
Consolidation of ESOP trust	8	178.42	130.30	
Doubtful debts	2	3.26	3.97	
Interest income on redeemable instruments		38.89	1.71	
Deferred revenue	6	(750.43)	(684.91)	
Rent exp	1	(18.57)	(11.24)	
Interest income on present value of security deposit	1	13.56	7.63	
Tax adjustment	9	431.88	322.28	
<b>Total adjustments</b>		<b>309.47</b>	<b>570.87</b>	
<b>Total equity as per Ind AS</b>		<b>17,949.58</b>	<b>17,194.88</b>	

## Reconciliation of equity as on April 01, 2015

Particulars	Reference Note	Previous GAAP * (₹ Mn)	Adjustment (₹ Mn)	Ind AS (₹ Mn)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	12	817.57	179.91	637.66
Capital work in progress	12	94.88	94.88	-
Intangible assets		22.41	-	22.41
Investment property	12		(274.78)	274.78
<b>Financial assets</b>				
(i) Investments	7	5,409.67	448.79	5,858.46
(ii) Other financial assets	8, 1	136.97	(34.12)	102.85
Non current tax assets (net)	7	16.75	3.61	20.36
Deferred tax assets (net)	9	63.72	322.28	386.00
Other non-current assets	4	31.80	35.60	67.40
<b>Current Assets</b>				
<b>Financial assets</b>				
(i) Investments	7	8,973.19	64.59	9,037.78
(ii) Trade receivables	2	97.69	3.97	101.66
(iii) Cash and cash equivalents	8	355.88	0.12	356.00
(iv) Bank balances other than (iii) above		1,491.74	-	1,491.74
(v) Loans		24.27	-	24.27
(vi) Other financial assets	8	1,799.47	121.35	1,920.82
Other current assets	8	67.84	(0.01)	67.83
<b>Total Assets</b>		<b>19,403.85</b>	<b>966.19</b>	<b>20,370.02</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share capital	8	1,202.16	(1.36)	1,200.80
Other equity	8, 10	15,421.85	572.23	15,994.08
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		2.82	-	2.82
Other non-current liabilities	6	64.95	6.94	71.89
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	8	340.21	0.07	340.28
(ii) Other financial liabilities		4.21	-	4.21
Provisions	3	547.92	(289.64)	258.26
Other current liabilities	6	1,819.73	677.95	2,497.68
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,403.85</b>	<b>966.19</b>	<b>20,370.02</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

## Reconciliation of total comprehensive income for the period March 31, 2016

Particulars	Reference Note	Previous GAAP* (₹ Mn)	Adjustment (₹ Mn)	Ind AS (₹ Mn)
<b>Income</b>				
Revenue from operations	6	7,234.76	(58.69)	7,176.07
Other income	1,7,8	828.10	(43.08)	785.02
<b>I Total Income</b>		<b>8,062.86</b>	<b>(101.77)</b>	<b>7,961.09</b>
<b>Expenditure</b>				
Employee benefits expense	4,5	3,205.29	149.14	3,354.43
Finance costs		0.77	-	0.77
Depreciation and amortisation expense		209.63	-	209.63
Advertising and promotion cost		1,318.41	-	1,318.41
Administration and other expenses	1,2,6	902.91	15.30	918.21
Network, internet and other direct charges		229.70	-	229.70
<b>II Total Expense</b>		<b>5,866.71</b>	<b>164.44</b>	<b>6,031.15</b>
<b>III. Profit before exceptional items and tax (I-II)</b>		<b>2,196.15</b>		<b>1,929.94</b>
IV. Exceptional items		114.58	-	114.58
<b>V. Profit before tax (III-IV)</b>		<b>2,081.57</b>		<b>1,815.36</b>
<b>VI. Tax expense</b>				
(1) Current tax- (Current period)	8	675.25	8.98	684.23
(2) Current tax- (previous period)		(13.64)	-	(13.64)
(3) Deferred tax	9	4.16	(110.57)	(106.41)
<b>VII. Profit for the year (V-VI)</b>		<b>1,415.80</b>	<b>(164.62)</b>	<b>1,251.18</b>
<b>Other comprehensive income</b>				
(A) Items that will be reclassified to profit or loss				
Income tax relating to items that will be reclassified to profit or loss		-	-	-
(B) Items that will not be reclassified to profit or loss				
Actuarial gain/loss on provision for gratuity	4	-	(13.23)	(13.23)
Income tax relating to items that will be reclassified to profit or loss	9	-	4.58	4.58
<b>Other comprehensive income for the year, net of income tax</b>		<b>-</b>	<b>(8.65)</b>	<b>(8.65)</b>
<b>Total comprehensive income for the year</b>		<b>1,415.80</b>	<b>(173.27)</b>	<b>1,242.53</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

## Impact of Ind AS adoption on the cash flows for the year ended March 31, 2016

Amount (₹ Mn)

	Reference Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	8	1,090.85	11.45	1,102.30
Net cash flow from investing activities	8	(299.93)	(49.27)	(349.20)
Net cash flow from financing activities	8	(700.51)	38.82	(661.69)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>90.41</b>	<b>1.00</b>	<b>91.41</b>
Cash and cash equivalents as at April 01, 2015	8	356.07	(0.07)	356.00
<b>Cash and cash equivalents as at March 31, 2016</b>		<b>446.48</b>	<b>0.93</b>	<b>447.41</b>

## REFERENCE NOTE

## 1. Security Deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at

their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by ₹48.43 Mn as at March 31, 2016 (April 01, 2015 – ₹39.21 Mn). Total equity decreased by ₹3.61 Mn as on April 01, 2015. Total equity decreased by ₹1.39 Mn as on March 31, 2016. The prepaid rent increased by ₹43.42 Mn as at March 31, 2016 (April 01, 2015 - ₹35.60 Mn). The profit for the year and total equity as at March 31, 2016 decreased by ₹1.39 Mn due to amortisation of the prepaid rent of ₹7.34 Mn which is partially off-set by the notional interest income of ₹5.94 Mn recognised on security deposits.

## 2. Trade Receivables

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts decreased by ₹3.26 Mn as at March 31, 2016 (April 01, 2015 – ₹3.97 Mn). Consequently, the total equity as at March 31, 2016 increased by ₹3.26 Mn (April 01, 2015 – ₹3.97 Mn) and profit for the year ended March 31, 2016 increased by ₹0.71

## 3. Proposed Dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and related liability of Dividend Distribution tax of ₹289.66 Mn [i.e. ₹240.43 Mn & ₹49.23 Mn, respectively] as at April 01, 2015 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

## 4. Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by ₹13.22 Mn. There is no impact on the total equity as at March 31, 2016.

## 5. Employee stock option expense

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account increased by ₹257.85 Mn as at March 31, 2016 (April 01, 2015- ₹95.48 Mn). The profit for the year ended March 31, 2016 decreased by ₹162.37. There is no impact on total equity.

## 6. Revenue and Deferred revenue

As per Ind AS-18, certain items of non-refundable fees, received upfront, are now being recognised as revenue over the tenure of contracts as it better reflects the substance of the transaction, which were earlier recognised upfront, based on performance of specific acts. Accordingly the Company has deferred the income from such contracts outstanding as at the date of transition and for new contracts entered during the financial year 2015-16. Consequently, the amount recognised in Deferred sales revenue increased by ₹750.56 Mn as at March 31, 2016 (April 01, 2015- ₹684.91 Mn). The profit for the year ended March 31, 2016 decreased by ₹65.64 Mn. Apart from above the other adjustment under “effects of transition to Ind AS” is on account of sales on principal to principal basis considering gross amounts with fee/expenses recorded under Administration and other expenses. Consequently the amount recognised in amount recognised in Revenue increased by ₹6.95 mn & amount recognised in Administration and other expenses decreased by ₹6.95 mn. No impact on profit for the year ended March 31, 2016.

## 7. Valuation of Investments

Under the previous GAAP, investments in equity shares/preference shares of subsidiaries, Joint ventures & associates and investment in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments, other than investments in equity instruments, are required to be measured at fair value/amortised cost. Investment in equity instruments have been carried at cost in accordance with Ind AS-27. The resulting fair value changes/amortisation of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2016. This decreased the retained earnings by ₹62.03 Mn as at March 31, 2016 (April 01, 2015 - ₹513.38 mn).

## 8. Consolidation of Info edge Employee Stock Option Plan Trust

Under IND AS, the ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are treated as treasury shares. Consequently, all the assets, liabilities, income and expenses of the trust area accounted for as assets, liabilities, income and expenses of the Company, other than dividend income and profit / loss on issue of shares to the employees which are directly adjusted in the Retained earnings. This increased/(decreased) the retained earnings by ₹48.12 Mn as at March 31, 2016 [April 01, 2015 - ( ₹130.30 Mn)]

## 9. Deferred Tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS. This resulted increase in deferred tax assets by ₹110.57 Mn as at March 31, 2016 [April 01, 2015 - ₹322.28 Mn].

## 10. Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments. This resulted increase in deferred tax assets by ₹309.47 Mn for the year ending March 31, 2016 and for the year ending April 01, 2015 - ₹570.87 Mn.

**11. Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP. In March 31, 2016, Other comprehensive income booked for remeasurements of defined benefit plans (i.e. for Gratuity) was ₹13.23 Mn.

**12. Investment property**

Under IND AS, the land (including expenses related to developmental activities) have been considered as Investment property, since the same is being held for a currently undetermined future use. This resulted reclassification of Property, Plant and Equipment by (₹179.91 Mn) & Capital work in progress by (₹94.88 Mn) into Investment Property by ₹274.78 Mn.

This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

Chintan Thakkar  
Director & CFO

M. M. Jain  
Company Secretary

**INDEPENDENT AUDITORS' REPORT****To the Members of Info Edge (India) Limited****Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements**

1. We have audited the accompanying consolidated Ind AS financial statements of Info Edge (India) Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associate company; (refer Note 30 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

**Management's Responsibility for the Consolidated Ind AS Financial Statements**

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

**Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2017, and their consolidated total comprehensive income (comprising of consolidated loss and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

**Other Matter**

8. We did not audit the financial statements of 9 subsidiaries whose financial statements reflect total assets of ₹ 4,726 Million and net assets of 4,344 Mn as at March 31, 2017, total revenue of ₹ 852 Million, total comprehensive income (comprising of loss and other comprehensive income) of ₹ 757 Million and net cash flows amounting to ₹ 2 Million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated

Ind AS financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ 1894 Million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 9 joint ventures respectively, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

9. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ 22 Million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 1 joint venture, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

10. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 25, 2016 and May 29, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.
- Our opinion is not qualified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate company and joint ventures incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate company and joint ventures incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
  - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate company and joint ventures incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group, its associates and joint ventures— Refer Note 27 to the consolidated Ind AS financial statements.
    - ii. The Group, its associate and joint ventures did not have any long-term contracts including derivative contracts as at March 31, 2017.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India during the year ended March 31, 2017. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries, associate and joint ventures during the year ended March 31, 2017.
- iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and insofar as it relates to 9 subsidiary companies and 9 joint ventures, these financial statements were audited by other auditors whose reports have been furnished to us by the Management insofar it relates to 1 unaudited joint venture is based on representation received from the management. The Group has not provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 insofar as it relates to 1 subsidiary company whose financial statements were audited by other auditors whose reports have been furnished to us by the Management

Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company, and one subsidiary company incorporated in India and as produced to us by the Management, and insofar as it relates to 8 subsidiary companies and 9 joint ventures which were audited by other auditors whose reports have been furnished to us by the Management and insofar it relates to 1 unaudited joint venture is based on representation received from the management. The auditors of 2 subsidiary companies were unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by such companies and as produced to them by the management, whose financial statements were audited by other auditors whose reports have been furnished to us by the Management. Refer Note 8 and 9 above and Note 42.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 0007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number: 077779

Place: Noida  
Date: May 29, 2017

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Info Edge (India) Limited on the consolidated financial statements for the year ended March 31, 2017

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Info Edge (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate company and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 9 subsidiary companies and 10 joint venture companies and insofar it relates to 1 unaudited joint venture is based on representation received from the management [also refer para 8 & 9 of the Independent Auditors Report above], which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 0007567S/S-200012  
Chartered Accountants

Place: Noida  
Date: May 29, 2017

Abhishek Rara  
Partner  
Membership Number: 077779

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Notes	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 01, 2015 (₹ Mn)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3 (a)	625.61	763.47	658.70
Capital work in progress		0.37	-	3.48
Intangible assets	3 (b)	233.30	20.24	23.15
Intangible assets under development	3 (b)	9.66	3.35	3.35
Investment property	3 (c)	292.28	271.59	274.78
Goodwill	3 (b)	421.92	36.95	116.21
Investments accounted for using the equity method	30	3,347.21	5,029.26	3,042.74
Financial assets				
(i) Other financial assets	4 (e)	226.17	1,601.52	168.53
Non Current tax assets (net)	7	689.70	179.73	20.36
Deferred tax assets	5	343.81	513.07	410.83
Other non-current assets	6	62.87	73.60	68.25
<b>Total non-current assets</b>		<b>6,252.90</b>	<b>8,492.78</b>	<b>4,790.38</b>
<b>Current Assets</b>				
Inventories	9	8.62	-	-
Financial assets				
(i) Investments	4 (a)	2,162.12	374.38	9,037.78
(ii) Trade receivables	4 (b)	85.20	125.72	112.49
(iii) Cash and cash equivalents	4 (c)	556.05	490.89	385.54
(iv) Bank balances other than (iii) above	4 (c)	2,476.17	1,050.39	1,491.74
(v) Loans	4 (d)	10.06	10.13	0.02
(vi) Other financial assets	4(e)	8,858.00	8,547.99	1,433.76
Current tax assets (net)	7	54.51	59.19	60.64
Other current assets	6	125.92	94.42	75.21
Assets classified as held for sale	8	11.18	8.88	-
<b>Total current assets</b>		<b>14,347.83</b>	<b>10,761.99</b>	<b>12,597.18</b>
<b>Total assets</b>		<b>20,600.73</b>	<b>19,254.77</b>	<b>17,387.56</b>
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Equity share capital	10	1,210.81	1,207.15	1,200.80
Other equity	11	14,713.71	14,218.92	12,732.32
<b>Total equity</b>		<b>15,924.52</b>	<b>15,426.07</b>	<b>13,933.12</b>
<b>Non Controlling Interest</b>	30	(153.91)	(177.17)	-
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	12(a)	3.69	3.79	2.82
(ii) Trade payables	12(c)	38.30	37.87	41.69
Provisions	13	24.98	8.56	7.01
Other non-current liabilities	14	37.43	61.66	57.39
Deferred tax liabilities	15	75.30	-	-
<b>Total non-current liabilities</b>		<b>179.70</b>	<b>111.88</b>	<b>108.91</b>
<b>Current liabilities</b>				
Financial liabilities				
(i) Trade payables	12(c)	524.95	327.78	413.08
(ii) Other financial liabilities	12(b)	6.05	4.40	4.21
Provisions	13	420.98	432.06	278.83
Other current liabilities	14	3,698.44	3,129.75	2,649.41
<b>Total current liabilities</b>		<b>4,650.42</b>	<b>3,893.99</b>	<b>3,345.53</b>
<b>Total liabilities</b>		<b>4,830.12</b>	<b>4,005.87</b>	<b>3,454.44</b>
<b>Total equity and liabilities</b>		<b>20,600.73</b>	<b>19,254.77</b>	<b>17,387.56</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is the balance sheet referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

Sanjeev Bikhchandani  
Director

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2017

Particulars		Year ended March 31, 2017 (₹Mn)	Year ended March 31, 2016 (₹Mn)
<b>Income</b>			
Revenue from operations	16	8,876.31	7,475.12
Other income	17	828.45	4,406.55
<b>I Total Income</b>		<b>9,704.76</b>	<b>11,881.67</b>
<b>Expenses</b>			
Cost of materials consumed	18	117.62	-
Employee benefits expense	19	4,565.52	3,823.23
Finance costs	20	2.33	0.87
Depreciation and amortisation expense	21	327.61	238.18
Advertising and promotion cost	22	926.15	1,375.34
Administration and other expenses	23	1,309.02	1,103.60
Network, internet and other direct charges	24	186.02	251.11
<b>II Total Expenses</b>		<b>7,434.27</b>	<b>6,792.33</b>
<b>III Profit before exceptional items, share of net losses of investments accounted for using equity method and tax (I-II)</b>		<b>2,270.49</b>	<b>5,089.34</b>
IV Share of net losses of joint ventures accounted for using the equity method	30	(1,895.56)	(3,015.07)
<b>V Profit before exceptional items and tax (III+IV)</b>		<b>374.93</b>	<b>2,074.27</b>
VI Exceptional items	36	323.86	322.29
<b>VII. Profit before tax (V-VI)</b>		<b>51.07</b>	<b>1,751.98</b>
<b>Income tax expense</b>	41		
(1) Current tax- (Current year)		771.34	688.64
(2) Current tax- (previous years)		(393.14)	(12.76)
(3) Deferred tax		99.77	(102.40)
<b>VIII. Total Tax expense</b>		<b>477.97</b>	<b>573.48</b>
<b>IX. Profit/(loss) for the year (VII-VIII)</b>		<b>(426.90)</b>	<b>1,178.50</b>
<b>Other comprehensive income (OCI)</b>			
(A) Items that will be reclassified to profit or loss		-	-
Share of other comprehensive income of joint ventures accounted for using the equity method	30	-	100.31
(B) Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligation	33	(5.14)	(12.74)
Share of other comprehensive income of joint ventures accounted for using the equity method	30	1.64	-
Income tax relating to these items		2.36	4.43
<b>Other comprehensive income for the year, net of income tax</b>		<b>(1.14)</b>	<b>92.00</b>
<b>Total comprehensive income for the year</b>		<b>(428.04)</b>	<b>1,270.50</b>
<b>Profit attributable to</b>			
Owners of Info Edge (India) Limited		(236.61)	1,355.80
Non-Controlling interests		(190.29)	(177.30)
		<b>(426.90)</b>	<b>1,178.50</b>
<b>Other comprehensive income is attributable to</b>			
Owners of Info Edge (India) Limited		(1.95)	91.87
Non-Controlling interests		0.81	0.13
		<b>(1.14)</b>	<b>92.00</b>
<b>Total comprehensive income is attributable to</b>			
Owners of Info Edge (India) Limited		(238.56)	1,447.67
Non-Controlling interests		(189.48)	(177.17)
		<b>(428.04)</b>	<b>1,270.50</b>
<b>Earnings per share:</b>			
Basic earnings per share	26	<b>(1.96)</b>	<b>11.27</b>
Diluted earnings per share		<b>(1.96)</b>	<b>11.17</b>

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

This is the consolidated statement of profit and loss referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

Sanjeev Bikhchandani  
Director

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

S.No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
		Amount (₹Mn)	Amount (₹Mn)
<b>A.</b>	<b>Cash flow from operating activities:</b>		
	Profit / (Loss) for the period after exceptional item and tax	<b>374.93</b>	<b>2,074.27</b>
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	327.61	238.18
	Interest income on fixed deposits with banks	(851.90)	(541.19)
	Interest income on deposits with banks made by ESOP Trust	(13.18)	(13.02)
	Interest income from other financial assets	(0.21)	(0.39)
	Dividend income from financial assets measured at FVTPL	(41.06)	(200.59)
	Net gain on disposal of financial assets measured at FVTPL	51.50	154.39
	Net gain on disposal of property, plant & equipment and Investment property	(2.21)	(0.03)
	Net loss on disposal of investments	47.01	(201.49)
	Unwinding of discount on security deposits	(9.14)	(6.32)
	Liabilities written back to the extent no longer required	(6.96)	(19.29)
	Provision for doubtful debts written back	-	(3.76)
	Gain on loss of control in subsidiary	-	(1,259.27)
	Gain on reduction in stake in joint venture	-	(2,314.82)
	Bad debts /provision for doubtful debts	7.98	0.04
	Share based payment to employees	340.17	201.34
	Share of net losses of joint ventures accounted for using the equity method	1,895.51	3,015.07
	Adjustment due to conversion of joint venture into subsidiary	306.08	-
	<b>Operating profit before working capital changes</b>	<b>2,426.13</b>	<b>1,123.13</b>
	<b>Adjustments for changes in working capital :</b>		
	- Decrease/(Increase) in Trade receivables	28.27	(9.51)
	- Decrease/(Increase) in Loans	0.07	(10.11)
	- (Increase) in Inventories	1.07	-
	- (Increase) in Other Financial Assets (Current)	(59.55)	24.64
	- Decrease/(Increase) in other financial assets (Non- Current)	3.87	(14.43)
	- Decrease/(Increase) in Other Non- Current assets	6.40	(5.73)
	- (Increase) in Other Current assets	(31.50)	(19.23)
	- (Increase) in Assets classified as held for sale	(2.30)	(8.88)
	- Increase/(Decrease) in Trade payables	105.30	(69.84)
	- Increase in provisions	5.33	125.07
	- Increase in Other financial liabilities	(2.75)	0.19
	- Increase in Other current liabilities	562.70	480.35
	- Increase in Other non current liabilities	(24.23)	4.27
	<b>Cash generated from operations</b>	<b>3,018.81</b>	<b>1,619.93</b>
	- Income taxes paid	(886.25)	(838.23)
	<b>Net cash inflow from operations</b>	<b>2,132.56</b>	<b>781.70</b>
<b>B.</b>	<b>Cash flow from Investing activities:</b>		
	Purchase of property, plant and equipment	(162.77)	(336.95)
	Purchase of investment property	(24.28)	-
	Payment for purchase of stake in joint control	(214.34)	(2,052.38)
	Payment for purchase of investments	(9,180.94)	(11,000.96)
	Proceeds from sale of investments	7,294.69	19,711.46
	Maturity of/(Investment in) fixed deposits (net)	(204.53)	(7,863.35)
	Proceeds from disposal of property, plant and equipments	7.30	4.76
	Dividend Received	41.06	200.59
	Interest Received	794.05	308.20
	Amount received on disposal of investments in joint venture	-	1,013.39
	<b>Net cash outflow from investing activities</b>	<b>(1,649.76)</b>	<b>(15.25)</b>
<b>C.</b>	<b>Cash flow from financing activities:</b>		
	Proceeds from allotment of shares	19.31	63.24
	Proceeds from borrowing	-	0.97
	Repayment of borrowings	(0.10)	-
	Dividend paid to company's shareholders	(362.84)	(602.46)
	Dividend tax paid	(74.01)	(122.85)
	<b>Net cash outflow from financing activities</b>	<b>(417.64)</b>	<b>(661.10)</b>
	<b>Net increase in cash &amp; cash equivalents</b>	<b>65.16</b>	<b>105.35</b>
	<b>Opening balance of cash and cash equivalents (April 01, 2016/April 01, 2015)</b>	<b>490.89</b>	<b>385.54</b>
	<b>Closing balance of cash and cash equivalents</b>	<b>556.05</b>	<b>490.89</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

This is the consolidated statement of cash flows referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

Sanjeev Bikhchandani  
Director

## STATEMENTS OF CHANGES IN EQUITY

## a. Equity share capital

Particulars	Notes	Amount (₹mn)
<b>As at April 01, 2015</b>		<b>1,200.80</b>
Changes in equity share capital	10	6.35
<b>As at March 31, 2016</b>		<b>1,207.15</b>
Changes in equity share capital	10	3.66
<b>As at March 31, 2017</b>		<b>1,210.81</b>

## b. Other equity

	Notes	Reserves & Surplus					Retained earnings	Total
		Employee stock options outstanding	Securities premium account	General reserve	Capital reserve	Other Reserve		
<b>Balance as at April 01, 2015</b>		142.10	8,151.16	317.99	-	-	4,121.07	12,732.32
Profit for the year		-	-	-	-	-	1,355.80	1,355.80
Other Comprehensive Income		-	-	-	-	-	(8.44)	(8.44)
Share of other comprehensive income of joint ventures accounted for using the equity method						100.31	-	100.31
<b>Total Comprehensive Income for the year</b>		-	-	-	-	<b>100.31</b>	<b>1,347.36</b>	<b>1,447.67</b>
<b>Transaction with owners in their capacity as owners:</b>								
Options granted during the year	29	201.34	-	-	-	-	-	201.34
Transfer from Employee stock options outstanding to General reserve		(9.55)	-	9.55	-	-	-	-
Adjustment due to conversion of subsidiary into Joint venture		-	-	-	-	-	506.01	506.01
Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings		-	-	-	-	-	56.99	56.99
Amount received on issue of shares		-	18.00	-	-	-	-	18.00
Securities premium on shares issued to and held by ESOP Trust as at the year end		-	(18.10)	-	-	-	-	(18.10)
Dividend		-	-	-	-	-	(239.91)	(239.91)
Interim Dividends		-	-	-	-	-	(362.55)	(362.55)
Corporate dividend tax		-	-	-	-	-	(122.85)	(122.85)
<b>Balance as at March 31, 2016</b>		<b>333.89</b>	<b>8,151.06</b>	<b>327.54</b>	<b>-</b>	<b>100.31</b>	<b>5,306.12</b>	<b>14,218.92</b>
Profit/(loss) for the year		-	-	-	-	-	(236.61)	(236.61)
Other Comprehensive Income		-	-	-	-	-	(1.95)	(1.95)
<b>Total Comprehensive Income for the year</b>		-	-	-	-	-	<b>(238.56)</b>	<b>13,980.36</b>
<b>Transaction with owners in their capacity as owners:</b>								
Options granted during the year	29	340.17	-	-	-	-	-	340.17
Addition due to conversion of joint venture into subsidiary		306.08	-	-	0.04	-	508.27	814.39
Amount received on issue of shares by the Company/ESOP Trust		-	45.10	-	-	-	-	45.10
Securities premium on shares issued to and held by ESOP Trust as at the year end		-	(12.11)	-	-	-	-	(12.11)
Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings		-	-	-	-	-	(17.35)	(17.35)
Interim Dividend		-	-	-	-	-	(362.84)	(362.84)
Corporate dividend tax		-	-	-	-	-	(74.01)	(74.01)
<b>Balance as at March 31, 2017</b>		<b>980.14</b>	<b>8,184.05</b>	<b>327.54</b>	<b>0.04</b>	<b>100.31</b>	<b>5,121.63</b>	<b>14,713.71</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

This is the consolidated statement of changes in equity referred to in our report of even date.

For Price Waterhouse & Co Bangalore LLP  
Registration Number: 007567S/S-200012  
Chartered Accountants

Abhishek Rara  
Partner  
Membership Number 077779

Place : Noida  
Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
Managing Director

M. M. Jain  
Company Secretary

Chintan Thakkar  
Director & CFO

Sanjeev Bikhchandani  
Director

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

**1. Reporting entity**

Info Edge (India) Ltd (the Company) is a public limited company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019 and principal place of business is in B-8, Sector-132, Noida-201 304. Its shares are listed in two stock exchanges of India. These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint ventures. The Group is primarily engaged in providing online & offline services through its online portal naukri.com, jeevansathi.com, 99 acres.com, shiksha.com, education (coaching) services, offline portal Quadrangle.com, real estate broking and technology based designing and printing of high quality photobooks and providing additional technology based value add to photographers.

**2. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation of consolidated financial statements****(i) Compliance with Ind AS**

These consolidated financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act.

For all the periods upto and including the year ended March 31, 2016, the Company prepared its consolidated financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

These consolidated financial statements for the year ended March 31, 2017 are the first financial statement prepared in accordance with Ind AS. Refer Note 46 for an explanation of how the transition from previous accounting standards (GAAP) to Ind AS has affected the Group's financial position, financial performance and cash flows.

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

These consolidated financial statements were authorised for issue by the Company's Board of Directors as on May 29, 2017.

**(ii) Historical Cost Convention**

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value / amortised cost;
- Defined benefit plans-plan assets measured at fair value;
- Share based payments; and
- Assets held for sale – measured at fair value less cost to sell.

**(iii) Principles of consolidation and equity accounting****(i) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

## (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights, with no substantive right to take decisions about the relevant activities in such entities. Investments in associates are accounted for using the equity method of accounting [see (iv) below, after initially being recognised at cost.]

## (iii) Joint arrangements

Under Ind AS 111 *Joint Arrangements*, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Info Edge (India) Limited has only joint ventures.

Interests in joint ventures are accounted for using the equity method [see (iv) below], after initially being recognised at cost in the consolidated balance sheet.

## (iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2.5 below.

## (v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

## 2.2 Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

### 2.3 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### *Depreciation methods and estimated useful lives*

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by the Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Building	60
Computers	3-6
Plant and Machinery	3-10
Furniture and Fixtures	3-10
Office Equipment	3-5
Vehicles	6

The property, plant and equipment acquired under finance leases and other leasehold improvements are depreciated over the assets' useful life or over the shorter of the assets' useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The asset's useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

### 2.4 Intangible assets

#### Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### Other intangible assets

Other Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset 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 or loss when the asset is derecognized.

#### **Amortisation methods and estimated useful lives**

<b>Assets</b>	<b>Estimated useful life (Years)</b>
Enterprise resource planning software	5
Specialised software licence	10
Other software licenses	3-6
Brands	5
Technology platform	5
Customer contracts & relationship	5

Assets costing less than or equal to ₹ 5,000 are fully amortised pro-rata from date of acquisition.

#### **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

## **2.5 Impairment of non-financial assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For other assets, assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, 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 group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

## **2.6 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## **2.7 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and packing materials: Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis. Customs duty on imported raw materials is treated as part of the cost of the inventories.

Work in progress & finished goods: Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## **2.8 Foreign currency translations**

### *(i) Functional and presentation currency*

Items included in these consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') i.e., Indian Rupee (₹) which is its presentation currency as well.

- (ii) Transactions and balances

**Initial recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transactions.

**Subsequent recognition**

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

**Translation of foreign operations**

The financial statements of foreign operations are translated using the principles and procedures mentioned above, since these businesses are carried on as if it is an extension of the Company's operations.

**2.9 Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable, net of service tax. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

The Company earns revenue significantly from the following sources viz.

- a) Recruitment solutions through its career web site, Naukri.com:-  
Revenue is received primarily in the form of fees, which is recognized prorata over the subscription / advertising / service agreement, usually ranging between one to twelve months.
- b) Matrimonial web site, Jeevansathi.com, Real Estate website, 99acres.com and Education classified website, Shiksha.com:-  
Revenue is received in primarily the form of subscription fees, which is recognized over the period of subscription / advertising / service agreement, usually ranging between one to twelve months. The revenue is recognized on principal to principal basis and recognized gross of agency/commission fees, as applicable in case of Jeevansathi.com.
- 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) 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.
- e) 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.
- f) Education (coaching) services  
Revenue from the online and offline coaching is received in the form of subscription fee which is recognised over the period that coaching is impaired.
- g) Designing and printing of photobooks and providing value added services to photographers  
Sale of Goods:  
Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue is stated net of discounts, trade schemes and sales tax  
  
Rendering of services:  
Revenue from design services is recognised on an accrual basis as the services are rendered as per the arrangement with the customer.  
Revenue in relation to rendering of the services mentioned in (a), (b) & (f) above are recognized under the percentage of completion method and rendering of the services mentioned in (c) to (e) & (g) above are recognised in the accounting period in which the services are rendered.  
In respect of (a), (b) & (f) above, the unaccrued amounts are reflected in the Balance sheet as Income received in advance (deferred sales revenue).

## 2.10 Employee benefits

### (i) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (ii) Other Long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- a) defined contribution plans - provident fund
- b) defined benefit plans - gratuity plans

#### a) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund which is administered through the Regional Provident Fund Commissioner and the contributions towards such fund are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

#### b) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year. The Gratuity Fund is recognised by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

### (iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### (v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy,

the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(vi) *Share based payments*

Share-based compensation benefits are provided to employees via the Info Edge Limited Employee Option Plan and share-appreciation rights.

*Employee options*

The fair value of options granted under the Info Edge Employees' Stock Option Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

*Share appreciation rights*

Share appreciation rights granted are considered to be towards equity settled share based transactions and as per IND AS 102, cost of such options are measured at fair value as at the grant date. Liabilities for the Company's share appreciation rights are recognised as employee benefit expense over the relevant service period.

## 2.11 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## 2.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

### 2.13 Leases (as lessee)

#### a) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under an operating leases (net of any incentives received from the lessors) are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the period of lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### b) Finance leases

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liabilities included in Non-current liabilities. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

### 2.14 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

All operating segments' results are reviewed regularly by the Company's Managing Director & Chief Executive Officer (MD & CEO) who been identified as the CODM, to assess the financial performance and position of the Company and makes strategic decisions.

The Company is primarily in the business of internet based service delivery operating in four service verticals through various web portals in respective verticals namely recruitment solutions comprising primarily naukri.com, other recruitment related portals and ancillary services related to recruitment, 99acres.com for real estate related services, Jeevansathi.com for matrimony related services and Shiksha.com for education related services.

#### (a) Description of segments and principal activities

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in preparing these consolidated financial statements are consistently applied to record revenue & expenditure in individual segments. The reportable segments represent "Recruitment Solutions" and "99acres" and the "Others".

- 1: **Recruitment Solutions:** This segment consists of Naukri (both India and Gulf business) and all other allied business which together provides complete hiring solutions which are both B2B as well as B2C. Apart from all Other Online business, it also includes Offline headhunting business 'Quadrangle'.
- 2: **Real State- 99acres:** 99acres.com derives its revenues from property listings, builders' and brokers' branding and visibility through micro-sites, home page links and banners servicing real estate developers, builders and brokers.
- 3: **Others:** This segment comprises primarily 'Jeevansathi', 'Shiksha', 'Coaching' and 'Designing and printing of photobooks and providing value added services to photographers' verticals since they individually do not meet the qualifying criteria for reportable segment as per the Ind AS.

The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments. However, the CODM also receives information about the segments' revenue and assets on a monthly basis.

#### (b) Profit before tax

Profit before tax for any segment is calculated by subtracting all the segment's expenses (excluding taxes) incurred during the year from the respective segment's revenue earned during the year. To calculate the segment level expenses, certain common expenditures which are incurred for the entity as a whole but cannot be directly mapped to a single segment are allocated basis best management estimates to all the segments.

Interest income is not allocated to segments as this type of activity is driven by the central treasury function. Similarly, certain costs including corporate expenses which are not directly related to general functioning of business are not allocated to segments.

### 2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

### 2.16 Earnings Per Share (EPS)

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating basic EPS, shares allotted to ESOP trust pursuant to the employee share based payment plan are not included in the shares outstanding as on the reporting date till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions. Till such time, the shares so allotted are considered as dilutive potential equity shares for the purpose of calculating diluted EPS.

## 2.17 Treasury shares (Shares held by the ESOP Trust)

The Company has created an Employee Stock option Plan Trust (ESOP Trust) for providing share-based payment to its employees. The Company uses Trust as a vehicle for transferring shares to employees under the employee remuneration schemes. The Company allots shares to ESOP Trust. The Company treats ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares. Share options exercised during the reporting period are satisfied with treasury shares.

The consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from retained earnings.

## 2.18 Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in equity instruments in subsidiaries, associates and jointly control entities these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company has classified its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments

The Company subsequently measures all equity investments at fair value, other than investments in equity instruments in subsidiaries, associates and jointly control entities, which are carried at cost.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 44 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

**Interest income**

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**2.19 Contributed Equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**2.20 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**2.21 Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Million as per the requirement of Schedule III, unless otherwise stated.

**2.22 Exceptional items**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

- a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value
- b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of such write down.
- c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

**2.23 Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. 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.

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expenses and payable-Note 41
- b) Estimation of defined benefit obligation-Note 33

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## 2.24 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

Since the Company does not have any cash settled awards, the above amendment will not have any impact on the financial statements.

## 3. (a) Property, plant & equipment

(₹ Mn)

	Own assets						Assets taken on finance lease Note (a)		Total
	Building	Leasehold improvements	Computers	Plant and equipment	Furniture and fixtures	Office equipment	Land	Vehicles	
<b>Year ended March 31, 2016</b>									
<b>Gross carrying amount</b>									
Deemed cost as at April 1, 2015	74.30	180.62	144.98	21.21	49.98	37.54	135.87	14.20	658.70
Additions	-	25.12	248.96	5.93	8.92	18.21	-	8.32	315.46
Disposals	-	2.61	1.23	0.49	0.05	0.32	-	1.27	5.96
<b>Closing gross carrying amount</b>	<b>74.30</b>	<b>203.13</b>	<b>392.72</b>	<b>26.66</b>	<b>58.84</b>	<b>55.43</b>	<b>135.87</b>	<b>21.25</b>	<b>968.19</b>
<b>Accumulated depreciation</b>									
Depreciation charged during the year	1.34	51.71	113.81	4.77	11.27	17.37	1.96	3.72	205.95
Disposals	-	0.51	0.36	0.20	0.00	0.15	-	-	1.23
<b>Closing accumulated depreciation</b>	<b>1.34</b>	<b>51.20</b>	<b>113.45</b>	<b>4.57</b>	<b>11.27</b>	<b>17.22</b>	<b>1.96</b>	<b>3.72</b>	<b>204.72</b>
<b>Net carrying amount</b>	<b>72.96</b>	<b>151.93</b>	<b>279.27</b>	<b>22.09</b>	<b>47.58</b>	<b>38.21</b>	<b>133.91</b>	<b>17.53</b>	<b>763.47</b>
<b>Year ended March 31, 2017</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	74.30	203.13	392.72	26.66	58.84	55.43	135.87	21.25	968.19
Acquisition of subsidiary	-	4.78	13.31	4.20	0.00	2.50	-	-	24.86
Additions	-	13.69	59.10	2.26	4.75	5.15	-	8.39	93.34
Assets classified as held for sale	-	6.16	3.50	0.85	0.62	0.69	-	-	11.82
Disposals	-	5.72	5.42	0.11	0.81	2.94	-	1.96	16.96
<b>Closing gross carrying amount</b>	<b>74.30</b>	<b>209.72</b>	<b>456.21</b>	<b>32.21</b>	<b>62.17</b>	<b>59.44</b>	<b>135.87</b>	<b>27.68</b>	<b>1,057.61</b>
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	1.34	51.20	113.45	4.57	11.27	17.22	1.96	3.72	204.72
Depreciation charged during the year	1.34	54.04	149.21	6.57	10.94	16.21	1.95	5.42	245.68
Assets classified as held for sale	-	2.51	2.59	0.45	0.40	0.58	-	-	6.53
Disposals	-	5.69	2.12	0.02	0.76	2.80	-	0.48	11.87
<b>Closing accumulated depreciation</b>	<b>2.68</b>	<b>97.04</b>	<b>257.95</b>	<b>10.67</b>	<b>21.04</b>	<b>30.05</b>	<b>3.91</b>	<b>8.66</b>	<b>432.00</b>
<b>Net carrying amount</b>	<b>71.62</b>	<b>112.68</b>	<b>198.26</b>	<b>21.54</b>	<b>41.12</b>	<b>29.40</b>	<b>131.96</b>	<b>19.02</b>	<b>625.61</b>

Note :

- the lease term in respect of vehicles and land acquired under finance leases expires with in 2-3 years and 99 years respectively. Under the terms of the leases, the Company acquires the leased vehicle at zero value on the expiry of the leases.
- refer note 39 for information on property, plant and equipment pledged/hypothecated as security by the Company.
- refer note 25(a) for disclosure of contractual commitment for the acquisition of property, plant and equipment.

3 (b) Intangible assets								(₹Mn)
	Enterprise resource planning software	Other software licenses	Brand	Technology platform	Customer Contracts & Relationship	Total	Intangible assets under development	Goodwill
<b>Year ended March 31, 2016</b>								
<b>Gross carrying amount</b>								
Deemed cost as at April 1, 2015	2.04	21.11	-	-	-	23.15	3.35	116.21
Additions	-	26.13	-	-	-	26.13	-	-
Adjustment due to loss of control	-	-	-	-	-	-	-	79.26
<b>Closing gross carrying amount</b>	<b>2.04</b>	<b>47.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49.28</b>	<b>3.35</b>	<b>36.95</b>
<b>Accumulated amortisation</b>								
Amortisation charged during the year	1.57	27.47	-	-	-	29.04	-	-
<b>Closing accumulated amortisation</b>	<b>1.57</b>	<b>27.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29.04</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount</b>	<b>0.47</b>	<b>19.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.24</b>	<b>3.35</b>	<b>36.95</b>
<b>Year ended March 31, 2017</b>								
<b>Gross carrying amount</b>								
Opening gross carrying amount	2.04	47.24	-	-	-	49.28	3.35	36.95
Acquisition of subsidiary	-	4.58	76.00	20.00	176.00	276.58	-	384.97
Additions	-	14.82	-	-	-	14.82	6.31	-
<b>Closing gross carrying amount</b>	<b>2.04</b>	<b>66.63</b>	<b>76.00</b>	<b>20.00</b>	<b>176.00</b>	<b>340.67</b>	<b>9.66</b>	<b>421.92</b>
<b>Accumulated amortisation</b>								
Opening accumulated amortisation	1.57	27.46	-	-	-	29.03	-	-
Amortisation charged during the year	0.46	23.48	15.20	4.00	35.20	78.34	-	-
<b>Closing accumulated amortisation</b>	<b>2.03</b>	<b>50.94</b>	<b>15.20</b>	<b>4.00</b>	<b>35.20</b>	<b>107.37</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount</b>	<b>0.01</b>	<b>15.69</b>	<b>60.80</b>	<b>16.00</b>	<b>140.80</b>	<b>233.30</b>	<b>9.66</b>	<b>421.92</b>

3 (c) Investment property *		Amount in ₹Mn	
		March 31, 2017	March 31, 2016
<b>Gross carrying amount</b>			
Opening gross carrying amount/Deemed cost		274.78	274.78
Addition during the year		24.28	-
<b>Closing gross carrying amount (A)</b>		<b>299.06</b>	<b>274.78</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation		3.19	-
Depreciation charge		3.59	3.19
<b>Closing accumulated depreciation (B)</b>		<b>6.78</b>	<b>3.19</b>
<b>Net carrying amount (A)-(B)</b>		<b>292.28</b>	<b>271.59</b>

Fair value		Amount in ₹Mn		
		March 31, 2017	March 31, 2016	April 1, 2015
Investment property*		385.00	444.00	444.00

\* relates to land including related development cost Nil (March 31, 2016 - ₹ 94.88 Mn & April 1, 2015 - ₹ 94.88 Mn)

#### Estimation of fair value

The Company obtains independent valuations for its investment property at least annually. The fair value of the above investment property has been determined by M/s CBRE South Asia Private Limited & the valuation approach adopted was direct comparison approach which is based on comparison with similar properties that have actually been sold in an arms length transactions or are offered for sale in the related market. However, there is limited transacted/quoted investments of similar comparable land parcels and the value of the subject land parcel has been estimated after taking into consideration the premium/discount for location, zoning, size, access, etc. The resulting fair value estimates have been included in Level 2.

4. Financial assets

(a) Current investments

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)
<b>Investment in Mutual Funds (quoted) - Fixed Maturity Plans</b>												
DWS Fixed Maturity Plan- Series 63- Direct Growth	-	-	-	-	-	-	-	-	2,000,000	11	22	
DSP BlackRock FMP - Series 154 - 12.5M - Dir - Growth	-	-	-	-	-	-	-	-	2,500,000	11	27	
IDFC Fixed Term Plan Series 84 Direct Plan- Growth	-	-	-	-	-	-	-	-	2,000,000	11	22	
Axis Fixed Term Plan - Series 62 (383 Days)- Direct Growth - W2DG	-	-	-	-	-	-	-	-	2,500,000	11	27	
DSP BlackRock FMP - Series 161 - 12M - Dir - Growth	-	-	-	-	-	-	-	-	3,000,000	11	33	
DSP BlackRock FMP - Series 163 - 12M - Dir - Growth	-	-	-	-	-	-	-	-	5,000,000	11	54	
HDFC FMP 369D April 2014 (2) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	5,000,000	11	54	
HDFC FMP 367D April 2014 (1) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	5,000,000	11	54	
HDFC FMP 370D May 2014 (1) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	5,000,000	11	54	
HDFC FMP 370D June 2014 (2) Series 31 - Direct - Growth	-	-	-	-	-	-	-	-	3,000,000	11	32	
ICICI Prudential FMP Series 74 - 369 Days Plan B Direct Plan Cumulative	-	-	-	-	-	-	-	-	2,500,000	11	27	
ICICI Prudential FMP Series 74 - 369 Days Plan K Direct Plan Cumulative	-	-	-	-	-	-	-	-	5,000,000	11	54	
ICICI Prudential FMP Series 74 - 370 Days Plan S Direct Plan Cumulative	-	-	-	-	-	-	-	-	3,000,000	11	32	
ICICI Prudential FMP Series 74 - 370 Days Plan X Direct Plan Cumulative	-	-	-	-	-	-	-	-	5,000,000	11	53	
Birla Sun Life Interval Income Fund - Annual Plan-X-(Maturity Date 01-Sep-2019) -Gr-Direct	2,500,000	13.58	33.96		2,500,000	12.62	31.54		2,500,000	11.67	29.18	

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)
Birla Sun Life Fixed Term Plan - Series KZ (1103 days) - Gr. DIRECT	-	-	-	-	-	-	-	-	2,500,000	11	27	
Birla Sun Life Fixed Term Plan - Series LQ (368 days) - Gr. DIRECT	-	-	-	-	-	-	-	-	2,500,000	11	27	
Birla Sun Life Interval Income Fund - Annual Plan-IX-(Maturity Date 01-Sep-2019)	4,550,336	13.54	61.63	95.59	4,550,336	12.59	57.29	88.83	4,550,336	11.65	53.02	683.05
<b>Investment in Mutual Funds (unquoted) (Liquid/Liquid Plus)</b>												
DWS Ultra Short Term Fund - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	31,155,813	10	312	
DWS Treasury Fund - Cash - Direct Plan - Daily Dividend - Reinvestment	-	-	-	-	-	-	-	-	478,892	100	48	
DSP BlackRock Money Manager Fund-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	341,408	1,004	343	
Birla Sun Life Saving Fund-Daily Dividend-Direct Plan	-	-	-	-	-	-	-	-	4,210,761	100	422	
SBI Ultra Short Term Debt Fund - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	458,231	1,005	461	
Kotak Banking & PSU Debt Fund-Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	15,841,167	10	159	
Kotak Floater Long Term - Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	15,138,647	10	153	
Canara Robeco Liquid - Direct Growth	-	-	-	-	-	-	-	-	92,338	1,701	157	
Sundaram Ultra Short-Term Fund Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	31,073,468	10	312	
ICICI Prudential Flexible Income - Direct Plan - Growth	174,219	312.57	54.46		174,219	287.00	50.00		189,724	263.54	50.00	
ICICI Prudential Liquid Plan - Direct Plan-Daily Dividend	9,640,018	100.07	964.66		594,262	100.07	59.47		511,350	100.06	51.16	
ICICI Prudential Flexible Income-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	4,740,050	106	501	
ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Weekly Dividend	-	-	-	-	-	-	-	-	39,297,015	10	409	

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)
ICICI Prudential Ultra Short Term - Direct Plan - Growth	-	-	-	-	-	-	-	-	3,813,448	14	55	
Birla Sun Life Cash Plus-Daily Dividend Direct Plan	-	-	-	-	-	-	-	-	3,489,344	100	350	
HDFC Cash Management Fund Savings Plan Direct Plan Daily Dividend Reinvestment	-	-	-	-	21,452	1,063.64	22.82		59,786,640	10.64	635.91	
Franklin Templeton India Ultra Short Bond Fund Super Institutional Plan - Direct Daily Dividend Plan	-	-	-	-	-	-	-	-	31,071,100	10	313	
HDFC Floating Rate Income Fund-Short Term Plan-Wholesale Option-Dividend Reinvestment	-	-	-	-	-	-	-	-	29,925,012	10	302	
Axis Treasury Advantage Fund - Direct Daily Dividend - TADR	-	-	-	-	-	-	-	-	310,573	1,005	312	
Axis Liquid Fund-Direct Daily Dividend - CFDR	-	-	-	-	-	-	-	-	73,108	1,000	73	
IDFC Ultra Short Term Fund-Daily Dividend-Direct Plan	-	-	-	-	-	-	-	-	51,747,321	10	520	
Kotak Liquid Scheme Plan A-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	26,979	1,223	33	
IDFC Cash Fund-Daily Dividend-Direct Plan	-	-	-	-	-	-	-	-	277,638	1,001	278	
Franklin Templeton India Treasury Management Account - Super Institutional Plan - Direct - Daily Dividend Plan	-	-	-	-	-	-	-	-	132,507	1,002	133	
Reliance Liquidity Fund-Direct Plan Daily Dividend Reinvestment Option-LOAD	-	-	-	-	-	-	-	-	161,846	1,001	162	
Reliance Medium Term Fund - Direct Plan Daily Dividend Plan - IPAD	-	-	-	-	-	-	-	-	17,854,482	17	305	
Reliance Money Manager Fund - Direct Plan Dividend Plan-LPAD	-	-	-	-	-	-	-	-	216,981	1,003	218	

Particulars	As at March 31, 2017				As at March 31, 2016				As at April 01, 2015			
	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)	Number of Unit	Amount per unit (In ₹)	(₹ Mn)	(₹ Mn)
L&T Ultra Short Term Fund Direct Plan - Daily Dividend Reinvestment Plan	-	-	-	-	-	-	-	-	30,186,489	10	312	
JPMorgan India Treasury Fund - Direct Plan - Daily Dividend Reinvestment Option	-	-	-	-	-	-	-	-	15,484,346	10	156	
Tata Floater Fund Direct Plan - Daily Dividend	-	-	-	-	-	-	-	-	207,267	1,004	208	
UTI-Treasury Advantage Fund - Institutional Plan - Direct Plan - Daily Dividend Reinvestment	-	-	-	-	-	-	-	-	415,073	1,002	416	
SBI Premier Liquid Fund-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	26,675	1,003	27	
Religare Invesco Liquid Fund - Direct (Growth)	-	-	-	-	-	-	-	-	5,237	1,925	10	
Baroda Pioneer Liquid Fund - Plan B Growth	-	-	-	-	-	-	-	-	6,344	1,605	10	
Pramerica Liquid Fund - Direct Plan - Growth Option	-	-	-	-	-	-	-	-	13,421	1,494	20	
DSP Blackrock Liquidity Fund-Direct Plan-Daily Dividend	-	-	-	-	-	-	-	-	128,903	1,001	129	
HDFC Cash Management Fund - Savings Plan - Direct Plan - Growth	20,102	3,395.85	68.26		32,637	3,163.97	103.26		-	-	-	
HDFC Liquid Fund-Direct Plan-Dividend-Daily Reinvest	960,121	1,019.82	979.15		-	-	-		-	-	-	
HDFC Floating Rate Income Fund-Short Term Plan-Wholesale Option-Direct Plan-Dividend Reinvestment	-	-	-	2066.53	4,959,875	10.08	50.00	285.55	-	-	-	8354.73
<b>Total current investments</b>				<b>2,162.12</b>				<b>374.38</b>				<b>9,037.78</b>
<b>Aggregate amount of quoted investments &amp; Market value thereof</b>				<b>95.59</b>				<b>88.83</b>				<b>683.05</b>
<b>Aggregate amount of unquoted investments</b>				<b>2,066.53</b>				<b>285.55</b>				<b>8,354.73</b>
<b>Aggregate amount of impairment in value of investments</b>				<b>-</b>				<b>-</b>				<b>-</b>

**(b) Trade receivables**

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Unsecured considered good	-	89.69	-	129.21	-	116.89
Unsecured considered doubtful	-	46.90	-	42.17	-	44.64
Allowance for doubtful debts	-	(51.39)	-	(45.66)	-	(49.04)
<b>Total</b>	-	<b>85.20</b>	-	<b>125.72</b>	-	<b>112.49</b>

**(c) Cash & bank balances**

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Cash &amp; cash equivalents</b>						
Balances with banks:						
-In current accounts	-	469.92	-	436.69	-	314.58
-In EFFC accounts	-	36.07	-	4.68	-	23.78
-In fixed deposit accounts with original maturity of less than 3 months	-	41.44	-	41.85	-	41.34
Remittances in transit	-	3.06	-	-	-	-
Cheque in hand	-	1.30	-	1.30	-	-
Cash on hand	-	4.26	-	6.37	-	5.84
<b>Total (A)</b>	-	<b>556.05</b>	-	<b>490.89</b>	-	<b>385.54</b>
<b>Other bank balances</b>						
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	-	2,475.79	-	1,049.86	-	1,491.55
Unpaid dividend accounts	-	0.38	-	0.53	-	0.19
<b>Total (B)</b>	-	<b>2,476.17</b>	-	<b>1,050.39</b>	-	<b>1,491.74</b>
<b>Total (A)+(B)</b>	-	<b>3,032.22</b>	-	<b>1,541.28</b>	-	<b>1,877.28</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

**(d) Loans**

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>(Unsecured, considered good)</b>						
Intercompany loan	-	10.06	-	10.13	-	0.02
<b>Total Loans/advances</b>	-	<b>10.06</b>	-	<b>10.13</b>	-	<b>0.02</b>

(e) Other financial assets

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>(Unsecured, considered good)</b>						
Security deposits	72.83	14.54	67.60	5.17	46.83	29.87
Balance in fixed deposit accounts with original maturity more than 12 months*	107.35	8,380.93	1,510.84	8,198.70	121.48	1,283.35
Interest accrued on fixed deposits with banks	45.99	392.44	23.08	344.06	0.22	120.54
Amount receivable towards rendering of services & sub lease	-	0.02	-	0.06	-	-
Advance to supplier	-	0.07	-	-	-	-
Amount paid towards investment in mutual funds	-	70.00	-	-	-	-
“* Includes ₹225.84 Mn (March 31, 2016 -₹218.37 Mn & April 01, 2015 -₹207.57 Mn ) as margin money with bank”						
<b>Total</b>	<b>226.17</b>	<b>8,858.00</b>	<b>1,601.52</b>	<b>8,547.99</b>	<b>168.53</b>	<b>1,433.76</b>

5. Deferred tax assets

Particulars	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)
Deferred tax asset		
- Opening balance	513.07	410.83
- Adjustment for the current year:		
- (Charged)/credited through Profit & Loss	(169.29)	102.39
- (Charged)/credited through OCI	0.03	(0.15)
<b>Total</b>	<b>343.81</b>	<b>513.07</b>

Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2017 (₹ Mn)	(Charged)/ credited to profit or loss/OCI (₹ Mn)	As at March 31, 2016 (₹ Mn)	(Charged)/ credited to profit or loss/OCI (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Deferred tax assets</b>					
-Routed through profit or loss					
-Provision for leave obligation	9.14	(0.84)	9.98	3.48	6.50
-Provision for lease equalisation	15.73	(0.51)	16.24	(1.49)	17.73
-Provision for doubtful debts	16.31	1.43	14.88	(1.08)	15.96
-Property, Plant & Equipment	34.24	11.55	22.69	(6.83)	29.52
-Employee stock option scheme compensation (ESOP)	184.58	89.89	94.69	58.04	36.65
-Indexed value of Land	22.30	(36.61)	58.90	8.97	49.93
-Fair valuation of mutual funds	(11.14)	(5.21)	(5.92)	16.03	(21.95)
-Security deposit & deferred rent expense	2.10	0.37	1.73	0.50	1.23
-Short term carried forward loss	29.37	(0.89)	30.26	1.09	29.17
-Deferred sales revenue	1.92	(257.83)	259.75	26.95	232.80
-Provision for Management Bonus	0.06	(0.07)	0.13	0.04	0.09
-Unabsorbed depreciation and carry forward business losses	27.15	27.00	0.15	0.15	0.00
-Provision for Statutory Bonus	0.11	(0.02)	0.13	0.10	0.04
-Provision for Gratuity	0.46	-	0.46	0.04	0.41
-Tax credits	6.07	-	6.07	(3.31)	9.38
-Others	5.53	2.45	3.08	(0.29)	3.37
-Routed through OCI					
-On re-measurements gain/(losses) of post-employment benefit obligations	(0.12)	0.03	(0.15)	(0.15)	
<b>Total</b>	<b>343.81</b>	<b>(169.26)</b>	<b>513.07</b>	<b>102.24</b>	<b>410.83</b>

## 6. Other non-current/current assets

Particulars (Unsecured, considered good, unless otherwise stated)	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Capital advances</b>						
Considered good	9.54	-	13.86	-	15.94	-
Considered doubtful	55.18	-	55.18	-	55.18	-
Less: Provision for doubtful capital advances	(55.18)	-	(55.18)	-	(55.18)	-
<b>Others</b>						
- Amount recoverable in cash or in kind or for value to be received	15.59	115.36	15.38	78.54	15.99	68.48
- Prepaid rent	37.74	0.88	44.36	0.56	36.32	0.46
- Balance with service tax authorities	-	34.24	-	50.70	-	24.17
Less : Service tax payable	-	(24.56)	-	(35.38)	-	(17.90)
<b>Total</b>	<b>62.87</b>	<b>125.92</b>	<b>73.60</b>	<b>94.42</b>	<b>68.25</b>	<b>75.21</b>

## 7. Current tax assets (net)

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
- Advance tax	5,596.24	80.43	4,717.79	84.70	3,903.02	80.86
Less: provision for tax	(4,907.54)	(25.92)	(4,539.06)	(25.51)	(3,883.66)	(20.22)
- Advance tax - fringe benefits	29.69	0.01	29.69	0.01	29.69	0.01
Less: provision for tax - fringe benefits	(28.69)	(0.01)	(28.69)	(0.01)	(28.69)	(0.01)
<b>Total</b>	<b>689.70</b>	<b>54.51</b>	<b>179.73</b>	<b>59.19</b>	<b>20.36</b>	<b>60.64</b>

## 8. Assets classified as held for Sale

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Assets held for resale (Refer note below)	-	11.18	-	8.88	-	-
<b>Total</b>	<b>-</b>	<b>11.18</b>	<b>-</b>	<b>8.88</b>	<b>-</b>	<b>-</b>

Note: During the year ended March 31, 2016, one of the Builder - M/s Amrapali Group has partly settled their outstanding of ₹ 8.88 Mn via transfer of ownership of 3 nos of residential flats in the name of the Company. These assets are listed online (real estate ecommerce platform) for sale. Building classified as held for sale during the previous reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of reclassification. The fair value of the building was determined using the comparison approach. This is a level 2 measurement as per the fair value hierarchy set up in fair value measurement disclosure. The key input under this approach are price per square feet of comparable residential units in the area of similar location and size. Refer Note 23 for the remaining assets held for sale amounting to ₹ 2.30 Mn.

## 9. Inventories

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Raw Materials	-	8.62	-	-	-	-
<b>Total</b>	-	<b>8.62</b>	-	-	-	-

## 10. Equity Share capital

Particulars	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2015 (₹ Mn)
<b>Authorised capital</b> 150.00 Mn Equity Shares of ₹ 10/- each (March 31, 2016 & April 1, 2015 - 150.00 Mn Equity Shares of ₹ 10/- each)	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Issued, subscribed and paid-up capital</b> 121.08 Mn Equity Shares of ₹ 10/- each fully paid up (March 31, 2016 - 120.72 Mn & April 1, 2015 - 120.08 Mn Equity Shares of ₹ 10/- each fully paid up)	1,210.81	1,207.15	1,200.80
<b>Total</b>	<b>1,210.81</b>	<b>1,207.15</b>	<b>1,200.80</b>

## a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2017 No of shares	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 No of shares	As at March 31, 2016 (₹ Mn)
<b>Equity shares</b>				
At the beginning of the year	120,704,558	1,207.15	120,080,105	1,200.80
Add: Shares held by ESOP Trust at the beginning of the year	211,601	2.01	136,054	1.36
Add: Issued during the year to the ESOP Trust	300,000	3.00	700,000	7.00
	<b>121,216,159</b>	<b>1,212.16</b>	<b>120,916,159</b>	<b>1,209.16</b>
Less: Shares held by ESOP Trust as at the year end	(134,580.00)	(1.35)	(211,601.00)	(2.01)
<b>Outstanding at the end of the year</b>	<b>121,081,579</b>	<b>1,210.81</b>	<b>120,704,558</b>	<b>1,207.15</b>

## 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, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

## 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	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	54,590,512
<b>Total</b>	-	-	-	-	<b>54,590,512</b>

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

Particulars	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
<b>Equity shares of ₹ 10 each fully paid</b>						
- Sanjeev Bikhchandani	34,639,873	28.58	34,996,373	28.94	35,533,808	29.56
- Sanjeev Bikhchandani (Trust)	8,734,880	7.21	8,734,880	7.22	8,734,880	7.27
- Hitesh Oberoi	6,747,608	5.57	6,900,118	5.71	6,900,118	5.74
<b>Total</b>	<b>50,122,361</b>	<b>41.36</b>	<b>50,631,371</b>	<b>41.87</b>	<b>51,168,806</b>	<b>42.57</b>

## e. Shares reserved for issue under options

Information relating to Infoedge Employee Stock Option Plan trust, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 29.

## 11. Other equity

Particulars	As at March 31, 2017 (₹Mn)	As at March 31, 2016 (₹Mn)	As at April 1, 2015 (₹Mn)
Securities premium account	8,184.05	8,151.06	8,151.16
General reserve	327.54	327.54	317.99
Capital reserve	0.04	-	-
Stock options outstanding account	980.14	333.89	142.10
Other reserve	100.31	100.31	-
Retained earnings	5,121.63	5,306.12	4,121.07
	<b>14,713.71</b>	<b>14,218.92</b>	<b>12,732.32</b>

Particulars	As at March 31, 2017		As at March 31, 2016	
	(₹Mn)	(₹Mn)	(₹Mn)	(₹Mn)
<b>Securities premium account</b>				
Opening balance	8,151.06		8,151.16	
Add : Securities premium on shares issued to and held by ESOP Trust as at the beginning of the year	18.10		-	
Add: Securities premium on shares issued during the year to the ESOP Trust	27.00		18.00	
	8,196.16		8,169.16	
Securities premium on shares issued to and held by ESOP Trust as at the year end	(12.11)	8,184.05	(18.10)	8,151.06
<b>Capital Reserve</b>				
Opening balance	-		-	
Add: Addition due to conversion of Joint ventures entity into subsidiary	0.04	0.04	-	-
<b>General reserve</b>				
Opening balance	327.54		317.99	
Add: Transfer from Stock Options Outstanding Account	-	327.54	9.55	327.54
<b>Stock options outstanding account</b>				
Opening balance	333.89		142.10	
Add: Transfer during the year	340.17		201.34	
Add: Addition due to conversion of Joint venture into subsidiary	306.08			
Less: Transfer to General reserve	-	980.14	(9.55)	333.89
<b>Other Reserve</b>				
Opening balance	100.31		-	
Add: Share of other comprehensive income of joint ventures accounted for using the equity method	-	100.31	100.31	100.31

Particulars	As at March 31, 2017		As at March 31, 2016	
	(₹ Mn)	(₹ Mn)	(₹ Mn)	(₹ Mn)
<b>Retained earnings</b>				
Opening balance	5,306.12		4,121.07	
Add: Net profit/(loss) after tax transferred from Statement of Profit and Loss	(236.61)		1,355.80	
Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings	(17.35)		56.99	
Items of other comprehensive income recognised directly in retained earnings	(1.95)		(8.44)	
Adjustment due to conversion of subsidiary into Joint venture	508.27		506.01	
Dividend Paid	-		(239.91)	
Interim Dividend	(362.84)		(362.55)	
Dividend Tax	(74.01)		(122.85)	
		5,121.63		5,306.12
<b>Total</b>		<b>14,713.71</b>		<b>14,218.92</b>

## 12. Financial liabilities

## a) Borrowings

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Term loans from banks	3.69	6.05	3.79	4.40	2.82	4.21
Less : Interest accrued (included in note 12b)	-	(0.05)	-	(0.06)	-	(0.05)
Current maturities transferred to other financial liabilities	-	(6.00)	-	(4.34)	-	(4.16)
<b>Total</b>	<b>3.69</b>	<b>-</b>	<b>3.79</b>	<b>-</b>	<b>2.82</b>	<b>-</b>

## b. Other financial liabilities

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Current maturities of term loans transferred from long term borrowings	-	6.00	-	4.34	-	4.16
Interest accrued but not due on loans	-	0.05	-	0.06	-	0.05
<b>Total</b>	<b>-</b>	<b>6.05</b>	<b>-</b>	<b>4.40</b>	<b>-</b>	<b>4.21</b>

## c. Trade payables

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Trade Payables (refer note 37)	38.30	524.95	37.87	327.78	41.69	413.08
<b>Total</b>	<b>38.30</b>	<b>524.95</b>	<b>37.87</b>	<b>327.78</b>	<b>41.69</b>	<b>413.08</b>

## 13. Provisions

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Provision for employee benefits						
- Provision for gratuity	19.53	45.30	7.35	43.23	6.20	20.26
- Provision for leave obligations	1.19	42.97	1.21	47.65	0.81	25.96
- Accrued bonus & incentives	-	332.71	-	341.18	-	232.61
<b>Others</b>						
Provision for decommissioning liability	4.26	-	-	-	-	-
<b>Total</b>	<b>24.98</b>	<b>420.98</b>	<b>8.56</b>	<b>432.06</b>	<b>7.01</b>	<b>278.83</b>

## 14. Other non-current/current liabilities

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Income received in advance (deferred sales revenue)	36.32	3,526.56	56.49	2,963.28	49.08	2,525.39
Unpaid dividend (refer note 32)	-	0.38	-	0.53	-	0.19
Advance from customers	-	29.99	-	16.72	-	20.42
Employee benefits payable	1.11	66.42	1.17	72.46	0.81	42.70
Amount payable towards purchase of share	-	4.00	4.00	3.50	7.50	3.50
<b>Others</b>						
- TDS payable	-	42.78	-	53.50	-	41.79
- Other statutory dues	-	28.31	-	19.76	-	15.42
	<b>37.43</b>	<b>3,698.44</b>	<b>61.66</b>	<b>3,129.75</b>	<b>57.39</b>	<b>2,649.41</b>

## 15. Deferred tax liability

Particulars	Non-Current	Current	Non-Current	Current	Non-Current	Current
	As at March 31, 2017 (₹ Mn)	As at March 31, 2017 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at March 31, 2016 (₹ Mn)	As at April 1, 2015 (₹ Mn)	As at April 1, 2015 (₹ Mn)
Deferred tax liabilities (Net)	75.30	-	-	-	-	-
	<b>75.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Significant components of deferred tax Liabilities are shown in the following table:

Particulars	As at March 31, 2017 (₹ Mn)	[Charged]/credited to profit or loss/OCI (₹ Mn)	As at March 31, 2016 (₹ Mn)	[Charged]/credited to profit or loss/OCI (₹ Mn)	As at April 1, 2015 (₹ Mn)
<b>Deferred tax Liabilities*</b>					
-Routed through profit or loss					
-Asset acquired on business combination	75.30	(18.83)	-	-	-
-Others	-	(50.54)	-	-	-
<b>Total</b>	<b>75.30</b>	<b>(69.37)</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*relates to subsidiary acquired during the year

## 16. Revenue from operations

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Sale of services	8,411.91	7,475.12
Sale of product	463.62	-
Other operating revenue	0.78	-
<b>Total</b>	<b>8,876.31</b>	<b>7,475.12</b>

## 17. Other income

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
<b>Interest income from financial assets measured at amortised cost</b>		
- on fixed deposits with banks	851.90	541.19
- on other financial assets	0.21	0.39
- on income taxes	0.52	-
Dividend income from financial assets measured at FVTPL	41.06	200.59
Net gain on disposal of financial assets measured at FVTPL	(51.50)	(154.39)
Net gain on disposal of property, plant & equipment and Investment property	2.21	0.02
Net gain/(loss) on disposal of investments	(47.01)	201.49
Unwinding of discount on security deposits	9.14	6.32
Interest income on deposits with banks made by ESOP Trust	13.18	13.02
Liabilities written back to the extent no longer required	6.96	19.29
Interest on Inter Company deposits	0.05	-
Provision for doubtful debts written back	-	3.76
Gain on loss of Control in Subsidiary	-	1,259.27
Gain on reduction in stake in joint venture	-	2,314.82
Miscellaneous income	1.73	0.78
<b>Total</b>	<b>828.45</b>	<b>4,406.55</b>

FVTPL-Fair value through Profit or loss

## 18. Cost of materials consumed

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
<b>Raw materials</b>		
Raw materials-on acquisition of subsidiary	11.43	-
Add: Purchases	114.81	-
Less: Raw materials at the end of the year	(8.62)	-
<b>Total</b>	<b>117.62</b>	<b>-</b>

## 19. Employee benefits expense

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Salaries, wages and bonus	3,453.40	2,916.43
Contribution to provident and other funds (Note 33)	156.83	128.02
Sales incentives	395.71	362.85
Staff welfare expenses	166.00	162.41
Share based payments to employees (Note 29)	340.17	201.34
Other employee related expenses	53.41	52.18
	<b>4,565.52</b>	<b>3,823.23</b>

## 20. Finance costs

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Interest on borrowings	1.90	0.77
Bank charges	0.11	-
Interest unwinding on decommissioning cost	0.31	-
Interest on delay in payment of taxes	0.01	0.10
<b>Total</b>	<b>2.33</b>	<b>0.87</b>

## 21. Depreciation and amortisation

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Depreciation of Property, plant and equipment	245.68	205.95
Amortisation of Intangible assets	78.34	29.04
Amortisation of Investment Property	3.59	3.19
<b>Total</b>	<b>327.61</b>	<b>238.18</b>

## 22. Advertising and promotion cost

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Advertisement expenses	897.64	1,279.45
Promotion & marketing expenses	28.51	95.89
<b>Total</b>	<b>926.15</b>	<b>1,375.34</b>

## 23. Administration and other expenses

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Electricity and water	101.31	85.05
Rent (Refer Note 25(b))	300.38	277.00
Repairs and maintenance (building)	54.12	44.12
Repairs and maintenance (machinery)	47.72	40.92
Legal and professional charges	143.05	83.38
Rates & taxes	1.51	15.96
Insurance	3.58	3.22
Communication expenses	128.26	103.30
Travel & conveyance	138.31	127.43
Bad debts /provision for doubtful debts	7.98	0.04
Collection & bank related charges	37.04	32.62
Loss on disposal of property, plant & equipment (net)	-	2.69
Expenditure towards Corporate Social Responsibility activities (Refer Note 38)	38.20	36.05
Miscellaneous expenses	271.20	238.69
Auditor Remuneration	2.16	0.07
Server charges	-	0.06
Recruitment & training	2.68	13.00
Impairment of non-current assets held for sale (Refer note below)	2.99	-
<b>Total</b>	<b>1,309.00</b>	<b>1,103.60</b>

Note: In March 2017, coaching centres at Chandigarh, Panchkula, Mohali and Jaipur (collectively, "Cash-generating Units or disposal group") were decided to be closed with effect from 31 March 2017. The carrying value of property, plant & equipment of the disposal group as on 31 March 2017 amounted to ₹ 5.29Mn. Based on the independent quotations received subsequent to year end, the Company has recognised an impairment loss of ₹ 2.99Mn during the year. Management is in the process of disposal of such assets which have been recorded at fair value less cost to sell under "asset classified as held for sale". Management expects the process of sale to be complete within 12 months from 31 March 2017.

## 24. Network, internet and other direct charges

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Internet and server charges	159.09	229.22
Others	26.93	21.89
<b>Total</b>	<b>186.02</b>	<b>251.11</b>

## 25. COMMITMENTS

## a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	Amount in (₹ Mn)		
	March 31, 2017	March 31, 2016	April 1, 2015
Property, plant & equipment	9.69	13.81	15.81

## b) Non-cancellable operating lease

The Group leases various offices under non-cancellable operating leases expiring within one to three years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are re-negotiated.

Particulars	Amount in (₹ Mn)		
	March 31, 2017	March 31, 2016	April 1, 2015
Commitments of minimum lease payments in relation to non-cancellable operating leases are payable as follows:-			
Within one year	23.48	48.66	53.30
Later than one year but not later than five years	11.16	39.55	68.06
Later than five years	-	-	-

## Rental expense relating to operating lease:

The Group has entered into lease transactions mainly for leasing of office premises for periods between 11 months 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 ₹300.54 Mn (included in Note 23 – Administration and Other Expenses ₹300.38 Mn and in Note-19 Employee Benefits Expense ₹0.16 Mn [(previous year ₹277.31 Mn (included in Note 23 – Administration and Other Expenses ₹277.00 Mn and in Note-19 Employee Benefits Expense ₹0.31 Mn)]).

## 26. (A) Earnings per share (EPS):

Particulars	Year ended March 31, 2017 ₹ Mn	Year ended March 31, 2016 ₹ Mn
Profit/(loss) attributable to Equity Shareholders (₹ Mn)	(236.61)	1,355.80
<b>Basic</b>		
Weighted average number of Equity Shares outstanding during the year (Nos.)	120,894,730	120,343,902
<b>Basic EPS of ₹ 10 each</b>	(1.96)	11.27
<b>Diluted</b>		
Weighted average number of Equity Shares outstanding during the year (Nos.)	120,894,730	120,343,902
Add : Weighted average number of potential equity shares on account of employee stock options	*	1,024,652
Weighted average number of shares outstanding for diluted EPS	<b>12,08,94,730</b>	<b>12,13,68,554</b>
<b>Diluted EPS of ₹10 each</b>	(1.96)	11.17

\* not considered since the impact is anti dilutive

## (B) Information concerning the classification of securities

## Options

Options granted to employees under the Info edge Employee stock option plan are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 29.

**27. Contingent Liabilities**

- A) The Company has received various legal notices of claims/lawsuits filed against including suits relating to infringement of Intellectual Property Rights (IPR), Consumer suits, etc.in relation to the business activities carried on by it. The management based on internal assessment and legal opinion obtained, believes that no material liability is likely to arise on account of such claims/law suits.
- B) During the year ended March 31, 2016, Canvera Digital Technologies Private Limited has received a Show Cause Notice from the Office of the Additional Director General of Central Excise Intelligence (service tax authorities) seeking to levy service tax on printing of photobooks for the past five years (2010-11 to 2014-15) amounting to ₹177.93 Mn [(March 31, 2016: ₹177.93Mn) (April 01, 2015: Nil)]. The Company has filed a response with the Commissioner of Service Tax against the said show cause notice and is awaiting further response/order.
- The management of the Company, based on the opinion received from their tax consultant and legal counsel, is of the view that the Company has a good case to defend its position. Pending final outcome in the matter, no adjustments have been made to the financial statements in this regard.
- C) Claims against the Allcheckdeals India Pvt. Ltd. not acknowledged as debts ₹0.49 Mn (March 31, 2016 and April 1, 2015 - ₹0.49 Mn) lying at various forums.

The future cash flows on account of above cannot be determined unless the judgement is received from appropriate forum.

**28. (1) Related Party Disclosures for the year ended March 31, 2017:****(A) Subsidiaries**

Interests in subsidiaries are set out in note 30

**(B) Key management personnel compensation**

Particular	(₹ Mn)
Short term employee benefits	54.15
Post employment benefits	0.30
Employee share based payments	19.50
<b>Total compensation</b>	<b>73.95</b>

## (C) Details of transactions with related party for the year ended March 31, 2017 in the ordinary course of business:

Sr. No	Nature of relationship / transaction	Amount (₹ Mn)					
		Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>Remuneration Paid:</b> Sanjeev Bikhchandani Hitesh Oberoi Chintan Thakkar* Surabhi Bikhchandani	- - - -	18.30 18.16 37.49 1.81	- - - -	- - - -	- - - -	75.76
2	<b>Unsecured loans/Advances given</b> Vcare Technologies Private Limited	3.00	-	-	-	-	3.00
3	<b>Repayment received of unsecured loan/advances given (including interest)</b> Unnati Online Private Limited Vcare Technologies Private Limited	10.27 3.03	- -	- -	- -	- -	13.30
4	<b>Receipt of Service:</b> Minik Enterprises Oyester Learning Divya Batra Rare Media	- - - 1.26	- - 0.90 -	- - - -	- - - -	1.38 0.64 - -	4.18
5	<b>Dividend Paid</b> Sanjeev Bikhchandani Hitesh Oberoi Surabhi Bikhchandani Arun Duggal Saurabh Srivastava Bala Deshpande Endeavour Holding Trust Sharad Malik Kapil Kapoor	- - - - - - - - - -	104.37 20.24 4.48 - - - - - - -	- - - 0.19 0.11 1.69 - 1.77 -	- - - - - - - - - 9.42	- - - - - - 26.20 - - -	168.47
6	<b>Services Rendered:</b> Zomato Media Private Limited Mint Bird Technologies Private Limited Happily Unmarried Marketing Private Limited Rare Media Company Private Limited Green Leaves Consumer Services Private Limited Unnati Online Private Limited Ideaclicks Infolabs Private Limited Oyester Learning	1.73 0.04 1.09 0.02 0.02 0.04 0.01 -	- - - - - - - -	- - - - - - - -	- - - - - - - -	- - - - - - - 0.01	2.96
7	<b>Sitting Fees Paid:</b> Arun Duggal Bala Deshpande Kapil Kapoor Naresh Gupta Sharad Malik Saurabh Srivastava	- - - - - -	- - - - - -	0.80 0.60 - 0.98 0.88 1.48	- - 1.00 - - -	- - - - - -	5.74
8	<b>Commission Payable</b> Arun Duggal Bala Deshpande Naresh Gupta Sharad Malik Saurabh Srivastava	- - - - -	- - - - -	0.75 0.70 1.00 0.75 1.00	- - - - -	- - - - -	4.20
9	<b>Rent Received</b> Zomato Media Private Limited Makesense Technologies Limited	0.02 0.02	- -	- -	- -	- -	0.04
10	<b>Interest on Unsecured loan/business Advance:</b> Vcare Technologies Private Limited Unnati Online Private Limited	0.03 0.17	- -	- -	- -	- -	0.20
11	<b>Payment towards Corporate Social Responsibility activities (refer note no. 38)</b> International Foundation for Research & Education	-	-	-	-	26.80	26.80

\*including post employment benefits and employee share based payments.

**(D) Amount due to / from related parties as at March 31, 2017**

Amount (₹ Mn)

Sr. No	Nature of relationship / transaction	Joint ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>Advances recoverable</b> Zomato Media Private Limited	0.02	-	-	-	-	0.02

**(E) Terms & conditions**

All transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash.

**28 (2) Related Party Disclosures for the year ended March 31, 2016:****(A) Subsidiaries**

Interests in subsidiaries are set out in note 30

**(B) Key management personnel compensation**

Particular	(₹Mn)
Short term employee benefits	52.07
Post employment benefits	0.25
Employee share based payments	2.30
<b>Total compensation</b>	<b>54.62</b>

**(C) Details of transactions with related party for the year ended March 31, 2016 in the ordinary course of business:**

Amount (₹ Mn)

Sr. No	Nature of relationship / transaction	Joint Ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
1	<b>Remuneration Paid:</b> Sanjeev Bikhchandani Hitesh Oberoi Chintan Thakkar* Surabhi Bikhchandani	- - - -	18.13 18.23 18.26 1.57	- - - -	- - - -	- - - -	56.19
2	<b>Unsecured loans/Advances given</b> Makesense Technologies Limited	0.11	-	-	-	-	0.11
3	<b>Repayment received of unsecured loan/advances given</b> Makesense Technologies Limited (including interest)	8.10	-	-	-	-	8.10
4	<b>Receipt of Service:</b> Minik Enterprises Oyester Learning Divya Batra Rare Media	- - - 0.74	- - 0.80 -	- - - -	- - - -	1.63 0.92 - -	4.09
5	<b>Dividend Paid</b> Sanjeev Bikhchandani Hitesh Oberoi Surabhi Bikhchandani Arun Duggal Naresh Gupta Saurabh Srivastava Bala Deshpande Endeavour Holding Trust Sharad Malik Kapil Kapoor	- - - - - - - - - - -	176.56 34.50 7.47 - - - - - - - -	- - - 0.32 0.14 0.14 0.39 - - 3.03 -	- - - - - - - - - - 16.40	- - - - - - - 43.67 - - -	282.62
6	<b>Services Rendered:</b> Zomato Media Private Limited Mint Bird Technologies Private Limited Happily Unmarried Marketing Private Limited Oyester Learning Kinobeo Software Private Limited	1.45 0.05 0.03 - 0.16	- - - - -	- - - - -	- - - - -	- - - 0.01 -	1.70

Sr. No	Nature of relationship / transaction	Joint Ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Directors	Enterprise over which KMP & Relatives have significant influence	Total
7	<b>Investment in Preference Shares</b> Mint Bird Technologies Private Limited Rare Media Company Private Limited Happily Unmarried Marketing Private Limited	60.00 74.38 19.99	- - -	- - -	- - -	- - -	154.37
8	<b>Sitting Fees Paid:</b> Arun Duggal Bala Deshpande Kapil Kapoor Naresh Gupta Sharad Malik Saurabh Srivastava	- - - - - -	- - - - - -	0.85 0.70 - 0.85 0.75 0.85	- - 0.70 - - -	- - - - - -	4.70
9	<b>Commission Payable</b> Arun Duggal Bala Deshpande Naresh Gupta Sharad Malik Saurabh Srivastava	- - - - -	- - - - -	0.90 0.70 0.90 0.70 0.70	- - - - -	- - - - -	3.90
10	<b>Rent Received</b> Zomato Media Private Limited Makesense Technologies Limited	0.02 0.02	- -	- -	- -	- -	0.04
11	<b>Interest on Unsecured loan/business Advance:</b> Makesense Technologies Limited	0.25	-	-	-	-	0.25
12	<b>Payment towards Corporate Social Responsibility activities (refer note no. 38)</b> International Foundation for Research & Education	-	-	-	-	31.05	31.05

\*including post employment benefits and employee share based payments.

**(D) Amount due to / from related parties as at March 31, 2016**

No amount due to / from related parties as on March 31, 2016.

**(E) Terms & conditions**

All transactions were made on normal commercial terms and conditions.

**28 (3) Amount due to / from related parties as at April 01, 2015**

No amount due to / from related parties as on April 01, 2015.

**29. Share Based Payments**

**(1) Info Edge (India) Limited - Employee Stock Option Scheme (ESOP) 2007**

The establishment of the Info Edge Limited Employee Option Plan(s) are approved by shareholders at annual general meeting. ESOP scheme 2015 was approved by shareholders through postal ballot on April 16, 2016. The employee stock option plan is designed to provide incentives to employees generally at and above the designation of managers to deliver long-term returns. Under the plan, participants are granted options which vest upon completion of three years of service from the grant date. Participation in the plan is at the board appointed committee's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The Company has set up a trust to administer the ESOP scheme under which Stock Appreciation Rights (SAR) and Stock options (ESOP), with substantially similar types of share based payemnt arrangements, have been granted to employees. The scheme only provides for equity settled grants to employees whereby the employees can purchase equity shares by exercising SAR/options as vested at the exercise price specified in the grant, there is no option of cash settlement. The SAR/options granted till March 31, 2017 have a vesting period of maximum 3 years from the date of grant.

Set out below is a summary of SAR/options granted under the plan:

	March 31, 2017		March 31, 2016	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	634.84	4,460,584	441.83	2,945,778
Granted during the year	788.23	122,800	739.76	2,436,350
Exercised during the year *	275.95	523,349	236.08	773,221
Forfeited during the year	746.89	412,800	622.40	143,360
Expired during the year	352.50	7,600	61.16	4,963
<b>Closing balance</b>		<b>3,639,635</b>		<b>4,460,584</b>
<b>Vested and exercisable</b>		<b>3,639,635</b>		<b>4,460,584</b>

\*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2017 was ₹ 275.95 (March 31, 2016 - ₹ 236.08)

Share options outstanding at the end of the year have the following exercise price range :

Exercise price (₹) (Range)	March 31, 2017	March 31, 2016	April 01, 2015
0-300	679,569	937,852	1,264,723
300-600	101,966	392,150	728,255
600-900	2,858,100	3,130,582	952,800
<b>Total</b>	<b>3,639,635</b>	<b>4,460,584</b>	<b>2,945,778</b>
Weighted average remaining contractual life of options outstanding at end of period	4.25	4.77	3.26

**Fair value of SAR/options granted**

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, term of option, the share price at grant date, and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of option.

Model inputs for Options/SAR granted during the year are as follows:-

Options are granted for no consideration and vest upon completion of service for a period of two years. Vested options are exercisable for a period of two years after vesting.

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Fair Value of options (₹ per share)	320.60	344.02	288.86
Share price at measurement date (₹ per share)	831.69	792.99	817.55
Expected volatility (%)	33.45%	32.30%	31.94%
Dividend yield (%)	0.48%	0.43%	0.35%
Risk-free interest rate (%)	6.77%	7.57%	8.52%
Expected Life (Years)	4.23	4.66	3.49

The expected price volatility is based on the historic volatility (based on the remaining life of options) , adjusted for any expected changes to future volatility due to publicly available information.

**Expense arising from share-based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	Amount in ₹ Mn	
	March 31, 2017	March 31, 2016
Total employee share-based payment expense (Stock appreciation rights)	227.85	165.68
Total employee share-based payment expense (Employee Stock Options )	31.90	8.56
<b>Total (A)</b>	<b>259.75</b>	<b>174.24</b>

**(2) Applect Learning Systems Private Limited (ALSPL) - ESOP Scheme 2009**

The board vide its resolution dated 29 December 2009 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 Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

Particular	March 31, 2017		March 31, 2016	
	Number	WAEP (₹)	Number	WAEP (₹)
<b>Opening balance</b>	2,410	10	2,419	10
<b>Add:</b>				
Options granted during the year	1,552	11,551	198	10
<b>Less:</b>				
Options exercised during the year			132	10
Options forfeited during the year*	673	10	75	10
<b>Options outstanding at the end of year</b>	<b>3,289</b>	<b>578</b>	2410	10
Option exercisable at the end of year	1,346	10	1148	10

In accordance with the above mentioned ESOP Scheme, ₹ 27.09 Mn (Previous Year ₹ 27.10 Mn) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended March 31, 2017 as Employee Stock Option Scheme Compensation.

The options outstanding at the year ending on 31 March 2017 with exercise price of ₹ 10/- are 3,067 options (31 March 2016: 2,410 options) and with exercise price of ₹ 77,898/- are 222 options (March 31, 2016: Nil) and a weighted average remaining contractual life of all options are 3.77 years (March 31, 2016: 3.76 years).

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Black Scholes model used for the years ended:

Particulars	March 31, 2017	March 31, 2016
Weighted average fair value of the options at the grant dates (₹)	47,511.89	40,812.48
Dividend yield (%)	0%	0%
Risk free interest rate (%)	7.29%	8.17%
Expected life of share options (years)	7	7
Expected volatility (%)	61.85%	65.98%
Weighted average share price (₹)	47,517.95	40,812.48

\*During the year ended March 31, 2017, the Company has granted 673 options and has forfeited the same during the current year only. Therefore, no expenses in respect of these options has been recognised in the financial statement.

**Expense arising from share-based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	Amount in ₹Mn	
	March 31, 2017	March 31, 2016
Total employee share-based payment expense	27.09	27.10
Total-[B]	27.09	27.10

**(3) Canvera Employee Stock Option Plan - 2007 ('the ESOP 2007')**

On February 25, 2016, Canvera Welfare Trust ('Trust') was created for the welfare and benefit of the employees and directors of the Company. The Board of Directors has approved the employee stock option plan of the Company. On March 15, 2016 the Trust purchased 333,973 Class A equity shares (Face value of ₹ 1 each) of the Company using the proceeds from interest free loan of ₹ 333,973 obtained from the Company. The Company treats trust as its extension and shares held by the trust are treated as treasury shares

The ESOP - 2007 provides for the issue of 933,973 (March 31, 2016: 733,973) options that would eventually convert into Class A equity shares of ₹ 1 each in the hands of the Company's employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the members of stock option committee. The options generally vest in a graded manner over 4 years and are exercisable during a maximum period of 10 years from the date of grant.

Pursuant to the ESOP 2007, the Company has granted 162,163 (March 31, 2016: 279,000) options during the year ended March 31, 2017, which are exercisable at weighted average price of ₹ 1 (March 31, 2016: ₹ 212 each). For the year ended March 31, 2017, the Company has recorded stock compensation cost of ₹53.33 mn (March 31, 2016: ₹ 74.52 mn) using fair value method.

Option activity during the period and weighted average exercise price of stock options under the ESOP-2007 is as given below:

Particular	March 31, 2017		March 31, 2016	
	Number of shares	Weighted average exercise price	Number	Weighted average exercise price
Opening balance	566,088	198	304,670	175
Granted during the year	162,163	1	279,000	212
Exercised during the year	-	-	0	-
Forfeited during the year	22,879	269	17,582	21
Options outstanding as at balance sheet date	<b>705,372</b>	<b>151</b>	<b>566,088</b>	<b>198</b>
Options exercisable as at balance sheet date	346,622		270,265	

Weighted average remaining contractual life of the options outstanding as at March 31, 2017 is 4.92 years (March 31, 2016: 5.55years).

The range of exercise prices for options outstanding at the end of the year was ₹ 1- 600 (March 31 2016: ₹ 1- 600)

The weighted average fair value of each option granted during the year ended March 31, 2017 computed using Black-Scholes was ₹110.78 (March 31, 2016: ₹ 646.89).

The following table list the inputs to the model used for the Stock option plan for the years ended March 31, 2017 and March 31, 2016 respectively:

Particulars	March 31, 2017	March 31, 2016
Dividend yield %	0%	0%
Expected volatility	40%	40%
Risk free interest rate	6.82%	7.82%
Expected life of options	8 years	10 years
Weighted average share price	111	769
Exercise price	1	214
Model used	Black- scholes	Black- scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

**Expense arising from share-based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	Amount in ₹Mn
	March 31, 2017
Total employee share-based payment expense	53.33
<b>Total-(C)</b>	<b>53.33</b>

**Consolidated expense arising from share-based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	Amount in ₹Mn	
	March 31, 2017	March 31, 2016
Total employee share-based payment expense (A)+(B)+(C)	340.17	201.34
	<b>340.17</b>	<b>201.34</b>

**30. Interests in other entities**
**(a) Subsidiaries**

The group's subsidiaries at 31 March 2017 are set out below. They have share capital consisting equity shares & preference shares which in substance has an existence ownership that currently gives it access to the returns associated with an ownership interest, that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interests			Principal activities
		March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2016	March 31, 2016	April 1, 2015	
		%	%	%	%	%	%	
Allcheckdeals India Private Limited	India	100%	100%	100%	0%	0%	0%	IT services
Applect Learning Systems Private Limited	India	59%	59%	56%	41%	41%	44%	Education related services
Canvera Digital Technologies Private Limited	India	57%	#	#	43%	-	-	Photography related services
Info Edge (India) Mauritius Limited (Liquidated on June 04, 2016)	Mauritius	0%	100%	100%	0%	0%	0%	
Interactive Visual Solutions Private Limited	India	100%	100%	100%	0%	0%	0%	IT services
Jeevansathi Internet Services Private Limited	India	100%	100%	100%	0%	0%	0%	IT services
Naukri Internet Services Limited	India	100%	100%	100%	0%	0%	0%	IT services
Newinc Internet Services Private Limited	India	100%	-	-	0%	-	-	IT services
Smartweb Internet Services Limited	India	100%	100%	-	0%	0%	-	IT services
Startup Internet Services Limited	India	100%	100%	-	0%	0%	-	IT services
Startup Investments (Holding) Limited	India	100%	100%	100%	0%	0%	0%	Investment company

**(b) Non-controlling interests (NCI)**

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance Sheet	Amount in ₹Mn						
	Applect Learning Systems Private Limited			Canvera Digital Technologies Private Limited	Total		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2017	March 31, 2016	April 1, 2015
Current assets	48.35	53.27	44.83	108.28			
Current liabilities	478.75	288.44	176.53	97.00			
<b>Net current assets</b>	<b>(430.40)</b>	<b>(235.17)</b>	<b>(131.70)</b>	<b>11.28</b>			
Non-current assets	59.18	43.75	88.96	26.07			
Non-current liabilities	97.14	92.01	39.43	273.75			
<b>Net non-current assets</b>	<b>(37.96)</b>	<b>(48.26)</b>	<b>49.53</b>	<b>(247.68)</b>			
<b>Net assets</b>	<b>(468.36)</b>	<b>(283.43)</b>	<b>(82.17)</b>	<b>(236.40)</b>			
Accumulated NCI	(265.83)	(177.17)	-	111.93	(153.90)	(177.17)	-

Summarised statement of profit and loss	Amount in ₹Mn		
	Applect Learning Systems Private Limited		Canvera Digital Technologies Private Limited
	March 31, 2017	March 31, 2016	March 31, 2017
Revenue	362.99	287.09	488.91
Profit/(loss) for the year	(218.33)	(436.06)	(238.63)
Other comprehensive income	0.27	0.34	1.65
<b>Total comprehensive income/(loss)</b>	<b>(218.06)</b>	<b>(435.72)</b>	<b>(236.98)</b>
Profit/(loss) allocated to NCI	(88.66)	(177.17)	(100.80)

Summarised cash flows	Amount in ₹Mn		
	Applect Learning Systems Private Limited		Canvera Digital Technologies Private Limited
	March 31, 2017	March 31, 2016	March 31, 2017
Cash flows from operating activities	(219.63)	(285.60)	(220.11)
Cash flows from investing activities	4.69	26.42	30.32
Cash flows from financing activities	218.37	266.97	193.79
<b>Net increase/ (Decrease) in cash and cash equivalents</b>	<b>3.43</b>	<b>7.79</b>	<b>4.00</b>

**(c) Transactions with non-controlling interests**

There were no transactions with non-controlling interests in 2017 and 2016.

**(d) Interests in associates and joint ventures**

Set out below are the joint ventures of the group as at 31 March 2017 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting equity shares & preference shares which in substance has an existence ownership that currently gives it access to the returns associated with an ownership interest, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of Business	% of ownership Interest			Accounting Method	Carrying Amount		
		March 31, 2017	March 31, 2016	April 1, 2015		March 31, 2017	March 31, 2016	April 1, 2015
		Zomato Media Private Limited	India	46%		46%	45%	Equity method
Makesense Technologies Limited	India	50%	50%		Equity method	996.68	996.53	
Canvera Digital Technologies Private Limited	India	#	49%	36%	Equity method	#	2.45	426.27
Happily Unmarried Marketing Private Limited	India	48%	44%	34%	Equity method	120.96	107.79	75.61
Immaterial associates (refer note (iv) below)		-	-	-		367.72	267.55	133.77
<b>Total equity accounted investements</b>						<b>3,347.21</b>	<b>5,029.26</b>	<b>3,042.74</b>

# till August 29, 2016 Canvera digital technologies private limited was our joint venture & during the current year this has become our subsidiary on acquisition of additional stake. Refer Note 40

(i) Summarised financial information for joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not Info Edge (India) Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Summarised balance Sheet	Zomato Media Private Limited			Makesense Technologies Limited		Canvera Digital Technologies Private Limited		Happily Unmarried Marketing Private Limited		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn
<b>Current Assets</b>										
-Cash & Cash equivalents	476.39	458.00	443.12	0.20	10.34	38.11	13.69	9.54	7.46	1.50
-Other assets	1,850.33	2,647.16	1,918.54	10.44	-	76.33	103.80	29.78	67.78	52.49
<b>Total current assets</b>	<b>2,326.71</b>	<b>3,105.16</b>	<b>2,361.66</b>	<b>10.64</b>	<b>10.34</b>	<b>114.44</b>	<b>117.49</b>	<b>39.32</b>	<b>75.23</b>	<b>53.99</b>
<b>Total non-current assets</b>	<b>547.85</b>	<b>3,439.90</b>	<b>4,126.91</b>	1,325.14	1,325.14	71.94	57.42	10.99	13.00	14.23
<b>Current liabilities</b>										
-Financial liabilities (excluding trade payables)	0.55	4,065.43	21.81	-	-	8.51	6.12	30.62	33.32	3.70
-Other liabilities	753.61	620.11	700.67	0.09	0.08	111.42	91.44	15.34	32.04	17.26
<b>Total current liabilities</b>	<b>754.16</b>	<b>4,685.54</b>	<b>722.48</b>	<b>0.09</b>	<b>0.08</b>	<b>119.93</b>	<b>97.56</b>	<b>45.96</b>	<b>65.36</b>	<b>20.95</b>
<b>Total non-current liabilities</b>	<b>78.59</b>	<b>60.52</b>	<b>34.04</b>	-	-	255.97	180.10	28.71	19.27	5.19
<b>Net assets</b>	<b>2,041.82</b>	<b>1,799.00</b>	<b>5,732.05</b>	<b>1,335.69</b>	<b>1,335.39</b>	<b>(189.52)</b>	<b>(102.74)</b>	<b>(24.37)</b>	<b>3.61</b>	<b>42.08</b>

(ii) Reconciliation to carrying amounts

	Zomato Media Private Limited		Makesense Technologies Limited		Canvera Digital Technologies Private Limited	Happily Unmarried Marketing Private Limited	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn
<b>Net assets as per the financial of the joint venture</b>	2,041.82	1,799.00	1,335.69	1,335.39	(189.52)	(24.37)	3.61
<b>Consolidation adjustments:</b>							
Compound instruments treated as equity	-	3,881.83	-	-	263.88	11.79	8.01
Fair value of investment			1,345.93	1,345.93			
Others	(249.76)						
	<b>1,792.05</b>	<b>5,680.83</b>	<b>2,681.62</b>	<b>2,681.32</b>	<b>74.36</b>	<b>(12.58)</b>	<b>11.62</b>
Group's share in %	46.11%	46.11%	50.01%	50.01%	48.62%	48.31%	43.62%
Group's share in ₹	826.31	2,619.40	1,340.94	1,340.80	36.17	(6.09)	5.07
<b>Adjustments</b>							
- elimination of unrealised profit/Gain on loss of stake			(344.27)	(344.27)			
- additional loss absorbed prior to April 1, 2015	(202.85)	(202.85)					
Goodwill	1,238.39	1,238.39	-	-	429.61	127.05	102.72
Less: Impairment of goodwill/investments*					(463.33)		
<b>Carrying amount of Investments</b>	<b>1,861.85</b>	<b>3,654.94</b>	<b>996.67</b>	<b>996.53</b>	<b>2.45</b>	<b>120.96</b>	<b>107.79</b>

\* basis valuation done on actual transaction

Summarised statement of profit and loss	Zomato Media Private Limited		Makesense Technologies Limited		Canvera Digital Technologies Private Limited	Happily Unmarried Marketing Private Limited	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn	₹Mn
Revenue	3,322.73	1,839.47	-	-	557.27	184.43	148.98
Interest Income	123.04	126.82	0.49	-	2.69	0.74	0.62
Depreciation and amortisation	1,109.07	507.90	-	0.00	31.21	4.44	3.75
Interest expense	56.53	35.33	-	0.25	6.47	1.92	0.17
Income tax expense	-	-	0.11	-	25.08	-	-
<b>Profit/(loss) for the year</b>	<b>(3,890.07)</b>	<b>(5,901.76)</b>	<b>0.29</b>	<b>(1.76)</b>	<b>(391.79)</b>	<b>(77.38)</b>	<b>(86.67)</b>
<b>Other comprehensive income/(loss)</b>	<b>2.19</b>	<b>217.55</b>	<b>-</b>	<b>-</b>	<b>(0.46)</b>	<b>1.20</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(3,887.88)</b>	<b>(5,684.21)</b>	<b>0.29</b>	<b>(1.76)</b>	<b>(392.25)</b>	<b>(76.18)</b>	<b>(86.67)</b>

## (iii) Individually immaterial joint ventures

In addition to the interests in joint ventures disclosed above, the group also has interests in a number of individually immaterial joint ventures that are accounted for using the equity method

	Amount in ₹Mn		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>Aggregate carrying amount of individually immaterial associates</b>	<b>367.72</b>	<b>267.55</b>	<b>133.77</b>
<b>Aggregate amounts of the group's share of:</b>			
Loss for the year	(64.23)	(64.60)	
Other comprehensive income for the year	0.05	-	
<b>Total comprehensive income</b>	<b>(64.18)</b>	<b>(64.60)</b>	

## (v) Share of profits/(loss) from joint ventures

	Amount in ₹Mn	
	March 31, 2017	March 31, 2016
Loss from joint ventures	(1,895.56)	(3,015.07)
Other comprehensive income from joint ventures	1.64	100.31
<b>Total Comprehensive income/(loss) from joint ventures</b>	<b>(1,893.92)</b>	<b>(2,914.76)</b>

31. The Group is primarily in the business of internet based service delivery operating in four service verticals through various web portals in respective verticals namely recruitment solutions comprising primarily naukri.com, other recruitment related portals and ancillary services related to recruitment, 99acres.com for real estate related services, Jeevansathi.com for matrimony related services and Shiksha.com for education related services.

The Board of Directors of the Group examines the Group's performance both from a business & geographical prospective and has identified as reportable segment of its business which are "Recruitment Solutions" and "99acres"; the "Other segments" comprises primarily 'Jeevansathi', 'Shiksha', 'Coaching' and 'Designing and Printing of photo books' and providing value added services to photographers' verticals are not considered as reportable operating segment since they individually do not meet qualifying criteria for the reportable segment as per Ind AS 108.

## A) Business Segment

		Amount in ₹ (Mn)	
	Particular	2016-17	2015-16
1	<b>Segment Revenue:</b>		
	Recruitment solutions	5,953.45	5,289.91
	99acres for real estate	1,122.24	1,082.53
	Others	1,800.62	1,102.68
	<b>Segment Revenue-Total</b>	<b>8,876.31</b>	<b>7,475.12</b>
2	<b>Results (Profit/(Loss)) after tax:</b>		
	Recruitment Solutions	3,111.62	2,656.09
	99acres for real estate	(663.16)	(1,061.21)
	Others	(742.47)	(677.60)
	<b>Total Segment Result</b>	<b>1,705.99</b>	<b>917.27</b>
	Less: unallocable expenses	(2,159.51)	(3,249.55)
	Add : unallocated Income	828.45	4,406.55
	Exceptional Item - Income/(Loss)	(323.86)	(322.29)
	<b>Profit Before Tax</b>	<b>51.07</b>	<b>1,751.98</b>
	Tax Expense	477.97	573.48
	<b>Profit after tax</b>	<b>(426.90)</b>	<b>1178.50</b>

Amount in ₹ (Mn)

	Particular	2016-17	2015-16
3	<b>Assets</b>		
	Recruitment solutions	323.12	412.29
	99acres for real estate	156.74	231.63
	Others	423.83	290.68
	<b>Total Segment Assets</b>	<b>903.69</b>	<b>934.60</b>
	Unallocable assets	19,697.04	18,320.17
	<b>Total assets</b>	<b>20,600.73</b>	<b>19,254.77</b>
4	<b>Liabilities</b>		
	Recruitment solutions	2,822.66	2,493.71
	99acres for real estate	790.58	644.02
	Others	982.28	808.83
	<b>Total Segment Liabilities</b>	<b>4,595.52</b>	<b>3,946.56</b>
	Unallocable liabilities	234.60	59.31
	<b>Total Liabilities</b>	<b>4,830.12</b>	<b>4,005.87</b>

**B) Geographical Segment**

Amount (₹ Mn)

Particulars	2016-17				2015-16			
	Domestic	Overseas*	Unallocated	Total	Domestic	Overseas*	Unallocated	Total
Revenue from customers (sale of services)	8,203.35	672.96		8,876.31	6,822.11	653.01	-	7,475.12
Segment assets	12,649.49	97.78	7,853.46	20,600.73	12,889.24	74.17	6,291.36	19,254.77

**Notes :**

- Domestic segment revenue includes sales and services to customers located in India and overseas segment (primarily in Gulf countries) revenue includes sales and services rendered to customers located outside India. Segment revenue is measured in the same way as in the Statement of Profit and loss.
- Segment assets includes fixed assets, trade receivables, cash and bank balances (except dividend bank account), loans & advances and other current assets and are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Unallocated assets include dividend bank accounts, investments, Interest accrued and Deferred Tax asset.
- Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

32. As at March 31, 2017 the Company had ₹ 0.02 Mn (March 31, 2016: ₹ 0.04 Mn & April 01, 2015: ₹ 0.05 Mn) outstanding with Kotak Mahindra Bank, ₹ 0.21 Mn (March 31, 2016: ₹ 0.45 Mn & April 01, 2015 ₹ 0.10 Mn) outstanding with Yes Bank, ₹ 0.04 Mn (March 31, 2016 & April 01, 2015: ₹ 0.04 Mn) outstanding with ICICI Bank and ₹ 0.11 Mn (March 31, 2016: Nil & April 01, 2015: Nil) outstanding with Indusind 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.

**33. Employee Benefits**

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

**A. Defined Contribution Plans**

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

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

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
	(₹ Mn)	(₹ Mn)
Employers' Contribution to Provident Fund	103.73	87.54

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 19)

**B. Other Long term benefits**

Leave obligations for Employees

The leave obligations cover the Group's liability for earned leave.

The amount of the provision for ₹ 42.97 Mn (March 31, 2016 - ₹ 47.65 Mn, April 1, 2015 - ₹ 25.96 Mn) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment with in the next twelve months.

Amount in ₹ Mn

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Current leave obligations expected to be settled with in the next twelve months	13.17	19.71	7.98

Assumption used by the Actuary

Particulars	Leave Encashment / Compensated Absences	
	2016-17	2015-16
Discount Rate (per annum)	6.50% to 7.35%	7.75% to 8%
Rate of increase in Compensation levels	10% for First 5 years & 7% thereafter	10% for First 5 years & 7% thereafter

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, seniority, promotions and other relevant factors.

### C. Defined Benefit Plans

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

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India.

Assumption used by the Actuary

Particulars	Gratuity	
	2016-17	2015-16
Discount Rate (per annum)	6.50% to 7.35%	7.75% to 8%
Rate of increase in Compensation levels	10% for First 5 years & 7% thereafter	10% for First 5 years & 7% thereafter

The amounts recognised the balance sheet & movements in the net defined benefit obligation over the year are as follows :

Changes in the Present Value of Obligation	2016-17 [ ₹ Mn]	2015-16 [ ₹ Mn]
<b>Present Value of Obligation at the beginning of the year</b>	<b>173.66</b>	<b>137.49</b>
Acquisition of subsidiary	11.59	-
Interest Cost	13.64	10.44
Past Service Cost	Nil	Nil
Current Service Cost	41.05	30.86
Benefits paid	(20.97)	(17.88)
<b>Remeasurment due to</b>		
-Actuarial loss/(gain) arising from change in financial assumptions	10.09	5.81
-Actuarial loss/(gain) arising on account of experience changes	(4.95)	6.94
<b>Present Value of Obligation at the end of the year</b>	<b>224.11</b>	<b>173.66</b>

Changes in the Fair value of Plan Assets	2016-17 [ ₹ Mn]	2015-16 [ ₹ Mn]
<b>Fair Value of Plan Assets at the beginning of the year</b>	<b>124.12</b>	<b>112.09</b>
Interest on Plan Assets	9.81	9.23
Actuarial Gains/(Losses)	0.98	(0.06)
Contributions made by the Group	42.88	20.44
Actual Return on plan assets less interest on plan assets	(0.01)	0.03
Assets acquired/settled*	-	-
Benefits Paid	(18.50)	(17.61)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>159.28</b>	<b>124.12</b>

\* on account of inter group transfer

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	2016-17 [ ₹ Mn]	2015-16 [ ₹ Mn]
<b>Present Value of funded obligation at the end of the year</b>	<b>(224.11)</b>	<b>(173.66)</b>
Fair Value of Plan Assets as at the end of the period	159.28	124.12
Amount not recognised due to asset limit	-	(0.36)
<b>Deficit of funded plan*</b>	<b>(42.53)</b>	<b>(41.30)</b>
<b>Deficit of unfunded plan</b>	<b>(22.29)</b>	<b>(8.60)</b>

<b>-Current</b>	<b>45.30</b>	<b>43.23</b>
<b>-Non Current</b>	<b>19.53</b>	<b>7.35</b>

#includes ₹ 0.01 mn (March 31, 2016 0.68 mn) not recognised as income/asset since these are lying in an income tax approved irrevocable trust fund.

The present value of the defined benefit obligation relates to active employees.

<b>Expense recognised in the Statement of Profit and Loss</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>(₹ Mn)</b>	<b>(₹ Mn)</b>
Current Service Cost	41.05	30.86
Past Service Cost	Nil	Nil
Interest Cost	3.86	1.24
(Gains)/Loss on Settlement	(0.39)	(0.49)
<b>Total Expenses recognized in the Statement of Profit and Loss #</b>	<b>44.52</b>	<b>31.61</b>

#Included in 'Contribution to provident and other funds' under 'Employee benefits expense' (Refer Note 19)

<b>Amount recorded in Other comprehensive Income (OCI)</b>	<b>2016-17</b>	<b>2015-16</b>
	<b>(₹ Mn)</b>	<b>(₹ Mn)</b>
<b>Remeasurments during the year due to</b>		
-changes in financial assumptions	10.84	5.79
-Experience adjustments	(4.72)	6.89
-Actual return on plan assets less interest on plan assets	(0.98)	0.06
<b>Amount recognised in OCI during the year</b>	<b>5.14</b>	<b>12.74</b>

**(D) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

**1) Info Edge India Limited**

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Defined benefit obligation (DBO)	201.58	164.71

	<b>Change in assumption</b>			<b>Impact on defined benefit obligation</b>				
	<b>March 31, 2017</b>	<b>March 31, 2016</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>		
				<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Discount Rate	0.50%	0.50%	Decrease by	5.18%	5.06%	Increase by	5.66%	5.53%
Salary growth rate	0.50%	0.50%	Increase by	3.30%	3.30%	Decrease by	3.25%	3.25%

**2) Allcheckdeals India Private Limited**

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Defined benefit obligation (DBO)	0.23	0.33

	<b>Change in assumption</b>			<b>Impact on defined benefit obligation</b>				
	<b>March 31, 2017</b>	<b>March 31, 2016</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>		
				<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Discount Rate	0.50%	0.50%	Decrease by	-6.12%	-5.64%	Increase by	6.74%	6.17%
Salary growth rate	0.50%	0.50%	Increase by	6.67%	6.21%	Decrease by	-6.12%	-5.66%

**3) Applect Learning Systems Private Limited**

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Defined benefit obligation (DBO)	11.47	8.61

	<b>Change in assumption</b>			<b>Impact on defined benefit obligation</b>				
	<b>March 31, 2017</b>	<b>March 31, 2016</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>		
				<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Discount Rate	0.50%	0.50%	Decrease by	-3.08%	-3.56%	Increase by	3.29%	3.79%
Salary growth rate	0.50%	0.50%	Increase by	3.29%	3.80%	Decrease by	-3.11%	-3.60%

**4) Canvera Digital Technologies Private Limited**

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Defined benefit obligation (DBO)	10.83	-

	Change in assumption			Impact on defined benefit obligation				
	March 31, 2017	March 31, 2016		Increase in assumption		Decrease in assumption		
				March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
Discount Rate	1.00%	0.00%	Decrease by	-5.42%	0.00%	Increase by	6.02%	0.00%
Salary growth rate	1.00%	0.00%	Increase by	4.26%	0.00%	Decrease by	-3.98%	0.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

**(E) Major Category of Plan Asset as a % of total Plan Assets**

Category of Assets (% Allocation)	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
	%		(₹ Mn)	(₹ Mn)	(₹ Mn)	(₹ Mn)
Insurer managed funds	100.00%	100.00%	100.00%	159.28	124.12	110.82
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>159.28</b>	<b>124.12</b>	<b>110.82</b>

**(F) Risk exposure**

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

**Changes in bond yields**

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation (LIC) of India under its Group Gratuity Scheme.

**(G) Defined benefit liability and employer contribution**

Expected contribution to the post employment benefit plan (Gratuity) for the year ending March 31, 2018 is ₹ 44.24 Mn

The weighted average duration of the defined benefit obligation is 19.76 years (2016 – 14.37 years, 2015 - 10.53 years)

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>March 31, 2017</b>					
Defined benefit obligation (gratuity)	19.75	17.77	54.89	490.09	582.50
<b>March 31, 2016</b>					
Defined benefit obligation (gratuity)	16.46	15.07	45.60	416.18	493.31
<b>April 1, 2015</b>					
Defined benefit obligation (gratuity)	13.59	12.34	34.85	350.59	411.37

34. The Group has made long term strategic investments in certain Joint ventures, which are in their initial/developing stage of operation and would generate growth and returns over a period of time. These Joint ventures 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, 2017. 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 there is no diminution in carrying value of the investments as compared to their current net worth and therefore no provision, other than those already made, is required at this stage.

35. During the year ended March 31, 2015, the Company had issued 10,135,135 equity shares of ₹ 10/- each fully paid up at ₹ 740/- per share (including securities premium of ₹ 730/- per share) to qualified institutional buyers on September 12, 2014 pursuant to Qualified Institutional Placement (QIP) document, dated September 10th, 2014, as per provisions of section 42 of Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, and Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 which have been listed in the respective Stock Exchanges on September 16, 2014.

Expenses incurred in relation to QIP amounting to ₹ 155.65 Mn had been adjusted from Securities Premium Account during the year ended March 31, 2015. The utilisation out of such net amount of ₹ 7,344.35 Mn till March 31, 2017 is given below. The balance amount of QIP proceeds remains invested in Mutual Funds (Debt) & Term Deposits with banks.

Utilisation of funds	March 31, 2017 ₹ (Mn)	March 31, 2016 ₹ (Mn)
Balance Unutilised funds as at the beginning of the year	6,391.45	7,290.91
Utilised during the year-working capital and general corporate purposes (99acres)	476.03	899.46
Balance Unutilised funds as at the year end	5,915.42	6,391.45

**36. Exceptional items includes**

	March 31, 2017 ₹ (Mn)	March 31, 2016 ₹ (Mn)
Profit on sale of investments (Refer note a below)	-	(170.77)
Less: Provision for Bonus ((Refer note b below)	-	29.73
Less: Diminution in value of an investment in an Joint venture (Refer note c below)	-	463.33
Less: Diminution in value of an investment in an Joint venture (Refer note d below)	323.86	-
<b>Total [(Income)/Expense]</b>	<b>323.86</b>	<b>322.29</b>

- a) During the year ended March 31, 2016, the Company had transferred its investment [5,975 equity and 2,673 compulsorily convertible preference shares] in eTechaces Marketing & Consulting Private Limited (EMCPL) to its Joint venture Makesense Technologies Limited (MTL) formerly known as Makesense Technologies Pvt. Ltd. for a consideration of ₹ 513.39 Mn thereby resulting in a profit of ₹ 341.60 Mn, out of which ₹ 170.83 (i.e.50.01%) is eliminated as per equity accounting, resulting in exceptional profit of ₹ 170.77 Mn . The Audit Committee and the Board of Directors had approved the transaction during the year ended March 31, 2015, taking a holistic view of the same, based on the business rationale, which when considered in its entirety, provides a sound basis to conclude that the transaction is not prejudicial to the interest of the Company or its shareholders and demonstrates the intention of the Company to transact at arm's length with its subsidiary.
- b) This represents an additional provision for bonus related to April 1, 2014 to March 31, 2015 amounting to ₹ 29.73 Mn (pertaining to IEIL ₹ 29.42 Mn & ACDIPL ₹ 0.31 Mn) pursuant to retrospective amendment to "The Payment of Bonus Act, 1965" notified on January 1, 2016.
- c) During the previous year, diminution in the carrying value of investment amounting to ₹ 463.33 Mn has been made in respect of Canvera Digital Technologies Private Limited for impairment.
- i) IEIL: -₹ 426.76 Mn represented by investments in Preference shares (represented by investments in equity shares of ₹ 25.61 Mn and Preference shares of ₹ 401.15 Mn)
- ii) SWISL: ₹ 36.57 Mn represented by investments in Preference shares of ₹ 36.57 Mn)
- d) During the current year, diminution in the carrying value of investment amounting to ₹ 323.86 Mn has been made in respect of Canvera Digital Technologies Private Limited for impairment.

**37.** Based on the information available with the Company, the Company has certain dues to suppliers registered under the "The Micro, Small and Medium Enterprises Development Act, 2006" ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particular	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	0.06
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the day	-	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the day	-	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
Further interest remaining due and payable for earlier years	-	-	-

**38.** As per Section 135 of the Companies Act, 2013 ('Act'), a Corporate Social Responsibility (CSR) committee had been formed by the Company in previous year. The main areas for CSR activities, as per the CSR policy of the Company are promoting education, training to promote sports and contribution to appropriate funds set up by the Central Government, further the CSR Committee may consider other CSR activities subject to the condition that such activities relate to the subjects enumerated in Schedule VII of the Act.

Details of corporate social responsibility (CSR) are as below :

Particulars	Year ended March 31, 2017 ₹ (Mn)	Year ended March 31, 2016 ₹ (Mn)
<b>Gross amount required to be spent by the Company during the year</b>	38.20	36.05
Amount spent (paid) by the Company during the year on education (operating expenditure in relations to various associations as detailed below)	38.20	36.05

S.No	Vendor Name	Year ended	Year ended
		March 31, 2017	March 31, 2016
		(₹ Mn)	(₹ Mn)
1	Social Outreach Foundation	1.00	1.00
2	Joint Women's Programme	1.50	1.50
3	International Foundation for Research & Education	26.80	31.05
4	Swami Sivananda Memorial Institute	1.50	-
5	Amar Jyoti Charitable Trust	1.50	-
6	Trust For Retailers & Retails Associates of India	1.70	-
7	Pratham Delhi Education Initiative Trust	2.20	-
8	Chintan Environmental Research And Action Group	2.00	-
9	The Blind Relief Association	-	2.50
<b>Total</b>		<b>38.20</b>	<b>36.05</b>

### 39. Assets pledged/hypothecated as security

The carrying amounts of assets pledged/hypothecated as security for current and non-current borrowings are :

Amount in ₹ Mn				
	Note	March 31, 2017	March 31, 2016	April 1, 2015
<b>Non current</b>				
<b>First charge</b>				
Vehicle acquired under finance lease	3(a)	19.02	17.53	14.20

### 40. Business combinations

(a) Summary of acquisition

On August 29, 2016, Info Edge (India) Limited acquired 8.84% of the issued share capital of Canvera Digital Technologies Private Limited in addition to 48.62% held earlier.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration	Amount (₹Mn)
Cash paid	173.33
<b>Total purchase consideration</b>	<b>173.33</b>

The assets and liabilities recognised as a result of the acquisition are as follows:

	Amount (₹Mn)
Property, plant and equipment	24.86
Intangible assets: Brand	76.00
Intangible assets: Technology Platform	20.00
Intangible assets: Customer Contracts & Relationship	176.00
Borrowings	(4.40)
Inventories	11.43
Trade receivables	(4.27)
Other financial Assets (current & non current)	13.67
Trade payable	(99.26)
Other current liabilities	(6.00)
<b>Net identifiable assets acquired</b>	<b>208.03</b>

Calculation of goodwill	Amount (₹Mn)
Consideration transferred	173.33
Acquisition date fair value of previously held equity interest	113.35
Non-controlling interest in the acquired entity	212.74
Less: Net identifiable assets acquired	(208.03)
<b>Goodwill</b>	<b>291.39</b>

## 41. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

## a) Income Tax expense

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
<b>Current Tax</b>		
Current tax on profit for the year	771.34	688.64
Adjustments for current tax of prior periods	(393.14)	(12.76)
<b>Total current tax expenses</b>	<b>378.20</b>	<b>675.88</b>
<b>Deferred Tax</b>	99.77	(102.40)
<b>Total</b>	<b>477.97</b>	<b>573.48</b>

## b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2017 (₹ Mn)	Year ended March 31, 2016 (₹ Mn)
Profit before tax	374.93	2,074.27
<b>Tax at the Indian tax rate of 34.608% (March 31, 2016 : 34.608%)</b>	129.76	717.86
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Depreciation on Land (including investment property)	1.63	1.78
Corporate social responsibility expenditure	13.22	12.48
Dividend Income on Mutual Fund	(14.21)	(69.42)
Fair value of financial instruments	83.62	50.08
Profit on sale of investment (separately considered in capital gains)	(0.89)	(32.74)
<b>Deferred tax not created on-</b>		
Share of loss of joint venture on which no deferred tax has been recognized	656.02	1,043.46
Gain on loss of control on subsidiary companies	-	(1,236.92)
Loss of subsidiary companies not required tax	137.65	102.76
<b>Deferred tax created on items not included in profit</b>		
Indexed value of land & investment property	36.61	(9.41)
'Short term capital loss	0.89	-
Asset classified as held for sale	0.71	-
Unabsorbed depreciation	(26.68)	-
Adjustments for current tax of prior periods	(393.14)	(13.64)
Income tax expenses of foreign branch	6.52	7.53
Difference in effective tax rates	1.08	(6.05)
Additional 'ESOP charges	(102.75)	-
Others items	(52.07)	5.71
<b>Total</b>	<b>477.97</b>	<b>573.48</b>

During the year, the management has assessed that, based on the direction issued by Commissioner of Income Tax (Appeals)/ Income Tax Appellate Tribunal (ITAT) to the Assessing Officer to consider the decision taken by the Special Bench of the ITAT in the case of Biocon Ltd. vs DCIT in Company's own case in earlier years with respect to the Company's claim on same matter, the above mentioned judgement of the Special Bench by the ITAT had decided that the Employee stock option scheme compensation (ESOP) expenses can be claimed basis the gain in the hands of the employees at the time of exercising the options by them as opposed to the ESOP expenses debited to the Profit & Loss (based on difference between the fair value at the date of grant and the exercise price). Accordingly, the Company has reversed the provision for income tax amounting to ₹393.14 Mn for prior periods and further, the effect given for current year amounts to ₹ 102.75 Mn. The same may however be subject to litigation by the tax authorities and relief could be expected only at higher appellate forums.

42. Pursuant to notification no. 244 dated 30.03.2017, issued by Ministry of Corporate affairs, details of the specified bank notes held & transacted during the period November 08, 2016 to December 30, 2016 as provided in the table below :-

Particulars	Amount (₹Mn)		
	Specified bank notes*	Other notes	Total
<b>Balance as at November 08, 2016</b>	2.48	0.02	2.51
Less : Paid for permitted transactions	-	0.10	0.10
Add : Receipts of permitted transactions	-	5.24	5.24
Less : Deposited in bank accounts	2.48	4.34	6.83
Add : Withdrawal from bank accounts	-	-	-
<b>Closing balance as at December 30, 2016</b>	-	<b>0.82</b>	<b>0.82</b>

The above disclosure does not includes the relevant details of the SBNs in respect of one of the subsidiaries of the group, since the details have not been maintained by such subsidiary and accordingly, disclosure of total cash reconciliation has only been provided in this respect :

Particulars	Amount (₹Mn)		
	Specified bank notes*	Other notes	Total
<b>Balance as at November 08, 2016</b>			1.68
Less : Paid for permitted transactions	-	-	0.14
Add : Receipts of permitted transactions	-	-	5.89
Less : Deposited in bank accounts	-	-	7.37
Add : Withdrawal from bank accounts	-	-	-
<b>Closing balance as at December 30, 2016</b>	-	-	<b>0.06</b>

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 18, 2016.

#### 43. Fair value measurements

##### a) Financial instruments by category

	March 31, 2017		March 31, 2016		April 1, 2015	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
<b>Financial Assets</b>						
Loans	-	10.06	-	10.13	-	0.02
Investments*						
- Mutual Funds	2,162.12	-	374.38	-	9,037.78	-
Trade and other receivables	-	85.20	-	125.72	-	112.49
Cash and cash Equivalents	-	556.05	-	490.89	-	385.54
Other bank balances	-	2,476.17	-	1,050.39	-	1,491.74
Other financial assets	-	9,084.17	-	10,149.51	-	1,602.29
<b>Total Financial Assets</b>	<b>2,162.12</b>	<b>12,211.65</b>	<b>374.38</b>	<b>11,826.64</b>	<b>9,037.78</b>	<b>3,592.08</b>
<b>Financial Liabilities</b>						
Borrowings	-	9.74	-	8.19	-	7.03
Trade payables	-	563.25	-	365.65	-	454.77
<b>Total Financial Liabilities</b>	-	<b>572.99</b>	-	<b>373.84</b>	-	<b>461.80</b>

\*Excluding investments in Joint ventures measured at cost in accordance with Ind AS-27

##### Fair value hierarchy

The following section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

## b) Fair value hierarchy for assets

## Financial assets measured at fair value at March 31, 2017

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				
- Mutual Funds-Fixed Maturity Plans	95.59	-	-	95.59
- Mutual Funds-Daily Dividend & Debt Liquid Fund	2,066.53	-	-	2,066.53

## Financial assets measured at fair value at March 31, 2016

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				-
- Mutual Funds-Fixed Maturity Plans	88.83	-	-	88.83
- Mutual Funds-Daily Dividend & Debt Liquid Fund	285.55	-	-	285.55

## Financial assets measured at fair value at April 1, 2015

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments				
- Mutual Funds-Fixed Maturity Plans	683.05	-	-	683.05
- Mutual Funds-Daily Dividend & Debt Liquid Fund	8,354.73	-	-	8,354.73

**Notes:**

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

## c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1.

## d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significant impact on fair values as at the current year end. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## 44. Financial risk and Capital management

## A) Financial risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds	Credit rating	Portfolio diversification and regular monitoring

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

**Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Group has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses. The Company evaluates the concentration of risk with respect to trade receivables as low.

**Reconciliation of loss allowance provision:**

	Amount (₹Mn)
<b>Loss allowance as on April 1, 2015</b>	<b>49.04</b>
changes in loss allowance	(3.38)
<b>Loss allowance as on March 31, 2016</b>	<b>45.66</b>
changes in loss allowance	5.73
<b>Loss allowance as on March 31, 2017</b>	<b>51.39</b>

**Cash and cash equivalents**

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period :

Particulars	Amount in ₹ Mn		
	March 31, 2017	March 31, 2016	April 1, 2015
Cash credit facilities	95.00	90.00	90.00

The bank overdraft facilities may be drawn at any time.

**(ii) Maturities of financial liabilities**

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances equal their carrying balances as the impact of discounting is not significant.

March 31, 2017	Contractual cash flows				Amount in ₹ Mn
	Total	6 months or less	6-12 months	1-2 years	2-5 years
<b>Non-derivative financial liabilities</b>					
Trade payables	563.25	464.80	60.15	13.43	24.87
Borrowings	9.74	2.44	3.61	3.24	0.45

March 31, 2016	Contractual cash flows				Amount in ₹ Mn
	Total	6 months or less	6-12 months	1-2 years	2-5 years
<b>Non-derivative financial liabilities</b>					
Trade payables	365.65	327.33	0.45	1.89	35.98
Borrowings	8.19	2.48	1.92	2.66	1.13

April 1, 2015	Contractual cash flows				Amount in ₹ Mn
	Total	6 months or less	6-12 months	1-2 years	2-5 years
<b>Non-derivative financial liabilities</b>					
Trade payables	454.77	409.97	3.11	4.80	36.37
Borrowings	7.03	2.51	1.70	2.35	0.47

**(c) Market risk**

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

**(i) Currency risk**

The Group is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of US\$, United Arab Emirates Dirham (AED), Saudi Riyal (SAR) and Bahraini Dinar (BHD). The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

**Exposure to currency risk**

The currency profile of financial assets and financial liabilities are given below:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Amount in (Mn)	₹ (Mn)	Amount in (Mn)	₹ (Mn)	Amount in (Mn)	₹ (Mn)
<b>Financial assets</b>						
Trade receivables	AED 0.17	3.03	AED 0.16	2.94	AED 0.11	1.85
	BHD *0.00	0.30	BHD *0.00	0.23	-	-
	OMR 0.01	1.29	OMR 0.01	1.00	OMR 0.01	1.18
	QAR 0.06	1.08	-	-	-	-
	-	-	-	-	SAR 0.08	1.30
	USD 0.08	5.44	USD 0.18	11.81	USD 0.04	2.45
Cash & Bank Balances	SAR 1.99	34.29	SAR 2.47	43.59	SAR 2.59	43.15
	USD 0.56	36.09	USD 0.07	4.68	USD 0.38	23.78
	BHD 0.01	1.31	BHD 0.01	1.09	BHD 0.01	1.76
	AED 2.75	48.42	AED 0.29	5.23	AED 0.27	4.52
	HKD *0.00	-	HKD *0.00	-	HKD *0.00	0.04
			GBP *0.00	0.04	-	-
	EUR *0.00	-	EUR *0.00	0.02	-	-
	THB *0.00	0.01	THB *0.00	-	THB *0.00	-
Other receivable	USD 0.00	0.26	USD 0.01	0.98	USD 0.01	0.89
<b>Total-Financial assets</b>		<b>131.52</b>		<b>71.61</b>		<b>80.92</b>
<b>Financial liabilities</b>						
Trade payables	AED 0.08	1.33	AED 0.07	1.34	-	-
	BHD 0.00	-	BHD 0.00	0.00	-	-
	EURO 0.03	2.00	EURO 0.02	1.23	-	-
	SAR 0.01	0.15	SAR 0.01	0.14	-	-
	USD 0.22	14.25	USD 0.11	7.57	USD 0.06	3.65
<b>Total financial liabilities</b>		<b>17.73</b>		<b>10.29</b>		<b>3.65</b>

\*Amount is below rounding off norms adopted by the group.

**Sensitivity analysis**

Any change w.r.t. strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2017 & March 31, 2016 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

Effect in ₹	Profit or loss March 31, 2017		Profit or loss March 31, 2016	
	Strengthening	Weakening	Strengthening	Weakening
AED (Increase/decrease by 3.5%, March 31, 2016- 1%)	(1.75)	1.75	(0.08)	0.08
BHD (Increase/decrease by 3.6%, March 31, 2016- 1%)	(0.06)	0.06	(0.02)	0.02
OMR (Increase/decrease by 3.5%, March 31, 2016- 1%)	(0.05)	0.05	(0.01)	0.01
QAR (Increase/decrease by 3.5%, March 31, 2016- 1%)	(0.04)	0.04	-	-
SAR (Increase/decrease by 3.5%, March 31, 2016- 1%)	(1.19)	1.19	(0.52)	0.52
EURO (Increase/decrease by 3.5%, March 31, 2016- 1%)	0.07	(0.07)	0.01	(0.01)
USD (Increase/decrease by 3.5%, March 31, 2016- 1%)	(0.96)	0.96	(0.12)	0.12
<b>Total</b>	<b>(3.98)</b>	<b>3.98</b>	<b>(0.74)</b>	<b>0.74</b>

**(ii) Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

**Exposure to interest rate risk**

The Group's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Group's financial assets/liabilities at the end of the reporting period are as follows:

Particulars	Amount in ₹ Mn		
	March 31, 2017	March 31, 2016	April 1, 2015
<b>Fixed-rate instruments</b>			
Financial assets	11,015.56	10,811.39	2,937.74
Financial liabilities	9.74	8.19	7.03
<b>Total</b>	<b>11,025.30</b>	<b>10,819.58</b>	<b>2,944.77</b>

**(iii) Price risk****Exposure**

The Group's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

**B) Capital management****a) Risk management**

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits. The Company avails borrowings only for buying vehicles.

**b) Dividend**

(Amount in ₹ Mn)

Particulars	March 31, 2017	March 31, 2016
<b>(i) Equity shares</b>		
Final dividends for the year ended March 31, 2015 of ₹ 2 per fully paid share	-	240.83
1st interim dividend for the year ended March 31, 2017 of ₹ 1.5 (March 31, 2016 - ₹ 1) per fully paid share	181.67	120.72
2nd interim dividend for the year ended March 31, 2017 of ₹ 1.5 (March 31, 2016- ₹ 2) per fully paid share	181.17	240.91
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 1.50 per fully paid equity share (March 31, 2016 - Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	181.62	-

45. Additional Information pursuant to Schedule III of Companies Act, 2013:

Name of the entity	For the year ended March 31, 2017							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total Comprehensive income (CI)	
	As % of consolidated net assets**	Amount (₹Mn)	As % of consolidated profit or loss*	Amount (₹Mn)	As % of consolidated OCI	Amount (₹Mn)	As % of consolidated Total CI	Amount (₹Mn)
<b>Parent</b>								
<b>Info Edge India Ltd.</b>	72.33%	19,831.11	-622.56%	2,044.03	240.65%	(4.70)	-617.45%	2,039.33
<b>Subsidiaries</b>								
Jeevansathi Internet Services Pvt. Ltd	0.00%	0.27	-0.01%	0.03	-	-	-0.01%	0.03
Naukri Internet Services Ltd.	10.95%	3,003.04	13.56%	(44.52)	-	-	13.48%	(44.52)
Allcheckdeals India Private Limited	0.49%	134.19	-0.61%	1.99	-	-	-0.60%	1.99
Interactive Visual Solutions Pvt. Ltd.	-0.00%	(1.07)	0.41%	(1.34)	-	-	0.41%	(1.34)
Startup Investment (Holding) Ltd.	6.36%	1,744.15	56.27%	(184.74)	-	-	55.93%	(184.74)
Smartweb Internet Services Ltd.	0.62%	170.69	-5.95%	19.53	-	-	-5.91%	19.53
Startup Internet Services Ltd.	0.03%	7.05	0.01%	(0.04)	-	-	0.01%	(0.04)
NEWINC INTERNET SERVICES PRIVATE LIMITED	0.14%	39.65	0.31%	(1.03)	-	-	0.31%	(1.03)
Applect Learning Systems Private Limited	-1.71%	(468.37)	66.49%	(218.32)	-13.72%	0.27	66.02%	(218.05)
Canvera Digital Technologies Private Limited	-0.86%	(236.39)	72.68%	(238.63)	-84.43%	1.65	71.75%	(236.98)
<b>Non- controlling interests in all subsidiaries</b>								
Applect Learning Systems Private Limited	-0.97%	(265.84)	-27.04%	88.78	5.63%	(0.11)	-26.85%	88.67
Canvera Digital Technologies Private Limited	0.41%	111.93	-30.91%	101.50	35.84%	(0.70)	-30.52%	100.80
<b>Joint ventures (Investment as per equity method)</b>								
Happily Unmarried Marketing Private Limited	0.44%	120.97	11.38%	(37.38)	-29.70%	0.58	11.14%	(36.80)
Vcare technologies Private Limited	0.15%	39.94	0.02%	(0.06)	-	-	0.02%	(0.06)
Unnati online Private Limited	0.13%	35.88	1.25%	(4.11)	-	-	1.24%	(4.11)
Green leaves Consumer Services Private Limited	0.33%	91.69	7.16%	(23.50)	-	-	7.12%	(23.50)
Rare Media Company Private Limited	0.22%	60.94	3.29%	(10.80)	-2.56%	0.05	3.25%	(10.75)
Kinobeo Software Private Limited	0.22%	59.96	6.65%	(21.85)	-	-	6.62%	(21.85)
Mint Bird Technologies Private Limited	0.21%	56.86	0.61%	(2.00)	-	-	0.61%	(2.00)
Ideaclicks Infolabs Private Limited	0.08%	22.44	0.58%	(1.91)	-	-	0.58%	(1.91)
Makesense Technologies Limited	3.64%	996.68	-0.05%	0.15	-	-	-0.05%	0.15
Zomato Media Private Limited	6.79%	1,861.85	546.44%	(1,794.10)	-51.71%	1.01	542.90%	(1,793.09)
<b>TOTAL</b>	<b>100%</b>	<b>27,417.62</b>	<b>100%</b>	<b>(328.33)</b>	<b>100%</b>	<b>(1.95)</b>	<b>100%</b>	<b>(330.28)</b>
Adjustment arising out of consolidation		<b>(11,493.10)</b>		<b>(98.57)</b>		<b>0.81</b>		<b>(97.76)</b>
<b>TOTAL</b>		<b>15,924.52</b>		<b>(426.90)</b>		<b>(1.14)</b>		<b>(428.04)</b>

\*Net assets and Profit / [Loss] is consolidated amount of the subsidiary, including its step down subsidiaries.

\*\* Percentage has been determined before considering adjustments arising out of consolidation.

Name of the entity	For the year ended March 31, 2016							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total Comprehensive income (CI)	
	As % of consolidated net assets**	Amount (₹Mn)	As % of consolidated profit or loss*	Amount (₹Mn)	As % of consolidated OCI	Amount (₹Mn)	As % of consolidated Total CI	Amount (₹Mn)
<b>Parent</b>								
<b>Info Edge India Ltd.</b>	68.89%	17,949.58	-64.14%	1,251.18	-9.42%	(8.65)	-66.84%	1,242.53
<b>Subsidiaries</b>								
Jeevansathi Internet Services Pvt. Ltd.	0.00%	0.24	-0.00%	0.03	-	-	-0.00%	0.03
Naukri Internet Services Ltd.	11.70%	3,047.60	2.61%	(50.99)	-	-	2.74%	(50.99)
Allcheckdeals India Private Limited	0.26%	67.85	-1.03%	20.05	-	-	-1.08%	20.05
Interactive Visual Solutions Pvt. Ltd.	-0.05%	(13.20)	0.08%	(1.56)	-	-	0.08%	(1.56)
Startup Investment (Holding) Ltd.	1.08%	280.38	-8.63%	168.28	-	-	-9.05%	168.28
Smartweb Internet Services Ltd.	0.58%	151.17	3.25%	(63.32)	-	-	3.41%	(63.32)
Startup Internet Services Ltd.	0.01%	2.55	0.03%	(0.67)	-	-	0.04%	(0.67)
Applect Learning Systems Private Limited	-1.09%	(283.44)	22.35%	(436.07)	0.37%	0.34	23.44%	(435.73)
<b>Non- controlling interests in all subsidiaries</b>								
Applect Learning Systems Private Limited	-0.68%	(177.17)	-9.09%	177.30	-0.14%	(0.13)	-9.53%	177.17
<b>Joint ventures (Investment as per equity method)</b>								
Happily Unmarried Marketing Private Limited	0.41%	107.78	1.94%	(37.80)	-	-	2.03%	(37.80)
Green leaves Consumer Services Private Limited	0.21%	55.19	0.45%	(8.81)	-	-	0.47%	(8.81)
Rare Media Company Private Limited	0.28%	71.70	0.14%	(2.69)	-	-	0.14%	(2.69)
Kinobeo Software Private Limited	0.31%	81.82	2.66%	(51.95)	-	-	2.79%	(51.95)
Mint Bird Technologies Private Limited	0.23%	58.85	0.06%	(1.15)	-	-	0.06%	(1.15)
Canvera Digital Technologies Private Limited	0.01%	2.23	9.76%	(190.49)	-	-	10.25%	(190.49)
Makesense Technologies Limited	3.82%	996.53	0.05%	(0.88)	-	-	0.05%	(0.88)
Zomato Media Private Limited	14.03%	3,654.94	139.49%	(2,721.30)	109.19%	100.31	140.99%	(2,620.99)
<b>TOTAL</b>	<b>100%</b>	<b>26,054.60</b>	<b>100%</b>	<b>(1,950.84)</b>	<b>100%</b>	<b>91.87</b>	<b>100%</b>	<b>(1,858.97)</b>
Adjustment arising out of consolidation		<b>(10,628.53)</b>		<b>3,129.34</b>		<b>0.13</b>		<b>3,129.47</b>
<b>TOTAL</b>		<b>15,426.07</b>		<b>1,178.50</b>		<b>92.00</b>		<b>1,270.50</b>

\*Net assets and Profit / (Loss) is consolidated amount of the subsidiary, including its step down subsidiaries.

\*\* Percentage has been determined before considering adjustments arising out of consolidation.

#### 46. First time adoption of Ind AS

##### Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**1 Ind AS optional exemptions****a) Business Combination**

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

**b) Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

**c) Share-based payment transactions**

Ind AS 101 provides the option to apply Ind AS 102 only on ESOP that are unvested on the transition date

Accordingly, the Company has elected to calculate ESOP cost only on unvested options as on the transition date

**d) Investments in subsidiaries, joint ventures and associates**

Ind AS 101 provides the option to the first-time adopter to account for its investments in subsidiaries, joint ventures and associates at either cost determined in accordance with IND AS 27 or in accordance with IND AS 109. The Company has elected to measure such investments at cost in accordance with Ind AS 27.

**e) Non- controlling interests**

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non- controlling interests. This requirement needs to be followed even if this results in the non- controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

Consequently, the group has applied the above requirement prospectively.

**2 Ind AS mandatory exemptions****a) De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choice, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**b) Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**c) Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL; and
- Impairment of financial assets based on expected credit loss model.

**3 Reconciliation between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as on March 31, 2016				Amount (₹Mn)
Particulars	Notes	Previous GAAP*	Adjustment	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	12,14	1,259.90	(496.43)	763.47
Capital work in progress	12,14	109.03	(109.03)	-
Intangible assets	14	2,225.67	(2,205.43)	20.24
Intangible assets under development		3.35	0.00	3.35
Investment property	12	-	271.59	271.59
Financial assets				
(i) Investments	14	1,580.52	3,448.74	5,029.26
(ii) Other financial assets	1,14	1,783.98	(182.46)	1,601.52
Non Current tax assets (net)	8	175.81	3.92	179.73
Deferred tax assets (net)	9	59.56	453.51	513.07
Other non-current assets	1,14	59.66	13.94	73.60
Goodwill	14	1,464.67	(1,427.72)	36.95
<b>Current Assets</b>				
Financial assets				
(i) Investments	7,14	837.28	(462.90)	374.38
(ii) Trade receivables	2,14	235.11	(109.39)	125.72
(iii) Cash and cash equivalents	8,14	958.77	(467.88)	490.89
(iv) Bank balances other than (iii) above	14	2,775.44	(1,725.05)	1,050.39
(v) Loans		10.13	-	10.13
(vi) Other financial assets	8,14	8,458.07	89.92	8,547.99
Current tax assets (net)	14	95.94	(36.75)	59.19
Other current assets	14	346.48	(252.06)	94.42
Assets classified as held for sale	14	13.40	(4.52)	8.88
<b>Total Assets</b>		<b>22,452.77</b>	<b>(3,198.00)</b>	<b>19,254.77</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share capital	8	1,209.16	(2.01)	1,207.15
Other equity	10	10,400.78	3,818.14	14,218.92
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings		3.79	(0.00)	3.79
(ii) Trade payables	14	89.36	(51.49)	37.87
(iii) Other financial liabilities		-	-	-
Provisions	14	22.35	(13.79)	8.56
Other non-current liabilities	6	53.78	7.88	61.66
Non controlling interest	14	6,861.75	(7,038.92)	(177.17)
<b>Current liabilities</b>				
Financial liabilities				
(i) Borrowing		-	-	-
(ii) Trade payables	14	605.63	(277.85)	327.78
(iii) Other financial liabilities		4.40	-	4.40
Provisions	14	446.69	(14.63)	432.06
Other current liabilities	6,14	2,755.08	374.67	3,129.75
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,452.77</b>	<b>(3,198.00)</b>	<b>19,254.77</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015			Amount (₹Mn)	
Particulars	Notes	March 31, 2016	April 1, 2015	
Total equity (shareholder's funds) as per previous GAAP		11,609.94	14,151.14	
<b>Adjustments :</b>				
Proposed dividend	3	-	240.23	
Dividend tax	3	-	49.23	
Fair valuation of Mutual Fund	7	17.09	64.59	
Consolidation of ESOP trust	8	166.82	118.60	
Doubtful debts	2	5.95	5.39	
Deferred revenue	6	(750.43)	(684.91)	
Rent exp	1	(18.57)	(11.24)	
Interest income on present value of security deposit	1	13.48	7.56	
Tax adjustment	9	451.69	347.14	
Reversal of lease equalisation reserve	13	2.92	2.98	
Due to conversion of subsidiary into Joint venture		292.69	136.33	
Additional share of loss of joint ventures on account of convertible preference shares		(263.89)	(493.92)	
Share of loss related to Non controlling interest (NCI) of subsidiary earlier absorbed by Group now allocated to NCI		177.17		
Gain on loss of control of subsidiary		1,430.04	-	
Gain on loss of Control in Joint venture		2,314.82	-	
Other		-23.65	-	
<b>Total adjustments</b>		<b>3,816.13</b>	<b>-218.02</b>	
<b>Total equity as per Ind AS</b>		<b>15,426.07</b>	<b>13,933.12</b>	

Reconciliation of equity as on April 01, 2015				Amount (₹Mn)
Particulars	Notes	Previous GAAP *	Adjustment	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	12,14	988.60	(329.90)	658.70
Capital work in progress	12,14	119.35	(115.87)	3.48
Intangible assets	14	3,305.11	(3,281.96)	23.15
Intangible assets under development		3.35	0.00	3.35
Investment property	12	-	274.78	274.78
Financial assets			-	
(i) Investments	14	1,129.56	1,913.18	3,042.74
(ii) Other financial assets	1,8,14	247.51	(78.98)	168.53
Non Current tax assets (net)	8	16.75	3.61	20.36
Deferred tax assets (net)	9	63.68	347.15	410.83
Other non-current assets	1,14	37.48	30.77	68.25
Goodwill	14	1,462.01	(1,345.80)	116.21
<b>Current Assets</b>				
Financial assets				
(i) Investments	7,14	10,615.55	(1,577.77)	9,037.78
(ii) Trade receivables	2,14	237.33	(124.84)	112.49
(iii) Cash and cash equivalents	8,14	834.31	(448.77)	385.54
(iv) Bank balances other than (iii) above	14	1,521.29	(29.55)	1,491.74
(v) Loans		-	0.02	0.02
(vi) Other financial assets	8,14	1,324.87	108.89	1,433.76
Current tax assets (net)	14	74.00	(13.36)	60.64
Other current assets	1,8,14	170.22	(95.01)	75.21
<b>Total Assets</b>		<b>22,150.97</b>	<b>(4,763.41)</b>	<b>17,387.56</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share capital	8	1,202.16	(1.36)	1,200.80
Other equity		12,948.98	(216.66)	12,732.32
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings		2.82	0.00	2.82
(ii) Trade payables	14	64.03	(22.34)	41.69
(iii) Other financial liabilities		-	-	-
Provisions	14	20.91	(13.90)	7.01
Other non-current liabilities	6	49.64	7.75	57.39
Minority Interests	14	4,188.28	(4,188.28)	-
<b>Current liabilities</b>				
Financial liabilities				
(i) Borrowings		-	-	-
(ii) Trade payables	8,14	994.07	(580.99)	413.08
(ii) Other financial liabilities		4.21	-	4.21
Provisions	3,14	571.40	(292.57)	278.83
Other current liabilities	6,14	2,104.48	544.93	2,649.41
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,150.97</b>	<b>(4,763.41)</b>	<b>17,387.56</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the period March 31, 2016				Amount (₹Mn)
Particulars	Notes	Previous GAAP* (₹Mn)	Adjustment	Ind AS (₹Mn)
<b>Income</b>				
Revenue from operations	6,14	9,382.02	(1,906.90)	7,475.12
Other income	1,7,8,14	1,070.64	3,335.91	4,406.55
<b>I Total Income</b>		<b>10,452.66</b>	<b>1,429.01</b>	<b>11,881.67</b>
<b>Expenses</b>				
Employee benefits expense	4,5,14	7,824.41	(4,001.18)	3,823.23
Finance costs	14	4.53	(3.66)	0.87
Depreciation and amortisation expense	14	746.53	(508.35)	238.18
Advertising and promotion cost	14	1,816.85	(441.51)	1,375.34
Administration and other expenses	1,2,6,14	2,510.68	(1,407.08)	1,103.60
Network, internet and other direct charges	14	492.62	(241.51)	251.11
<b>II Total Expense</b>		<b>13,395.62</b>	<b>(6,603.29)</b>	<b>6,792.33</b>
<b>III Profit before exceptional items, share of net losses of investments accounted for using equity method and tax (I-II)</b>		<b>(2,942.96)</b>	<b>8,032.30</b>	<b>5,089.34</b>
IV Share of net losses of joint ventures accounted for using the equity method	14	(12.09)	(3,002.98)	(3,015.07)
<b>V Profit before exceptional items and tax (III+IV)</b>		<b>(2,955.05)</b>	<b>5,029.32</b>	<b>2,074.27</b>
VI. Exceptional items	14	1,504.89	(1,182.60)	322.29
<b>VII. Profit before tax (V-VI)</b>		<b>(4,459.94)</b>	<b>6,211.92</b>	<b>1,751.98</b>
<b>VIII. Tax expense</b>				
(1) Current tax- (Current period)	8	678.82	9.82	688.64
(2) Current tax- (previous period)		(12.76)	-	(12.76)
(3) Deferred tax	9	4.12	(106.52)	-102.40
<b>IX. Profit for the year (VII-VIII)</b>		<b>(5,130.12)</b>	<b>6308.62</b>	<b>1,178.50</b>
X. Share of Minority Interest in loss of Subsidiaries		2,809.98	(2,632.81)	177.17
XI. Excess of Minority Interest in the losses of Subsidiaries absorbed		(197.77)	197.77	-
<b>XII. Profit for the year (VII-VIII-IX-X)</b>		<b>(2,517.91)</b>	<b>3873.58</b>	<b>1,355.67</b>
<b>Other comprehensive income</b>				
(A) Items that will be reclassified to profit or loss				
Share of other comprehensive income of joint ventures accounted for using the equity method			100.31	100.31
(B) Items that will not be reclassified to profit or loss				
Remeasurement of post employment benefit obligation	11	-	(12.74)	(12.74)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method				
Income tax relating to these items			4.43	4.43
<b>Other comprehensive income for the year, net of income tax</b>		<b>-</b>	<b>92.00</b>	<b>92.00</b>
<b>Total comprehensive income for the year</b>		<b>(2,517.91)</b>	<b>3965.58</b>	<b>1,447.67</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Impact of Ind AS adoption on the cash flows for the year ended March 31, 2016				Amount (₹Mn)
		Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	4,5,8,14	(3,805.57)	4,587.27	781.70
Net cash flow from investing activities	8,14	(685.49)	670.24	(15.25)
Net cash flow from financing activities	8,14	4,581.06	(5,242.16)	(661.10)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>90.00</b>	<b>15.35</b>	<b>105.35</b>
Cash and cash equivalents as at April 01, 2015	14	869.30	(483.76)	385.54
<b>Cash and cash equivalents as at March 31, 2016</b>		<b>959.30</b>	<b>(468.41)</b>	<b>490.89</b>

## REFERENCE NOTE

**1. Security Deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by ₹ 40.05 Mn as at March 31, 2016 (April 01, 2015 – ₹ 50.06 Mn). Total equity decreased by ₹ 4.67 Mn as on April 01, 2015. Total equity decreased by ₹ 2.06 Mn as on March 31, 2016. The prepaid rent increased by ₹ 43.98 Mn as at March 31, 2016 (April 01, 2015 - ₹ 35.94 Mn).

**2. Trade Receivables**

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts decreased by ₹ 5.95 Mn as at March 31, 2016 (April 01, 2015 – ₹ 5.39 Mn). Consequently, the total equity as at March 31, 2016 increased by ₹ 5.95 Mn (April 01, 2015 – ₹ 5.39 Mn) and profit for the year ended March 31, 2016 increased by ₹ 1.98

**3. Proposed Dividend**

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and related liability of Dividend Distribution tax of ₹ 289.66 Mn (i.e. ₹ 240.43 Mn & ₹ 49.23 Mn, respectively) as at April 01, 2015 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

**4. Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by ₹ 12.74 Mn. There is no impact on the total equity as at March 31, 2016.

**5. Employee stock option expense**

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account increased by ₹ 257.85 Mn as at March 31, 2016 (April 01, 2015- ₹ 95.48 Mn). The profit for the year ended March 31, 2016 decreased by ₹ 162.37. There is no impact on total equity.

**6. Revenue and Deferred revenue**

As per Ind AS-18, certain items of non-refundable fees, received upfront, are now being recognised as revenue over the tenure of contracts as it better reflects the substance of the transaction, which were earlier recognised upfront, based on performance of specific acts. Accordingly the Company has deferred the income from such contracts outstanding as at the date of transition and for new contracts entered during the financial year 2015-16. Consequently, the amount recognised in Deferred sales revenue increased by ₹ 750.43 Mn as at March 31, 2016 (April 01, 2015- ₹ 684.91 Mn). The profit for the year ended March 31, 2016 decreased by ₹ 65.52 Mn. Apart from above the other adjustment under "effects of transition to Ind AS" is on account of sales on principal to principal basis considering gross amounts with fee/expenses recorded under Administration and other expenses. Consequently the amount recognised in amount recognised in Revenue increased by ₹ 6.95 Mn & amount recognised in Administration and other expenses decreased by ₹ 6.95 Mn. No impact on profit for the year ended March 31, 2016.

**7. Valuation of Investments**

Under the previous GAAP, investment in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2016. This increased/(decreased) the retained earnings by ₹ 47.50 Mn as at March 31, 2016 (April 01, 2015 - ₹ 64.59 Mn).

**8. Consolidation of Info edge Employee Stock Option Plan Trust**

Under IND AS, the ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are treated as treasury shares. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets, liabilities, income and expenses (including tax) of the Company, other than dividend income and profit / loss on issue of shares to the employees which are directly adjusted in the Retained earnings. This increased/(decreased) the retained earnings by ₹ 48.22 Mn as at March 31, 2016 (April 01, 2015 - (₹ 118.60 Mn))

**9. Deferred Tax**

Deferred tax have been recognised on the adjustments made on transition to Ind AS. This resulted increase in deferred tax assets by ₹116.52 Mn as at March 31, 2016 [April 01, 2015 - ₹347.15 Mn].

**10. Retained earnings**

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments. Further share of OCI of joint venture accounted for using the equity method amounting to ₹ 100.31 Mn has also been considered here.

**11. Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP. In March 31, 2016, Other comprehensive income booked for remeasurements of defined benefit plans (i.e. for Gratuity) was ₹12.74 Mn.

**12. Investment property**

Under IND AS, the land (including expenses related to developmental activities) have been considered as Investment property, since the same is being held for a currently undetermined future use. This resulted reclassification of Property, Plant and Equipment by (₹179.91 Mn) & Capital work in progress by (₹94.88 Mn) into Investment Property by ₹274.78 Mn.

**13. Lease equalization reserve**

Under Indian GAAP, Appect Learning Systems Private Limited has recognized lease equalization reserve as on 31 March 2016 amounting to ₹2.92 Mn (1 April 2015: ₹2.98 Mn) due to straight-line impact. In contrast, Ind AS 17, Leases, requires lease payments to be recognized on straight-line basis if the increase is not in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. The Company has lease agreements with an escalation clause which is in line with expected general inflation, and hence no straight-lining of the lease payments have been done in Ind AS. Consequently, lease equalization reserve has been decreased with a corresponding adjustment in retained earnings as of 1 April 2015 by ₹2.98 Mn and increase in rent expense during the year ending 31 March 2016 ₹0.59 Mn.

**14. Consolidation adjustment**

- (i) Zomato Media Prviate Limited was considered as subsidiary under previous IGAAP, but under Ind AS the same has been considered as Joint venture from transition date i.e April 01, 2015. Due to this conversion all income, expenses ,assets & liabilities recognised earlier in previous IGAAP has been reversed under Ind AS. Further due to reduction in stake resultant gain has also been recognised for which investments has now been increased by ₹ 3654.94 (April 01, 2015 ₹ 2,407.08 Mn). Further the investments has now been accounted for using the equity method.
- (ii) Makesense Technologies Limited was considered as subsidiary under previous IGAAP, but under Ind AS same has been considered as Joint venture for year ended March 31, 2016. Due to this conversion all income, expenses ,assets & liabilities recognised earlier in previous IGAAP has been reversed under Ind AS. Consiquently gain on loss of control is also recognised.
- (iii) Under previous IGAAP share in loss of associate companies were considered only in respect of ownership interest related to equity investments. However under Ind AS share in loss is now considered based on ownership intererest related to both equity and preference investments, since the preference investments in substance has an existence ownership that currently gives it access to the returns associated with a ownership interest.

For Price Waterhouse & Co Bangalore LLP  
 Registration Number: 007567S/S-200012  
 Chartered Accountants

Abhishek Rara  
 Partner  
 Membership Number 077779

Place : Noida  
 Date : May 29, 2017

For and on behalf of the Board of Directors

Hitesh Oberoi  
 Managing Director

M. M. Jain  
 Company Secretary

Chintan Thakkar  
 Director & CFO

Sanjeev Bikhchandani  
 Director



# infoedge

INFO EDGE (INDIA) LIMITED

## REGISTERED OFFICE

GF-12A, 94, Meghdoot Building,  
Nehru Place, New Delhi-110 019 India  
CIN: L74899DL1995PLC068021

## CORPORATE OFFICE

B-8, Sector-132, Noida – 201 304  
Uttar Pradesh, India

naukri.com  
India's No 1 Job Site

naukrigulf.com  
أروع مواقع التوظيف تموا في العالم

Quadrangle

Firstnaukri.com  
A jobsite for campus hiring!

99acres  
India's No.1 Property Portal

allcheckdeals.com  
Property deals made Simple & Transparent

Jeevansathi.  
Be found

shiksha